JADWA SAUDI EQUITY FUND II
AN OPEN-ENDED INVESTMENT FUND
(MANAGED BY JADWA INVESTMENT COMPANY)
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
TOGETHER WITH THE
INDEPENDENT AUDITOR’S REVIEW REPORT TO THE UNITHOLDERS

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FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026

KPMG Professional Services Company
Roshn Front, Airport Road
P.O. Box 92876
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Kingdom of Saudi Arabia
Commercial Registration No 1010425494

Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent auditor's report on review of condensed interim financial statements

To the Unitholders of the Jadwa Saudi Equity Fund II

Introduction

We have reviewed the accompanying 30 June 2026 condensed interim financial statements of the **Jadwa Saudi Equity Fund II** (the "Fund"), managed by the Jadwa Investment Company (the "Fund Manager"), which comprises:

- the condensed statement of financial position as at 30 June 2026;
- the condensed statement of profit or loss and other comprehensive income for the six-month period ended 30 June 2026;
- the condensed statement of changes in net assets (equity) attributable to the Unitholders for the six-month period ended 30 June 2026;
- the condensed statement of cash flows for the six-month period ended 30 June 2026; and
- the notes to the condensed interim financial statements.

The Fund Manager is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 'Interim Financial Reporting', that is endorsed in the Kingdom of Saudi Arabia and to comply with the applicable provisions of the Investment Funds Regulations issued by Capital Market Authority and the Fund's Terms and Conditions. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with the 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 condensed 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 30 June 2026 condensed interim financial statements of the **Jadwa Saudi Equity Fund II** are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services Company

كي بي إم جي للإستشارات المهنية
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Riyadh, 27 Safar 1448 H
Corresponding to: 10 August 2026

JADWA SAUDI EQUITY FUND II
AN OPEN-ENDED INVESTMENT FUND
(MANAGED BY JADWA INVESTMENT COMPANY)
CONDENSED STATEMENT OF FINANCIAL POSITION
(AMOUNTS IN SAUDI ARABIAN RIYALS)

	Notes	**30 June 2026**	31 December 2025
		(Unaudited)	(Audited)
ASSETS			
Cash and cash equivalents	*7*	**157,882,623**	244,822,121
Investments	*8*	**1,375,900,146**	1,188,506,850
Dividend receivable		**12,220**	-
Total assets		**1,533,794,989**	1,433,328,971
LIABILITIES			
Management fee payable	*1(d), 11*	**6,211,788**	5,790,684
Redemption payable		**498,844**	76,099,524
Accrued expenses and other liabilities		**5,396,281**	640,283
Total liabilities		**12,106,913**	82,530,491
Net assets (equity) attributable to the Unitholders *(SAR)*		**1,521,688,076**	1,350,798,480
Units in issuance (*numbers*)			
Class A		**12,005,152.87**	10,978,104.97
Class B		**2,565,460.41**	2,327,619.67
Class C		**123,247.93**	147,965.64
Class D		**584,230.77**	649,883.75
Net assets (equity) attributable to each unit *(SAR)*			
Class A		**100.0048**	96.1238
Class B		**98.7627**	95.3097
Class C		**100.4685**	96.4210
Class D		**94.7590**	91.4460

The accompanying notes (1) to (14) form an integral part of these condensed interim financial statements.

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
(AMOUNTS IN SAUDI ARABIAN RIYALS)

	Notes	**For the six-month period ended 30 June 2026**	For the period from 11 November 2024 to 30 June 2025
Gain / (loss) on investments, net	*10*	**39,330,242**	(32,565,961)
Dividend income		**24,950,485**	18,258,136
Special commission income		**3,119,920**	3,273,819
Total income		**67,400,647**	(11,034,006)
Management fee	*1(d), 11*	**(11,951,845)**	(9,796,157)
Other operating expenses		**(1,114,569)**	(706,670)
Fund Board fee	*11*	**(6,612)**	(14,801)
Total operating expenses		**(13,073,026)**	(10,517,628)
Net profit / (loss) for the period		**54,327,621**	(21,551,634)
Other comprehensive income for the period		-	-
Total comprehensive income / (loss) for the period		**54,327,621**	(21,551,634)

The accompanying notes (1) to (14) form an integral part of these condensed interim financial statements.

