Morgan Stanley

INVESTMENT MANAGEMENT

MORGAN STANLEY SAUDI EQUITY FUND

Article 76 – Annex 4, IFR: Quarterly Statement

SAUDI EQUITY | Q3/2025

a. **The objective of the fund.**

The Fund's investment objective is to provide long-term capital appreciation and growth. It intends to pursue these objectives by investing in shares listed and traded on the Saudi Stock Exchange, Tadawul, and in shares offered in the course of an IPO. The Fund's performance will be measured against the Tadawul All Share Index ("TASI") for the purposes of providing investors with an indication of performance relative to an existing standard.

b. **Fund information:**

1) Fund start date
6 January 2009

2) Unit price upon offering
SAR 100.00

3) Size of the fund
SAR 207,269,212.84 (as of 30 September 2025)

4) Type of fund
Open-ended Fund

5) Currency of the fund
Saudi Arabian Riyal (SAR)

6) Level of risk
High risk

7) Benchmark
Tadawul All Share Index (TASI)

8) Number of distributions (if any)
N/A

9) Percentage of fees for the management of the invested funds (if any)
N/A

10) The investment advisor and fund sub-advisor (if any)
N/A

11) The number of days of the weighted average (if any)
N/A

c. Contact information as follows:

1) Phone number
+966 11 218-7000

2) Website
https://www.morganstanley.com/im/en-sa

3) Email
msimsa@morganstanley.com

d. Price information as at the end of the relevant quarter (month / year)

1) Unit Price (as at the end of the relevant quarter)	SAR 1,114.5687
2) Change in unit price (compared to the previous quarter)	1.92%
3) Dual unit price for money market funds, and debt instruments funds with fixed income (if any)	N/A
4) Total units of the fund	185,666.320
5) Total net assets	SAR 206,937,864.56
6) P/E ratio (if any)	19.74

e. Fund information as at the end of the relevant quarter (month / year)

Item	Value	%
1) Total Expense Ratio (TER)	SAR 772,996.07	0.46%
2) Borrowing percentage (if any)	N/A	N/A
3) Dealing expenses	SAR 64,730.52	0.03%
4) Investment of the fund manager (if any)	SAR 9,189,586.10	4.43%
5) Distributed profits	N/A	N/A

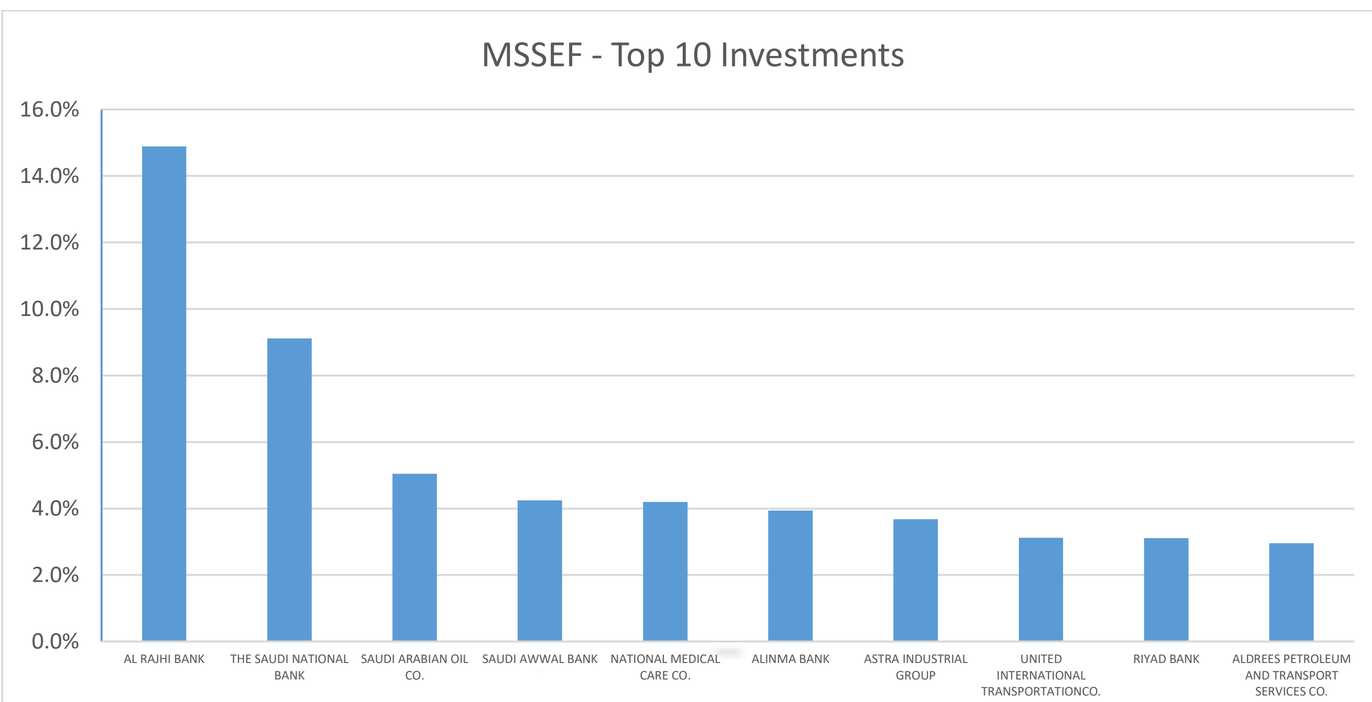
f. **Details of the fund's ownership investments: (Legal comment required)**

