

Crowe Solutions For Professional Consulting
Member Crowe Global

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)

Condensed interim financial statements (unaudited) and independent auditor's review report
For the six months period ended June 30, 2025

Osool and Bakheet Parallel Market Equity Trading Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)

Condensed interim financial statements (unaudited) and independent auditor's review report
For the six months period ended June 30, 2025

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INDEPENDENT AUDITORS' REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS

**TO: The Unitholders of
Osool and Bakheet Parallel Market Fund
(Managed by Osool and Bakheet Investment Company)**

Introduction:

We have reviewed the accompanying condensed interim statement of financial position of **Osool and Bakheet Parallel Market Fund** – ("the Fund") managed by Osool and Bakheet Investment Company (the "Fund Manager"), as at 30 June 2025 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in net assets attributable to unitholders, condensed interim statement of cash flows for the six months' period then ended and notes to the condensed interim financial statements, including a summary of material accounting policy information and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"). 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 International Standard on Review Engagements (2410), "Review of interim financial information performed by the independent auditor of the entity", as 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 International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects in accordance with IAS 34 - "Interim Financial Reporting" (IAS 34) as endorsed in Kingdom of Saudi Arabia.



**Crowe Solutions
For Professional Consulting**


**Musab A. Al Shaikh
License No. (658)**

16 Safar 1447H (Corresponding 10 August 2025)
Riyadh, Saudi Arabia

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)
Condensed interim statement of financial position (unaudited)
As at June 30, 2025
(Saudi Riyal)

	Notes	June 30, 2025 (unaudited)	December 31, 2024 (audited)
<u>ASSETS</u>			
Cash and cash equivalents	7	890,999	74,130
Financial assets at fair value through profit or loss	8	22,814,110	25,006,052
Dividend receivable		31,003	-
TOTAL ASSETS		23,736,112	25,080,182
<u>LIABILITIES</u>			
Accrued expenses and other liabilities		399,106	59,226
Due to related parties	9	230,057	425,038
Total liabilities		629,163	484,264
<u>EQUITY ATTRIBUTABLE TO THE UNITHOLDERS</u>			
Net assets (equity) attributable to the unitholders		23,106,949	24,595,918
Units in issue (numbers)		4,378,525	4,405,258
Net assets value attributable to each unit		5.28	5.58

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

Osool and Bakheet Parallel Market Fund

Open Investment Equity Fund

(Managed by Osool & Bakheet Investment Company)

Condensed interim statement of profit or loss and other comprehensive income (unaudited)

For the six months period ended June 30, 2025

(Saudi Riyal)

		For the six months period ended	
		30 June	
	Notes	2025 (unaudited)	2024 (unaudited)
<u>Profit or loss</u>			
Income			
Realized gains from sale of financial assets at fair value through profit or loss	8	903,170	1,744,711
Unrealized (losses) / gains on financial assets at fair value through profit or loss	8	(2,038,698)	6,574,815
Dividend income		187,240	515,635
Other income		-	640
Total (loss) / income for the period		(948,288)	8,835,801
<u>Expenses</u>			
Management fees	9	(275,957)	(492,910)
Custodian fees	9	(5,520)	(10,003)
Operations management fees	9	(62,099)	(110,915)
Independent custodian fees	9	(5,595)	(5,662)
Remuneration of board members	9	(47,983)	(59,097)
Other expenses		(38,582)	(28,060)
Total expenses		(435,736)	(706,647)
Net (loss) / income for the period		(1,384,024)	8,129,154
Other comprehensive income for the period		-	-
Total comprehensive (loss) / income for the period		(1,384,024)	8,129,154

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

Osool and Bakheet Parallel Market Fund

Open Investment Equity Fund

(Managed by Osool & Bakheet Investment Company)

Condensed interim statement of changes in net assets attributable to unitholders (unaudited)

For the six months period ended June 30, 2025

(Saudi Riyal)