CONDENSED STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS (UNAUDITED)
(AMOUNTS IN SAUDI ARABIAN RIYALS)

	For the six-month period ended 30 June 2026	For the period from 11 November 2024 to 30 June 2025
Net assets (equity) attributable to the Unitholders at the beginning of the period	**1,350,798,480**	-
Total comprehensive income / (loss) for the period	**54,327,621**	(21,551,634)
Contributions and redemptions by the Unitholders		
Proceeds from issuance of units:		
- Class A	**105,437,085**	1,068,435,968
- Class B	**93,273,514**	189,172,371
- Class C	**624,717**	11,990,686
- Class D	**9,177,163**	73,128,200
	208,512,479	1,342,727,225
Payments against redemption of units:		
- Class A	**(3,635,178)**	-
- Class B	**(69,679,858)**	(17,292,166)
- Class C	**(3,153,872)**	(927,675)
- Class D	**(15,481,596)**	(6,808,672)
	(91,950,504)	(25,028,513)
Net contributions by the Unitholders	**116,561,975**	1,317,698,712
Net assets (equity) attributable to the Unitholders at the end of the period	**1,521,688,076**	1,296,147,078

The accompanying notes (1) to (14) form an integral part of these condensed interim financial statements.

Unit transactions *(numbers)*

	For the six-month period ended 30 June 2026				For the period from 11 November 2024 to 30 June 2025			
	Class A	**Class B**	**Class C**	**Class D**	Class A	Class B	Class C	Class D
Units in issuance at beginning of the period	**10,978,104.97**	**2,327,619.67**	**147,965.64**	**649,883.75**	-	-	-	-
Issuance of units	**1,064,125.25**	**938,103.75**	**6,396.25**	**96,219.60**	10,630,940.34	1,870,838.52	118,003.28	740,935.78
Redemption of units	**(37,077.35)**	**(700,263.01)**	**(31,113.96)**	**(161,872.58)**	-	(172,851.68)	(9,298.62)	(71,947.53)
Units in issuance at end of the period	**12,005,152.87**	**2,565,460.41**	**123,247.93**	**584,230.77**	10,630,940.34	1,697,986.84	108,704.66	668,988.25

The accompanying notes (1) to (14) form an integral part of these condensed interim financial statements.

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
(AMOUNTS IN SAUDI ARABIAN RIYALS)

	Notes	**For the six-month period ended 30 June 2026**	For the period from 11 November 2024 to 30 June 2025
Cash flows from operating activities			
Net profit / (loss) for the period		**54,327,621**	(21,551,634)
Adjustments for			
(Gain) / loss on investments, net	*9*	**(39,330,242)**	32,565,961
Dividend income		**(24,950,485)**	(18,258,136)
Special Commission Income		**(3,119,920)**	(3,273,819)
		(13,073,026)	(10,517,628)
Net changes in operating assets and liabilities			
Purchase of investments		**(189,819,255)**	(1,260,501,913)
Proceeds from sale of investments		**41,756,201**	193,126,812
Management fee payable		**421,104**	3,734,027
Accrued expenses and other liabilities		**4,755,998**	536,023
Net cash used in operations		**(155,958,978)**	(1,073,622,679)
Dividend received		**24,938,265**	16,907,276
Special commission income received		**3,119,920**	3,273,819
Net cash used in operating activities		**(127,900,793)**	(1,053,441,584)
Cash flows from financing activities			
Proceeds from issuance of units		**208,512,479**	1,342,727,225
Payment made against redemption of the units		**(167,551,184)**	(25,028,513)
Net cash generated from financing activities		**40,961,295**	1,317,698,712
Net (decrease) / increase in cash and cash equivalents		**(86,939,498)**	264,257,128
Cash and cash equivalents at the beginning of the period	*7*	**244,822,121**	-
Cash and cash equivalents at the end of the period	*7*	**157,882,623**	264,257,128

The accompanying notes (1) to (14) form an integral part of these condensed interim financial statements.

1. GENERAL INFORMATION

(a) Jadwa Saudi Equity Fund II (the "Fund") is a public open-ended investment fund established and managed as per terms and conditions between Jadwa Investment Company (the "Fund Manager") and the Fund investors (the "Unitholders").

The Fund aims to provide investors with long-term capital appreciation by investing in Saudi equities listed on the Saudi stock market and any of their affiliates which are compliant with the Shariah standards approved by the Fund Manager's Shariah Committee.

In dealing with the Unitholders, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund Manager prepares separate financial statements for the Fund.

(b) The Fund is governed by the Regulations published by the CMA's Board Resolution no. 1-219-2006 dated 3 Dhul Hijja 1427 H (corresponding to 24 December 2006) thereafter amended pursuant to the CMA's Board Resolution no. 1-135-2025 dated 3 Jumada Al Thani 1447 H (corresponding to 24 November 2025) detailing requirements for all funds within the Kingdom of Saudi Arabia.

(c) The management of the Fund is the responsibility of the Fund Manager. However, in accordance with the Fund's terms and conditions, the Fund Manager can delegate or assign its duties to one or more of the financial institutions in the Kingdom of Saudi Arabia and overseas. The Fund Manager of the Fund is Jadwa Investment Company and administrator, and custodian of the Fund is HSBC Saudi Arabia.

