

# Prudent ethical investment with a global perspective



ANNUAL  
REPORT 2024

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**SEDCO Capital**

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[sedccapital.com](http://sedccapital.com)



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SEDCO Capital's strategies are designed to deliver robust performance to the firm's clients, who comprise institutions, family offices, endowments, sovereign wealth funds, pension funds, ultra-high net worth individuals, and other sophisticated investors.



## Asset Classes

### Real Estate

SEDCO Capital provides a range of real estate asset management services and solutions to private and institutional clients. Our primary aim is to help clients enhance income generated from their real estate assets and boost the value of their holdings.

Our new real estate strategy focuses on identifying and capitalizing on Shariah-compliant investment opportunities in Saudi Arabia and the MENA region and developing portfolio strategies designed to deliver robust risk-adjusted returns.

The firm's portfolio meets the needs of a diverse range of investors, encompassing various risk profiles and spanning multiple sectors including residential, retail, office, hospitality, mixed-use, and education.

### Private Equity

We provide our clients with access to private equity through two dedicated teams, with a focus on private equity funds and co-investments, who have cultivated an extensive network of managers and partners that represent a portfolio of more than 1,000 companies and 60+ funds.

Leveraging and building on our extensive experience and relationships in the international private equity space, and as part of a new strategic focus, SEDCO Capital is expanding its footprint in local private equity to capitalize on the fast growing and dynamic private equity scene in Saudi Arabia.

### Public Equity

SEDCO Capital is a pioneer in Shariah-compliant public equity investing. We were among the first to develop practical equity investment guidelines with Shariah scholars and to partner with Dow Jones in creating Islamic indices.

Our Prudent Ethical Investment (PEI) approach integrates Shariah principles with global ESG standards, ensuring that all strategies align with ethical and sustainable investing goals.

With an extensive network of more than 30 global equity managers, we offer a broad range of regional and international strategies, both active and passive, making SEDCO Capital one of the few firms to provide such a comprehensive Shariah-compliant equity platform.

### Income Assets

SEDCO Capital offers expert advice to investors seeking returns and capital appreciation from Shariah-compliant money markets, sukuk, and private credit opportunities. We manage two flagship funds - one a local money market fund and the other in global sukuk - and oversee a number of discretionary mandates.

## Highlights of 2024



### Three-year Strategy

By focusing our new corporate strategy on innovation, expansion and client-centric solutions, SEDCO Capital is set to redefine asset management standards in the Kingdom and beyond.



### Retail Investors

We strengthened our presence in the retail segment by launching three innovative funds through two Saudi crowdfunding platforms dedicated to investment funds.



### Real Estate Growth

In 2024 we launched 15 new real estate funds and acquired a number of high-profile projects throughout the Kingdom, strengthening our position in this dynamic sector.



### Great Place to Work

SEDCO Capital was honored with the prestigious 'Great Place to Work' certification, a reflection of our commitment to fostering an empowering and supportive environment for employees.

# The exceptional financial performance of 2024 comprises many constituent parts that, together, have served to consolidate SEDCO Capital's pre-eminent leadership position.

**It reflects our unwavering commitment to putting clients first, to growing sustainably, and to being innovative, while demonstrating an ability to manage diversified portfolios effectively in the consistent delivery of value to our clients and investors. Our remarkable growth in Assets Under Management and in Net Income is a case study in efficiency and operational discipline.**

Our success in real estate investments highlights how crucial it is to have the ability to identify and seize lucrative opportunities in such a dynamic and competitive market. In exercising this capability so successfully, SEDCO Capital is now acknowledged as a key player in the Saudi real estate sector.

It is important to highlight that our success would not have been possible without the significant investment in our people and the technology that drives our digital transformation. Here, we lead the asset management sector by having embraced innovation and by being agile in applying it to help us operate more efficiently. Our clients are the ultimate beneficiaries.

Similarly, our creation of a workplace that positively nurtures talent, encourages growth and welcomes collaboration saw SEDCO Capital honored with the prestigious 'Great Place to Work' certification in October. This is an important accolade of which we can all be proud.

Looking to the future, our plans center on several key areas. These include the pursuit of measured growth and expansion; investing in attracting the best talent available; developing and upskilling our human capital; ensuring that our success remains sustainable; and delivering performance and service that exceeds our clients' expectations.

Our transformation into a fully digital operation is essential to our ongoing success, but we will only invest in technology where there is a perceived tangible benefit for the firm and its clients. Our new client portal reflects this approach, and we look forward to announcing further enhancements soon.

In the meantime, we will continue to reinforce our leadership, a strategic priority under our new three-year strategy, and this will present the firm with some exciting opportunities.

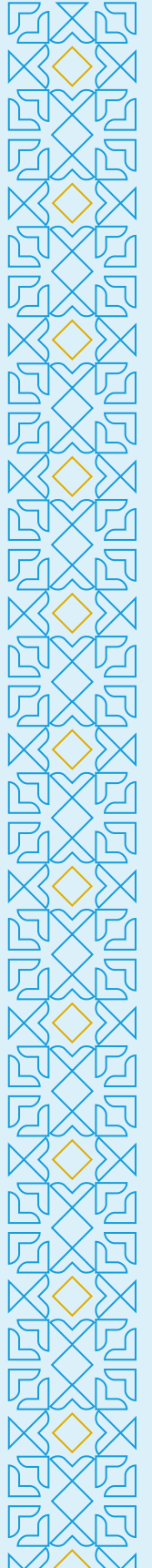
On behalf of SEDCO Capital, I extend our sincere thanks to the Kingdom's wise leadership, led by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, and His Royal Highness Crown Prince Mohammed bin Salman bin Abdulaziz Al Saud - may Allah protect them - for their unstinting support and guidance.

On behalf of the Board of Directors, I also acknowledge the contribution of the firm's management and employees and congratulate you on the extraordinary operational performance and financial milestones achieved during another year of highlights.

I also take this opportunity to thank our shareholders, our regulators in Saudi Arabia, Luxembourg, and the UAE, and, of course, our clients and investors.

While we are confident that our experience and determination to excel across every facet of the business will enable SEDCO Capital to go from strength to strength in the best interests of our clients, investors and other stakeholders, we will not be complacent and remain committed to holding a long-term view, whatever the prevailing conditions.

**Abdullah Baarmah**  
Chairman





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**Abdullah Baarmah**  
Chairman

Mr Baarmah joined the SEDCO Capital Board in 2010, before which he was heading the Global Fixed Income Department at NCB Capital. He commenced his career in banking as a futures trader with the National Commercial Bank's Treasury division in 1994, and went on to hold positions of responsibility in the division.

He holds a degree in Business Administration from the University of Portland, Oregon, USA.

