**SNB CAPITAL GCC PETROCHEMICAL SECTOR FUND**
(Managed by the SNB Capital Company)
**CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**
For the six-month period ended 30 June 2026
together with the
**Independent Auditor's Review Report to the Unitholders**

**KPMG Professional Services Company**
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P.O. Box 92876
Riyadh 11663
Kingdom of Saudi Arabia
Commercial Registration No 1010425494

**Headquarters in Riyadh**

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

**المركز الرئيسي في الرياض**

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

## To the Unitholders of the SNB Capital GCC Petrochemical Sector Fund

## Introduction

We have reviewed the accompanying 30 June 2026 condensed interim financial statements of the **SNB Capital GCC Petrochemical Sector Fund** (the "Fund"), managed by the SNB Capital Company (the "Fund Manager"), which comprises:

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

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

## Scope of review

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

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2026 condensed interim financial statements of the **SNB Capital GCC Petrochemical Sector Fund** are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

**KPMG Professional Services Company**

**Abdulaziz Mohammed Alawad**
License No. 712

Riyadh: 27 Safar 1448 H
Corresponding to: 10 August 2026

كي بي إم جي للاستشارات المهنية
ترخيص رقم ٤٦
س.ت ١٠١٠٤٢٥٤٩٤
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C.R. 1010425494
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**SNB CAPITAL GCC PETROCHEMICAL SECTOR FUND**
**(Managed by the SNB Capital Company)**

## CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026
Expressed in Saudi Arabian Riyals '000 (unless otherwise stated)

| | *Notes* | **30 June 2026 (Unaudited)** | 31 December 2025 (Audited) |
|---|---|---|---|
| **ASSETS** | | | |
| Cash and cash equivalents | *9* | **1,830** | 836 |
| Investments measured at fair value through profit or loss (FVTPL investments) | *10* | **4,960** | 5,959 |
| **Total assets** | | **6,790** | 6,795 |
| **LIABILITIES** | | | |
| Other payables | | **101** | 95 |
| **Net assets attributable to the Unitholders** | | **6,689** | 6,700 |
| **Units in issue in thousands (number)** | | **673** | 695 |
| **Net assets value per unit (SAR)** | | **9.9391** | 9.6403 |

The accompanying notes 1 to 17 form an integral part of these condensed interim financial statements

**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)**
For the six-month period ended 30 June 2026
Expressed in Saudi Arabian Riyals '000 (unless otherwise stated)

| | *Note* | **For the six-month period ended 30 June 2026** | For the period from 27 March 2025 to 30 June 2025 |
|---|---|---|---|
| Unrealised gain on FVTPL investments – net | | **155** | 136 |
| Realised gain on FVTPL investments – net | | **104** | -- |
| Dividend income | | **92** | -- |
| Rebate income | | **--** | 1 |
| **Total income** | | **351** | 137 |
| Management fees | *11* | **(61)** | (35) |
| Administrative expenses | | **(24)** | -- |
| Auditor's remuneration | | **(20)** | (20) |
| Fund board remuneration | | **(11)** | (6) |
| Value added tax expense | *11* | **(9)** | (5) |
| Shariah audit fees | | **(8)** | (11) |
| Capital market authority fees | | **(4)** | (3) |
| Tadawul fee | | **(3)** | (2) |
| Custody fees | | **(2)** | (1) |
| **Total operating expenses** | | **(142)** | (83) |
| **Profit for the period** | | **209** | 54 |
| **Other comprehensive income for the period** | | -- | -- |
| **Total comprehensive income for the period** | | **209** | 54 |

The accompanying notes 1 to 17 form an integral part of these condensed interim financial statements

**CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS (UNAUDITED)**
For the six-month period ended 30 June 2026
Expressed in Saudi Arabian Riyals '000 (unless otherwise stated)

| | **For the six-month period ended 30 June 2026** | For the period from 27 March 2025 to 30 June 2025 |
|---|---|---|
| **Net assets attributable to the Unitholders at the beginning of the period (Audited)** | **6,700** | -- |
| Total comprehensive income for the period | **209** | 54 |
| **Net (decrease) / increase in net assets from unit transactions during the period** | | |
| Proceeds from units issued | **962** | 8,060 |
| Value of units redeemed | **(1,182)** | (727) |
| | **(220)** | 7,333 |
| **Net assets attributable to the Unitholders at the end of the period (Unaudited)** | **6,689** | 7,387 |

