

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund
(Managed by SEDCO Capital)

**UNAUDITED INTERIM CONDENSED FINANCIAL INFORMATION
AND INDEPENDENT AUDITOR'S REVIEW REPORT**

FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2026

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund
(Managed by SEDCO Capital)

INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)

For the six months period ended 30 June 2026

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Independent Auditor's Review Report on the Interim Condensed Financial Information To the Unitholders of SEDCO Capital Saudi Freestyle Artificial Intelligence Fund

Introduction

We have reviewed the accompanying interim condensed statement of financial position of SEDCO Capital Saudi Freestyle Artificial Intelligence Fund (the "Fund") managed by SEDCO Capital ("Fund Manager") as at 30 June 2026 and the related interim condensed statements of income and comprehensive income, changes in net assets attributable to the Unitholders and cash flows for the six months period then ended, and explanatory notes. The Fund Manager is responsible for the preparation and presentation of these interim condensed financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim financial information Performed by the Independent Auditor of the Entity" that is endorsed in the Kingdom of Saudi Arabia. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services

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

Jeddah: 27 Safar 1448H
(10 August 2026G)



SEDCO Capital Saudi Freestyle Artificial Intelligence Fund
(Managed by SEDCO Capital)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

		30 June 2026 (Unaudited) ¥	31 December 2025 (Audited) ¥
	<i>Notes</i>		
ASSETS			
Bank balance		215,341	952,798
Financial assets measured at fair value through income statement (FVTIS)	3	4,497,421	3,978,617
Dividend receivable		4,699	-
Prepayments and other receivables		2,899	1,527
TOTAL ASSETS		4,720,360	4,932,942
LIABILITIES			
Due to a related party	4	56,990	42,726
Accrued expenses and other payables		93,669	351,258
TOTAL LIABILITIES		150,659	393,984
NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS		4,569,701	4,538,958
UNITS IN ISSUE		532,763.8219	530,000.0000
Net assets value per unit (¥)		8.5773	8.5641

The attached notes from 1 to 9 form an integral part of these interim condensed financial information.

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund
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INTERIM CONDENSED STATEMENT OF INCOME AND COMPREHENSIVE INCOME (UNAUDITED)

For the six months period ended 30 June 2026

		<i>For the six months period ended 30 June 2026 (Unaudited)</i>	<i>For the period from 13 April 2025 to 30 June 2025 (Unaudited)</i>
	<i>Notes</i>	<i>ﷲ</i>	<i>ﷲ</i>
INCOME / (LOSS)			
Net unrealised gain / (loss) on revaluation of financial assets measured at FVTIS	3	156,961	(51,352)
Net realised loss on financial assets measured at FVTIS		(135,222)	(36,021)
Dividend income		76,235	32,720
Reversal of provision no longer required		11,289	-
NET INCOME / (LOSS)		109,263	(54,653)
EXPENSES			
Management and shariah advisory fees	4	(55,624)	(25,918)
Custody and operator fees		(1,630)	(777)
Operating and other expenses		(45,691)	(46,245)
TOTAL EXPENSES		(102,945)	(72,940)
NET INCOME / (LOSS) FOR THE PERIOD		6,318	(127,593)
Other comprehensive income		-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD		6,318	(127,593)

The attached notes from 1 to 9 form an integral part of these interim condensed financial information.

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund
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**INTERIM CONDENSED STATEMENT OF CHANGES IN NET ASSETS
ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)**

For the six months period ended 30 June 2026

	<i>For the six months period ended 30 June 2026 (Unaudited) ﷵ</i>	<i>For the period from 13 April 2025 to 30 June 2025 (Unaudited) ﷵ</i>
Net assets attributable to the unitholders at the beginning of the period	4,538,958	-
Issuance and redemptions by the unitholders		
Proceeds from issuance of units	24,425	5,300,000
Total comprehensive income / (loss) for the period	6,318	(127,593)
Net assets attributable to the unitholders at the end of the period	4,569,701	5,172,407

	<u>Number of Units</u>	<u>Number of Units</u>
Redeemable unit transactions (numbers)		
Units at beginning of the period	530,000.0000	-
Issuance of units	2,763.8219	530,000.0000
Units in issue at the end of the period	532,763.8219	530,000.0000

The attached notes from 1 to 9 form an integral part of these interim condensed financial information.