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**Rayyan Nagadi**  
Vice Chairman

Eng. Nagadi is CEO of SEDCO Holding. He was previously an advisor to His Excellency the Minister of Finance and currently serves on the boards and executive committees of several companies including the Capital Market Authority's Advisory Committee.

Eng. Nagadi brings more than 20 years of experience in both the public and private sectors, leading mega projects in various sectors including banking, public utilities, petrochemicals, infrastructure and building materials.

He holds a Bachelor's Degree in Applied Electrical Engineering from King Fahd University of Petroleum & Minerals (KFUPM), Dhahran, Saudi Arabia.

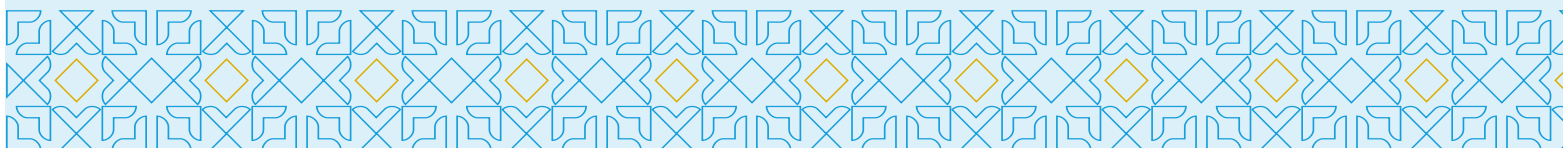
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**Khalid Al-Gwaiz**  
Board Director

Mr Al-Gwaiz has more than 40 years' experience in banking, business, and strategic management. He is Chairman of the Board at Riyadh Cables, chairs the Executive Committee, and is a member of the Nomination and Remuneration Committee. Additionally, he serves on the Boards of Bawan Company, Al Rajhi Bank, and SPIMACO.

Mr Al-Gwaiz's career has included key management positions at ACWA Holding, Samba Financial Group, Arab National Bank, and the National Company for Cooperative Insurance.

He received his Bachelor's degree in Urban Planning from the University of Washington in Seattle, Washington, USA.





**Ahmed Aljasser**

Board Director

Mr Aljasser’s 29-year career includes leadership roles in the investment and banking sectors, focusing on capital markets, fund management, insurance, audit, risk management, and corporate governance.

He is currently Deputy Governor of the National Development Fund and is a distinguished member of the boards and executive committees of numerous public, semi-public, and private entities. These include the Saudi Fund for Development, Saudi Post, Saudi Venture Capital Company, Saudi Mortgage Guarantee Services Company (Dhamanat), Arab Sea Information Systems, SPL Digital Services Company, and the King Abdullah Endowment for KAA & Patriots Foundation.

Mr Aljasser holds a Bachelor’s in Industrial Management from King Fahd University of Petroleum and Minerals, Dhahran, Saudi Arabia.

**Quintin Price**

Board Director

Mr Price has a distinguished four-decade career in the financial services sector. For the past seven years, he has acted as a senior advisor and served on the boards of several public and private companies.

He is currently an Independent Director of F&C Investment Trust, a FTSE-100 company. In addition, he is Chairman of the Asset Allocation Committee of Capital Generation Partners (CapGen); he sits on the Board and the Remuneration Committee of Aperture Investors in the US; and he is a member of the Investment Committee of The Leverhulme Trust, one of the largest endowments in the UK.

Former leadership roles have included periods at Putnam Investments, Gartmore and BlackRock. He also has experience in the banking sector, having worked at HSBC Group, Schroders and James Capel & Co.

Mr Price has a BSc in Economic and Social History from the University of Bristol, UK.

**Hashim Almihdar**

Board Director

Mr Almihdar is an expert in family wealth management through his work in several family offices and international companies across different sectors and industries.

He has a Master’s degree, a Diploma in Management, Design and Manufacturing, and a Diploma in Financial Management for Non-Financial Managers (ACCA) from Cambridge, UK. He also holds a Bachelor’s in Manufacturing Systems Engineering with Management from King’s College, London, UK.

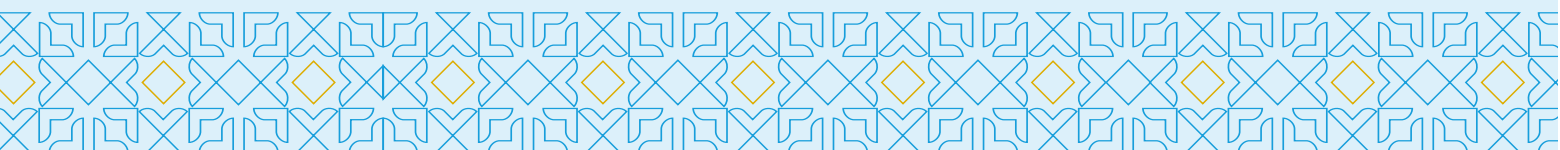
**Ossama Banaja**

Board Director

Mr Banaja is Chief Direct Investments Officer of SEDCO Holding. He also serves on multiple boards and executive committees, including Saudi Entertainment Ventures (SEVEN), National Unified Procurement Company (NUPCO), Pharmaceuticals Investment Company, Uptown Jeddah Company, Red Sea Cruise Company, and Noon.

He has 16 years of experience in private equity and investment banking where he managed a variety of principal investments and served in several strategic roles including Director of Local Holdings Investments at the Public Investment Fund (PIF), Vice President of Private Equity at Jadwa Investment, and AVP of Private Equity at Partners Group.

Mr Banaja has an MBA from New York University, USA.





# SEDCO Capital maintained its growth trajectory of recent years, recording an exceptional across-the-board performance in 2024 despite ongoing macroeconomic and other challenges.

**In financial terms, we grew Assets Under Management (AUM) by 44% and increased our Revenue and Net Profit by 21% and 73% respectively. The AUM growth we achieved is testament to our reputation for managing large and diversified portfolios diligently and efficiently.**

Of special note was the doubling of our client base, a reflection of SEDCO Capital's broad appeal to traditional and new investors, the broad choice of offerings, and our track record for innovation and performance.

The phenomenal local and regional appetite for real estate showed few signs of abating, with our real estate investment funds growing by 350%. Of the 24 new investment funds and products launched during the year, our real estate team succeeded in launching 15 new funds and acquired high-profile projects throughout the Kingdom to strengthen our position in this dynamic sector.

Last year, we made significant progress on the firm's strategy and governance reviews, so it was pleasing to launch our innovative three-year strategy which is founded on three core principles designed to take SEDCO Capital to the next level of the firm's evolution.

These are to strengthen our leadership position in local and international markets; to expand existing business lines while introducing innovative products across various sectors; and to focus on sustainable growth, leveraging technology and market insights, to enhance our competitiveness.

