MUSHARAKA SAUDI EQUITY FUND
(Managed by Musharaka Capital Company)

CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
AND REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

MUSHARAKA SAUDI EQUITY FUND
(Managed by Musharaka Capital Company)

Condensed interim financial information for the six-month period ended 30 June 2026 (unaudited)

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REPORT ON THE REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

To the Unitholders
Musharaka Saudi Equity Fund

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Musharaka Saudi Equity Fund (the "Fund"), managed by Musharaka Capital Company (the "Fund Manager") as of 30 June 2026 and the related condensed interim statements of profit or loss and other comprehensive income, changes in net assets attributable to unitholders and cash flows for the six-month period then ended and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information 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 this condensed interim financial information 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 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 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34, that is endorsed in the Kingdom of Saudi Arabia.

Other matter

The condensed interim financial information of the Fund for the six-month period ended 30 June 2025 was reviewed by another auditor who expressed an unmodified conclusion on that condensed interim financial information on 4 August 2025 (corresponding to 10 Safar 1447H), and the financial statements of the Fund as at and for the year ended 31 December 2025 were audited by another auditor who expressed an unmodified opinion on those financial statements on 26 March 2026 (corresponding to 7 Shawwal 1447H).

RSM Allied Accountants Professional Services

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Mohammed Bin Farhan Bin Nader
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Khobar, Kingdom of Saudi Arabia
13 August 2026 (Corresponding 30 Safar 1448H)

MUSHARAKA SAUDI EQUITY FUND
(Managed by Musharaka Capital Company)

Condensed interim statement of profit or loss and other comprehensive income
(All amounts in Saudi Riyals unless otherwise stated)

		For the six-month period ended 30 June	
	Note	**2026 (Unaudited)**	2025 (Unaudited)
Revenue			
Loss on investments carried at fair value through profit or Loss - net	8	**(6,846)**	(165,008)
Dividends income		**46,858**	35,426
Other income		**13,214**	12,000
Total operating income / (loss)		**53,226**	(117,582)
Expenses			
Fund management fee	6	**(22,332)**	(22,190)
Other expenses	7	**(43,334)**	(48,383)
Total expenses		**(65,666)**	(70,573)
Loss for the period		**(12,440)**	(188,155)
Other comprehensive income		**-**	-
Total comprehensive loss for the period		**(12,440)**	(188,155)

The accompanying notes form an integral part of this condensed interim financial information.

MUSHARAKA SAUDI EQUITY FUND
(Managed by Musharaka Capital Company)

Condensed interim statement of financial position
(All amounts in Saudi Riyals unless otherwise stated)

	Note	**As at 30 June 2026 (Unaudited)**	As at 31 December 2025 (Audited)
Assets			
Prepayments and other current assets		**1,794**	5,297
Investments carried at fair value through profit or loss	8	**2,089,557**	1,931,254
Cash and cash equivalents	9	**157,091**	357,722
Total assets		**2,248,442**	2,294,273
Liabilities			
Accrued management fee	11	**10,154**	6,536
Accrued expenses and other liabilities	10	**59,201**	71,903
Total liabilities		**69,355**	78,439
Net assets attributable to unitholders		**2,179,087**	2,215,834
Units in issue (Numbers)		**135,522**	137,009
Net asset value per unit (Saudi Riyals)		**16.08**	16.17

The accompanying notes form an integral part of this condensed interim financial information.

MUSHARAKA SAUDI EQUITY FUND
(Managed by Musharaka Capital Company)

Condensed interim statement of changes in net assets attributable to unitholders
(All amounts in Saudi Riyals unless otherwise stated)

	For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
At 1 January	**2,215,834**	2,482,940
Changes from operations		
Total comprehensive loss for the period	**(12,440)**	(188,155)
Changes from unit transactions		
Payment against units redeemed during the period	**(24,307)**	(219,185)
Net change from unit transactions	**(24,307)**	(219,185)
At 30 June	**2,179,087**	2,075,600

Movement in the number of units

At 1 January	**137,009**	125,748
Units redeemed during the period	**(1,487)**	(10,802)
Net change in units	**(1,487)**	(10,802)
At 30 June	**135,522**	114,946

The accompanying notes form an integral part of this condensed interim financial information.