	For the six-month period ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
Net assets value attributable to unitholders, beginning of the period	24,595,918	37,591,006
Net (loss)/ income for the period	(1,384,024)	8,129,154
Subscription and redemption to unitholders		
Proceeds from units subscribed	2,007,773	1,947,044
Payments for units redeemed	(2,112,718)	(1,761,088)
Net change of unit transactions	(104,945)	185,956
Net assets value attributable to unitholders, at the end of the Period	23,106,949	45,906,116

Unit transactions

Transactions in units during the period are summarized as follows:

	For the six months period ended 30 June	
	2025	2024
	(unaudited)	(unaudited)
	Units	Units
Units at the beginning of the period	4,405,258	8,992,683
Subscribed units	357,536	383,046
Redeemed units	(384,269)	(358,281)
Units at the end of the period	4,378,525	9,017,448

The accompanying notes 1 to 14 form an integral part of these condensed interim financial statements.

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)
Condensed interim statement of cash flows (unaudited)
For the six months period ended June 30, 2025
(Saudi Riyal)

	For the six-months period ended 30 June	
	2025 (unaudited)	2024 (unaudited)
Cash flows from operating activities		
Net (loss)/ income for the period	(1,384,024)	8,129,154
Adjustments to reconcile net loss/ profit for the period to operating activities		
Realized gains from sale of financial assets at fair value through profit or loss	(903,170)	(1,744,711)
Unrealized losses / (gains) on financial assets at fair value through profit or loss	2,038,698	(6,574,815)
Dividend income	(187,240)	(515,635)
	<u>(435,736)</u>	<u>(706,007)</u>
Changes in operating assets and liabilities		
Proceeds from sale of financial assets at fair value through profit or loss	9,604,791	10,848,756
Additions to financial assets at fair value through profit or loss	(8,548,377)	(10,569,608)
Proceeds from dividend income	156,237	328,149
Due to related parties	(194,981)	40,049
Accrued expenses and other liabilities	339,880	(11,137)
Net cash generated from / (used in) operating activities	<u>921,814</u>	<u>(69,798)</u>
Cash flows from financing activities		
Proceeds from units subscribed	2,007,773	1,947,044
Payments for units redeemed	(2,112,718)	(1,761,088)
Net cash (used in) / generated from financing activities	<u>(104,945)</u>	<u>185,956</u>
Net change in cash and cash equivalents	816,869	116,158
Cash and cash equivalents, beginning of the period	74,130	3,622,544
Cash and cash equivalents, at the end of the period	<u>890,999</u>	<u>3,738,702</u>

The accompanying notes 1 to 14 form part of these condensed interim financial statements.

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)

Notes to the condensed interim financial statements (unaudited)
For the six months period ended June 30, 2025

1 - The Fund and its Activities

- a) Osool and Bakheet Parallel Market Trading Fund (the "Fund") is an open-ended investment fund that aims to grow capital by achieving a absolute returns over the long term. This is accomplished through investments in companies listed on the Parallel Market (Nomu) and in small and medium-sized companies listed on the Main Market.

The Fund was approved for IPO on Jumada al-Awwal 11, 1438 H (corresponding to February 8, 2017) according to the approval of CMA. The Fund commenced its operations on Rajab 9, 1438 H (April 6, 2017).

- b) Osool and Bakheet Investment Company (Fund Manager) is a Saudi joint stock company registered under Commercial Registry No. 1010219805 dated 2 Jumada al-Awwal 1427 AH (corresponding to May 29, 2006 AD). It is a company licensed under the license issued by the Capital Market Authority No. 08126-07 dated Jumada al-Thani 19, 1427 AH (corresponding to July 15, 2006 AD). Fund manager is responsible for the general management of the Fund's activities. The Fund Manager may also enter into agreements with other institutions to provide investment services, custody services, or other administrative services on behalf of the Fund.

