
SEDCO Capital IPO Fund

Annual Report 2025

December 2025

Subject	Page Number
A) Fund Information	
1) Fund Name	03
2) Fund investment objectives, policies and Practices	03
3) Income and dividend distribution Policy	03
4) Description of the Fund's Benchmark, the Reasons for Its Selection, Its Suitability to the Fund's Investment Strategies and Objectives, and the Service Provider's Website (if any).	03
5) The Fund Manager will make the Fund's reports available upon request free of Charge	03
B) Fund Performance	
1) Financial Results	04
2) Performance Record	04
3) Commissions and Fees Incurred by the Fund throughout the Year	05
4) Any Material Changes that occurred during the Period that affected the Fund's Performance	05
5) Disclosure of Annual Voting Practices	05
C) Report of the Fund's Board of Directors	
1) Details of the Fund's Board Members	06
2) Qualifications of the Board of Directors	06
3) Other Funds Managed by Board Members	07
4) Details of the remuneration of the Fund's board members and conflict of interest Statement	09
5) Description of Board of Directors Roles and Responsibilities	09
6) Items Discussed and Resolutions Issued, Including the Fund's Performance and Achievement of the Fund's Objectives	09
D) Fund Manager	
1) Details of the Fund Manager	10
2) Name and address of the sub-investment manager and/or investment Advisor	10
3) Review of investment activities during the Period	10
4) Fund's performance during the Period	10
5) Details of any Changes to the Fund's Terms and Conditions during the Period	11
6) Any other information which can enable the Unitholder to make a well-founded decision based on sufficient information on the Fund's activities during the Period	11
7) The Fund's investments in other investment Funds	11
8) A statement about the special commissions earned by the Fund Manager during the Period	11
9) Any statements and other information required by Regulations to be included in this Report	11
10) Management Term of the Person who is Registered as Fund Manager	11
11) The Ratio of Expenses of each fund as at the end of the year, and the Weighted Average of the Ratio of expenses of all Main Underlying Funds	11
E) Custodian, Fund Operator & Auditor	
1) Name of and Address	12
2) Brief Description of the Obligations and Responsibilities	12
F) Financial Statements	14

A) Fund Information

1- Fund Name

SEDCO Capital IPO Fund is an open-ended public investment Fund that invests in Saudi equities compliant with Shariah standards and guidelines.

2- Fund Investment Objectives, Policies and Practices

The Fund aims to achieve capital growth over the medium to long term by investing in initial public offerings (IPOs) and rights issues of companies listed on the Saudi Stock Exchange, including both the Main Market and the Parallel Market (Nomu), in compliance with the Shariah standards approved by the Fund's Shariah Supervisory Committee.

The Fund primarily invests in Shariah-compliant equities listed on the Saudi Stock Exchange (Tadawul) across various sectors and market capitalizations. To achieve its investment objectives, the Fund may invest in the following:

- Shares listed on the Main Market or the Parallel Market that have been offered within the past three years.
- Rights issues for companies listed on the Saudi Stock Exchange.
- Initial Public Offerings of Real Estate Exchange Traded Funds (REITs).
- Shariah-compliant money market transactions approved by the Fund's Shariah Supervisory Committee, executed with counterparties regulated by the Saudi Central Bank or a similar regulatory authority outside the Kingdom. These transactions must be issued by counterparties with an investment-grade credit rating, as determined by the Fund Manager. The counterparties involved in such transactions, or their issuers, must be rated by one of the international rating agencies (Standard & Poor's, Moody's, or Fitch).
- Shariah-compliant Sukuk approved by the Fund's Shariah Supervisory Committee and issued by counterparties with an investment-grade credit rating, as assessed by the Fund Manager. Sukuk issuances and related counterparties, or their issuers, must be rated by one of the international rating agencies (Standard & Poor's, Moody's, or Fitch).

Type of assets (investments)	Minimum Net Asset Value	Maximum Net Asset Value
Initial public offerings (IPOs) of companies listed on the Saudi Stock Exchange, including the Main Market and the Parallel Market (Nomu); and Listed shares that were offered within the past three years.	50%	100%
Priority rights for companies listed on the Saudi Stock Exchange	0%	50%
Initial Public Offerings of Real Estate Exchange Traded Funds (REITs)	0%	40%
Sharia-compliant money market transactions	0%	40%
Sharia-compliant Sukuk	0%	40%

3- Income and Dividend Distribution Policy

The Fund does not distribute dividends. All income received is reinvested in accordance with the Fund's investment strategy to enhance overall performance.

4- Description of the Fund's Benchmark, the Reasons for Its Selection, Its Suitability to the Fund's Investment Strategies and Objectives, and the Service Provider's Website (if any).

The benchmark index for the fund is SC Saudi IPO Total Return Index. This benchmark is calculated by the fund manager according to the index calculation mechanism, the Benchmark of the Fund is internally calculated and includes total return of all the IPOs in Main market and Nomu after the inception of benchmark.

Benchmark Calculation Methodology:

Benchmark of the Fund is internally calculated and includes total return of all the IPOs in Main market and Nomu after the inception of the benchmark. IPOs will be added to benchmark on the day of listing at IPO price and exit after 3 years. Each main market IPO gets 3% weight and Nomu IPO gets 1% weight at entry through proportional weight displacement of other constituents. The weight of each listed company in the BM would be capped at 20%. BM Rebalancing happens on monthly basis to ensure that the BM abide by all of its guidelines.

5- The Fund Manager will Make the Fund's Reports available Upon Request and Free of Charge

B) Fund performance

1- Financial results

Description SAR	As of 31 December 2025	As of 31 December 2024
Net Asset Value of the Fund at the end of the Fiscal Year	50,051,486	38,848,384
Net Asset Value Per Unit of the Fund at the end of the Fiscal Year	7.5055	10.7192
Highest Net Asset Value Per Unit for the Fiscal year	11.2183	10.8103
Lowest Net Asset Value Per Unit for the Fiscal year	7.3858	9.9567
Number of Outstanding Units at the end of the Fiscal Year (Unit)	6,668,675.6885	3,624,182.2249
Dividends Distributed Per Unit	Not Applicable	Not Applicable
Ratio of Expenses	2.26%	0.98%
Ratio of Borrowed Assets to Total Asset Value, Exposure Period and Maturity Date	Not Applicable	Not Applicable

2- Performance Record

Total Return for One, Three, and Five Years (or Since Inception)

Period	1Y	3Y	5Y	ITD
Return	-29.98%	-	-	-24.95%

Total Return for One, Three, and Five Years (or Since Inception)

Period	2025	2024	ITD
Return	-29.98%	7.19%	-24.95%
Benchmark Performance	-8.50%	4.14%	-4.71%
Performance Difference	-21.48%	3.05%	-20.24%

* The Fund started its operation on 26 August 2024

3- Table showing Commissions and Fees incurred by the Fund during the Year.