MUSHARAKA SAUDI EQUITY FUND
(Managed by Musharaka Capital Company)

Condensed interim statement of cash flows
(All amounts in Saudi Riyals unless otherwise stated)

	Note	For the six-month period ended 30 June 2026 (Unaudited)	2025 (Unaudited)
Cash flows from operating activities			
Loss for the period		**(12,440)**	(188,155)
Adjustments for:			
Unrealised (gain) / loss on investments carried at fair value through profit or loss	8	**(216,738)**	179,743
Dividends income		**(46,858)**	(35,426)
Other income		**(13,214)**	(12,000)
Changes in operating assets and liabilities:			
Additions to investments carried at fair value through profit or loss	8	**(891,840)**	(541,527)
Disposals of investments carried at fair value through profit or loss	8	**950,275**	575,293
Decrease in prepayments and other current assets		**3,503**	120,789
Increase in accrued management fee	11	**3,618**	1,959
Increase in accrued expenses and other liabilities	10	**2,071**	8,306
Cash (used in) generated from operations		**(221,623)**	108,982
Dividends income received		**45,299**	33,271
Net cash (outflow) inflow from operating activities		**(176,324)**	142,253
Cash flows from a financing activity			
Payment for redemption of units		**(24,307)**	(219,185)
Net decrease in cash and cash equivalents		**(200,631)**	(76,932)
Cash and cash equivalents at the beginning of period		**357,722**	256,696
Cash and cash equivalents at the end of period		**157,091**	179,764

The accompanying notes form an integral part of this condensed interim financial information.

1 GENERAL INFORMATION

Musharaka Saudi Equity Fund (the “Fund”) is an open-ended public investment fund, managed by Musharaka Capital Company (the “Fund Manager”) licensed by the Capital Market Authority (“the CMA”) under license no. 13169-27. The Fund is governed by the Investment Fund Regulations (the “Regulations”) published by the CMA detailing requirements for all funds within the Kingdom of Saudi Arabia. The Regulations were amended by the CMA board on 3 Jumada Al-Thani 1447H (corresponding to 24 November 2025).

The terms and conditions of the Fund were approved by the CMA on 20 Dhul Qa'dah 1435H (corresponding to 15 September 2014). The Fund commenced its activities on 9 Muharram 1436H (corresponding to 2 November 2014) pursuant to such approval and after concluding the subscription procedures.

The Fund’s objective is to invest in the initial public offering (IPO), Real Estate Investment Trust, the ordinary shares and premium shares of the companies which are listed on Saudi primary and secondary stock exchange markets.

In dealing with the unitholders, the Fund Manager considers the Fund as an independent entity. Accordingly, the Fund prepares its own financial statements. Furthermore, unitholders are considered as owners of the assets of the Fund.

The registered address of the Fund Manager is P.O. Box 712, Al Khobar 31952, Kingdom of Saudi Arabia.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information for the six-month period ended 30 June 2026 has been prepared in accordance with IAS 34 “Interim Financial Reporting” (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

The Fund has also complied with Investment Funds Regulations published by the CMA and Fund’s terms and conditions, information memorandum and key information summary (collectively hereinafter referred to as “Terms and Conditions”).

The condensed interim financial information does not include all the information and disclosures required in the annual financial statements. Therefore, this condensed interim financial information should be read in conjunction with the Fund’s annual financial statements for the year ended 31 December 2025. These interim results may not be an indicator of the annual result of the Fund

2.2 Basis of measurement

The condensed interim financial information has been prepared on a historical cost basis, except for investments that are carried at fair value through profit or loss (“FVTPL”) that have been measured at fair value.

2.3 Functional and presentation currency

Items included in the condensed interim financial information of the Fund are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). The condensed interim financial information is presented in Saudi Arabian Riyals (“Saudi Riyals”) which is also the Fund’s functional and presentation currency.

(All amounts in Saudi Riyals unless otherwise stated)

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed interim financial information in conformity with International Financial Reporting Standards ("IFRS"), that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by SOCPA, requires the use of certain critical estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Estimates and judgements are continually evaluated and are based on historical experience and other factor, including expectations of future events that are believed to be reasonable under the circumstances. The Fund makes estimates and judgements concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

In preparing this condensed interim financial information, the significant judgments and assumptions made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty including the risk management policies were the same as those that applied and disclosed in the annual financial statements for the year ended December 31, 2025.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information adopted in the preparation of the condensed interim financial information are consistent with those applicable in the annual financial statements for the year ended 31 December 2025.

5 NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS

A number of new and amended standards became applicable for the current reporting period.

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7.
- Annual improvements to IFRS - Volume 11.
- IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity.