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund
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INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)

For the six months period ended 30 June 2026

	<i>Notes</i>	<i>For the six months period ended 30 June 2026 (Unaudited) ﷲ</i>	<i>For the period from 13 April 2025 to 30 June 2025 (Unaudited) ﷲ</i>
OPERATING ACTIVITIES			
Net income / (loss) for the period		6,318	(127,593)
<i>Adjustments to reconcile net income / (loss) for the period to net cash from operating activities:</i>			
Net unrealised (gain) / loss on revaluation of financial assets measured at FVTIS	3	(156,961)	51,352
Net changes in operating assets and liabilities:			
Net movement in financial assets measured at FVTIS		(361,843)	(4,832,654)
Dividend receivable		(4,699)	(5,169)
Prepayments and other receivable		(1,372)	(47,210)
Due to a related party		14,264	25,918
Accrued expenses and other payable		(257,589)	44,889
Net cash used in operating activities		(761,882)	(4,890,467)
FINANCING ACTIVITY			
Proceeds from issuance of units		24,425	5,300,000
Net cash generated from financing activity		24,425	5,300,000
Net change in bank balance		(737,457)	409,533
Bank balance at the beginning of the period		952,798	-
Bank balance at the end of the period		215,341	409,533

The attached notes from 1 to 9 form an integral part of these interim condensed financial information.

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund

(Managed by SEDCO Capital)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)

At 30 June 2026

1 THE FUND AND ITS ACTIVITIES

SEDCO Capital Saudi Freestyle Artificial Intelligence 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 4 February 2025 (corresponding to 5 Sha’ban 1446H) and the Fund commenced its operations on 13 April 2025. 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 securities that fall within the scope of the Fund investment and are compliant with the Shariah standards approved by the Shariah Supervisory Committee. The Fund primarily invests its assets in shares of companies listed on the Saudi Stock Exchange; initial public offerings (IPOs) and/or secondary offerings; rights issues; equity public and private investment funds that invest in shares listed or to be listed on the Saudi Stock Market, Real Estate Investment Treaded Funds (REITs); debt instruments; public and private investment funds; money market transactions and funds; and cash liquidity.

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 PREPARATION

a) Statement of compliance

These interim condensed financial information as at and for the six months period ended 30 June 2026 are prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) that is endorsed in the Kingdom of Saudi Arabia. The interim condensed financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Fund’s annual financial statements as at 31 December 2025.

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

b) Basis of measurement

These interim condensed financial information 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 (FVTIS).

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

c) Functional and presentation currency

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

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund

(Managed by SEDCO Capital)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (continued)

At 30 June 2026

2 BASIS OF PREPARATION (continued)

d) *Significant judgements, estimates and assumptions*

The accounting judgements, estimates and assumptions used in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the Fund's annual financial statements for the year ended 31 December 2025.

e) *Material accounting policies*

The material accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Fund's annual financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026 as disclosed in note 2 (f) below.

f) *New standards, interpretations and amendments adopted by the Fund*

The Fund has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments apply for the first time in 2026, but do not have an impact on the interim condensed financial information of the Fund.

Standard/ interpretation	Description	Effective from periods beginning on or after
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	The amendments clarify the requirements for recognition and derecognition of financial assets and financial liabilities, including settlement-date accounting for financial liabilities settled through electronic payment systems. The amendments also provide additional guidance on assessing contractual cash flow characteristics of financial assets with ESG-linked features, clarify non-recourse features and contractually linked instruments, and introduce additional disclosure requirements for financial instruments with contingent features and equity instruments classified at FVOCI. The amendments had no impact on the Fund's interim condensed financial information.	1 January 2026
Annual Improvements to IFRS Accounting Standards – Volume 11	The amendments include clarifications, simplifications and improvements to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7 to improve consistency in the application of IFRS Accounting Standards. The amendments had no impact on the Fund's interim condensed financial information.	1 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	The amendments clarify the application of the own-use requirements for qualifying contracts, amend hedge accounting requirements for cash flow hedging relationships and introduce additional disclosure requirements to enable users of financial statements to understand the impact of such contracts on financial performance and cash flows. The amendments had no impact on the Fund's interim condensed financial information.	1 January 2026

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund

(Managed by SEDCO Capital)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (continued)

At 30 June 2026

2 BASIS OF PREPARATION (continued)

g) *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 2027. The Fund has opted not to early adopt these standards, amendments and pronouncements.