Description	Amount SAR
Fund Operator and Custodian Fees	33,064
Management Fees	826,596
Shariah Supervisory Committee Fees	10,491
Professional fees*	80,000
Other Fees & Expenses	182,439
Total Expenses	1,132,590
Ratio of Total Fund Fees and Expenses to Net Value of Managed Assets	2.26%
circumstances under which the Fund Manager decides to waive or reduce any fees	Not Applicable

- Includes Auditor fees and zakat and tax filling.
- The rules for calculating performance data and any assumptions are applied consistently

4- Any Material Changes during the Period affecting the Performance of the Fund

- The index calculation methodology of the SEDCO Capital Saudi IPO Total Return Index, which is calculated internally by the Fund Manager, was updated to ensure its accuracy and alignment with the Fund's strategy.
- A unitholders' meeting of the SEDCO Capital IPO Fund was held to vote on implementing a fundamental change to the Fund. The required quorum was met, and approval was obtained to proceed with the fundamental change, which involved expanding the Fund's investment scope to include shares listed on the Main Market and the Parallel Market (Nomu) that were offered within the past three years.

5- Disclosure of Annual Voting Practices

Not Applicable

C) Report of the Fund's Board of Directors

1- Names of the Fund Board Members and Type of Membership

#	Director Name	Type of Membership
1	Mr. Ziad Al Akeel	Chairman (Independent)
2	Mr. Hisham Ghouth	Board Member (Independent)
3	Mr. Abdulwahhab Abed	Board Member (Non-Independent)
4	Mr. Bassam Al Mutairi	Board Member (Non-Independent)

2- Brief Description of the Qualifications of the Fund Board Members

Director Name Mr. Ziad Al Akeel

Mr. Ziad Alakeel has over sixteen years of banking experience in various leadership positions, most recently as Executive Vice President of the Private Banking Group (Saudi National Bank). He is currently the CEO and Co-Founder of Dar Al Wesal Marketing Company, which was established in 2003 as a Saudi company specialized in real estate development, marketing and facilities management. He has held several board memberships including Founding Partner and Board Member of Dar Al Wassal, Even Tag and Sabre Financial in Texas, USA, Member of Alinmaa Thuraya Real Estate Fund, Former Member of the Corporate Group Credit Committee (Samba Financial Group), Former Member of the Investment Products Committee (National Commercial Bank), Former Member of the Investment Products Committee (National Commercial Bank). Mr. Ziad Al Akil holds a Bachelor of Business Administration degree in Finance from the American University in Washington DC in 1992, a Series 7 Securities Trading Certificate from the State of New York and a Financial and Management Consulting License from the Kingdom of Saudi Arabia, advanced studies in Comprehensive Residential Development Planning Sciences from Johns Hopkins University and the International Executive Qualification Programme from INSEAD University in Paris

Director Name Mr. Hisham Ghouth

Mr. Hisham Ghouth has more than twenty (20) years of professional experience. He currently serves as Senior Partner and Head of Business Development at LakeMore Financial. Mr. Hisham holds a Bachelor's degree in International Law from King Abdulaziz University and serves as a board member of a number of funds managed by SEDCO Capital.

Director Name Mr. Abdulwahhab Abed

Mr. Abed is SEDCO Capital's Chief Executive Officer, his latest role in an illustrious 18-year association with the firm. A results-driven leader, he is well regarded in the investment and asset management industry for successfully managing a diverse range of business lines. Mr .Abed brings to the role extensive hands-on experience in charting strategic business plans; negotiating investment opportunities across a range of asset classes and geographies; structuring funding for portfolios; developing optimal exit strategies; and building shareholder and client value. He also has sound legal expertise and proven experience in leading merger and acquisition (M&A) transactions and in negotiating deals and partnerships with a wide array of regional and international corporates. Before his appointment as Acting CEO, Mr Abed held various roles in the firm, the most recent of which were Chief Business Development Officer, Chief Investment Officer, Head of Corporate Finance, Head of Real Estate and Vice President of Private Equity. He currently chairs the Investment, Management Committees and the Product Development Committee. Mr Abed has an MBA (Finance major) and a BSc (Finance and Accounting double majors), both from Bentley University's McCallum School of Business in the USA. Mr Abed is a graduate of Misk 2030 Leaders program.

Director Name Mr. Bassam Al Mutairi

Mr. Bassam Al-Mutairi holds the position of Head of Multi-Asset and Investment Solutions at SEDCO Capital and has more than 12 years of experience in the asset management industry, having worked with leading firms in the management of liquid and private assets across regional and international markets. He joined SEDCO Capital in 2014 and initially worked with the regional liquid assets team, where he managed and co-managed fixed income and public equity portfolios and funds, including the SEDCO Capital Money Market Fund, SEDCO Capital Global Sukuk Fund, and SEDCO Capital Gulf Equities Fund. He later assumed the role of Head of Income Assets, continuing to manage fixed income funds in addition to private income-generating strategies. In 2023, he was appointed Head of Multi-Asset and Investment Solutions at SEDCO Capital, with expanded responsibilities covering the management of multiple multi-asset investment portfolios and funds across a diversified range of asset classes, including public equities, private equities, fixed income, and private income assets at both regional and international levels. He is a member of the Investment Committee and Vice Chairman of the Multi-Asset Allocation Committee and the Product Development Committee at SEDCO Capital, and he holds a Bachelor's degree in Finance with Honors from King Fahd University of Petroleum and Minerals in Dhahran, Kingdom of Saudi Arabia.