The Fund has appointed Alinma Investment Company ("Custodian") to act as custodian and registrar for the Fund. Custody and Registrar fees are paid by the Fund.

- c) The terms and conditions for the Fund were issued on Jumada Al-Awwal 11, 1438 H (corresponding to February 8, 2017), and were last updated on Dhul-Hijjah 17, 1445 H (corresponding to June 23, 2024).
- d) The address of the Fund manager is as follows:

Osool and Bakheet Investment Company
PO Box 63762 Riyadh 11526
Kingdom Saudi Arabia

2 - Regulating Authority

The Fund is governed by Investment Funds Regulations (the "Regulations"), issued by Capital Market Authority (CMA) on 3 Dhul Hijjah 1427H (corresponding to 24 December 2006), and effective from 6 Safar 1438H (corresponding to November 6, 2016) by the new Investment Funds Regulations ("The amended Regulations") issued by CMA on 16 Sha'ban 1437H (corresponding to May 23, 2016). The regulations were further amended (the "Revised Regulations") on 17 Rajab 1442H (corresponding to March 01, 2021), detailing the requirements for all funds in the Kingdom of Saudi Arabia. The amended regulations came into effect on 19 Ramadan 1442H (corresponding to May 01, 2021).

3 - Basis of preparation

3.1- Statement of compliance

The condensed interim financial statements have been prepared in accordance with International Accounting Standards 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by the Saudi organization for Chartered and Professional Accountants (SOCPA).

These condensed interim financial statements does not include all the information and disclosures required in the annual financial statements, therefore, these should be read in conjunction with the Fund's annual audited financial statements as at 31 December 2024.

Assets and liabilities in this condensed interim statement of financial position are presented in the order of liquidity.

An analysis in respect of recovery of assets or settlement of liabilities within 12 months after the reporting (current) and more than 12 months after the reporting date (non-current) is presented in note 11.

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)

Notes to the condensed interim financial statements (unaudited)
For the six months period ended June 30, 2025

3 - Basis of preparation (continued)

3.2- Basis of measurement

These condensed interim financial statements are prepared under the historical cost convention except for financial assets at fair value through profit or loss that are measured at fair value at the reporting date.

3.3- Presentation and functional currency

These financial statements are presented in Saudi Riyals which is the functional currency and are rounded to the nearest Saudi Riyal.

4 - Material accounting policy information

The material accounting policy information used in the preparation of these condensed interim financial statements are consistent with those used and disclosed in the financial statements for the year ended 31 December 2024.

5 - Use of judgments, estimates and assumptions

The preparation of condensed interim financial statements in accordance with the International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia and other standards and issuances approved by the Saudi Organization for Chartered and Professional Accountants (SOCPA) requires the use of some important estimates and assumptions that affect the amounts of assets and liabilities presented and the disclosure of potential assets and liabilities at the date of preparing the financial reports and the proven value of revenues and expenses during the period. Financial reports, Judgments, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Fund makes estimates and assumptions regarding the future. The resulting accounting estimates rarely equal actual results.

Assumptions and uncertain estimates

Measuring the fair value of financial instruments

The fund measures the fair value of the instrument using the quoted market price in an active market for that instrument, when available. A market is considered active if asset and liability transactions occur frequently and in sufficient volume to provide continuous pricing information. The Fund update it fair value at the reporting date and disclosed in note 10.

Going Concern

The Fund's management made an assessment for its ability to continue as a going concern and concluded that it has the resources to continue its activity in the foreseeable future. In addition, the management is not aware of any material uncertainty that may cast doubt on the ability of the Fund to continue according to the going concern basis. Accordingly, the financial statements have been prepared on the going concern basis.

6 - Standards issued but not yet effective

There several standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Fund's condensed interim financial statements. In the opinion of the Board, these standards will have no significant impact on the condensed interim financial statements of the Fund. The Fund intends to adopt these standards, if applicable.