(d) The Fund Manager charges the Fund a management fee of 1.25%, 1.95%, 0.98% and 1.95% of the net assets (equity) value of Class A, Class B, Class C and Class D units respectively at each valuation day. In addition, the Fund Manager has the right to collectively charge the Fund all other expenses related to the management of the Fund, including but not limited to audit fee and legal charges subject to limits as set out in the Fund's terms and conditions.

Furthermore, the Fund Manager may charge investor a subscription fee for a percentage not to exceed 3% of the subscribed amount. Subscription fee is not included in these financial statements.

2. BASIS OF ACCOUNTING

These condensed interim financial statements are prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and to comply with the applicable provisions of the Investment Fund Regulations issued by the Capital Market Authority ("CMA") and the Fund's terms and conditions.

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Fund's annual audited financial statements for the year ended 31 December 2025.

3. BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on a historical cost convention, except for investments which are carried at fair value, using accrual basis of accounting and the going concern concept.

The Fund does not have a clearly identifiable operating cycle and therefore does not present current and non-current assets and liabilities separately in the condensed interim statement of financial position. Instead, assets and liabilities are presented in order of their liquidity.

4. FUNCTIONAL AND PRESENTATION CURRENCY

These condensed interim financial statements are presented in Saudi Arabian Riyal ("SAR"), which is the Fund's functional currency. All amounts have been rounded to the nearest SAR, unless otherwise indicated.

5. USE OF JUDGMENTS AND ESTIMATES

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

6. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these condensed interim financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 31 December 2025.

Below amendments to accounting standards, interpretations and amendments became applicable for annual reporting periods commencing on or after 1 January 2026. The Fund manager has assessed that the amendments have no significant impact on the Fund's condensed interim financial statements.

Standards / Amendments	**Description**	**Effective from periods beginning on or after the following date**
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	Clarifies the assessment of financial assets with ESG-linked features under the SPPI test and provides guidance on the recognition and derecognition of financial assets and liabilities, including certain electronic payment transactions.	1 January 2026
Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity	Introduces requirements to better reflect the accounting and disclosure effects of contracts referencing nature-dependent electricity.	1 January 2026
Annual Improvements to IFRS – Volume 11	Includes minor clarifications and corrections to several IFRS standards, including IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7, to improve consistency and remove unintended inconsistencies.	January 2026

6. MATERIAL ACCOUNTING POLICIES (CONTINUED)

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 condensed interim financial statements. The Fund intends to adopt these standards when they become effective.

Standards / Amendments	**Description**	**Effective from periods beginning on or after the following date**
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Clarifies the recognition of gains and losses arising from transactions between an investor and its associate or joint venture, depending on whether the transferred assets constitute a business.	Effective date deferred indefinitely
IFRS 18 – Presentation and Disclosure in Financial Statements	Introduces new presentation and disclosure requirements, including defined categories in the statement of profit or loss and enhanced disclosures for management-defined performance measures (MPMs). The Fund Manager is assessing the presentation and disclosure impacts required.	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	Permits eligible subsidiaries without public accountability to apply IFRS Accounting Standards with reduced disclosure requirements.	1 January 2027

7. CASH AND CASH EQUIVALENT

	Note	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Cash with custodian		**14,542,460**	61,601,878
Short-term Murabaha placements having original maturity of three month or less	*7.1*	**143,340,163**	183,220,243
Total		**157,882,623**	244,822,121

7.1 This represents short-term Murabaha contract with a local bank carrying profit rate of 3.80% (31 December 2025: 3.80%) per annum

8. INVESTMENTS

	Note	**30 June 2026 (unaudited)**	31 December 2025 (Audited)
Investment measured at fair value through profit and loss (FVTPL)			
- Listed equity securities	*8.1*	**1,354,571,820**	1,168,579,035
- Investment fund managed by the Fund Manager	*8.2*	**21,328,326**	19,927,815
		1,375,900,146	1,188,506,850

8. INVESTMENTS (CONTINUED)

8.1 It includes units of Real Estate Investment Trust managed by Fund Manager amounting to SAR 732,273 (31 December 2025: SAR 750,412).

8.2 During the period, the Fund purchased investments in funds managed by the Fund Manager amounting to SAR NIL (31 December 2025: SAR 22,896,100).