## UNITS TRANSACTIONS

Transactions in units during the period are summarised as follows:

| | **For the six-month period ended 30 June 2026** | For the period from 27 March 2025 to 30 June 2025 |
|---|---|---|
| | *Units in '000s* | |
| **Units at the beginning of the period (Audited)** | **695** | -- |
| Units issued during the period | **91** | 806 |
| Units redeemed during the period | **(113)** | (73) |
| **Net (decrease) / increase in units during the period** | **(22)** | 733 |
| **Units at the end of the period (Unaudited)** | **673** | 733 |

The accompanying notes 1 to 17 form an integral part of these condensed interim financial statements

**SNB CAPITAL GCC PETROCHEMICAL SECTOR FUND**
**(Managed by the SNB Capital Company)**

**CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)**
For the six-month period ended 30 June 2026
Expressed in Saudi Arabian Riyals '000 (unless otherwise stated)

| | *Notes* | **For the six-month period ended 30 June 2026** | For the period from 27 March 2025 to 30 June 2025 |
|---|---|---|---|
| Profit for the period | | **209** | 54 |
| *Adjustments for:* | | | |
| Unrealised gain on FVTPL investments – net | | **(155)** | (136) |
| Realised gain on FVTPL investments – net | | **(104)** | -- |
| Dividend income | | **(92)** | -- |
| | | **(142)** | (82) |
| *Net changes in operating assets and liabilities*: | | | |
| FVTPL investments | | **1,258** | (5,218) |
| Other receivables | | **--** | (6) |
| Other payables | | **6** | 164 |
| | | **1,122** | (5,142) |
| Dividend received | | **92** | -- |
| **Net cash generated from / (used in) operating activities** | | **1,214** | (5,142) |
| **Cash flows from financing activities** | | | |
| Proceeds from units issued | | **962** | 8,060 |
| Value of units redeemed | | **(1,182)** | (727) |
| **Net cash (used in) / generated from financing activities** | | **(220)** | 7,333 |
| **Net increase in cash and cash equivalents** | | **994** | 2,191 |
| Cash and cash equivalents at the beginning of the period | *9* | **836** | -- |
| **Cash and cash equivalents at the end of the period** | *9* | **1,830** | 2,191 |

The accompanying notes 1 to 17 form an integral part of these condensed interim financial statements

## 1. THE FUND AND ITS ACTIVITIES

SNB Capital GCC Petrochemical Sector Fund (the "Fund") is a Shariah-compliant, open-ended public investment fund established in accordance with Article 32 of the Investment Funds Regulations (the "Regulations") issued by the Capital Market Authority ("CMA") and is managed by SNB Capital Company (the "Fund Manager"), a subsidiary of the Saudi National Bank (the "Bank"), for the benefit of the Fund's Unitholders.

The objective of the Fund is to achieve long-term capital growth by investing in shares of companies listed in the financial markets of Gulf Cooperation Council (GCC) countries that operate within the petrochemical sector. Investments are made in accordance with the Shariah guidelines.

The terms and conditions of the Fund were issued on 06 Jumada al-Awwal 1446H (corresponding to 10 December 2024), and the Fund commenced its activities on 27 Ramadan 1446H (corresponding to 27 March 2025).

## 2. REGULATING AUTHORITY

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

## 3. BASIS OF ACCOUNTING

These condensed interim financial statements of the Fund have been prepared in accordance with International Accounting Standards ("IAS 34") 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia and comply with the applicable provisions of the Regulations and the Fund's terms and conditions.

## 4. BASIS OF MEASUREMENT AND PRESENTATION

These condensed interim financial statements have been prepared on a historical cost convention using the accrual basis of accounting and going concern concept except for investments measured at fair value through profit or loss ("FVTPL") which are recorded at fair value.

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

The comparatives in these condensed interim financial statements are presented for the period from 27 March 2025 (date of commencement of operations) to 30 June 2025, accordingly the amounts are not comparable.

## 5. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the condensed interim financial statements are measured using the currency of the primary economic environment in which the Fund operates (the "functional currency"). If indicators of the primary economic environment are mixed, then the Fund Manager uses judgement to determine the functional currency that most faithfully represents the economic effect of the underlying transactions, events, and conditions. The Fund's investments transactions are denominated in Saudi Arabian Riyal ("SAR") and Emirati Dirham. Investor subscriptions and redemptions are determined based on the net assets value and received and paid in SAR and expenses of the Fund are also paid in SAR. Accordingly, the Fund Manager has determined that the functional currency of the Fund is SAR.