3) Other Funds Managed by Board Members

#	Name	Other Funds	Role
1	Mr. Ziad Al Akeel	<ul style="list-style-type: none"> • Itqan Capital Saudi Equity Fund • Itqan Capital Multi-Assets Fund For Growth • Daal Itqan Capital VC Fund • Golden Deposits Fund • Atta`meer Fund • Al Tahaluf Real Estate Fund • Triple Helix Private Equity Fund • Red Sea Logistics Fund • Ashrooq Real Estate Fund • Itqan Logistics Fund • SEDCO Capital Unified Education Build-to-Suit Real Estate Fund • SEDCO Capital REIT Fund • SEDCO Capital - Ajdan Fairmont Fund • Rikaz SEDCO Capital Fund • SEDCO Capital Inspire Boulevard Fund • Masar SEDCO Capital Real Estate Fund • SEDCO Capital Grand Square Fund • Asmou SEDCO Capital Fund • SEDCO Capital Laghara Fund • Alinma AlThoraya Real Estate Fund • SEDCO Capital Lagara Fund • SEDCO Capital Makkah Towers Fund II • SEDCO Capital Darko Al-Shati Real Estate Development Fund • SEDCO Capital Jeddah Bay Fund • SEDCO Capital Sumo Al-Ghurrah Fund • SEDCO Capital Rabiah Al-Khalil Fund • SEDCO Capital Riyadh Valley Fund • SEDCO Capital Ajdan Lakes Fund • SEDCO Capital Sisban Development Fund • SEDCO Capital Al-Aqoul Real Estate Development Fund • SEDCO Capital Logistics Fund I • SEDCO Capital Shiyad Real Estate Development Fund • SEDCO Capital Azdan Al-Narjis Fund • SEDCO Capital IPO Fund • SEDCO AI Fund • SEDCO Capital Global Monthly Distributions Fund • SEDCO Capital Siyad Al-Munsiyah Fund • SEDCO Capital Rawabi Al-Hijaz Fund • SEDCO Capital Al-Basateen Makkah Towers Fund • SEDCO Capital Al-Obeikan Makkah Towers Fund • SEDCO Capital Al-Ufuq Real Estate Development Fund • SEDCO Capital Wahat Al-Qaswa Fund • SEDCO Capital Madinah Towers Fund • SEDCO Capital Arabian Horses Development Fund • SEDCO Capital SNASCO Logistics Development Fund • SEDCO Capital Al-Salamah Park Development Fund • SEDCO Capital Afaq Al-Mohammadiyah Development Fund • SEDCO Capital Rasf Income-Generating Real Estate Fund • SEDCO Capital Al-Kaaki Towers Fund 	Board Member (Independent)
2	Mr. Hisham Ghouth	<ul style="list-style-type: none"> • SEDCO Capital IPO Fund • SEDCO AI Fund • SEDCO Capital Global Monthly Distributions Fund 	Board Member (Independent)

3) Other Funds managed by Board Members

#	Name	Other Funds	Role
3	Mr. Abdulwahhab Abed	<ul style="list-style-type: none"> • SEDCO Capital REIT • SEDCO Capital Multi-Asset Traded Fund • SEDCO Capital IPO Fund • SEDCO Capital AI Fund • SEDCO Capital Global Monthly Distribution Fund • SEDCO Capital Unified Educational Real Estate Development Fund • Rikaz SEDCO Capital Fund • SEDCO Capital Ajdan Fairmont Fund • SEDCO Capital Makkah Towers Fund IIMasar • SEDCO Capital Real Estate Fund • SEDCO Capital Grand Square Fund • Asmo SEDCO Capital Fund • SEDCO Capital Sumo Park Fund • SEDCO Capital Sumo Al-Rimal Fund • SEDCO Capital Jeddah Bay Fund • SEDCO Darko Al-Shati Real Estate Development Fund • SEDCO Capital Irqah Resort Fund • SEDCO Capital Al-Jaddah Al-Oula Real Estate Development Fund • SEDCO Capital Sumood Real Estate Development Fund • SEDCO Capital Rabiah Al-Khalil Fund • SEDCO Capital Riyadh Valley Fund • SEDCO Capital Ajdan Lakes Fund • SEDCO Capital Sisban Development Fund • SEDCO Capital Al-Aqoul Real Estate Development Fund • SEDCO Capital Shiyad Real Estate Development Fund • SEDCO Capital Azdan Al-Narjis Fund • SEDCO Capital Main Square Fund • SEDCO Capital MOBCO Income-Generating Fund • SEDCO Capital Al-Awali Fund • SEDCO Capital Darko Al-Naeem Fund • SEDCO Capital Al-Lami Real Estate Development Fund • SEDCO Capital Thakher Fund • SEDCO Capital Siyad Al-Munsiyah Fund • SEDCO Capital Rawabi Al-Hijaz Fund • SEDCO Capital Wahat Al-Qaswa Fund • SEDCO Capital Madinah Towers Fund • SEDCO Capital Al-Basateen Makkah Towers Fund • SEDCO Capital Eastern Gateway Fund • SEDCO Capital SNASCO Logistics Development Fund • SEDCO Capital Arabian Horses Development Fund • SEDCO Capital Al-Obeikan Makkah Towers Fund • SEDCO Capital Al-Salamah Park Development Fund • SEDCO Capital Afaq Al-Mohammadiyah Development Fund 	Non-Independent Fund Board
4	Mr. Bassam Al-Mutairi	<ul style="list-style-type: none"> • SEDCO Capital IPO Fund • SEDCO Capital Global Monthly Distribution Fund • SEDCO Capital Multi-Asset Traded Fund • SEDCO Capital AI Fund 	Non-Independent Fund Board

4- Details of the Fund's Board Members Remuneration and Conflict of Interest Statement

- An amount of SAR 5,000 per meeting is paid to each Board member, subject to a maximum of SAR 20,000 per member per year, payable after each meeting.
- The Fund's Board of Directors monitors any conflicts of interest and oversees – and where appropriate, approves or ratifies – any conflict of interest disclosed by the Fund Manager. Board members are required to exercise due care and diligence toward the unitholders and to exert their best efforts to resolve any conflicts of interest in good faith and in an appropriate manner.
- Any conflict of interest will be disclosed by the Fund Manager to the Fund's Board of Directors as soon as possible and shall be disclosed in the Fund's annual reports.
- As of the date of these Terms and Conditions, there is no actual or potential conflict between the interests of the Fund Board members and the interests of the Fund.

5- Description of Board of Directors Roles and Responsibilities

- Approve material contracts, resolutions, and reports to which the Fund is a party, including management and custody agreements (excluding investment decisions).
- Oversee the Fund Manager's performance and related-party services, ensuring compliance with the Fund's Terms and Conditions and the Investment Funds Regulations.
- Approve key Fund policies, including the voting rights policy.
- Review and approve disclosed conflicts of interest, where appropriate.
- Meet at least semi-annually with Compliance to review regulatory adherence.
- Approve fundamental and non-fundamental changes in accordance with regulatory requirements.
- Ensure the accuracy, completeness, and regulatory compliance of the Fund's Terms, disclosures, and related documents.
- Oversee the Fund's risk management framework and related policies.
- Review complaints and ensure proper disclosure of material information to unitholders.
- Document Board meeting minutes and resolutions.
- Conduct annual independence assessments of Board members.
- Act in good faith, with due care and diligence, in the best interests of unitholders.