The composition of investments in listed equity securities, classified by industry sector, is summarized below:

	30 June 2026 (Unaudited)		
Economic sectors	**Cost**	**Fair value**	**% of fair value to total equity investment**
Banks	**283,837,921**	**286,537,889**	**21.15**
Energy	**238,931,078**	**259,294,849**	**19.14**
Materials	**248,964,534**	**245,835,161**	**18.15**
Telecommunication Services	**120,003,147**	**126,050,582**	**9.31**
Food and Beverages	**130,353,331**	**110,524,427**	**8.16**
Consumer Services	**67,084,448**	**60,141,330**	**4.44**
Software and Services	**55,503,510**	**53,549,013**	**3.95**
Real Estate Management and Development	**61,113,009**	**49,405,435**	**3.65**
Capital Goods	**44,756,210**	**42,230,256**	**3.12**
Commercial and Professional Services	**55,041,994**	**40,512,652**	**2.99**
Insurance	**29,890,761**	**30,459,632**	**2.25**
Health Care Equipment and Services	**32,577,686**	**25,526,266**	**1.88**
Utilities	**34,905,776**	**23,772,055**	**1.75**
Real Estate Investment Trust	**759,834**	**732,273**	**0.06**
Total	**1,403,723,239**	**1,354,571,820**	**100**

	31 December 2025 (Audited)		
Economic sectors	Cost	Fair value	% of fair value to total equity investment
Banks	280,105,104	270,519,814	23.15
Materials	230,554,694	205,109,702	17.55
Energy	179,516,644	179,252,598	15.34
Telecommunication Services	120,003,148	129,085,466	11.05
Food and Beverages	110,448,177	84,237,015	7.21
Consumer Services	60,616,652	63,839,028	5.46
Real Estate Management and Development	67,562,925	54,664,890	4.68
Capital Goods	42,889,445	42,091,491	3.60
Software and Services	48,183,758	38,972,179	3.34
Utilities	34,905,776	31,354,563	2.68
Health Care Equipment and Services	30,164,964	26,135,377	2.24
Commercial and Professional Services	34,395,999	21,657,298	1.85
Insurance	25,448,456	20,909,202	1.79
Real Estate Investment Trust	759,834	750,412	0.06
Total	1,265,555,576	1,168,579,035	100.00

9. GAIN / (LOSS) ON INVESTMENTS, NET

	For the six months ended 30 June 2026 (Unaudited)	For the period from 11 November 2024 to 30 June 2025 (Unaudited)
Unrealized gain / (loss) on investments measured at FVTPL, net	**46,350,180**	(47,303,958)
Realized (loss) / gain on investments measured at FVTPL, net	**(7,019,938)**	14,737,997
	39,330,242	(32,565,961)

10. RELATED PARTY TRANSACTIONS AND BALANCES

The related parties of the Fund include the Fund Manager, the Fund Board, and other funds managed by the Fund Manager. In the ordinary course of its activities, the Fund transacts business with the related parties.

In addition to transactions disclosed elsewhere in these condensed interim financial statements, the Fund entered into the following transactions with related parties during the period. These transactions were carried out on the basis of approved terms and conditions of the Fund.

Related party	**Nature of relationship**	**Nature of transaction**	**For the six-month period ended**		**Payable balance as at**	
			30 June 2026	30 June 2025	**30 June 2026**	31 December 2025
			Unaudited	Unaudited	Unaudited	Audited
Jadwa Investment Company	The Fund Manager	Management fee	**11,951,845**	9,796,157	**6,211,788**	5,790,684
The Fund Board	The Fund Board	The Fund Board fee to the members of board	**6,612**	14,801	**-**	3,333

11. FAIR VALUE MEASUREMENT

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable, and the unobservable inputs have a significant effect on the instrument's valuation.

11. FAIR VALUE MEASUREMENT (CONTINUED)

The Fund determines the fair value of listed equity securities using their quoted closing market prices on approved stock exchanges. As these securities are traded in active markets and no valuation adjustments are applied, they are classified within Level 1 of the fair value hierarchy.

The Fund determines fair value of investments in open-ended investment funds using unadjusted net assets value and is determined based on the similar security external price. Therefore, the Fund classified them as level 2 of the fair value hierarchy.

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognized in the statement of financial position. All fair value measurements below are recurring.

	30 June 2026 (Unaudited)				
		Fair value			
	Carrying amount	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments	**1,375,900,146**	**1,354,560,660**	**21,339,486**	**-**	**1,375,900,146**

	31 December 2025 (Audited)				
		Fair value			
	Carrying amount	Level 1	Level 2	Level 3	Total
Investments	1,188,506,850	1,168,567,894	19,938,956	-	1,188,506,850

For the period / year ended 30 June 2026 and 31 December 2025 respectively, there were no transfers between levels.

The Fund has classified cash and cash equivalents as level 1 as per the fair value hierarchy. For other financial assets and liabilities carried at amortized cost, their carrying values are a reasonable approximation of fair value and are classified as level 3.

12. LAST VALUATION DAY

The Fund's units are valued on every business day and unit price is announced on the following business day. The last valuation day for the purpose of preparation of these condensed interim financial statements was 30 June 2026 (2025: 31 December 2025).

13. EVENTS AFTER THE END OF THE REPORTING PERIOD

There are no events subsequent to the condensed interim statement of financial position date which require adjustments of or disclosure in the financial statements or notes thereto.

14. APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were authorized for issue by the Fund Board on 26 Safar 1448 H (corresponding to 9 August 2026).