These condensed interim financial statements are presented in SAR which is the Fund's functional and presentation currency and have been rounded off to the nearest thousands unless otherwise stated.

Expressed in Saudi Arabian Riyals '000 (unless otherwise stated)

## 6. CHANGES IN THE FUND'S TERMS AND CONDITIONS

During the period, there have been no significant changes to the terms and conditions of the Fund.

## 7. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the condensed interim financial statements requires the Fund Manager to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The basis and the methods used for critical accounting judgements, estimates and assumptions adopted are consistent with those used in the preparation of the annual audited financial statements of the Fund for the year ended 31 December 2025.

## 8. MATERIAL ACCOUNTING POLICIES

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

*a. Standards, interpretations and amendments thereof, effective during the period*

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

| ***Standards / Amendments*** | ***Description*** |
|---|---|
| Amendments to IFRS 9 and IFRS 7 | Classification and Measurement of Financial Instruments |
| 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. |

*b. Standards, interpretations and amendments issued but not yet effective*

Standards, interpretations and amendments issued but not yet effective up to the date of issuance of the Fund's condensed interim financial statements are listed below. The Fund intends to adopt these standards when they become effective.

| ***Standards, interpretations and amendments*** | ***Description*** | ***Effective from periods beginning on or after the following date*** |
|---|---|---|
| IFRS 18 | Presentation and disclosure in financial statements | 1 January 2027 |
| IFRS 19 | Disclosure Initiative – Subsidiaries without Public Accountability: Disclosures | 1 January 2027 |
| Amendments to IFRS 10 and IAS 28 | Sale or contribution of assets between investor and its associate or joint venture | Available for optional adoption / effective date deferred indefinitely |

Expressed in Saudi Arabian Riyals '000 (unless otherwise stated)

## 8. MATERIAL ACCOUNTING POLICIES (CONTINUED)

*b. Standards, interpretations and amendments issued but not yet effective (continued)*

The above standards, interpretations and amendments, except for IFRS 18, are not expected to have a material impact on the Fund's condensed interim financial statements. IFRS 18 will replace IAS 1, *Presentation of Financial Statements*, and introduces new requirements relating to income and expense classification as well as mandatory sub-totals within the statement of profit or loss, disclosure of management performance measure, and enhanced guidance of aggregation and disaggregation of financial information. The Fund is currently in the process of assessing the impact of IFRS 18 on its financial statements.

## 9. CASH AND CASH EQUIVALENTS

These comprise of balances held with a custodian in a brokerage account having Moody's credit rating of A2 which is in line with globally understood definition of investment grade.

## 10. FVTPL INVESTMENTS

The composition of investments measured at FVTPL by currency is summarised below:

| | | ***30 June 2026 (Unaudited)*** | | |
|---|---|---|---|---|
| ***Currency*** | ***Country*** | ***% of total investments (fair value)*** | ***Cost*** | ***Fair value*** |
| Saudi Arabian Riyal | Saudi Arabia | **95.91** | **4,934** | **4,757** |
| Emirati Dirham | United Arab Emirates | **4.09** | **203** | **203** |
| | | **100** | **5,137** | **4,960** |

| | | *31 December 2025 (Audited)* | | |
|---|---|---|---|---|
| *Currency* | *Country* | *% of total investments (fair value)* | *Cost* | *Fair value* |
| Saudi Arabian Riyal | Saudi Arabia | 100 | 6,291 | 5,959 |

The composition of investments measured at FVTPL by industry sector is summarized below:

| | ***30 June 2026 (Unaudited)*** | | |
|---|---|---|---|
| ***Industry Sector*** | ***% of total investment (fair value)*** | ***Cost*** | ***Fair value*** |
| Materials | **85.09** | **4,395** | **4,220** |
| Energy | **12.60** | **598** | **625** |
| Real Estate Management and Development | **2.31** | **144** | **115** |
| | **100** | **5,137** | **4,960** |

Expressed in Saudi Arabian Riyals '000 (unless otherwise stated)

## 10. FVTPL INVESTMENTS (CONTINUED)

| | *31 December 2025 (Audited)* | | |
|---|---|---|---|
| *Industry Sector* | *% of total investments (fair value)* | *Cost* | *Fair value* |
| Materials | 83.09 | 5,155 | 4,952 |
| Energy | 11.05 | 690 | 658 |
| Real Estate Management and Development | 5.50 | 423 | 328 |
| Capital goods | 0.36 | 23 | 21 |
| | 100 | 6,291 | 5,959 |

## 11. RELATED PARTY TRANSACTIONS AND BALANCES

The related parties of the Fund include the Fund Manager, the Fund Board, other funds managed by the Fund Manager, and the Saudi National Bank, being parent of the Fund Manager.