1) Full Ownership	100 %
2) Usufruct right	0 %

g. **Disclaimer**

Please refer to the last page of this report

h. **A graph indicating the top 10 investments of the fund.**



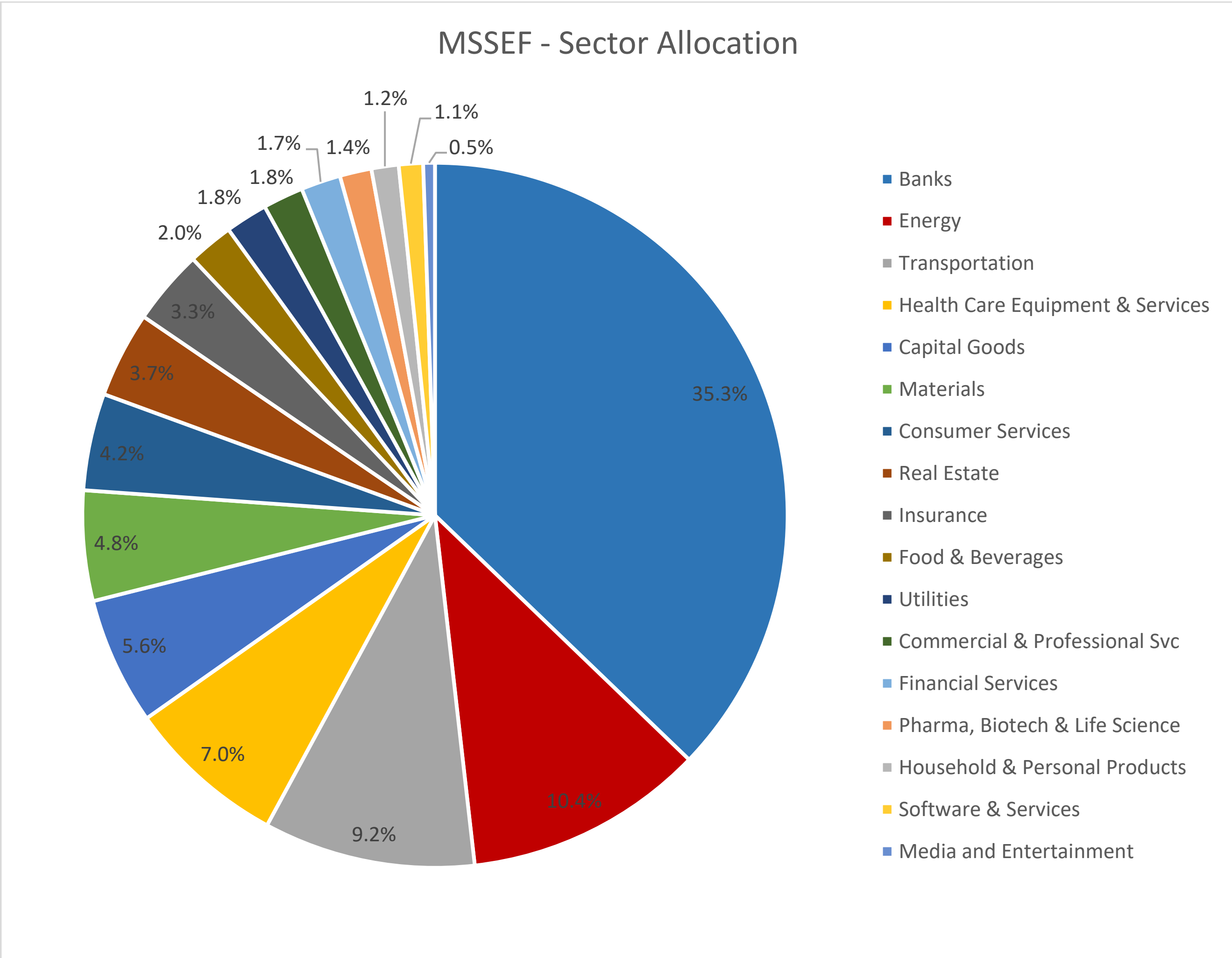
i. A statement on the fund's dividends distributed to the unitholders (if any):