One of the undoubted highlights of the year was our decision to offer retail clients a range of new investment opportunities. We achieved this via two funds: the SC DARCO AlShatee Real Estate Development Fund, which caters to growing demand in the local housing sector; and the SC Inspire Boulevard Fund, which targets commercial real estate projects to give retail investors access to high-value assets. We later successfully exited the fund after receiving an exceptional acquisition offer for its land asset.

We also extended our appeal to new and existing investors with the SC IPO Fund, which is designed to capture growth opportunities in public equity markets and the SC Multi-Asset Traded Fund. This offers investors a balanced approach through investments in global and local equities, private equity, money markets, and sukuk.

Another highlight was the firm's launch of a new client portal that allows investors to open accounts and access their portfolios at any time. We will continue to develop the client portal, using the latest technology to provide a seamless and secure user experience.

This is positive proof that SEDCO Capital is progressing toward the total digital transformation of its services to meet client expectations and make their investment experience the best possible.

Looking ahead, we will build on the successes of 2024 under the direction of our new strategic plan which encompasses entry into new investment sectors, product and service innovation, and harnessing all the tools at our disposal to make SEDCO Capital even more competitive.

We plan to emphasize new investment products in the local real estate sector and other asset classes. To consolidate our performance track record and attractiveness to local investors, we have new investment funds slated for launch in 2025. Meanwhile, attracting foreign investors in alignment with the goals of Saudi Arabia's Vision 2030 will remain a priority.

Our ambition to diversify our portfolio over the long term includes venturing into direct lending, private equity and venture capital, as well as offering a variety of savings programs for individual investors.

I take this opportunity to acknowledge the regulatory insights and support of the Kingdom's Capital Market Authority (CMA), and the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg.

Finally, the SEDCO Capital Board of Directors and executive team have, once again, demonstrated the foresight and knowledge that comes from years of accumulated experience. I commend them for their contributions to our excellent performance in 2024 and look forward to working closely with them in the coming years to replicate our successes to date.

**Abdulwahhab Abed**  
Chief Executive Officer

## Executive Team



### **Abdulwahhab Abed**

Chief Executive Officer

Abdulwahhab Abed has had an illustrious 18-year association with SEDCO Capital. A results-driven leader, he is well regarded in the investment industry for successfully managing a diverse range of business lines.

He has extensive experience in charting strategic business plans; negotiating investment opportunities across a range of asset classes and geographies; structuring funding for portfolios; and building shareholder and client value. He also has sound legal expertise and proven experience in leading merger and acquisition (M&A) transactions.

Mr Abed chairs the firm's Management and Investment Committees. Before his appointment as CEO, he held various roles in the firm, the most recent of which was Chief Business Development Officer.

Mr Abed has an MBA (finance major) and a BSc (finance and accounting), both from Bentley University's McCallum School of Business in the USA. He is also a graduate of the Misk 2030 Leaders program.

### **Ahmed Tourson**

Chief Financial and Operations Officer

Ahmed Tourson has worked with SEDCO Capital since 2015, bringing a wealth of expertise in investment operations, securities, support services, auditing, and financial analysis. Previously, he held key roles at Deloitte & Touche Middle East and KPMG Saudi Arabia, where he specialized in independent audit, quality assurance, and financial advisory.

Over 15 years, Mr Tourson has developed a strong track record in financial oversight, risk management, and strategic financial planning. Beyond his role at SEDCO Capital, he currently serves as Chairman, Board Member or Audit Committee Chairman in several companies.

Mr Tourson holds a Bachelor's in Accounting Sciences from King Fahd University of Petroleum and Minerals, and has completed the CFO Executive Program at London Business School.

### **Christian Guckel**

Chief Risk Officer

As Chief Risk Officer, Christian Guckel focuses on investment research, portfolio construction and portfolio analytics. He joined the firm in 2014 and is a member of the Investment Committee, Asset Management Committee and Tactical Asset Allocation Committee.

Previously, he was an Investment Director for a Swiss asset management and advisory services firm. He also served as Portfolio Manager at Man Investments' multi-manager business and with HSBC Trinkaus & Burkhardt in the Structured Solutions Group. He started his career in risk control and management with Stadtsparkasse Magdeburg.

Mr Guckel has an MBA from Colorado State University and a Master's (equivalent) in Finance from Otto-von-Guericke University, Germany. He is a certified Chartered Financial Analyst, a Financial Risk Manager, Chartered Alternative Investment Analyst, and an Energy Risk Professional.

### **Rayan Habis**

Chief Human Resources Officer

Rayan Habis joined SEDCO Capital in 2021. He fulfils a pivotal role in aligning HR strategies with organizational goals and driving operational excellence. He was previously Head of Organization Development & Excellence at SEDCO Holding.

Mr Habis has more than 18 years' experience across private wealth management, Shariah-compliant investments, petrochemicals, and the retail sector. His diverse expertise encompasses HR strategy and policy, organizational development, talent management, compensation, and leadership development.

He is also a Board Member of Alshiaka and serves on the company's Nomination and Remuneration Committee. Previously he was a Board Member of Yusr International Schools.

Mr Habis has an MBA from the University of Business and Technology (UBT) and a Bachelor's in International Business Administration from King Abdulaziz University. He is certificated as a Human Resources Professional Manager and has completed executive programs at HEC Paris and IMD Business School.



### Montaser Foudah

Chief Governance and Compliance Officer

Montaser Foudah joined SEDCO Capital in 2023 as Chief Governance and Compliance Officer. With more than 24 years' experience in investment and banking, he is a Certified Compliance Officer (CCO), Certified Wealth Manager (CWM) and Certified Financial Planner (CPFP).

Before joining SEDCO Capital, he was Head of Governance, Compliance and MLR at Watani Wealth Management (2017-2023). From 2007 to 2016, he held various roles at Alkhabeer Capital, including Head of Custody and Awqaf, Deputy Chief Risk and Compliance Officer, Head of Governance and Compliance, and Vice President of Wealth Management. Mr Foudah was Acting Head of the Financial Planning and Remuneration Program Unit, and Senior Client Advisory Manager at The National Commercial Bank (2004-2007). He was an Investment Marketing Officer at Riyad Bank from 1999 to 2003.

Mr Foudah has a bachelor's degree in Business Administration from King Abdulaziz University.

### Anas Baksh

Chief Internal Audit Officer

Anas Baksh joined SEDCO Capital in January 2021. His experience over 15 years includes key roles in global and leading Saudi companies. His expertise spans external and internal audits, risk, control and assurance and finance.