6- Items Discussed and Resolutions Issued, Including the Fund's Performance and Achievement of the Fund's Objectives

Date	Topics	Fund Board Resolutions
23 Jan 2025	Fund Board of Directors Meeting 1	<ul style="list-style-type: none"> • A brief update on the Fund's developments was presented. • The benchmark was amended to align with the Fund's strategy and was approved by the Capital Market Authority. • The Head of Governance and Compliance provided the Board with an update on governance and compliance matters, confirming the Fund's adherence to applicable regulations, submission of required reports to the Capital Market Authority, and the absence of client complaints or conflicts of interest. • All resolutions outlined in the presentation and previously passed by circulation by the Fund's Board of Directors during the past period were ratified.
26 Mar 2025	Final draft of the Fund's financial statements as of December 31, 2024	<ul style="list-style-type: none"> • Approval of the final version of the Fund's financial statements as of December 31, 2024
26 Mar 2025	Updated Terms and Conditions	<ul style="list-style-type: none"> • Approval of the updated Terms and Conditions Memorandum
26 Mar 2025	Annual Report of the Board of Directors of the Fund for 2024	<ul style="list-style-type: none"> • Approval of the Board of Directors' Annual Report for the Fund for 2024
22 May 2025	Appointing the "Edaa" platform as a distributor of fund units	<ul style="list-style-type: none"> • Approval to appoint the "Edaa" platform as a distributor of fund units
30 June 2025	Fund Board of Directors Meeting 2	<ul style="list-style-type: none"> • A brief update on the Fund's developments was presented. • The benchmark was amended to align with the Fund's strategy and was approved by the Capital Market Authority. • The Head of Governance and Compliance provided the Board with an update on governance and compliance matters, confirming the Fund's adherence to applicable regulations, submission of required reports to the Capital Market Authority, and the absence of client complaints or conflicts of interest. • All the decisions shown in the visual presentation, which were taken by the Fund's Board of Directors by circulation during the past period, were approved, including the approval to appoint the "Edaa" platform as a distributor of the Fund's units.

1. Fund Manager Name & Address

Saudi Economic and Development Securities Company (SEDCO Capital)
South Tower Red Sea Mall
Kingdom of Saudi Arabia
P.O. Box 13396 Jeddah, 21493
Tel: +966 9200 13317
Website: www.sedcocapital.com
E-Mail: info@sedcocapital.com



Saudi Economic and Development Securities Company (SEDCO Capital) is a Saudi closed joint stock company registered under Commercial Registration No. 4030194994 and licensed as a "Capital Market Institution" under CMA License No. 11157-37 dated 19/04/2009 to deal, provide custody services, manage investments and operating Funds, arrange and advise.

2. Name and Address of the Fund's Sub-Manager and/or Investment Advisor

No sub-fund manager and/or investment advisor

3. Review of the Investment Activities during the Period

During 2025, the SEDCO Capital IPO Fund invested in 30 IPOs, including 17 listings on Nomu (the Parallel Market) and 13 listings on the Main Market. The top positive contributors to the Fund's performance included Rasan Company, United Carton Industries Company, and Entaj Company, while AlBattal Factory, Shmoh Almadi Company, and Sama Water Company were among the most notable negative contributors.

Overall, out of the 30 IPOs in which the Fund participated during the year, only five generated capital gains, while the remaining investments traded below their IPO prices. Given the impact of the Fund's investment constraint of participating exclusively in IPO subscriptions, the Fund Manager implemented a fundamental amendment to expand the Fund's investment scope. The amendment allows the Fund to invest in companies listed on the Main Market and Nomu that have been listed within the previous three years. This amendment became effective on 15 October 2025, enabling the Fund to invest in companies for up to three years following their listing date. This enhancement is expected to increase investment flexibility and improve portfolio construction efficiency.

4. Report of Investment Fund's Performance during the Period

During 2025, the fund achieved a net loss of (-29.98%), while the index performance was (-8.50%). The performance below expectations is mainly attributed to allocation risks resulting from the limited control over the size of allocations in initial public offerings (IPOs) due to the nature of the subscription process. Accordingly, the fund manager decided to make a fundamental amendment to the fund's terms and conditions, which is to expand the scope of its investments to include shares listed on the main market and the Nomu market that were offered during the past three years. This amendment came into effect on October 15, 2025, with the aim of enhancing investment flexibility and improving portfolio building efficiency during the coming periods.

Overall, 2025 was a challenging year for the Saudi IPO market. Of the 15 companies listed on the Saudi Stock Exchange (Tadawul) Main Market, 11 ended the year below their IPO price, while only four companies generated positive returns. Performance in Nomu (the Parallel Market) was relatively weaker, with 17 out of 24 listed companies trading below their IPO price by year-end.

Looking ahead to 2026, the IPO pipeline remains strong. The Capital Market Authority has approved approximately 10 new listings, with more than 40 applications currently under review. With enhanced investment flexibility, the Fund is well positioned to capitalize on future opportunities.

5. Details of any Changes to the Fund's Terms and Conditions during the Period

- The methodology for calculating the Fund's benchmark index was updated.
- Edaa Connect platform was added as a distributor of the Fund's units. The platform is owned by the Securities Depository Center Company (Edaa). The Fund Manager continues to accept subscription and redemption requests through its available channels.
- The disclosure relating to the members of the Fund's Board of Directors and their qualifications was updated, including disclosure of the independent members of the Board and the other funds overseen by Board members.
- A fundamental change was implemented to the Fund by expanding its investment scope to include shares listed on the Main Market and the Parallel Market (Nomu) that were offered within the past three years.

6. Any other Information that would enable Unitholders to Make an Informed Judgment about the Fund's Activities during the Period

Not Applicable

7. The Fund's investments in other Investment Funds and Disclosure of the Percentage of Management Fees Charged to the Fund itself and to the Funds in which it Invests.

Not Applicable

8. Any Special Commission Received by the Fund Manager during the Period

Not Applicable.

9. Any other Data and other Information Required by these Regulations to be Included in this Report

Not Applicable

10. Period for the Management of the Person Registered as Fund Manager

Since the Fund commenced operations on 26 August 2024.