The adoption of above amendments did not have a material impact on the condensed interim financial information.

Certain new accounting standards, amendments and interpretations have been published that are mandatory from 1 July 2026 or later reporting periods and have not been early adopted by the Fund. The Fund is in the process of assessing the impacts of new standards and interpretations on its condensed interim financial information.

6 FUND MANAGEMENT FEE

The Fund is managed and administered by the Fund Manager. For these services, the Fund calculates the management fee, as set out in the Fund's terms and conditions, at an annual rate of 1.75% of the Fund's net assets. For the six-month period ended, management fee amounted to Saudi Riyals 22,332 (2025: Saudi Riyals 22,190) inclusive of VAT.

7 OTHER EXPENSES

	For the six-month period ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Fund Board fee	**11,901**	11,901
Audit fee	**10,265**	10,265
Custody fee	**6,844**	12,064
Sharia Committee fee	**3,967**	4,000
Capital Market Authority ("CMA") fee	**3,719**	3,719
Saudi exchange (Tadawul) fee	**2,851**	2,479
Other	**3,787**	3,955
	43,334	48,383

(All amounts in Saudi Riyals unless otherwise stated)

8 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

The investment portfolio is allocated among the various economic sectors, the fair values of these investments are as follows:

	30 June 2026 (Unaudited)		31 December 2025 (Audited)	
Sector wise investments	**Fair value**	**Weighted average cost**	Fair value	Weighted average cost
Banks	**410,347**	**418,132**	209,151	219,060
Telecommunication and other communication services	**281,133**	**250,999**	309,824	313,090
Materials	**259,998**	**209,596**	199,410	215,592
Energy	**220,065**	**225,066**	186,086	213,031
Capital goods	**189,534**	**189,237**	-	-
Real estate	**99,812**	**99,001**	177,786	207,409
Food and beverages	**96,728**	**90,828**	96,906	109,976
Transportation	**91,699**	**73,252**	156,807	203,670
Health care	**96,086**	**110,745**	142,857	203,514
Commercial and professional services	**75,600**	**100,470**	63,360	90,983
Consumer services / discretionary	**41,034**	**40,495**	125,235	153,900
Financial services	**46,373**	**62,610**	53,636	53,164
Insurance	**65,790**	**68,973**	34,866	34,660
Fund (third party)	**66,010**	**69,612**	43,115	44,053
Utilities	**49,348**	**50,388**	-	-
Software and services / Information technology	**-**	**-**	29,920	32,550
Consumer staples distribution and retail	**-**	**-**	102,295	143,515
Total	**2,089,557**	**2,059,404**	1,931,254	2,238,167

The above investments are listed on the Saudi stock exchange ("Tadawul"). The Fund Manager seeks to limit risks by monitoring exposures in each investment sector and individual securities.

8.1 Movement in investments carried at fair value through profit or loss is as follows:

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
At 1 January	**1,931,254**	2,176,211
Additions during the period / year	**891,840**	1,285,213
Disposals during the period / year	**(950,275)**	(1,223,257)
Unrealized fair value gain (loss)	**216,738**	(306,913)
At period / year end	**2,089,557**	1,931,254

(All amounts in Saudi Riyals unless otherwise stated)

8 INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL) (continued)

8.2 Gain (loss) on investments carried at fair value through profit or loss - net:

	For the six-month period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Realized (loss) / gain from investments carried at FVTPL	**(223,584)**	14,736
Unrealized gain / (loss) from investments carried at FVTPL	**216,738**	(179,744)
	(6,846)	(165,008)

9 CASH AND CASH EQUIVALENTS

	As at 30 June 2026 (Unaudited)	As at 31 December 2025 (Audited)
Short-term Murabaha deposits (Note 9.1)	**33,522**	308,654
Cash held in investment account (Note 9.2)	**123,248**	45,175
Cash at banks	**321**	3,893
	157,091	357,722

9.1 Short-term Murabaha deposits represent amount invested by the Fund in Murabaha deposits held with local banks and financial institutions and have an original maturity of less than three months from the placement date with profit rate 3.95% (31 December 2025: 5.0%) per annum.