He began his auditing career with Deloitte in assurance and external auditing. This was followed by his role as a Retail Banking Financial Controller at The National Commercial Bank (NCB), before moving into NCB's Internal Audit Department with responsibility in the Finance and Risk areas. Before joining SEDCO Capital, he headed the newly established Finance Department at the Ministry of Culture (Jeddah Historical District Program).

Mr Baksh is a Certified Fraud Examiner (CFE) and holds a Master's of Accounting & Information Systems degree from Middle Tennessee State University (MTSU) in the USA and a Bachelor's in Accounting from King Fahd University of Petroleum and Minerals, Saudi Arabia.

### Faozan Shokri

Senior Vice President - Head of Regional Real Estate

Faozan Shokri joined SEDCO Capital in 2021. He oversees the firm's real estate business and guides the team to offer unique investment products to local and regional clients. With more than 16 years' experience in real estate investment management and acquisitions, he has worked mainly in regional real estate acquiring assets on behalf of the firm's core clients.

Mr Shokri began his career with Deloitte where he was a Senior Consultant. He also has significant experience in real estate funds, development, financing and consultancy. He was involved in the acquisition of four income-generating properties currently under the SC REIT Fund, and the development management of SC BTS 1 and the divestiture process for Al Yusr International Schools.

Mr Shokri has a BA in Accounting from King Fahd University of Petroleum and Minerals, Saudi Arabia.

### Bassam Al-Mutairi

Senior Vice President - Head of Multi-Asset & Investment Solutions

Bassam Al-Mutairi is the Head of Multi-Assets & Investment Solutions at SEDCO Capital, with over 12 years of experience in asset management across both liquid and private asset classes. Since joining SEDCO Capital in 2014, he has managed and co-managed fixed income and public equity portfolios.

He later led the Income Assets department where he was responsible for managing fixed income, leasing and private infrastructure funds and portfolios. Following that, he assumed his current role overseeing multi-asset funds and portfolios across regional and international markets.

Mr Al-Mutairi serves as the Chairman of the firm's Product Development Committee, Vice Chairman of the Multi-Asset Allocation Committee, and member of the Investment Committee.

He holds a BA in Finance (Hons) from King Fahd University of Petroleum and Minerals.



# Business Review

SEDCO Capital successfully launched 15 new real estate funds in 2024, and acquired a number of high-profile projects throughout the Kingdom.



## Assets Under Management Summary 2024

₪ 37bn

₪ 19.7bn

Real Estate Investments

₪ 5.6bn

Global Private Investments

₪ 7.9bn

Public Equity Investments

₪ 3.8bn

Income Assets, Fixed Income, Others

## Asset Management

**SEDCO Capital's strategy has consistently delivered robust investment performance to clients that include institutions, family offices, endowments, sovereign wealth funds, ultra-high net worth individuals and other sophisticated investors.**

### Real Estate

Buoyed by the positive market outlook for public and private diversified real estate funds, we embarked on two key initiatives in 2024:

**SC REIT expansion strategy** - this involved identifying and assessing real estate properties that align with the fund's investment strategy and objectives.

**Real estate development funds expansion** - we formed strategic partnerships with reputable developers and collaborated with established land owners to develop market-driven projects in the Kingdom's primary cities. This initiative was primarily driven by rising interest rates.

We also structured and successfully launched several new real estate development funds in 2024. These covered a diverse range of investment opportunities and included:

**Adeer SEDCO Capital Makkah Towers Fund** - a real estate development fund (₪1.4 billion) that aims to acquire a commercial hotel on Ibrahim Al Khalil Road in Makkah, and complete the necessary finishing work for it to become operational.

**SEDCO Capital Darco Alshatee Real Estate Development Fund** - a real estate crowdfunded fund (₪485 million) that aims to develop a residential real estate development in one of Jeddah's prime locations. Equity financing was obtained through Sahem, a renowned crowdfunding platform.

In 2024, we successfully exited the SEDCO Capital Inspire Boulevard Fund, which was launched in 2023 through a strategic partnership with Aseel Platform. The fund was established to develop an office park in Riyadh and the land was successfully sold within a year of development, achieving a total return on equity of 22%, exceeding the 18% target return.

In reviewing the firm's current portfolio, it is evident that the SC REIT Fund continues to deliver a healthy performance, mainly characterized by high occupancy rates. The fund is also maintaining cash distributions on a quarterly basis.

Looking ahead, SEDCO Capital's Real Estate team will continue to launch a diverse range of new real estate development funds across the region.



Illustrating the significant progress made in 2024, our team has already secured Memorandums of Understanding - collectively valued at ₪9 billion - for several prospective real estate development funds that are expected to come onstream in 2025-2026. Furthermore, we are committed to the ongoing assessment and acquisition of high-quality, income-generating assets for the SC REIT Fund.

### Private Equity

#### Private Equity Funds

SEDCO Capital invests in private equity funds valued between USD 250 million and USD 1 billion. We focus on mid-market and value-add managers who offer deep sector focus in the healthcare, technology, consumer and educational sectors, and aim to maintain a 70/30 split between developed and emerging markets.

In accordance with our Shariah and ESG guidelines, the firm avoids funds that deal in non-ethical activities or hold a large position of portfolio companies with leverage ratios of 33% or higher.

# USD 60 mn

Our private equity funds performed strongly, with total client distributions of more than USD 60 million.

As part of our strategic growth, the firm is focusing on private equity deals within Saudi Arabia and the GCC region. Our plan is to capitalize on our knowledge in the private equity space by investing in local and regional opportunities within the early/mid-market growth stage.

The Saudi private equity market is undergoing a major traction, with total deal value during 2024 surpassing USD 2.8 billion. SEDCO Capital aims to capitalize on this trend and provide a minimum gross return of 2.0x or 20% IRR for its investors.

### Private Equity Co-investment

SEDCO Capital currently manages 20 portfolio companies in North and South America, Europe and Asia, covering the technology, consumer, healthcare, business services and industrial sectors.

Two new co-investments were made in 2024: Project Eagle, a Luxembourg-based healthcare logistics service company which sources, packages and delivers products for oncology trials across the globe, and Project Aero, a US-based cold-chain logistic solutions provider to healthcare clients.

The co-investment team remains focused on identifying new and attractive investments in our core sectors, while opportunistically evaluating exits.

### Public Equity

2024 was a challenging year due to range bound market movements. Nevertheless, we managed to outperform the benchmark in three out of four strategies.

### Regional Public Equity

In 2024, we launched the SEDCO Capital IPO Fund, an open-ended Saudi IPO only product. This fund is designed to maximize allocations to IPOs and is compared to a customized benchmark as it can only take equity exposure through bidding in IPOs. During its four months in existence, the fund has generated net of fees alpha of 237 bps through overweighting its choice IPOs via higher bidding values.

