

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**

**FINANCIAL STATEMENTS**  
**FOR THE PERIOD FROM 29 APRIL 2025**  
**TO 31 DECEMBER 2025**

**AND INDEPENDENT AUDITOR'S REPORT**

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**

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**FINANCIAL STATEMENTS**

**For the period from 29 April 2025 to 31 December 2025**

<b>INDEX</b>	<b>PAGE</b>
Independent auditor's report	1 – 2
Statement of financial position	3
Statement of profit or loss and other comprehensive income	4
Statement of cash flows	5
Statement of changes in equity	6
Notes to the financial statements	7 – 18

## INDEPENDENT AUDITOR'S REPORT

To the Unitholders of Dinar Saudi Equity Fund  
(Managed by Dinar Investment Company)

### Opinion

We have audited the financial statements of Dinar Saudi Equity Fund (the "Fund") managed by Dinar Investment Company (the "Fund Manager"), which comprise the statement of financial position as at 31 December 2025, and the related statements of profit or loss and other comprehensive income, cash flows and changes in equity for the period from 29 April 2025 to 31 December 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements, present fairly, in all material respects, the financial position of the Fund as at 31 December 2025, and its financial performance and its cash flows for the period from 29 April 2025 to 31 December 2025 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants ("SOCPA").

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs") that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) ("the Code"), that is endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the Fund's financial statements and we have fulfilled our ethical responsibilities in accordance with that Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information included in the Fund's 2025 Annual Report

The Fund Manager is responsible for the other information. The other information comprises the information included in the Fund's 2025 annual report but does not include the financial statements and our auditor's report thereon. The Fund's 2025 annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Fund's 2025 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of the Fund Manager and Those Charged with Governance for the Financial Statements

The Fund Manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by SOCPA and the applicable provisions of the Investment Funds Regulations issued by the Board of Capital Market Authority, and the Fund's terms and conditions and for such internal control as the Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Fund Manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Fund Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Fund's financial reporting process.

**INDEPENDENT AUDITOR'S REPORT (continued)**  
**To the Unitholders of Dinar Saudi Equity Fund**  
**(Managed by Dinar Investment Company)**

**Auditor's Responsibilities for the Audit of the Financial Statements**

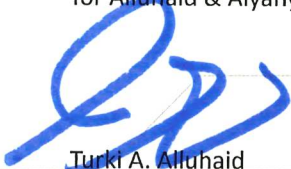
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Fund Manager.
- Conclude on the appropriateness of the Fund Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

for Alluhaid & Alyahya Chartered Accountants



Turki A. Alluhaid  
Certified Public Accountant  
License No. 438



Riyadh: 16 Ramadan 1447H  
(05 March 2026)

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**STATEMENT OF FINANCIAL POSITION**  
**As at 31 December 2025**

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	<i>Notes</i>	<b>ﷲ</b>
<b>ASSETS</b>		
Bank balances		2,778,472
Financial assets at fair value through profit or loss (“FVTPL”)	5	69,412,904
<b>TOTAL ASSETS</b>		<u>72,191,376</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		
<b>LIABILITIES</b>		
Management fees payable	7	350,037
Redemption payable		142,015
Accrued expenses and other current liabilities	6	192,448
<b>TOTAL LIABILITIES</b>		<u>684,500</u>
<b>EQUITY</b>		
Net assets attributable to unitholders of redeemable units		71,506,876
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>72,191,376</u>
Redeemable units in issue (numbers)		<u>7,958,814</u>
Net asset value attributable to each unit in issue (ﷲ)		<u>8.98</u>

The accompanying notes from 1 to 13 form an integral part of these financial statements

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**DINAR SAUDI EQUITY FUND****(Managed by Dinar Investment Company)****STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME****For the period from 29 April 2025 to 31 December 2025**