11. A Disclosure of the Expense Ratio of each Underlying fund at end of Year and the Weighted Average Expense Ratio of all Underlying Funds that Invested in

Not Applicable



(E) Custodian, Fund Operator, and Auditor

1) Name and address of the Custodian

Saudi Fransi Capital Company

Head Office: 8092 King Fahd Road

Riyadh 3735 - 12313, Kingdom of Saudi Arabia

Website: <https://www.sfc.sa>



Brief description of its duties and responsibilities:

- Compliance with Investment Funds and Capital Market Institutions Regulations.
- Safekeeping and segregation of the Fund's assets for unitholders.
- Liability for any losses due to fraud, negligence, mismanagement, or willful misconduct.
- Taking necessary administrative and regulatory measures to safeguard the Fund's assets.
- Opening a separate bank account for the Fund to deposit all its cash.
- Paying investment funding and Fund expenses in accordance with regulations.
- Exercising due professional care in providing custody services.
- Maintaining required records and cooperating with auditors and advisors.
- Ability to appoint a sub-custodian at its own expense while remaining fully responsible.

2) Name and address of the Fund Operator

Saudi Fransi Capital Company

Head Office: 8092 King Fahd Road

Riyadh 3735 - 12313, Kingdom of Saudi Arabia

Website: <https://www.sfc.sa>



Brief description of its duties and responsibilities

- The Fund Operator is responsible for operating the Fund.
- The Fund Operator maintains the books and records related to the Fund's operations.
- The Fund Operator prepares, updates, and maintains the unitholder register in the Kingdom in accordance with the Investment Funds Regulations.
- Full and fair valuation of the Fund's assets and calculation of the unit price.
- Execution of subscription and redemption requests in compliance with regulations.
- Statement of the Fund Operator's right to appoint a sub-fund operator.
- None, with the possibility to appoint one or more third parties or licensed affiliates as a sub-fund operator.

3) Name and address of the Auditor

Ernst & Young Professional Services

Al Faisaliah Office Tower, 14th Floor

King Fahd Road

P.O. Box 2732, Riyadh 11461

Kingdom of Saudi Arabia

Telephone: +966 (11) 215 9898

+966 (11) 273 4740

Fax: +966 (11) 273 4730

Website: ey.com

Email: ey.ksa@sa.ey.com



Saudi Economic and Development Securities Company (SEDCO Capital)

Authorized by the Capital Market Authority - License No. 37-11157

Commercial Registration 4030194994

Jeddah (Head Office)

South Tower, Red Sea Mall,
King Abdulaziz (Malik) Road,
PO Box 13396 Jeddah 21491,
Kingdom of Saudi Arabia
+966 9200 13317
info@sedcocapital.com

Important Notice

This document does not constitute an offer to buy, subscribe or participate in the Fund, nor shall it (or any part of it) form the basis of, or be relied on, in connection with, or act as inducement to enter into any contract whatsoever.

Prospective investors should carefully read the Fund's Terms and Conditions and should seek advice from a qualified investment advisor on the suitability of the Fund as an investment prior entering into an investment in the Fund. Investing in the Fund could carry risks; therefore, may not be suitable for all investors. Hence, prospective investors must be willing to undertake the risks associated with any investment in the Fund.

This document has been prepared using data and information from reliable sources, The Fund Manager shall not be liable for any loss that may arise from the use of this report or any of its contents or otherwise arising in connection therewith. Past performance of the Fund is not an indication nor a guarantee of future performance. The value of units, dividends derived from them, as well as fund prices, and their currencies may decrease or rise, and changes in currency rates may adversely affect the value of securities, prices, or income. The Fund's assets may also be subject to risks in the financial markets in which the assets are invested. It may be difficult for the investor to sell illiquid securities or make profits from them and obtain reliable information about its value or the extent of the risks it is exposed to, and additional fees / expenses may apply. Dividends or income may fluctuate, and part of the invested capital may be used to pay dividends income. By investing in the Fund, the investor acknowledges having read and accepted the Fund's Terms and Conditions.



+966 9200 13317



P.O. Box 13396, Jeddah 21493, Kingdom of Saudi Arabia



www.sedcocapital.com



License No. 11157-37



info@sedcocapital.com

Financial Statements

The Fund's financial statements for the period ended 31 December 2025 were prepared in accordance with approved accounting standards.

SEDCO CAPITAL IPO FUND
(Managed by SEDCO Capital)

**FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S
REPORT TO THE UNITHOLDERS**

FOR THE YEAR ENDED 31 DECEMBER 2025

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

FINANCIAL STATEMENTS

For the year ended 31 December 2025

INDEX	PAGE
Independent auditor's report	1 – 3
Statement of financial position	4
Statement of income and comprehensive income	5
Statement of changes in net assets attributable to unitholders	6
Statement of cash flows	7
Notes to the financial statements	8 – 18

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of SEDCO Capital IPO Fund

Opinion

We have audited the financial statements of SEDCO Capital IPO Fund (the "Fund"), managed by SEDCO Capital Company (the "Fund Manager"), which comprise the statement of financial position as at 31 December 2025, and the statement of income and comprehensive income, statement of changes in net assets attributable to unitholders and statement of cash flows for the year then ended, 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 year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing 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) that is endorsed in the Kingdom of Saudi Arabia that is relevant to our audit of the financial statements, and we have fulfilled our other 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

Other information consists of the information included in the Fund's 2025 annual report, other than the financial statements and our auditor's report thereon. The Fund Manager is responsible for the other information in the Fund's annual report. 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 will 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.

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 the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of the Investment Funds Regulations issued by the Board of the 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.



Shape the future
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INDEPENDENT AUDITOR'S REPORT To the Unitholders of SEDCO Capital IPO Fund (continued)

Responsibilities of the Fund Manager and Those Charged with Governance for the Financial Statements (continued)

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.

Those charged with governance i.e, the Fund Board, is responsible for overseeing the Fund's financial reporting process.

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 International Standards on Auditing 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 International Standards on Auditing 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.