Among the existing strategies, the REITs Strategy performed best, beating the benchmark by 460 bps, followed by Growth Strategy, which generated 128 bps alpha. Income Strategy remained slightly ahead of the benchmark, while Relative Return lagged by 127 bps.

In a range bound market, stock selection-based alpha generation becomes a challenge and the contribution of asset allocation assumes higher significance. This is evident from the better performance of Growth Strategy vs Relative Return since Growth Strategy employs asset allocation as an active tool for alpha generation.

The S&P Saudi Shariah Domestic Total Return Index was up 4.8% during the year while depicting the aggregate movement of 11.5%.

Despite the favorable interest rate outlook, the market failed to make any significant moves, mainly due to the lack of participation by local investors as foreign portfolio investment crossed USD 8 billion plus.

Looking ahead to 2025, we are excited to be launching our Artificial Intelligence assisted fund, which will be first of its kind in Saudi Arabia. The team worked tirelessly with software experts throughout the year to develop this product and the very fact that alpha generation becomes a continuous progressive infinite loop endeavor is a significant achievement.

In terms of the aggregate market outlook, we foresee another volatile year as changes in the US leadership may bring some surprises, but by year-end we expect bulls to surpass bears and for the Saudi listed shariah market to close with significantly positive gains.

### International Public Equity

Global equity markets extended their rebound in 2024, outperforming expectations - despite high interest rates and rising unemployment. The widely anticipated recession did not materialize, while corporate earnings remained strong across major economies.

Technology stocks led gains, driven by advances in AI, cloud computing, and automation. US markets hit record highs, with the Nasdaq and S&P 500 up over 24.9% and 23.3%, respectively. The Fed's rate cuts beginning in September and Donald Trump's re-election in November further boosted investor sentiment.

Against this favorable backdrop, our Luxembourg-based UCITS platform (SCLux) continued to grow, with AUM reaching USD 2.18 billion by year-end. 2024 marked a major milestone as we completed the transition of most legacy SIF funds to the UCITS structure to enhance transparency and scalability.

# 25.1%

The SEDCO Capital US Passive Fund returned 25.1%, outperforming the S&P 500 thanks to strong contributions from mega caps and AI.

We also launched two new UCITS funds, the SC Global Quality Fund and the SC Global Technology Fund, targeting long-term themes of innovation and resilience.

Performance highlights included the SC US Passive Fund, which returned 25.1%, outperforming the S&P 500 thanks to strong contributions from mega caps and AI. The SC China Equity Fund delivered 14.4%, outperforming its benchmark by 14.8%, supported by policy stimulus and attractive valuations.

Looking ahead, while inflation and trade tensions remain key risks, we see strong long-term opportunities driven by monetary policy normalization and digital transformation. We remain focused on expanding our Shariah-compliant offering and distribution reach to meet evolving client needs.

### Income Assets

We delivered a solid performance across all income asset classes in 2024. Notably, our money market investments achieved a robust return of +4.7%, while sukuk generated a commendable +3.55%. In particular, the SC Global Sukuk Fund continued to be positioned in the top quartile among its peers, culminating in an impressive 27% growth in AUM during the year.

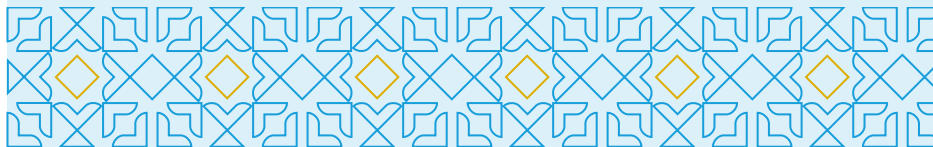
In 2024, the bond market faced significant volatility - particularly surrounding 10-year US Treasury bonds - which was driven by economic data releases and investor speculation regarding interest rate adjustments.

The firm's Luxembourg platform continued to grow in 2024, with AUM reaching USD 2.18 billion by the year-end. We completed the transition of most legacy SIF funds to the UCITS structure, enhancing transparency and scalability.





Drawing on our deep expertise and trusted global partnerships, we are expanding our strategy to include local private credit investments, aiming to capitalize on the rapidly growing and dynamic private credit landscape in Saudi Arabia.



The Fed's decision early in the year to maintain high interest rates in order to combat inflation transitioned - as inflation began to ease - to rate cuts in September, November and December. Nevertheless, as inflation concerns re-emerged, long-term bond yields increased, further complicating the market landscape.

Meanwhile, money market funds showcased their resilience, benefiting from attractive deposit rates for most of the year and successfully positioning themselves as a reliable investment class amidst ongoing global uncertainties.

As attention turns to 2025, the outlook appears mixed, with the Federal Reserve expected to continue rate cuts, albeit with looming inflation risks. Analysts foresee volatility in fixed income markets but remain cautiously optimistic. Strong demand for investment-grade sukuk, buoyed by healthy corporate fundamentals and declining interest rates, presents potential for price gains and positive returns in a favorable funding environment.

Additionally, with competitive deposit rates on offer from financial institutions, money market products are likely to maintain their appeal for investors seeking low-risk options to support their portfolios.

Finally, drawing on our deep expertise and trusted global partnerships, SEDCO Capital is expanding its strategy to include local private credit investments, aiming to capitalize on the rapidly growing and dynamic private credit landscape in Saudi Arabia.



### Corporate Finance

SEDCO Capital's Corporate Finance Department is an experienced sell-side and buy-side advisory resource that provides clients in Saudi Arabia with a combination of in-depth market research and invaluable decision-making intelligence.

Buy-side activity has also played a key role in attracting new clients from the MENA and international markets. Our team provides ad hoc services, such as market intelligence and valuations, and we retain specialist consultants to meet demand and assist wherever their services are needed.

The year has seen us strengthen our sell-side advisory services and relationships with financial advisors, corporate investors and family businesses, while we have continued to target equity and debt placement services.

### Administration and Custody

The key disciplines that contribute to an investment's performance - from the simplest to the most complex - are flawless execution, safekeeping, and asset maintenance. Our expertise in these areas, allied to a comprehensive infrastructure, help to minimize transactional, legal and taxation risks, and is integral to our consistent approach and overall performance.

We continued to seek ways of improving our disciplines to achieve a consistent overall performance. To this end, the introduction of Bloomberg Automation has helped to reduce the time spent on manual reconciliations.

We also successfully implemented the newest equipment from ZATCA E-Invoicing for linking invoices and delivered all required reports and data to regulators within the required timelines.

Our targets for 2025 are to enhance efficiency by automating inputs in the NAV calculation process for managed funds, and by streamlining our clients' balance confirmations.