	<i>Notes</i>	<i>ﷲ</i>
<b>INCOME / LOSS</b>		
Loss from financial assets at FVTPL	5	(4,703,143)
Dividend income		881,419
		<hr/>
<b>TOTAL LOSS</b>		<b>(3,821,724)</b>
		<hr/>
<b>OPERATING EXPENSES</b>		
Management fees	7	(927,878)
Brokerage fees		(206,288)
Administration fees	7	(194,555)
Other operating expenses		(129,861)
		<hr/>
<b>TOTAL EXPENSES</b>		<b>(1,458,582)</b>
		<hr/>
<b>NET LOSS FOR THE PERIOD</b>		<b>(5,280,306)</b>
		<hr/>
Other comprehensive income		-
		<hr/>
<b>TOTAL COMPREHENSIVE LOSS FOR THE PERIOD</b>		<b>(5,280,306)</b>
		<hr/> <hr/>

The accompanying notes from 1 to 13 form an integral part of these financial statements

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**

**STATEMENT OF CASH FLOWS**

**For the period from 29 April 2025 to 31 December 2025**

	<b>ﷲ</b>
<b>OPERATING ACTIVITIES</b>	
Net loss for the period	(5,280,306)
<i>Adjustment for non-cash items:</i>	
Loss from financial assets at FVTPL	4,703,143
Dividend income	(881,419)
	<u>(1,458,582)</u>
<i>Changes in operating assets and liabilities</i>	
Increase in financial assets at FVTPL	(74,116,047)
Increase in redemption payable	142,015
Increase in management fee payable	350,037
Increase in accrued expenses and other current liabilities	192,448
	<u>(74,890,129)</u>
<b>Cash used in operations</b>	<b>(74,890,129)</b>
Dividends received	881,419
	<u>(74,008,710)</u>
<b>FINANCING ACTIVITIES</b>	
Proceeds from issuance of units	101,450,986
Payments against redemption of units	(24,663,804)
	<u>76,787,182</u>
<b>Net cash generated from financing activities</b>	<b>76,787,182</b>
<b>BANK BALANCES AT THE END OF THE PERIOD</b>	<b><u><u>2,778,472</u></u></b>

The accompanying notes from 1 to 13 form an integral part of these financial statements

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**STATEMENT OF CHANGES IN EQUITY**  
**For the period from 29 April 2025 to 31 December 2025**

**ﷲ**

<b>Comprehensive income:</b>	
Net loss for the period	(5,280,306)
Other comprehensive income for the period	-
Total comprehensive loss for the period	(5,280,306)
<b>CHANGE FROM UNITS TRANSACTIONS</b>	
Proceeds from issuance of units	101,450,986
Payments against redemption of units	(24,663,804)
Net change from unit transactions	76,787,182
<b>EQUITY AT THE END OF THE PERIOD</b>	71,506,876
<b>REDEEMABLE UNITS TRANSACTIONS</b>	
Transactions in redeemable units for the period are summarised as follows:	
	<i>Units</i>
Units issued during the period	10,547,302
Units redeemed during the period	(2,588,488)
<b>UNITS AT THE END OF THE PERIOD</b>	7,958,814
<b>NET ASSETS VALUE PER UNIT AT THE END OF THE PERIOD (ﷲ)</b>	8.98

The accompanying notes from 1 to 13 form an integral part of these financial statements

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**31 December 2025**

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**1 INCORPORATION AND ACTIVITIES**

Dinar Saudi Equity Fund, (the “Fund”), an open-ended fund is created under an agreement between Dinar Investment Company (the “Fund Manager”) and investors in the Fund (the “Unitholders”). The main activity of the Fund is to achieve medium to long-term capital growth through investing primarily in the equities listed on the Saudi Stock Exchange.

The Fund was offered for subscription under the laws and regulations of the Capital Market Authority of the Kingdom of Saudi Arabia (“CMA”) on 22 Rajab 1446H (corresponding to 22 January 2025). The Fund commenced its operations on 1 Dhul-Qa’dah 1446H (corresponding to 29 April 2025). Accordingly, These are the Fund’s first financial statements and covers the period from 29 April 2025 to 31 December 2025.