Standard/ interpretation	Description	Effective from periods beginning on or after
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. The Fund is currently working to identify all impacts the amendments will have on the primary interim condensed financial information and notes to the interim condensed financial information.	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. The Fund does not expect that the standard will have a material impact on its financial statements	1 January 2027
Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency	Translation to a Hyperinflationary Presentation Currency – Amendments to IAS 21 The Fund does not expect that the standard will have a material impact on its interim condensed financial information.	1 January 2027
IFRS 20, Regulatory Assets and Regulatory Liabilities	IFRS 20 sets out the requirements for the recognition, measurement, presentation and disclosure of regulatory assets, regulatory liabilities, regulatory income and regulatory expense. Narrow-scope amendments have been made to a number of accounting standards, including IFRS 1, IFRS 3 and IFRS 18. The Fund does not expect that the standard will have a material impact on its interim condensed financial information.	1 January 2029
Amendments to the Fair Value Option for Investments in Associates and Joint Ventures (IAS 28)	The amendments clarify which entities can apply the fair value option in IAS 28. A 'similar entity' includes an entity with a main business activity of investing in particular types of assets. Eligibility to apply the fair value option is assessed based on the entity that directly holds the investment. The Fund does not expect that the standard will have a material impact on its interim condensed financial information.	Applied when an entity first applies IFRS 18
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture The Fund does not expect that the standard will have a material impact on its interim condensed financial information.	Available for optional adoption / effective date deferred indefinitely

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund

(Managed by SEDCO Capital)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (continued)

At 30 June 2026

3 FINANCIAL ASSETS MEASURED AT FAIR VALUE THROUGH INCOME STATEMENT (FVTIS)

The composition of the financial assets measured at fair value through income statement on the last valuation day at the end of the period is summarised below:

<u>Investments in local quoted equities (by industry)</u>	30 June 2026 (Unaudited)			
	% of Market Value	Cost ﷲ	Market value ﷲ	Unrealised gain / (loss) ﷲ
Materials	36.91%	1,725,487	1,660,149	(65,338)
Energy	14.72%	644,556	662,028	17,472
Banks	12.78%	569,944	574,605	4,661
Insurance	9.27%	343,770	416,847	73,077
Consumer Services	6.03%	250,190	271,349	21,159
Health Care Equipment & Services	4.25%	194,346	191,257	(3,089)
Real Estate Management and Development	4.01%	186,527	180,300	(6,227)
Utilities	3.22%	134,763	145,037	10,274
Pharma, Biotech & Life Science	2.76%	142,734	123,977	(18,757)
Software & Services	2.74%	84,624	123,384	38,760
Consumer Staples Distribution & Retail	2.08%	92,647	93,750	1,103
Consumer Discretionary Distribution & Retail	1.22%	45,737	54,738	9,001
Total	100%	4,415,325	4,497,421	82,096

<u>Investments in local quoted equities (by industry)</u>	31 December 2025 (Audited)			
	% of Market Value	Cost ﷲ	Market value ﷲ	Unrealised gain / (loss) ﷲ
Materials	19.85%	746,831	789,626	42,795
Insurance	16.37%	697,429	651,210	(46,219)
Energy	13.77%	558,617	547,837	(10,780)
Capital Goods	8.24%	290,566	327,871	37,305
Software & Services	7.22%	233,836	287,446	53,610
Banks	6.13%	244,616	244,043	(573)
Utilities	5.08%	210,956	202,302	(8,654)
Consumer Services	5.00%	218,808	198,741	(20,067)
Real Estate Management and Development	4.27%	222,908	170,017	(52,891)
Consumer Discretionary Distribution & Retail	4.11%	179,473	163,334	(16,139)
Health Care Equipment & Services	3.99%	202,726	158,680	(44,046)
Telecommunication Services	2.39%	95,730	95,238	(492)
Commercial & Professional Services	1.21%	42,240	48,036	5,796
Financial Services	1.20%	61,595	47,562	(14,033)
Pharma, Biotech & Life Science	1.17%	47,151	46,674	(477)
Total	100%	4,053,482	3,978,617	(74,865)