Following are the details of transactions and balances with related parties not disclosed elsewhere in these condensed interim financial statements as at and For the six-month period ended 30 June 2026.

***Transactions with key management personnel***

The Fund is managed and administered by the Fund Manager. For these services, the Fund accrues daily, a management fee up to 1.75% (2025: 1.75%) per annum of the Fund's daily net assets value as set out in the Fund's terms and conditions. The Fund Manager may waive management fees to the extent of the Fund's investments in other Funds managed by the Fund Manager.

The Fund Manager is also entitled to recover expenses that are incurred to the Fund. These include costs resulting from unitholders' meeting, preparing and printing the Fund's reports and other legal and regulatory costs. The Fund shall be bound by any other expenses permitted by law, provided that these expenses do not exceed 0.1% (2025: 0.1%) per annum of the Fund's average net asset value at the respective valuation days. These expenses have been recovered by the Fund Manager on a pro-rata basis.

During the period, the Fund entered into the following transactions, other than those disclosed elsewhere in these condensed interim financial statements, with related parties in the ordinary course of business. These transactions were carried out on the basis of approved terms and conditions of the Fund.

| ***Related party*** | ***Nature of transactions*** | ***Amount of transactions for the six-month period ended 30 June 2026 (Unaudited)*** | *Amount of transactions For the period from 27 March 2025 to 30 June 2025 (Unaudited)* | ***Payable balance as at 30 June 2026 (Unaudited)*** | *Payable balance as at 31 December 2025 (Audited)* |
|---|---|---|---|---|---|
| SNB Capital Company | Management fees (including value added tax) | **70** | 40 | **51** | 34 |
| | Expenses paid on behalf of the Fund | **32** | 11 | | |

Expressed in Saudi Arabian Riyals '000 (unless otherwise stated)

## 12. FAIR VALUE MEASUREMENT

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

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

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

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

The fair value hierarchy has the following levels:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and
- Level 3: unobservable inputs for the asset or liability.

***Carrying amounts and fair value***

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

| | ***As at 30 June 2026 (Unaudited)*** | | | | |
|---|---|---|---|---|---|
| | ***Carrying amount*** | ***Fair value*** | | | |
| | | ***Level 1*** | ***Level 2*** | ***Level 3*** | ***Total*** |
| ***Financial assets measured at fair value*** | | | | | |
| FVTPL investments | **4,960** | **4,960** | **--** | **--** | **4,960** |

| | *As at 31 December 2025 (Audited)* | | | | |
|---|---|---|---|---|---|
| | *Carrying amount* | *Fair value* | | | |
| | | *Level 1* | *Level 2* | *Level 3* | *Total* |
| *Financial assets measured at fair value* | | | | | |
| FVTPL investments | 5,959 | 5,959 | -- | -- | 5,959 |

The Fund has classified FVTPL investments as level 1 as per the fair value hierarchy. For other financial assets and liabilities, such as cash and cash equivalents and other payables, the carrying values were determined to be a reasonable approximation of fair value due to their short-term nature.

## 13. COMPARATIVE FIGURES

Figures have been rearranged or reclassified wherever necessary for the purposes of better presentation; however, no significant rearrangements or reclassifications have been made in these condensed interim financial statements.

## 14. LAST VALUATION DAY

The last valuation date for the purpose of preparation of condensed interim financial statements was 30 June 2026 (2025: 31 December 2025).

## 15. IMPACT OF GEO-POLITICAL SITUATION

Since 28 February 2026, the geopolitical situation in the Middle East has become increasingly volatile. The Fund Manager has assessed the potential impact of these developments on the Fund's operations and financial position.

The Fund holds investments in financial instruments which are inherently exposed to fluctuations in market conditions. The ongoing geopolitical tensions may result in increased price volatility, reduced market liquidity, and greater uncertainty in fair value measurements. The Fund Manager continues to actively monitor market developments and has reassessed the key assumptions, valuation techniques, and observable inputs used in determining the fair value of these financial assets; however, the extent and duration of the impact on the Fund's investment portfolio remains uncertain.

## 16. EVENTS AFTER THE END OF THE REPORTING PERIOD

There was no event subsequent to the statement of financial position date which required adjustment of or disclosure in the condensed interim financial statements or notes thereto.

## 17. APPROVAL OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Fund Board on 26 Safar 1448H corresponding to 9 August 2026.