INDEPENDENT AUDITOR'S REPORT
To the Unitholders of SEDCO Capital IPO Fund (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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 Ernst & Young Professional Services

Ahmed Ibrahim Reda
Certified Public Accountant
License No. (356)

Jeddah: 7 Shawwal 1447H
(26 March 2026G)



SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	<i>2025</i> ¥	<i>2024</i> ¥
ASSETS			
Financial assets measured at fair value through income statement (FVTIS)	5	40,007,730	20,223,335
Advance against investment	6	-	9,063,360
Cash and cash equivalent	7	9,867,037	9,873,645
Receivables against securities sold	8	998,473	-
TOTAL ASSETS		50,873,240	39,160,340
LIABILITIES			
Due to a related party	9	272,958	173,050
Payable against purchased securities	8	354,742	-
Accrued expenses and other payables	10	194,054	138,906
TOTAL LIABILITIES		821,754	311,956
NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS		50,051,486	38,848,384
UNITS IN ISSUE		6,668,675.6885	3,624,182.2249
Net assets value per unit (¥)		7.5055	10.7192

The attached notes from 1 to 17 form an integral part of these financial statements.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

STATEMENT OF INCOME AND COMPREHENSIVE INCOME

For the year ended 31 December 2025

		<i>For the year ended 31 December 2025</i>	<i>For the period from 26 August 2024 to 31 December 2024</i>
		RM	RM
	<i>Notes</i>		
(LOSS) / INCOME			
Net unrealised (loss) / gain on revaluation of financial assets measured at FVTIS		(10,501,437)	2,467,712
Net realised loss on financial assets measured at FVTIS	5	(6,254,867)	-
Dividend Income	5	629,538	156,253
Murabaha Income		282,755	87,883
NET (LOSS) / INCOME		(15,844,011)	2,711,848
EXPENSES			
Management and shariah advisory fees	9	837,087	210,165
Custody and operator fees		33,064	7,207
Operating and other expenses	11	262,439	165,104
TOTAL EXPENSES		1,132,590	382,476
NET (LOSS)/ INCOME FOR THE YEAR / PERIOD		(16,976,601)	2,329,372
Other comprehensive income		-	-
TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE YEAR / PERIOD		(16,976,601)	2,329,372

The attached notes from 1 to 17 form an integral part of these financial statements.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS

For the year ended 31 December 2025

	<i>For the year ended 31 December</i>	<i>For the period from 26 August 2024 to 31 December 2024</i>
	<i>₹</i>	<i>₹</i>
Net assets attributable to the unitholders at the beginning of the year / period	38,848,384	-
Issuance and redemptions by the unitholders		
Proceeds from issuance of units	48,741,382	39,948,931
Payment on redemption of units	(20,561,679)	(3,429,919)
Net changes from unit transactions	28,179,703	36,519,012
Total comprehensive (loss)/ income	(16,976,601)	2,329,372
Net assets attributable to the unitholders at the end of the year / period	50,051,486	38,848,384
	<u><i>Units</i></u>	<u><i>Units</i></u>
Redeemable unit transactions (numbers)		
Units at beginning of the year / period	3,624,182.2249	-
Issuance of units	5,320,130.3184	3,943,224.1669
Redemptions of units	(2,275,636.8548)	(319,041.9420)
Net increase in units	3,044,493.4636	3,624,182.2249
Units in issue as at the end of the year / period	6,668,675.6885	3,624,182.2249

The attached notes from 1 to 17 form an integral part of these financial statements.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	<i>For the year ended 31 December 2025</i>	<i>For the period from 26 August 2024 to 31 December 2024</i>
	<i>⌘</i>	<i>⌘</i>
<i>Notes</i>		
OPERATING ACTIVITIES		
Net (loss) / income for the year / period	(16,976,601)	2,329,372
Adjustments to reconcile net (loss) / income to net cash from operating activities:		
Net unrealised loss / (gain) on revaluation of financial assets measured at FVTIS	10,501,437	(2,467,712)
	(6,475,164)	(138,340)
Net changes in operating assets and liabilities:		
Net movement in financial assets measured at FVTIS	(30,285,832)	(17,755,623)
Advance against investment	6 9,063,360	(9,063,360)
Receivables against securities sold	8 (998,473)	-
Due to a related party	9 99,908	173,050
Payable against purchased securities	8 354,742	
Accrued expenses and other payable	10 55,148	138,906
Net cash used in operating activities	(28,186,311)	(26,645,367)
FINANCING ACTIVITY		
Proceeds from issuance of units	48,741,382	39,948,931
Payments on redemption of units	(20,561,679)	(3,429,919)
Net cash from financing activity	28,179,703	36,519,012
Net change in cash and cash equivalents	(6,608)	9,873,645
Cash and cash equivalents at the beginning of the year / period	9,873,645	-
Cash and cash equivalents at the end of the year / period	9,867,037	9,873,645

The attached notes from 1 to 17 form an integral part of these financial statements.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS

At 31 December 2025

1 THE FUND AND ITS ACTIVITIES

SEDCO Capital IPO Fund (the “Fund”) is an open-ended public Shariah compliant investment fund established in the Kingdom of Saudi Arabia under the Investment Funds Regulations issued by the Capital Market Authority (the “CMA”), and managed by Saudi Economic and Development Securities Company (“SEDCO Capital” or the “Fund Manager”). The address of the Fund Manager is:

P.O. Box 13396,
King Abdulaziz (Malik) Road,
Jeddah 21493, Kingdom of Saudi Arabia.

The establishment of the Fund has been approved by the CMA on 25 June 2024 (corresponding to 18 Dhu Al-Hijjah 1445H) and the Fund commenced its operations on 26 August 2024. The Shariah Advisor has reviewed the Fund offering document and confirmed compliance with the prescribed Shariah guidelines.

The Fund aims to achieve capital growth in the medium to long term by investing in Initial Public Offerings (IPOs) and the Right Issues of companies listed on the Saudi Exchange, including the Main Market and the Parallel Market, which comply with the Shariah Guidelines and Controls that are approved by the Funds Shariah Supervisory Committee. The Fund may also invest in Initial Public Offerings (IPOs) of Real Estate Investment Traded Funds (REITs), Money Market Transactions and Sukuk that comply with the Shariah Guidelines and Controls.

The Fund is governed by the Investment Funds Regulations (the “Regulations”), issued by the Board of the Capital Market Authority (CMA) pursuant to Resolution No. 1-219-2006 dated 3 Dhul Hijjah 1427H (corresponding to 24 December 2006G), based on the Capital Market Law issued by Royal Decree No. M/30 dated 2 Jumada Al-Thani 1424H, and as amended by Resolution of the Board of the CMA No. 1-54-2025 dated 23 Dhul-Qi’dah 1446H (corresponding to 21 May 2025G), detailing requirements for investment funds within the Kingdom of Saudi Arabia.