The Fund is managed by Dinar Investment Company (the "Fund Manager"), a closed joint stock company with commercial registration number 1010742917, licensed by the CMA under license number 24281-37.

The Fund Manager’s registered office is P.O. Box 13313, 4538 Northern Ring Road Branch, Al Wadi, Riyadh 6880, Kingdom of Saudi Arabia.

The Fund has appointed HSBC Saudi Arabia (the “Custodian”) to act as its custodian. The fees of the custodian are paid by the Fund.

The last valuation day of the period was 31 December 2025.

**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 MATERIAL ACCOUNTING POLICY INFORMATION**

The material accounting policies applied in the preparation of these financial statements are set out below.

**3.1 Basis of preparation**

These financial statements of the Fund have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement that are endorsed by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

The financial statements have been prepared under the historical cost convention using the accrual basis of accounting except for financial assets held at FVTPL which are measured at fair value.

The Fund Manager has prepared the financial statements on the basis that it will continue to operate as a going concern.

The financial statements is presented in Saudi Arabian Riyal (“**ﷲ**”), which is also the functional currency of the Fund.

The Fund presents its statement of financial position in order of liquidity based on the Fund Manager’s intention and perceived ability to recover/settle the majority of assets/liabilities of the corresponding financial statement line item. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in note 9.

The preparation of these financial statements requires the use of certain critical accounting estimates. It also requires the Fund Manager to exercise its judgement in the process of applying the Fund’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 4.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

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**3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

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

The following standards, amendments, and interpretations were in issue at the date of authorization of these financial statements but are not yet effective. The Fund intends to adopt these standards, if applicable, when they become effective and endorsed by SOCPA.

<u>Standards / amendments to standards / interpretations</u>	<u>Effective date</u>
Amendment to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred indefinitely
Amendments to IFRS 9 and IFRS 7 – Classification and Measuring of Financial Instruments	1 January 2026
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	1 January 2027

**3.3 Cash and cash equivalents**

Cash and cash equivalents include cash with a bank and other short-term highly liquid investments, if any, with original maturities of three months or less from the purchase date.

**3.4 Financial Instruments**

**3.4.1 Financial Instruments – Initial recognition and subsequent measurement**

Financial assets and financial liabilities are recognised when the Fund becomes a party to the contractual provisions of the instrument. Purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Fund commits to purchase or sell the asset.

**i) Financial assets**

**Initial recognition and measurement**

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Fund's business model for managing them. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. Financial assets with cash flows that are not SPPI are classified and measured at fair value through profit or loss, irrespective of the business model. The Fund's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. Financial assets classified and measured at amortised cost are held within a business model with the objective of holding financial assets in order to collect contractual cash flows.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

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**3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**3.4 Financial Instruments (continued)**

**3.4.1 Financial Instruments – Initial recognition and subsequent measurement (continued)**

**i) Financial assets (continued)**

**Subsequent measurement**

For purposes of subsequent measurement, financial assets are classified in the following categories:

- Financial assets at amortised cost
- Financial assets at fair value through profit or loss

***Financial assets measured at amortised cost***

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired. The Fund's financial assets at amortised cost includes bank balances and receivables.

***Financial assets measured at fair value through profit or loss ("FVTPL")***

Financial assets in this category are those that are not held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under IFRS 9. Management only designates an instrument at FVPL upon initial recognition when one of the following criteria are met. Such designation is determined on an instrument-by-instrument basis:

- (a) Its contractual terms do not give rise to cash flows on specified dates that are solely payments of principal and interest (SPPI) on the principal amount outstanding;
- (b) It is not held within a business model whose objective is either to collect contractual cash flows or to both collect contractual cash flows and sell; and
- (c) The designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise from measuring assets or liabilities or recognizing the gains and losses on them on different bases.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

This category includes listed equity investments which the Fund had not irrevocably elected to classify at fair value through Other Comprehensive Income. Dividends on listed equity investments are recognised in the statement of profit or loss when the right of payment has been established.