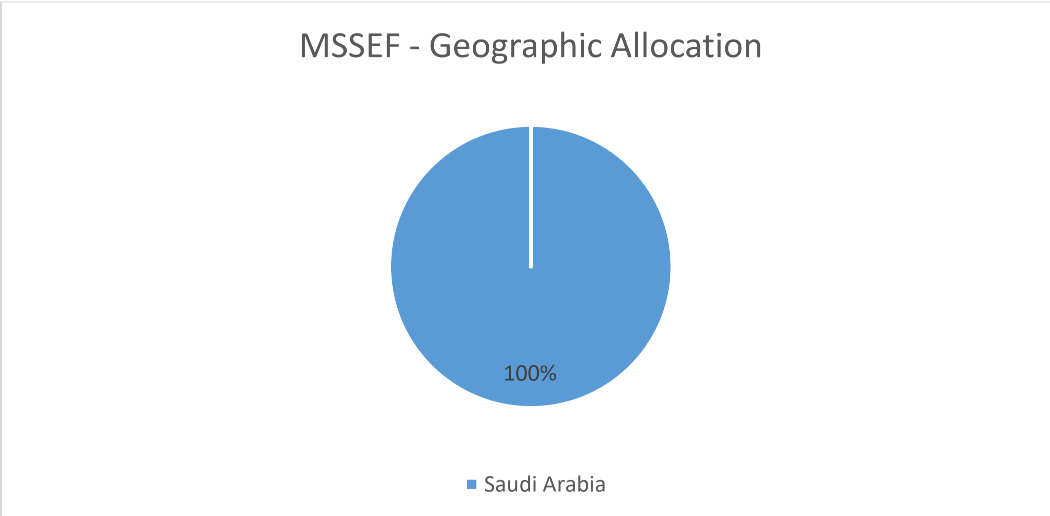
N/A

j. A Credit rating of debt instruments invested in for the top ten fund investments:

N/A

k. A graph indicating the fund's asset distribution (sector / geographic)





l. Revenue:

Item	3 months (end of current quarter)	YTD	1 year	3 years	5 years
1) Fund performance	1.92%	0.32%	-1.55%	56.28%	162.88%
2) Benchmark performance	3.04%	-4.43%	-5.91%	0.86%	38.61%
3) Performance difference	-1.11%	4.75%	4.37%	55.42%	124.27%

m. Performance and risks:

Performance and risks standards	3 months (end of current quarter)	YTD	1 year	3 years	5 years
1) Standard deviation	17.09	14.04	13.34	16.53	17.62
2) Sharp indicator	0.13	-1.04	-0.54	0.61	0.97
3) Tracking Error	2.75	5.00	4.63	8.29	6.77
4) Beta	0.88	0.96	0.98	1.01	1.00
5) Alpha	1.92	0.32	-1.55	16.05	21.32
6) Information Index	3.31	0.95	0.94	1.90	2.15

n. **A description of formulas utilized for assessing performance and risk measures:**

- **Standard Deviation.**

Fund Risk = Annualized standard deviation =

$$\sqrt{\frac{n\sum x^2-\left(\sum x\right)^2}{n(n-1)}}*\sqrt{4}$$

Where,

x = portfolio period return

n = number of observations

- **Sharpe Ratio.**

Sharpe Ratio = (Annualized return - Annualized risk-free benchmark return)/Annualized standard deviation (annualized return)

- **Tracking Error.**

Tracking error = Standard deviation (Monthly Portfolio Return per data point - BM monthly Return per data point) * $\sqrt{12}$

- **BETA.**

Beta = Covariance (portfolio returns, benchmark returns) / Variance (benchmark return)