### Advisory

SEDCO Capital's advisory services are tailored to help clients make informed decisions about their investments, which in turn leads to the firm increasing AUMs through Discretionary Portfolio Management.

A key highlight in 2024 was the successful launch of the SC Multi-Asset Traded Fund to provide clients with efficient access to a diversified, actively managed multi-asset solution. This milestone reflects the firm's commitment to developing innovative investment products aligned with our clients' evolving needs. The advisory team also remained actively engaged with long-standing investors, providing ongoing insights into market trends and portfolio positioning.

Our strategy continues to focus on targeting high net worth individuals, family offices, endowments, and other institutional clients with tailored advisory services.

Our role - in close collaboration with clients - typically includes strategic and tactical asset allocation; drafting investment policy statements; governance frameworks; terms of reference for various committees; periodic portfolio rebalancing; and identifying and addressing structural gaps in asset allocation.

We empower our clients' investment decisions by providing access to the advisory team's strengths in research, asset allocation guidance, and risk assessment.

### Asset Allocation

SEDCO Capital's asset allocation function is led by the Multi Asset Allocation Committee (MAAC), a cross-functional body that brings together experts with diverse competencies across asset classes. The committee is chaired by the CEO and is supported by dedicated research, risk, and advisory teams to ensure comprehensive representation and insight.

The committee conducts reviews of market fundamentals, macroeconomic conditions, and investor sentiment to develop conviction-based views and assign scores to each asset class. These insights guide the quarterly rebalancing and optimization of client portfolios, complemented by a monthly economic 'health check' to ensure agility in changing market conditions.

SEDCO Capital's asset allocation framework has matured into a comprehensive, data-informed process that balances long-term strategic vision with the agility to respond to short-term market shifts. It has played a vital role in improving portfolio performance, mitigating risk, and consistently delivering value to our clients, particularly during times of market uncertainty.

Our process reflects SEDCO Capital's commitment to strong governance, forward-looking analysis, and client-centric investment management.

# Corporate Review

Our proven approach has forged a reputation for excellence across all capabilities and products, as evidenced by the firm's strong performance during 2024.



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# ₹ 11.2 bn

In 2024, SEDCO Capital raised ₹11.2 billion in new AUM from domestic and regional markets and opened 77 new client accounts.

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**SEDCO Capital's reputation for excellence in asset management, advisory, corporate finance, and administration & custody is backed-up by specialist teams in all middle and back office functions.**

These include business development, risk management, finance and treasury, compliance, Shariah monitoring and governance, operations, human resources, IT, business continuity, internal audit, product development, legal, middle office, and marketing and communications.

#### **Business Development**

Leadership in Prudent Ethical Investing (PEI) sits at the heart of SEDCO Capital's corporate culture and is underpinned by our skill in strategic business development and tailoring innovative products to meet clients' needs. It is a proven approach that has forged our reputation for excellence across all of the firm's capabilities.

#### **Regional Business Development**

Throughout 2024, SEDCO Capital strengthened the firm's relationships with existing core clients, while successfully penetrating new markets locally and internationally. We raised ₹11.2 billion in new AUM from domestic and regional markets and opened 77 new client accounts.

Other achievements include:

- Securing the closures of the Ground Square and Ajdan Real Estate funds.
- Closing a significant mandate with Central Region investors, further enhancing the firm's market presence in the Kingdom's capital.

- Collaborating with the IT Department to build an investor portal and streamline the account-opening process.
- Improving investor reporting through close coordination with the Middle Office Department.
- Hosting an exclusive event in Riyadh, in collaboration with Lombard Odier, which was attended by the firm's clients and key prospects. The event featured a market outlook presentation by the Lombard Odier team and insightful discussions led by SEDCO Capital's executive team. The event strengthened our engagement with key clients and fostered new business opportunities.

#### **International Business Development**

In 2024, our International Business Development team successfully raised ₹106.9 million of new AUM and made significant progress in strengthening our international marketing infrastructure.

We launched a new international strategy to enhance the marketing and distribution of SEDCO Capital's Global UCITS funds. This is designed to position the firm as a leading global provider of Shariah-compliant UCITS offerings and to drive growth and deliver value to our stakeholders.

To ensure the long-term success of the initiative, the following key drivers were identified:

- Onboarding all new funds on distribution platforms such as Allfunds, Clearstream, and Euroclear, and on data platforms such as Bloomberg, Morningstar, Nasdaq eVestment, and FundInfo.
- Targeting market assessment by complying with ESMA and MiFID II regulations.

- Collaborating with fund rating agencies such as Mercer and Morningstar.
- Conducting marketing roadshows and meetings with international private banks and responding promptly to their due diligence requests so that our funds appear on their recommendation lists.
- Adopting private labeling and white labeling of the firm's funds with retail banks.
- Targeting global Shariah-compliant family offices.
- Stepping up our attendance and support of international conferences focused on Shariah investments.

#### **Risk Management**

Risk Management continues to play a pivotal role in supporting SEDCO Capital's strategic objectives through proactive risk governance, operational resilience, and a client-centric approach to institutional risk oversight. In 2024, the department focused on data-driven insights, ESG integration, and regulatory compliance to further strengthen its capabilities.

#### **Strengthening Risk Governance and Operational Resilience**

The department conducted quarterly reviews, and updated policies and procedures manuals to ensure alignment with internal standards and regulatory requirements. Company-wide risk self-assessments were conducted to identify potential vulnerabilities and to ensure controls were effective in protecting organizational objectives.

Annual business continuity planning (BCP) training and tests were successfully conducted to maintain operational readiness, while annual cybersecurity penetration tests added an important layer of defense.

Conflict-of-interest reviews for senior management, Board members, and fund governance structures were updated to bolster key legal and regulatory safeguards. The department also led annual risk mapping exercises to identify emerging risks and bolster SEDCO Capital's preparedness.

### **Elevating Investment Oversight and Due Diligence**

Risk Management reviewed all CMA-registered products, and enhanced operational due diligence on investment managers, resulting in stronger governance of the investment process. Desktop reviews were complemented with regular due diligence meetings to ensure regular monitoring and greater accountability.

The department conducted thorough investment risk reviews across public equity, fixed income, real estate and private equity to assess risk-adjusted returns, alignment with investment objectives, and compliance with defined strategies. Liquidity stress tests were performed to validate the resilience of funds under adverse conditions, while credit risk reviews ensured the financial soundness of counterparties.

Best execution reviews were carried out for liquid funds and DPMs to ensure fairness and client-first execution practices.

Additionally, independent risk evaluations of external investment managers further validated the robustness of the firm's investment oversight mechanisms.