2 BASIS OF PREPERATION

a) Statement of compliance

These financial statements of the Fund have been prepared in accordance with IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (“SOCPA”) and to comply with the applicable provisions of the Investment Funds Regulations issued by the Board of the Capital Market Authority and the Fund’s terms and conditions.

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

b) Basis of measurement

These financial statements have been prepared under the historical cost convention using the accrual basis of accounting, except for measurement of financial assets which are measured at fair value through income statement.

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 statement of financial position. Instead, assets and liabilities are presented in order of their liquidity.

c) Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates (the “functional currency”). These financial statements are presented in Saudi Arabian Riyal (“ﷲ”) which is the Fund’s functional and presentation currency.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

3 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Fund's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

In the process of applying the Fund's accounting policies, the Fund Manager has made the following judgement, which have the most significant effect on the amounts recognised in the financial statements.

Going concern

The Fund Manager has made an assessment of the Fund's ability to continue as a going concern and is 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 on the Fund's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents consists of cash at bank and Murabaha deposits with original maturities of less than three months.

4.2 Financial instruments - Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through income statement

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. With the exception of receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient, the Fund initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through income statement, transaction costs. In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, 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 income statement, 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 to hold financial assets in order to collect contractual cash flows while financial assets classified and measured at fair value through OCI are held within a business model with the objective of both holding to collect contractual cash flows and selling.

Subsequent measurement

Financial assets at amortised cost

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in income statement when the asset is derecognised, modified or impaired. The Fund's financial assets at amortised cost includes advance against investment, cash and cash equivalent and receivables against securities sold.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.2 Financial instruments - Initial recognition and measurement (continued)

a) *Financial assets (continued)*

Subsequent measurement (continued)

Financial assets at fair value through OCI

Upon initial recognition, the Fund can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI when they meet the definition of equity under IAS 32 Financial Instruments: Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis. Gains and losses on these financial assets are never recycled to income statement. Dividends are recognised as other income in the statement of income when the right of payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

Financial assets at fair value through income statement

Financial assets at fair value through income statement are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of income. This category includes financial assets at fair value through income statement (FVTIS), which represents investment in local equity instruments.

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

Impairment

The Fund recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through income statement. 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.

b) *Financial liabilities*

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through income statement. All financial liabilities are recognised initially at fair value.

The Fund's financial liabilities include due to a related party and payable against purchased securities. Gains or losses on liabilities held for trading are recognised in the statement of income statement. Financial liabilities designated upon initial recognition at fair value through income statement are designated at the initial date of recognition, and only if the criteria in IFRS 9 are satisfied. The Fund has not designated any financial liability as at fair value through income statement.

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 income.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Fund currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

4.4 Provisions

Provisions are recognised when the Fund has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Fund expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of income net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

4.5 Zakat and income tax

Taxation/zakat is the obligation of the unitholders and therefore, no provision for such liability is made in these financial statements.

4.6 Trade date accounting

All regular way purchases and sales of financial assets are recognized and derecognized on the trade date, i.e. the date on which the Fund commits to purchase or sell the financial asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

4.7 Fees and expenses paid by the Fund

In accordance with the Fund's approved terms and conditions, the Fund pays the following fees:

- a) Management Fees
- b) Custodian Fees
- c) Fund Operator Fees
- d) Auditor fees
- e) Fees for independent Board Members
- f) Annual Regulatory Fees imposed by the Authority
- g) Annual Publication Fees (Tadawul)
- h) Shariah Compliance Officer Fees

4.8 Impact of new standards, interpretations and amendments adopted by the Fund

The Fund applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2025 (unless otherwise stated). The Fund has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective. These did not have any impact on the Fund's financial statements.

Standard, interpretation, amendments	Description	Effective date
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SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

4 MATERIAL ACCOUNTING POLICY INFORMATION (continued)

4.9 Standards issued but not yet effective

The International Accounting Standard Board (IASB) has issued following accounting standards, amendments and revisions which are effective from periods on or after 1 January 2026. The Fund has opted not to early adopt these pronouncements and the management does not expect these to have a significant impact on the financial statements of the Fund.

Standard, interpretation and amendments	Description	Effective date
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective Date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature. The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026
Amendments to IFRS 9 and IFRS 7 Contracts referencing Nature-dependent Electricity	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	1 January 2026
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	1 January 2026
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' (MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	1 January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability, and its parent produces consolidated financial statements under IFRS.	1 January 2027

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

7 CASH AND CASH EQUIVALENT

	2025 ₹	2024 ₹
Bank balances	4,851,384	372,397
Murabaha deposits with original maturities of less than three months (note (a) below)	5,015,653	9,501,248
	<u>9,867,037</u>	<u>9,873,645</u>

- a) During the year, the Fund earned finance income of ₹629,538 (2024: ₹156,253) at the rate of return ranging from 5.40% to 4.30% (2024: 4.35% to 5.60%).

At each reporting date, all bank balances including short-term Murabaha are assessed to have low credit risk as they are held with reputable and high credit rating domestic banking institutions and there has been no history of default with any of the Fund's bank balances. Therefore, the probability of default based on forward looking factors and any loss given defaults are considered to be negligible.

8 RECEIVABLES AGAINST SOLD SECURITIES / PAYABLE AGAINST PURCHASED SECURITIES

Receivables under settlement by the Securities Depository Center Company ("Edaa") represent amounts receivable for securities sold (in a regular way transaction) that have been contracted for, but not yet collected, as at the reporting date.

Payables under settlement by the Securities Depository Center Company ("Edaa") represent amounts payable for securities purchased (in a regular way transaction) that have been contracted for, but not yet settled, as at the reporting date.

9 RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions comprise of transactions with the Fund Manager and other affiliates of the Fund Manager in the ordinary course of business. These transactions were carried out on the basis of approved term and conditions of the Fund.