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)

Notes to the condensed interim financial statements (continued)
For the six months period ended June 30, 2025
(Saudi Riyal)

7- Cash and cash equivalents

	June 30, 2025 (unaudited)	December 31, 2024 (audited)
Cash with other banks	325,049	62,118
Cash with custodian	565,950	12,012
	890,999	74,130

The management has conducted a review as required under IFRS 9 and based on such assessment; the management believes that there is no need for any significant expected credit loss against the carrying value of cash balances.

8 - Financial assets at fair value through profit or loss

Below is a summary of investment portfolio components at fair value through profit or loss at the date of the statement of financial position:

	30 June 2025 (unaudited)		31 December 2024 (audited)	
	% Total of market value	Market value	% Total of market value	Market value
Equity investments by sector				
Health care equipment and services	25.48%	5,812,049	25.83%	6,460,028
Consumer services	21.75%	4,962,691	19.29%	4,823,302
Commercial and professional	13.12%	2,994,084	12.83%	3,209,508
Real estate management	11.08%	2,527,964	0.00%	-
Software & services	7.48%	1,706,084	6.33%	1,583,668
Core material	7.03%	1,604,112	3.70%	924,625
Capital goods	5.68%	1,296,845	6.94%	1,735,903
Food & Staples retailing	5.37%	1,224,198	18.44%	4,611,794
Transportation	3.01%	686,083	3.27%	817,460
Retail of consumer goods	0.00%	-	1.98%	494,725
Financial services	0.00%	-	1.38%	345,039
	100%	22,814,110	%100	25,006,052

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)

Notes to the condensed interim financial statements (continued)
For the six months period ended June 30, 2025
(Saudi Riyal)

8 - Financial assets at fair value through profit or loss (continued)

8.1- The movement on financial assets at fair value through profit or loss as follows:

	Note	For the six months period ended June 30, 2025 (unaudited)	For the year ended on December 31, 2024 (audited)
Fair value, beginning of the year		25,006,052	34,360,608
Purchases during the period/ year		8,548,377	17,254,098
Sales during the period/ years	8.1.1	(8,701,621)	(32,176,839)
Unrealized loss/ profits from financial assets at fair value through the profit or loss		(2,038,698)	5,568,185
Fair value, at the end of the period/ year		22,814,110	25,006,052

8.1.1- The amount represents the book value of financial assets at fair value through profit or loss, sold for an amount of SAR 9,604,791 as at June, 30 2025 (2024: SAR 39,503,071), which resulted in realized profits of SAR 903,170 (2024: SAR 7,326,232).

9 – Transactions with related parties

Management fee

The Fund is managed by the Fund Manager, and the Fund pays for these services management fees calculated on each valuation day at an annual rate of 2% of the daily net assets of the Fund.

Custody fees

The custody fee is calculated on the basis of 0.04% annually of the fund's net assets, with a minimum of 1,000 Saudi Riyals per month. Additionally, the independent custody model fees at a rate of 0.01% of the fund's net assets, with a maximum of 250,000 Saudi Riyals is also paid annually. The fee due is paid every 3 months.

Operations management fees

The fund's operating fees is calculated on the basis of 0.45% annually of the fund's net assets, and a redemption fee of 3% on recoveries within a month of contributions and reinvestment in the fund.

Board of Directors fees

The independent members of the Board of Directors are entitled to a remuneration determined in accordance with the terms and conditions of the Fund in exchange for their services related to attending the meetings of the Board of Directors or the meetings of the Fund. A fee of 30,000 Saudi Riyals or 5% of the annual management fees of the Fund, whichever is less, is paid to each independent member of the Board of Directors by the fund annually, which has four members, and the members of the Fund's board of directors will not receive from the employees of the company any bonuses or allowances for their membership in the board of directors.