### **Enhancing Client Transparency and Data Capabilities**

Risk Management responded to client-driven due diligence questionnaires (DDQs) and participated in assessment meetings to provide insights into SEDCO Capital's risk practices and operational capabilities. Notably, the department supported the launch of a client-facing investor portal, which included individual KYC and account opening features, as well as a portfolio dashboard for enhanced reporting.

To further enhance portfolio analytics, the department led the onboarding of LSEG Workspace (LSEG WS) as a key tool for risk monitoring, investment research, and performance analytics across the risk management and liquid asset teams.

### **Driving Sustainable and Responsible Risk Practices**

In line with global sustainability expectations, the Risk Management team made substantial progress in advancing responsible investment (RI) principles. ESG factors were actively integrated into the risk assessment and investment decision-making processes. The department also conducted an in-depth review of the UNPRI assessment results, identifying key areas for improvement and reinforcing the firm's commitment to responsible investment practices.

SEDCO Capital published its second Task Force on Climate-related Financial Disclosures (TCFD) report during the year, outlining climate-related risks, opportunities, and strategic alignment with global sustainability frameworks.

This enhanced transparency and demonstrated the firm's ongoing commitment to ESG governance and building stakeholder trust.

### **Looking Ahead**

As the risk landscape evolves, the department is preparing to deploy advanced data analytics and artificial intelligence to improve the early detection and mitigation of emerging risks, including those linked to cybersecurity, climate change, geopolitical instability, and technological disruption. The focus will remain on enhancing organizational resilience in an increasingly complex and uncertain global environment.

### **Finance and Treasury**

The Finance and Treasury department plays a critical role in overseeing the firm's financial infrastructure including financial platforms; bookkeeping; proprietary investments; budgeting activities; and reporting systems.

It also manages SEDCO Capital's liquidity and funding requirements while nurturing key relationships with banks, external auditors, Zakat consultants, tax authorities, and counterparties. The department regularly utilizes economic insights and financial analysis to strengthen business strategy, enhance operational efficiency, and ensure seamless, constant performance.

Throughout 2024, the department remained focused on optimizing SEDCO Capital's return on investment, exercising disciplined cost management, and safeguarding the company's financial resilience.

In 2024 we published the firm's second Task Force on Climate-related Financial Disclosures (TCFD) report, outlining climate-related risks, opportunities, and strategic alignment with global sustainability frameworks.

We continued to maintain strict adherence to capital adequacy ratios to support current business needs and empower future strategic growth.

Looking ahead, the Finance and Treasury Department will collaborate closely with all departments to implement the firm's strategy. We will adapt to the Kingdom's evolving financial regulations, and actively engage in high-impact workshops and industry forums, to ensure that SEDCO Capital remains at the forefront of financial excellence and innovation.

#### **Governance and Compliance**

The Governance and Compliance department plays a pivotal role in safeguarding SEDCO Capital's adherence to local and international regulatory requirements.

By developing and enforcing comprehensive governance frameworks, policies, and procedures, the department strengthens SEDCO Capital's position of leadership in promoting ethical conduct, transparency, and the prevention of financial crime, including money laundering and terrorist financing.

A fundamental aspect of the department's mandate is to cultivate and maintain strategic relationships with key regulatory bodies, most notably the Capital Market Authority (CMA) in Saudi Arabia and the Commission de Surveillance du Secteur Financier (CSSF) in Luxembourg. These ongoing engagements ensure SEDCO Capital's operations remain aligned with evolving regulatory standards and supervisory expectations.





In 2024, SEDCO Capital reported no regulatory penalties, an important sign of excellent compliance. This achievement was reinforced by the successful implementation of SEDCO Capital's Anti-Money Laundering (AML) and financial crime awareness programs, which have significantly heightened employees' awareness of their regulatory duties and institutional risk mitigation practices.

Concurrently, SEDCO Capital maintained its dedication to Shariah compliance by ensuring that all products, investment activities, and operational practices are fully aligned with Islamic finance principles. This is executed through proactive collaboration with the Internal Shariah Advisor and the Shariah Supervisory Board, who provide ongoing oversight and approval, so helping to embed Shariah governance into SEDCO Capital's broader compliance architecture.

### Operations

SEDCO Capital's Operations department offers a broad range of services, to the highest international standards, by investing in human capital and technology.

The department's activities include fund and DPM administration; client reporting; trade matching; reconciliation; screening and selecting different service providers; and maintaining the Investment Book of Record (IBOR) and Accounting Book of Records (ABOR).

Throughout 2024, we developed additional reports utilizing e-Front (a technology solution for alternative investment management). All new processes were updated in the operational manual.

In 2024, Operations worked closely with the IT department to develop the firm's new investor portal which enables clients to open their accounts online, update their KYC details, and facilitate access to portfolio performance information.

In another development, we integrated e-invoicing with ZATCA and fulfilled all regulatory requirements for tax and Zakat filings on time and without any issues.

### Human Resources

The Human Resources Department's mission is to ensure a unified culture by providing best practices and quality services to the firm's employees. The department's main duties are to hire qualified personnel to predetermined standards; to create a healthy pipeline of future leaders and successors; to develop a training and development plan to promote individual success that will build the firm's overall value; and to offer a competitive reward and compensation scheme.

In 2024, HR made significant strides in enhancing organizational capability and talent development. The successful launch of the SEDCO Capital Competency Framework, supported by a customized Competency-Based Assessment (CBA), which will be deployed in a followed process across all employee levels to ensure strategic alignment of skills and performance, was one of the year's major achievements.

To further leadership development, a select group of executives was enrolled in advanced leadership programs, directly supporting the execution of their Individual Development Plans (IDPs).

The department also introduced a blended learning model, integrating both in-person and virtual platforms to provide scalable, inclusive, and accessible learning opportunities for all employees reinforcing a culture of continuous growth and development.

### Information Technology

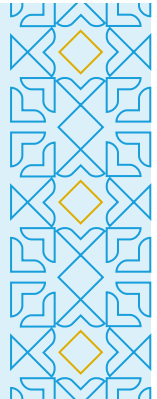
Information technology is a key strategic driver, promoting the effective stewardship of a secure, highly reliable technology infrastructure with high-quality services and support to meet the requirements of the business.

Against the backdrop of a growing number of cyber-attacks, the firm has invested in technology, people, and processes, in collaboration with our vendors, to strengthen our security against such incidents. These enhanced cybersecurity measures include robust security protocols with state-of-the-art tools to protect sensitive data and systems from cyber threats.

Following the building of the IT infrastructure and equipping of SEDCO Capital's new Riyadh office, we also launched the investor portal application, which streamlines and enhances the entire client journey, from onboarding to portfolio monitoring. It facilitates seamless onboarding for individual and corporate clients, simplifying the submission of required documents and accelerating KYC verification.