Covariance = $\sum \frac{(x_i - \mu_x)(y_i - \mu_y)}{(n-1)}$

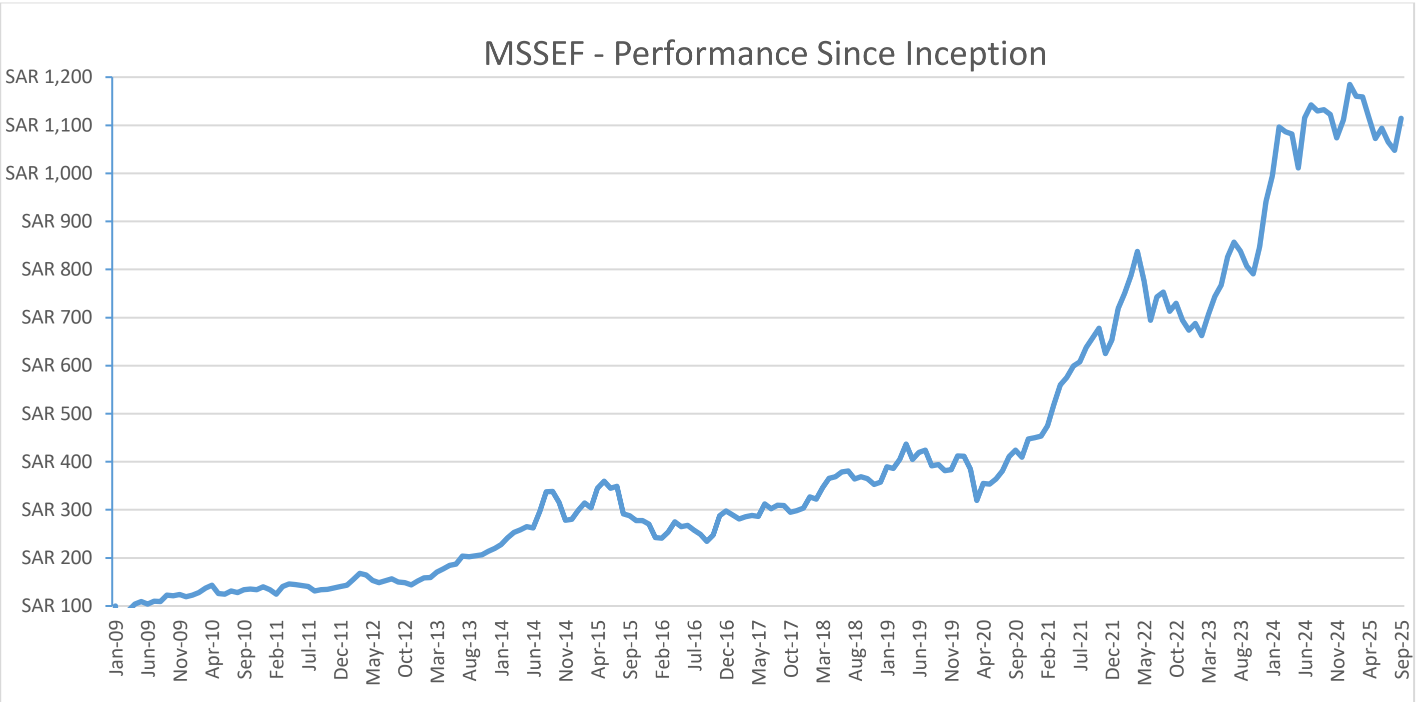
Variance = $\sum \frac{(x_i - \mu_x)^2}{(n-1)}$

- **Alpha.**

Jensen Alpha = Portfolio Annualized Return - (Index Annualized Return + Beta * (Index Annualized Return – Risk Free Annualized Return))

o. **A graph indicating the performance of the fund since its beginning:**

Performance period: 6 Jan 2009 (inception) until 30 September 2025



IMPORTANT INFORMATION

General

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The facts indicated herein are based on matters as they exist as of the date of publication and not as of any future date.

The Capital Market Authority approved the establishment of The Morgan Stanley Saudi Equity Fund on 16 August 2008. The Capital Market Authority has not endorsed the accuracy or adequacy of this communication. The communication is being viewed in electronic form. Documents in this medium may be altered or changed during the process of electronic transmission and publication and consequently none of Morgan Stanley Saudi Arabia or any of its respective directors, officers, partners, employees or advisers accept any liability or responsibility whatsoever in respect of any difference which occurs during electronic transmission and publication.

Note about the Fund

Past performance is not a guarantee of future performance. The value of the investments and the income from them can go down as well as up and an investor may not get back the amount invested. There are special risk considerations associated with investing in emerging country securities including (1) restrictions on foreign investment, (2) currency fluctuations, (3) potential price volatility and lesser liquidity of shares, (4) political and economic risks, (5) settlement systems may be less well organized and less developed. There are also varying levels of government supervision and regulation of exchanges, financial institutions and issuers in various countries. In addition, accounting, auditing, financial and other reporting standards are not equivalent to those of more developed countries, and therefore less information may be available than in more developed countries.

Funds that specialize in a particular region or market sector are more risky than those which hold a very broad spread of investments. Where portfolio concentration is in one sector it is subject to greater risk and volatility than other portfolios that are more diversified and the value of its shares may be more substantially affected by economic events.

These investments are designed for investors who understand and are willing to accept these risks. Performance may be volatile, and an investor could lose all or a substantial portion of his or her investment.