9.2 This represents cash held with custodian for the purpose of settling trade transactions into listed securities.

10 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	**As at 30 June 2026 (Unaudited)**	As at 31 December 2025 (Audited)
Sharia Committee fee		**12,001**	12,034
Fund board fee	11	**11,901**	12,000
Audit fee		**10,265**	20,700
Saudi exchange (Tadawul) fee		**8,601**	11,500
CMA fee		**3,719**	-
Custody fee		**3,440**	3,496
Other		**9,274**	12,173
		59,201	71,903

(All amounts in Saudi Riyals unless otherwise stated)

11 RELATED PARTIES' BALANCES AND TRANSACTIONS

Related parties comprise the Fund Manager, directors, the associated funds, and key management personnel of the Fund. Related parties also include business entities in which Fund manager or senior management have an interest.

In the ordinary course of its activities, the Fund transacts with related parties. Related party transactions are in accordance with the Terms and Conditions of the Fund. All the related party transactions are approved by the Fund Board.

		Transactions for the period		**Balances**	
Name and nature of related parties	**Nature of transactions with the related parties**	**For six-month period ended 30 June 2026**	For six-month period ended 30 June 2025	**As at 30 June 2026**	As at 31 December 2025
		(Unaudited)	(Unaudited)	**(Unaudited)**	(Audited)
Musharaka Capital Company - Fund Manager	Fund management fee	**22,332**	22,190	**10,154**	6,536
Fund Board of Directors	Board meeting expense	**11,901**	11,901	**11,901**	12,000
Sharia Committee	Sharia Committee fee	**3,967**	4,000	**12,001**	12,034
Alinma Investment Company - Custodian	Custody fee	**6,844**	12,064	**3,440**	3,496
				37,496	34,066

The Fund Manager's investment in the Fund as at 30 June 2026 was Saudi Riyals 0.45 million, 0.028 million in units representing 21% of units in issue (31 December 2025: Saudi Riyals 0.45 million, 0.028 million in units representing 21% of units in issue).

Basis and term of payment for fee payable to related parties as per terms and conditions of the Fund approved by the CMA are as follows:

Type of fee	Rate	Payment term
Fund management fee	1.75% of the net asset value	Calculated on daily basis, paid monthly
Board of Directors remuneration	Saudi Riyals 3,000 per meeting only payable to the independent members, maximum up to Saudi Riyals 24,000 per annum.	Immediately after meeting
Sharia Committee remunerations	Saudi Riyals 8,000 per annum	Monthly
Custody fee (Alinma Investment Company)	Higher of Saudi Riyals 12,000 or 0.02% of daily net assets value	Quarterly

(All amounts in Saudi Riyals unless otherwise stated)

12 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

When available, the Fund measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an on-going basis. The Fund measures instruments quoted in an active market at a market price, because this price is reasonable approximation of the exit price.

If there is no quoted price in an active market, then the Fund uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would consider in pricing a transaction. The Fund recognizes transfer between levels of fair value at the end of the reporting period during which the change has occurred.

The fair value hierarchy has the following levels:

Level 1 - quoted (unadjusted) market price in active markets for identical assets or liabilities;

Level 2 - valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 - valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	30 June 2026 (Unaudited)						
	Carrying amount			**Fair value**			
	Fair value	**Amortized cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets							
Investments at fair value through profit or loss	**2,089,557**	**-**	**2,089,557**	**2,089,557**	**-**	**-**	**2,089,557**
Cash and cash equivalents	**-**	**157,091**	**157,091**	**-**	**-**	**-**	**-**
	2,089,557	**157,091**	**2,246,648**	**2,089,557**	**-**	**-**	**2,089,557**

	31 December 2025 (Audited)						
	Carrying amount			Fair value			
	Fair value	Amortized cost	Total	Level 1	Level 2	Level 3	Total
Financial assets							
Investments at fair value through profit or loss	1,931,254	-	1,931,254	1,931,254	-	-	1,931,254
Cash and cash equivalents	-	357,722	357,722	-	-	-	-
	1,931,254	357,722	2,288,976	1,931,254	-	-	1,931,254

13 LAST VALUATION DAY

The Fund's units are valued daily from Sunday to Thursday, and unit price is announced on the following business day. The last valuation day for the purpose of preparation of this condensed interim financial information was 30 June 2026.

14 SUBSEQUENT EVENTS

As of the date of approval of this condensed interim financial information, the Fund's management has assessed that there are no subsequent events requiring adjustment to or disclosure in the condensed interim financial information as of 30 June 2026.

15 APPROVAL OF CONDENSED INTERIM FINANCIAL INFORMATION

This condensed interim financial information was approved by the Fund's Manager on 13 August 2026 (Corresponding 30 Safar 1448H).