***Derecognition***

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of the Fund's continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

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**3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**3.4 Financial Instruments (continued)**

**3.4.2 Financial Instruments – Initial recognition and subsequent measurement (continued)**

**i) Financial assets (continued)**

***Impairment***

The Fund recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Fund expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For dividends and other receivables, the Fund applies a simplified approach in calculating ECLs. Therefore, the Fund does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Fund has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

**ii) Financial liabilities**

***Initial recognition and measurement***

The Fund's financial liabilities include redemption payable, management and administration fees payable and other liabilities. All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

***Subsequent measurement***

For purposes of subsequent measurement, financial liabilities are classified at amortised cost:

***Financial liabilities at amortised cost***

This category includes all financial liabilities, other than those measured at fair value through profit or loss. This is the category most relevant to the Fund. After initial recognition, financial liabilities are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

This category generally applies to redemption payable, management and administration fees payable and other liabilities.

***Derecognition***

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

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**3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**3.4 Financial Instruments (continued)**

**3.4.3 Financial Instruments – Initial recognition and subsequent measurement (continued)**

**iii) Offsetting financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is generally not the case with master netting agreements unless one party to the agreement defaults and the related assets and liabilities are presented gross in the statement of financial position.

**3.5 Fair value measurement**

The Fund measures financial instruments such as equity instruments at fair value at each statement of financial position date.

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

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy. This is described, as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices 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
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in financial statements at fair value on a recurring basis, the Fund determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each year. The Fund determines the policies and procedures for both recurring fair value measurement, and for non-recurring measurement.

At each reporting date, the Fund analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Fund's accounting policies. For this analysis, the Fund verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents. The Fund also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

For the purpose of fair value disclosures, the Fund has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above. Fair value related disclosures for financial instruments that are measured at fair value or where fair values are disclosed are discussed in note 5 and note 8.3.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

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**3 MATERIAL ACCOUNTING POLICY INFORMATION (continued)**

**3.6 Redeemable units**

Redeemable units are classified as equity instruments when:

- The redeemable units entitle the Unitholder to a pro rata share of the Fund's net assets in the event of the Fund's liquidation
- The redeemable units are in the class of instruments that is subordinate to all other classes of instruments
- All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features
- The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the Unitholder's rights to a pro rata share of the Fund's net assets
- The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund over the life of the instrument.

In addition to the redeemable units having all of the above features, the Fund must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognised net assets or the change in the fair value of the recognised and unrecognised net assets of the Fund
- The effect of substantially restricting or fixing the residual return to the redeemable unitholders.

The Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features, or meet all the conditions set out, to be classified as equity, the Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognised in net assets attributable to the Unitholders. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions. No gain or loss is recognised in the statement of comprehensive income on the purchase, issuance or cancellation of the Fund's own equity instruments.

**3.7 Net assets value per unit**

The net assets value per unit disclosed in the statement of financial position is calculated by dividing the net assets value of the Fund by the number of units in issue at the year end.

**3.8 Management fees, custodian fees and other expenses**

Management fees, administration fees, custodian fees and other expenses are charged at rates / amounts within limits mentioned in terms and conditions of the Fund. The Fund is liable to pay for the value-added tax on these expenses.

**3.9 Zakat and income tax**

Fund is not liable to pay any zakat or income tax which are considered to be the obligation of the unitholders and are as such not provided for in the accompanying financial statements.

**3.10 Dividend income**

Dividend income is recognised in the statement of profit or loss and other comprehensive income on the date on which the right to receive the payment for dividend is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at FVTPL is recognised in the statement of profit or loss and other comprehensive income as a separate line item.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

**4 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of the Fund’s financial statements in conformity with the IFRS Accounting Standards requires the use of estimates and assumptions 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 year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Fund makes estimates and assumptions concerning the future. The resulting accounting estimates, by definition, may differ from the related actual results.