The above equity investments are listed on the Saudi Stock Exchange ("Tadawul"). The Fund Manager seeks to limit risk for the Fund by monitoring exposures in each investment sector and individual securities.

During the period, the Fund recognized dividend income from its investments in equity instruments amounting to ﷲ 76,235 (30 June 2025: ﷲ 32,720).

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund

(Managed by SEDCO Capital)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (continued)

At 30 June 2026

4 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, during the period:

<i>Related party</i>	<i>Nature of transaction</i>	<i>For the six months period ended 30 June 2026 (Unaudited) ﷲ</i>	<i>For the period from 13 April 2025 to 30 June 2025 (Unaudited) ﷲ</i>
SEDCO Capital (Fund Manager)	Management fees	40,748	19,425
	Sharia supervising fees	14,876	6,493
Fund Board	Board remuneration	-	12,015

The balance due to a related party comprise of the following:

	<i>30 June 2026 (Unaudited) ﷲ</i>	<i>31 December 2025 (Audited) ﷲ</i>
SEDCO Capital (Fund Manager)	56,990	42,726

The balance due to the Fund Board amounted to ﷲ 19,836 (31 December 2025: ﷲ 40,000) which is presented under accrued expenses and other payables.

5 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 bank balance, financial assets measured at FVTIS, dividend receivable and other receivables. Its financial liabilities consist of due to a related party and accrued expenses and other payables. All financial assets and financial liabilities as at 30 June 2026 (31 December 2025: same) were classified under amortised cost category except for financial assets measured at FVTIS.

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

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 30 June 2026.

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund

(Managed by SEDCO Capital)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (continued)

At 30 June 2026

6 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: commission 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 manages the commission rate risk by regularly monitoring the interest rate profiles of its interest-bearing financial instruments. However, at period end, the Fund does not carry any interest-bearing financial instruments, hence, the Fund is not exposed to any significant commission rate risk.

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 investments in listed equity securities that are 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 change %	reasonable	Effect on NAV	
			30 June 2026 (Unaudited) ﷲ	31 December 2025 (Audited) ﷲ
Financial asset at FVTIS	± 10%		± 449,742	± 397,862

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 bank balance, dividend receivable and other receivables.

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.

SEDCO Capital Saudi Freestyle Artificial Intelligence Fund

(Managed by SEDCO Capital)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (continued)

At 30 June 2026

6 FINANCIAL RISK MANAGEMENT (continued)

Credit risk (continued)

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.

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 accrued expenses and other payables which are expected to be settled within three months 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.

7 LAST VALUATION DAY

The last valuation day of the period was 30 June 2026 (2025: 31 December 2025).

8 GEOPOLITICAL DEVELOPMENTS

During the current period, geopolitical tensions in parts of the Middle East have increased. Public communications from government and regulatory authorities have continued to emphasize the resilience of the economy and the continuation of business operations across key sectors, supported by established business continuity and risk management frameworks.

The Fund Manager has assessed the potential implications of these events on its operations, financial position and performance. Based on information currently available, including the continuation of core business activities, it is not practicable to reliably estimate the full financial effect of these geopolitical events on future periods.

The Fund Manager has also considered the impact of these events on the Fund's ability to continue as a going concern and has concluded that the going concern basis of preparation remains appropriate.

9 APPROVAL OF THE INTERIM CONDENSED FINANCIAL INFORMATION

These interim condensed financial information have been approved by the Fund Board on 10 August 2026G, (corresponding to 27 Safar 1448H).