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)

Notes to the condensed interim financial statements (continued)
For the six months period ended June 30, 2025
(Saudi Riyal)

9 - Transactions with related parties (continued)

A. The balances due to related parties are as follows:

	June 30, 2025 (unaudited)	December 31, 2024 (unaudited)
Osool & Bakheet Investment Company	168,019	295,886
Alinma investment	14,055	10,575
Board of directors	47,983	118,577
	230,057	425,038

B. The material transactions with the related parties are as follows:

Related party	Nature of relation	Type of transactions	Transaction amount	
			For the period ended June 30, 2025 (unaudited)	For the year ended December 31, 2024 (audited)
Osool & Bakheet Investment Company	Fund manager	Management fees	275,957	996,437
		Operations fees	62,099	224,219
Alinma investment	Custodian	Custody fees	5,520	20,096
		ICM	5,595	11,500
Board of directors	Board members	Annual reward	47,983	118,577

10 - Fair value of financial instruments

Determination of fair value and fair value hierarchy

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

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

The principal or the most advantageous market must be accessible by the Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

The fair values of financial instruments are not significantly different from the carrying values included in the interim condensed financial statements due to the short duration of such financial instruments.

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
(Managed by Osool & Bakheet Investment Company)

Notes to the condensed interim financial statements (continued)
For the six months period ended June 30, 2025
(Saudi Riyal)

10 - Fair value of financial instruments (continued)

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

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The following table shows the carrying amount and fair values of financial assets, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value as the carrying amount is a reasonable approximation of fair value. During the period ended 30 June 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of level 3 fair value measurements.

	Carrying value	Level 1	Level 2	Level 3	Total
30 June 2025 (Unaudited)					
<u>Financial assets measured at fair value</u>					
Financial assets at fair value through profit or loss	22,814,110	22,814,110	-	-	22,814,110
Total	22,814,110	22,814,110	-	-	22,814,110
31 December 2024 (Audited)					
<u>Financial assets measured at fair value</u>					
Financial assets at fair value through profit or loss	25,006,052	25,006,052	-	-	25,006,052
Total	25,006,052	25,006,052	-	-	25,006,052

11- Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled respectively:

<i>As at 30 June 2025 (Unaudited)</i>	<i>Within 12 months</i>	<i>After 12 months</i>	<i>Total</i>
ASSETS			
Financial assets at fair value through profit or loss	22,814,110	-	22,814,110
Cash and cash equivalents	890,999	-	890,999
Dividend receivable	31,003	-	31,003
TOTAL ASSETS	23,736,112	-	23,736,112
LIABILITIES			
Accrued and other liabilities	399,106	-	399,106
Due to related parties	230,057	-	230,057
TOTAL LIABILITIES	629,163	-	629,163

Osool and Bakheet Parallel Market Fund
Open Investment Equity Fund
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Notes to the condensed interim financial statements (continued)
For the six months period ended June 30, 2025
(Saudi Riyal)

11- Maturity analysis of assets and liabilities (continued)

<i>As at 31 December 2024 (Audited)</i>	Within 12 months	After 12 months	Total
Assets			
Financial assets at fair value through profit or loss	25,006,052	-	25,006,052
Cash and cash equivalents	74,130	-	74,130
Total assets	25,080,182	-	25,080,182
Liabilities			
Accrued and other liabilities	59,226	-	59,226
Due to related parties	425,038	-	425,038
Total liabilities	484,264	-	484,264

12 - Last day valuation

The last valuation day of the period on Tadawul was June 26, 2025 (2024: December 27, 2024).

13 - Subsequent events

The terms and conditions of the Fund were subsequently updated on Muharram 20, 1447 H (corresponding to July 15, 2025). The Fund's management believes that there are no significant events other than mentioned above after the date of the condensed interim financial statements and before their issuance that require adjustment or disclosure.

14 - Approval of the condensed interim financial statements

The condensed interim financial statements have been approved for issue by the Funds board of directors on 10 August 2025 (Corresponding to 16 Safar 1447H).