Significant areas where management has used estimates, assumptions or exercised judgements are as follows:

***Going concern***

The Board of Directors, in conjunction with the Fund Manager has made an assessment of the Fund’s ability to continue as going concern and satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the Fund Manager is not aware of any material uncertainties that may cast significant doubt upon the Fund’s ability to continue as going concern. Therefore, the financial statements continued to be prepared on the going concern basis.

***Fair value measurement***

The Fund measures its investments in equity instruments at fair value at each reporting date. 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. The principal or the most advantageous market must be accessible to the Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

For all financial instruments not traded in an active market, if any, the fair value is determined using valuation techniques deemed to be appropriate in the circumstances. Valuation techniques include the market approach (i.e., using recent arm’s length market transactions, adjusted as necessary, and reference to the current market value of another instrument that is substantially the same) and the income approach (i.e., discounted cash flow analysis and option pricing models making as much use of available and supportable market data as possible).

The Fund measures financial instruments at fair value at each statement of financial position date. The Fund holds listed equity investments which are fair valued using the market price as of the reporting date. Fair values of those financial instruments are disclosed in note 5.

**5 FINANCIAL ASSETS AT FVTPL**

The composition and geographical exposure of financial assets at fair value through profit or loss on the last valuation day is summarised below:

	<i>31 December 2025</i>	
<u><i>Quoted equity instruments (by country)</i></u>	<u><i>Cost</i></u>	<u><i>Fair Value</i></u>
	<u><i>ﷲ</i></u>	<u><i>ﷲ</i></u>
Kingdom of Saudi Arabia	<u><b>73,305,968</b></u>	<u><b>69,412,904</b></u>

The loss incurred on financial assets at FVTPL during the period from 29 April 2025 to 31 December 2025 amounted to **ﷲ 4,703,143**.

The Fund also manages its exposure to price risk by analyzing the investment portfolio by the industrial sector. The Fund’s policy is to concentrate the investment portfolio in sectors where the Fund Manager believes the Fund can maximise the returns derived for the level of risk to which the Fund is exposed.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

**5 FINANCIAL ASSETS AT FVTPL (continued)**

Investment concentration according to the industry group of the investment portfolio of the Fund is disclosed in the table below:

Industry group	31 December 2025		
	Cost S	Fair value S	% of fair value
Banks	20,940,647	20,357,636	29.33%
Transportation	8,539,300	7,235,694	10.42%
Energy	6,777,387	7,054,611	10.16%
Materials	6,082,541	6,441,932	9.28%
Health care equipment and services	6,212,012	5,554,597	8.00%
Capital Goods	4,523,059	4,812,299	6.93%
Consumer Services	4,201,729	3,337,919	4.81%
Insurance	2,534,332	2,681,913	3.86%
Commercial and professional services	1,936,630	2,354,625	3.39%
Real Estate Management and Development	2,540,010	1,935,662	2.79%
Utilities	2,025,175	1,790,798	2.58%
Food and Beverages	1,980,635	1,698,125	2.45%
Financial services	1,699,912	1,568,208	2.26%
Pharma, Biotech and life sciences	1,388,752	1,300,439	1.87%
Software and services	1,245,903	936,496	1.35%
Consumer Discretionary Distribution & Retail	677,944	351,950	0.52%
	<u>73,305,968</u>	<u>69,412,904</u>	<u>100.00%</u>

**6 ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES**

	31 December 2025 S
Value-added tax payable	69,214
Administration fees payable (note 7)	63,014
Accrued custodian fees	9,468
Board of Directors Remuneration payable (note 7)	6,767
Other accruals and liabilities	43,985
	<u>192,448</u>

**7 TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

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

**a) Management fees**

The Fund Manager is responsible for managing the Fund's activities. The Fund Manager charges management fee at the rate of 1.85% per annum, calculated daily based on the net assets of the Fund and is paid quarterly.

**b) Administration fees**

The Fund Manager charges administration fees of S 250,000 a year. The fee is paid quarterly.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

**7 TRANSACTIONS AND BALANCES WITH RELATED PARTIES (continued)**

*c) Subscription fees*

In addition, the Fund Manager is entitled to charge a subscription fee at the rate of 2% of the subscription value from the Fund's unitholders.