The platform also provides an efficient way to monitor client files, ensuring all compliance requirements are easily tracked and managed.

The firm has invested in technology, people, and processes including robust security protocols with state-of-the-art tools to protect sensitive data and systems from cyber threats.



Additionally, clients gain secure, real-time access to their portfolio performance, enabling them to stay informed and make timely decisions.

The Self-Service application was also upgraded to allow employees, managers, and other users to perform common HR, financial, and administrative tasks without needing the direct involvement of support teams. These applications are designed to improve efficiency by enabling users to initiate and manage processes such as leave requests, expense claims, training enrollment, personal information updates, and approvals through a secure, role-based interface.

### **Business Continuity**

SEDCO Capital has in place a Business Continuity Plan (BCP) that can be activated quickly in response to events that might significantly impact the business. Since the timing and impact of disasters and disruptions are unpredictable, the firm needs to be flexible when responding to actual events as they occur. The BCP ensures the effective management of risk to enable the firm to operate with minimal disruption in the event of an incident.

Training and testing verifies that the necessary resources for the recovery of all critical business functions are available and can operate to the required recovery specifications. The Risk Department regularly updates SEDCO Capital's recovery plans and technology to minimize the time required to recover from a disruption.

### **Internal Audit**

The Internal Audit department operates as an independent and objective assurance and advisory function. Its role is to evaluate and provide recommendations to enhance the effectiveness of SEDCO Capital's risk management, internal controls, and governance processes.

Internal Audit operates under the oversight of the Audit, Risk and Compliance Committee (ARCC) and follows the International Standards for the Professional Practice of Internal Auditing issued by the Institute of Internal Auditors (IIA). The department's independence, responsibilities, authority, and scope are clearly defined in the Internal Audit Charter.

In line with internal audit methodology, the department develops its annual audit plan using a risk-based approach. This plan, reviewed and approved by the ARCC, ensures appropriate coverage of the regulatory requirements and the most significant risks facing SEDCO Capital.

All scheduled audits, advisory reviews, and management-requested tasks during 2024 were executed in accordance with the approved plan. Audit results, including agreed management actions and implementation timelines, were reported to the ARCC. Internal Audit's will continue to work to strengthen SEDCO Capital's accountability, governance, and operational effectiveness.

### **Product Development**

In turning ideas and insights into investment products that align with market opportunities and investor appetites, the Product Development department plays a strategic role in transforming new opportunities into innovative investment solutions.

In 2024, the department focused on expanding SEDCO Capital's local and international fund offerings, as well as broadening our investors' access in the local market through several key initiatives.

The department facilitated the process of obtaining regulatory approval to launch 20 new regional real estate private placement funds in 2024. In addition, we broadened the offerings available through our Luxembourg-based SEDCO Capital Global UCITS platform, launching two new strategies to cater to diverse client segments - including retail investors - across multiple geographies.

We also ensured that all the sub-funds under the SEDCO Capital Global UCITS platform are registered for distribution under the CMA, simplifying access for Saudi investors to invest internationally in UCITS Shariah compliant funds.

In line with our pipeline targets, SEDCO Capital successfully launched two new funds under the Capital Market Authority (CMA) during 2024:

**SC Multi-Asset Traded Fund** - a closed-ended public traded fund offering diversified global exposure across various asset classes

**SC IPO Fund** - a public fund focused on investing in the Saudi IPO market

# Top 40

Our media outreach in 2024 included a campaign to announce the appointment as CEO of Abdulwahhab Abed, who was subsequently named on Forbes' list of the Middle East's Top 40 asset managers.

In the year ahead, the department will develop a pipeline of offerings that are driven mainly by local equities, multi-asset strategies and regional real estate funds. We plan to facilitate the launch of diverse investment products designed to enhance cross-border access, provide local investors with exposure to our international strategies and enable international investors to access opportunities in the Saudi market through SEDCO Capital funds.

### Legal

The Legal department manages SEDCO Capital's legal affairs and those of its subsidiaries and funds in the various jurisdictions in which it operates. Its primary responsibilities include safeguarding SEDCO Capital's assets, reputation and operations against legal risks arising out of its business relationship agreements; transactions; advising on employment law; supporting corporate governance; compliance with applicable laws; and litigation.

### Middle Office

The Middle Office optimizes and enhances the full client experience by regularly assessing report content, design, and alignment with best practices, to ensure the highest standards of investor reporting.

In 2024, we successfully elevated our reporting framework to meet regulatory requirements and market expectations, ensuring full compliance across all public, private fund and client reports. This included strengthening controls, streamlining processes, and maintaining timely and accurate reporting as per CMA regulations.

Given SEDCO Capital's diverse client base, the Middle Office continues to produce various report types tailored to meet individual client needs.

While we aim to further standardize and consolidate investor communications, we remain flexible in delivering customized solutions for clients with specific reporting preferences.

Our ongoing commitment to excellence in reporting and client service supports SEDCO Capital's reputation for quality, transparency, and professionalism.

### Corporate Communications

Throughout 2024, an array of new fund offerings - including the SC Multi-Asset Traded Fund in July, and the SC IPO Fund in August - were supported with significant marketing campaigns, while we published on social media several investment fund agreements signed at the Cityscape Global event in Riyadh.

In February we co-hosted an exclusive event in Riyadh entitled 'Public and Private Markets Outlook 2024', in collaboration with Lombard Odier. Attended by the firm's clients and key prospects, the event featured a series of highly engaging sessions in which industry experts provided their views on major trends impacting the public and private markets.

Throughout the year, we maintained our participation at key local and international events, including the Education Investment Saudi conference in December, during which an Memorandum of Understanding (MoU) was signed to establish an \$1 billion development fund with Unified Real Estate Development Company, one of Saudi Arabia's largest real estate developers.

The MoU aims to develop strategically located educational facilities in Riyadh, the Eastern Province, and Jeddah, as these regions and cities experience increasing demand for educational infrastructure.



The fund marks a turning point in educational real estate projects, delivering sustainable positive impacts by developing integrated facilities that provide advanced learning environments aligned with the highest international standards.

Our media campaign announced the appointment of Abdulwahhab Abed as CEO, shortly before he was named to Forbes' Top 40 Asset Managers in the Middle East list.

We also publicized the MoU signing between SEDCO Capital and Advanced RASM Property Management Company, as well as SEDCO Capital's award of the 'Great Place to Work' certification.

We produced videos to commemorate Saudi National Day and Founding Day, both of which were broadcast on the firm's social media accounts.

Finally, the successful SEDCO Capital Employee Gathering 2024 helped to enhance communication and interaction among the firm's teams and departments.