Following are the details of related party transactions and amounts, excluding value added tax:

<i>Related party</i>	<i>Nature of transaction</i>	<i>For the period from 26</i>	
		<i>For the year ended</i> <i>31 December 2025</i>	<i>August 2024 to 31</i> <i>December 2024</i>
		₹	₹
SEDCO Capital (Fund Manager)	Management fees	826,596	180,165
	Shariah advisory fees	10,491	30,000
Fund Board	Board remuneration	19,998	-

The balance due to related parties comprise of the following:

	2025 ₹	2024 ₹
SEDCO Capital (Fund Manager)	<u>272,958</u>	<u>173,050</u>

The balance due to the Fund Board amounted to ₹19,998 (2024: Nil) which is presented under accrued expenses and other payables.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

10 ACCRUED EXPENSES AND OTHER PAYABLES

Accrued expenses comprise of the following:

	2025 #	2024 #
Professional fees	62,500	80,000
VAT payable	58,014	40,650
Custody and operator fees	33,064	7,207
Board remuneration (note 9)	19,998	-
CMA fees	15,000	7,500
Other payable	5,478	3,549
	<u>194,054</u>	<u>138,906</u>

11 OPERATING AND OTHER EXPENSES

	<i>For the year 31 December 2025</i>	<i>For the period from 26 August 2024 to 31 December 2024</i>
	#	#
VAT expenses	144,398	46,745
Professional fees	80,000	80,000
Board remuneration (note 9)	19,998	-
CMA fees	7,500	17,500
Tadawul fees	5,000	6,762
Other expenses	5,543	14,097
	<u>262,439</u>	<u>165,104</u>

12 FAIR VALUE MEASUREMENT 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 takes place either:

- in the accessible principal market for the asset or liability, or
- in the absence of a principal market, in the most advantages accessible market for the asset or liability.

The Fund's financial assets consist of cash and cash equivalent, financial assets measured at FVTIS, advance against investments, receivables against securities sold. Its financial liabilities consist of due to a related party, accrued expenses and other payables, and accrued expenses and other payables. All financial assets and financial liabilities as at 31 December 2025 and 31 December 2024 were classified under amortised cost category except for financial assets measured at FVTIS which are classified as and measured at fair value under level 1 of fair value hierarchy.

Fair values of financial instruments

All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

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.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

12 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (continued)

The estimated fair values of the Fund's financial assets and liabilities not measured at fair value is not considered to be significantly different from their carrying amounts, as they are having short term maturities. The fair value of financial assets measured at FVTIS is based on quoted market prices and therefore classified within level 1 of the fair value hierarchy as at 31 December 2025 and 31 December 2024.

13 FINANCIAL RISK MANAGEMENT

The Fund's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and operational risk.

The Fund Manager is responsible for identifying and controlling risks. The Fund Manager is ultimately responsible for the overall management of the Fund.

Monitoring and controlling risks is primarily set up to be performed based on the limits established by the Fund Manager. The Fund has its terms and conditions that set out its overall business strategies, its tolerance of risks and its general risk management philosophy and is obliged to take actions to rebalance the portfolio in line with the investment guidelines.

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

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

Commission rate risk

Commission rate risks is the risk that the fair value or future cash flows of a financial instrument would fluctuate as a result of changes in commission rate.

The Fund is not subject to commission rate risk, as it does not have any commission bearing financial instruments.

Currency risk

Currency risk arises from the possibility that changes in foreign exchange rates will affect the value of the financial assets and liabilities denominated in foreign currencies, in case the Fund does not hedge its currency exposure by means of hedging instruments. As the Fund did not undertake significant transactions in currencies other than Saudi Riyals, hence, the Fund is not exposed to any significant currency risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from currency risk or interest rate risk).

The price risk arises primarily from uncertainty about the future prices of financial instruments that the Fund holds. The Fund closely monitors the price movement of its investments in financial instruments. As of the statement of financial position date, Fund has only one investment in mutual fund that is subject to price risk.

The effect on the net assets of the Fund due to a reasonably possible change in fair value of the financial assets, with all other variables held constant is as follows:

	Potential reasonable change %	Effect on NAV	
		31 December 2025 #	31 December 2024 #
Financial asset at FVTIS	± 10%	4,000,773	2,022,334

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

13 FINANCIAL RISK MANAGEMENT (continued)

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. The Fund's principal financial assets subject to credit risk are its cash and cash equivalent, financial assets measured at FVTIS, advance against investments, receivables against securities sold.

It is Fund policy to enter into financial instrument contracts with reputable counterparties. The Fund seeks to limit its credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties.

All transactions in listed securities are settled/paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation. In accordance with the Fund's policy, the Fund Manager monitors the Fund's credit position on a daily basis. The Custodian of the Fund is Saudi Fransi Capital. The portfolio securities where applicable may be held by one or more internationally recognised securities custodians appointed by the Fund Manager.

At each reporting date, the bank balance is assessed to have low credit risk, as it is held with a reputable and high credit rating domestic banking institution, and there has been no history of default in relation to the Fund's bank balance. Therefore, the probability of default based on forward-looking factors and any loss given default are considered to be negligible.

Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous. The Fund's terms and conditions provide for subscription and redemption of units on every day and it is, therefore, exposed to the liquidity risk of meeting unitholder redemptions on these days. The Fund's financial liabilities primarily consist of due to a related party and other payables which are expected to be settled within one month from the statement of financial position date.

The Fund Manager monitors liquidity requirements by ensuring that sufficient funds are available to meet any commitments as they arise, either through new subscriptions, liquidation of the investment portfolio or by the Fund Manager.

Operational risk

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the processes, technology and infrastructure supporting the Fund's activities either internally or externally at the Fund's service providers and from external factors other than credit, liquidity, currency and market risks such as those arising from the legal and regulatory requirements.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns to unitholders.

14 ZAKAT

As per Zakat, Tax and Customs Authority ("ZATCA") regulations, all Investment Funds are required to register and submit informative returns, and the responsibility of paying zakat will be at the unitholder level. The Fund has registered with ZATCA and will file its first informative return for the year ended 31 December 2025.

The Fund has no liability to pay the Zakat and is only required to file the information only return. Zakat is the obligation of the unitholders and therefore, no provision for such liability is made in these financial statements.

SEDCO CAPITAL IPO FUND

(Managed by SEDCO Capital)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

At 31 December 2025

14 ZAKAT (continued)

The zakat base is based on the following:

	<i>For the year ended 31 December 2025</i>	<i>For the period from 26 August 2024 to 31 December 2024</i>
	₹	₹
Zakat base	50,051,486	18,873,319
Zakat due	1,290,169	170,606
Zakat per unit (rounded)	0.19347	0.04707

15 LAST VALUATION DAY

The last valuation day of the year was 31 December 2025 (2024: 31 December 2024).

16 COMPARATIVE INFORMATION

Certain prior period figures have been reclassified to conform to current period presentation, which are not material in nature to the financial statements as a whole.

17 APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Fund Board on 26 March 2026G (corresponding to 7 Shawwal 1447H).