*d) Board of Directors remuneration*

Each independent board member is allowed a remuneration of ~~ﷲ~~ 2,500 per board meeting and maximum fees of ~~ﷲ~~ 10,000 for all board members in a year.

*e) Subscription and redemption of units*

<i>Name of related party</i>	<i>Nature of transactions</i>	<i>For the period from 29 April 2025 to 31 December 2025</i>	
		<i>Units</i>	<i>ﷲ</i>
Directors and executive management	Subscription	16,940	167,778
	Redemption	(94)	(910)
Board Members of Fund Manager	Subscription	47,302	457,750

**7.1 Related party transactions**

The following are the details of the significant transactions with related parties

<i>Name of related party</i>	<i>Nature of relationship</i>	<i>Nature of transactions</i>	<i>For the period from 29 April 2025 to 31 December 2025</i>
			<i>ﷲ</i>
Dinar Investment Company	Fund Manager	Management fees	927,878
		Administration fees	194,555
Board of Directors	Directors	Remuneration	6,767

**7.2 Related party balances**

Period end payable balances arising from transactions with related parties are as follows:

<i>Name of related party</i>	<i>Nature of balances</i>	<i>31 December 2025</i>
		<i>ﷲ</i>
Dinar Investment Company	Management fee payable	350,037
	Administration fees payable (note 6)	63,014
Fund Board	Board remuneration payable (note 6)	6,767

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

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**8 FINANCIAL RISK MANAGEMENT**

**8.1 FINANCIAL RISK FACTORS**

The Fund's activities are exposed to a variety of financial instrument risks such as: market risk, credit risk and liquidity risk. The Fund's overall risk management program seeks to maximize the returns derived for the level of risk to which the Fund is exposed and seeks to minimize potential adverse effects on the Fund's financial performance. The Fund Manager has in place policies and procedures to identify risks affecting the Fund's investments and to ensure that such risks are addressed as soon as possible, which include conducting a risk assessment at least once a year.

The Fund Manager also applies a prudent spread of risk while taking into consideration the Fund's investment policies and terms and conditions. Furthermore, the Fund Manager shall make every effort to ensure that sufficient liquidity is available to meet any anticipated recovery request.

The Board of the Fund plays a role in ensuring that the Fund Manager fulfils its responsibilities to the benefit of the unitholders in accordance with the provisions of the Investment Funds Regulations and the terms and conditions of the Fund.

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

**8.1.1 Market risk**

**a) Commission rate risk**

Commission rate risk is the risk that the value of future cash flows of a financial instrument or fair values of fixed coupon financial instruments will fluctuate due to changes in market commission rates. The Fund is not subject to special commission rate risk, as it does not have any commission bearing financial instruments.

**b) Currency risk**

Currency risk is the risk that the value of a financial instrument will fluctuate due to a change in foreign exchange rates. The Fund's financial assets and financial liabilities are denominated in Saudi Riyal and therefore the Fund is not exposed to any currency risks on these financial instruments.

**c) Price risk**

Price risk is the risk that the value of the Fund's financial instruments will fluctuate as a result of changes in market prices.

The price risk arises primarily from uncertainty about the future prices of the financial instruments that the Fund holds. The Fund Manager closely monitors the price movement of its financial instruments listed on Tadawul. The Fund Manager manages this risk through diversification of its investment portfolio in terms of industry concentration.

**Sensitivity analysis**

The Fund's financial assets at FVTPL are subject to equity price risk. According to the Fund's management, the effect on the statement of profit or loss and other comprehensive income as a result of a change in fair value of equity instruments due to a reasonable possible change in equity indices, with all other variables held constant is as follows:

	<i>For the period from 29 April 2025 to 31 December 2025</i>
	<i>⌘</i>
5% increase	3,470,645
5% decrease	(3,470,645)

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

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**8 FINANCIAL RISK MANAGEMENT (continued)**

**8.1.2 Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in realizing funds to meet commitments associated with financial liabilities.

The Fund's terms and conditions provide for subscriptions and redemptions of units throughout the week and the Fund is therefore exposed to the liquidity risk of not meeting unitholder redemptions. The Fund's securities are considered to be readily realizable and they can be liquidated at any time. However, the Fund Manager has established certain liquidity guidelines for the Fund and monitors liquidity requirements on a regular basis to ensure sufficient funds are available to meet any commitments as they arise, either through new subscriptions, liquidation of the investment portfolio or by obtaining financing from the related parties of the Fund.

The undiscounted value of all financial liabilities of the Fund at the reporting date approximate to their carrying values and all are to be settled within one year from the reporting date.

**8.1.3 Credit risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Credit risk is managed and controlled by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. Credit risks are generally managed on the basis of external credit ratings of the counterparties. The Fund Manager seeks to limit its credit risk by monitoring credit exposure and by dealing with reputed counterparties.

The table below shows the maximum exposure to credit risk for the components of the statement of financial position:

	<b>31 December 2025</b>
	<b>ﷲ</b>
Bank balances	<b><u>2,778,472</u></b>

**8.2 CAPITAL RISK MANAGEMENT**

The capital of the Fund is represented by the net assets attributable to holders of redeemable units. The amount of net asset attributable to holders of redeemable units can change significantly on each valuation day, as the Fund is subject to subscriptions and redemptions at the discretion of unitholders on every valuation day, as well as changes resulting from the Fund's performance. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders, provide benefits for other stakeholders and maintain a strong net asset base to support the development of the investment activities of the Fund.

In order to maintain the capital structure, the Fund's policy is to monitor the level of subscriptions and redemptions relative to the assets it expects to be able to liquidate.

The Fund Board and the Fund Manager monitor capital on the basis of the value of net assets attributable to redeemable unitholders.

**8.3 FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Fund has investments at fair value through profit or loss which are measured at fair values and are classified within level 1 of the fair value hierarchy. Management believes that the fair value of all other financial assets and liabilities classified as amortised costs and at the reporting date 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 the various levels of the fair value hierarchy during the current period.

**DINAR SAUDI EQUITY FUND**  
**(Managed by Dinar Investment Company)**  
**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**31 December 2025**

**9 MATURITY ANALYSIS OF ASSETS AND LIABILITIES**

<i>As at 31 December 2025</i>	<i>Within 12 months ﷲ</i>	<i>After 12 months ﷲ</i>	<i>Total ﷲ</i>
<b>ASSETS</b>			
Bank balances	2,778,472	-	2,778,472
Financial assets at FVTPL	69,412,904	-	69,412,904
<b>TOTAL ASSETS</b>	<b>72,191,376</b>	<b>-</b>	<b>72,191,376</b>
<b>LIABILITIES</b>			
Management fee payable	350,037	-	350,037
Redemption payable	142,015	-	142,015
Accrued expenses and other current liabilities	192,448	-	192,448
<b>TOTAL LIABILITIES</b>	<b>684,500</b>	<b>-</b>	<b>684,500</b>

**10 CONTINGENCIES**

There are no contingencies as at the reporting date.

**11 ZAKAT AND INCOME TAX**

The Ministry of Finance has issued a resolution (“MR”) numbered 29791, dated 9 Jumada Al-Awwal 1444H (corresponding to 3 December 2022) publishing certain zakat filing rules to be complied by investment funds in the Kingdom of Saudi Arabia. According to the MR the Fund is not subject to zakat or tax, however, will be required to file certain financial information with Zakat, Tax and Customs Authority (“ZATCA”). The filing with ZATCA is due by 30 April 2026.

**12 EVENTS AFTER THE END OF THE REPORTING PERIOD**

There were no events subsequent to the reporting date which require adjustments of or disclosure in the financial statements or notes thereto.

**13 APPROVAL OF THE FINANCIAL STATEMENTS**

The financial statements were approved by the Board of Directors on 14 Ramadan 1447H (corresponding to 3 March 2026).