

ALJAZIRA GCC INCOME FUND
Open-Ended Mutual Fund
(Managed by Aljazira Capital Company)
Financial Statements
Together with the
Independent Auditor's Report
For the year ended 31 December 2024

ALJAZIRA GCC INCOME FUND
Open-Ended Mutual Fund
(Managed by Aljazira Capital Company)

Financial statements for the year ended 31 December 2024

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INDEPENDENT AUDITOR'S REPORT

**TO THE UNITHOLDERS OF ALJAZIRA GCC INCOME FUND
(MANAGED BY ALJAZIRA CAPITAL COMPANY)
RIYADH, KINGDOM OF SAUDI ARABIA
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

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QUALIFIED OPINION

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion" section of our report, the accompanying financial statements present fairly, in all material respects, the financial position of the Aljazira GCC Income Fund (the "Fund") managed by the Aljazira Capital Company (the "Fund Manager") as at December 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (SOCPA).

We have audited the financial statements of the Fund, which comprise of the following:

- The statement of financial position as at 31 December 2024;
- The statement of comprehensive income for the year then ended;
- The statement of changes in net assets (Equity) attributable to the unitsholders for the year then ended;
- The statement of cash flows for the year then ended, and;
- The notes to the financial statements, comprising summary of material accounting policies.

BASIS FOR QUALIFIED OPINION

As disclosed in Note 7 to the financial statements, the Fund's dividend receivables include an amount of SAR 413,231 which has been outstanding for a prolonged period. Based on our audit procedures, we determined that there is objective evidence of impairment on these dividend receivables. However, management has not recognized an allowance for expected credit losses as required by the standard. Had an appropriate impairment allowance been recorded, the dividend receivables and net income would have been reduced by SAR 413,231.

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent from the Fund in accordance with the International Code of Ethics for Professional Accountants that are endorsed in the Kingdom of Saudi Arabia that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT

TO THE UNITHOLDERS OF ALJAZIRA GCC INCOME FUND
(MANAGED BY ALJAZIRA CAPITAL COMPANY)
RIYADH, KINGDOM OF SAUDI ARABIA
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

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RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE FINANCIAL STATEMENTS

The Fund Manager is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by SOCPA and the Fund's Term's and conditions and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. the Fund Board members, are responsible for overseeing the Fund's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures by the Fund Manager;

INDEPENDENT AUDITOR'S REPORT

**TO THE UNITHOLDERS OF ALJAZIRA GCC INCOME FUND
(MANAGED BY ALJAZIRA CAPITAL COMPANY)
RIYADH, KINGDOM OF SAUDI ARABIA
REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

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AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists, related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that the material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PKF Albassam Chartered Accountants



Ahmed A. Mohandis
Certified Public Accountant
License No. 477
Riyadh, Kingdom of Saudi Arabia
25 Ramadhan 1446H
Corresponding to: 25 March 2025



ALJAZIRA GCC INCOME FUND

Open-Ended Mutual Fund

(Managed by Aljazira Capital Company)

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

(Amounts in Saudi Riyals)

	<u>Notes</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
<u>ASSETS</u>			
Cash and cash equivalents	5	385,549	54,576
Investments carried at fair value through profit or loss (FVTPL)	6	10,035,055	21,673,548
Advance against purchase of investments		873,788	-
Dividend receivable	7	515,703	640,938
Prepayments and other receivables		4,145	14,197
Total assets		11,814,240	22,383,259
<u>LIABILITIES</u>			
Management fee payable	8	76,545	88,099
Payable to Unitholders on account of redemption		5,003	-
Payable against purchase of investments		-	22,007
Accrued expenses and other liabilities		169,313	195,006
Total liabilities		250,861	305,112
NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS		11,563,379	22,078,147
Units in issue (in numbers)	9	45,784	104,692
Net Asset (Equity) Value per unit		252.56	210.89

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

ALJAZIRA GCC INCOME FUND

Open-Ended Mutual Fund

(Managed by Aljazira Capital Company)

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

(Amounts in Saudi Riyals)

	<u>Notes</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
<u>Income</u>			
Net gain from investments carried at FVTPL	10	4,188,087	6,486,195
Dividend income		415,282	553,832
		<u>4,603,369</u>	<u>7,040,027</u>
<u>Expenses</u>			
Management fees	8	(327,688)	(347,067)
Custody fees		(21,820)	(15,393)
Other expenses		(109,400)	(188,439)
		<u>(458,908)</u>	<u>(550,899)</u>
Net income for the year		4,144,461	6,489,128
Other comprehensive income for the year		-	-
Total comprehensive income for the year		<u>4,144,461</u>	<u>6,489,128</u>

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

ALJAZIRA GCC INCOME FUND

Open-Ended Mutual Fund

(Managed by Aljazira Capital Company)

STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS

For the year ended 31 December 2024

(Amounts in Saudi Riyals)

	<u>Notes</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
Net assets (Equity) attributable to the Unitholders at beginning of the year		22,078,147	20,014,668
Total comprehensive income for the year		4,144,461	6,489,128
Contributions and redemptions by the Unitholders			
Issuance of units		8,329,858	2,269,797
Redemption of units		(22,598,751)	(6,125,710)
Net changes from unit transactions		(14,268,893)	(3,855,913)
Dividends Distribution to the Unitholders	14	(390,336)	(569,736)
Net assets (Equity) attributable to the Unitholders at end of the Year		11,563,379	22,078,147

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

ALJAZIRA GCC INCOME FUND

Open-Ended Mutual Fund

(Managed by Aljazira Capital Company)

STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

(Amounts in Saudi Riyals)

	<u>Notes</u>	<u>31 December 2024</u>	<u>31 December 2023</u>
<u>Cash flows from operating activities:</u>			
Net income for the year		4,144,461	6,489,128
Adjustments for:			
- Unrealized loss / (gain) on investments carried at FVTPL	10	3,515,176	(5,694,108)
		<u>7,659,637</u>	<u>795,020</u>
<u>Net changes in operating assets and liabilities:</u>			
Investments carried at FVTPL		8,123,317	3,008,635
Advance against purchase of investments		(873,788)	-
Dividend receivable		125,235	60,728
Prepayments and other receivables		10,052	46,269
Management fee payable		(11,554)	(1,941)
Payable against purchase of investments		(22,007)	22,007
Accrued expenses and other liabilities		(25,693)	26,487
Net cash generated from operating activities		<u>14,985,199</u>	<u>3,957,205</u>
<u>Cash flows from financing activities:</u>			
Proceeds from issuance of units		8,329,858	2,269,797
Redemption of units, net off redemption payable *		(22,593,748)	(6,125,710)
Distributions to the Unitholders	14	(390,336)	(569,736)
Net cash used in from financing activities		<u>(14,654,226)</u>	<u>(4,425,649)</u>
Net increase / (decrease) in cash and cash equivalents		<u>330,973</u>	<u>(468,444)</u>
Cash and cash equivalents at beginning of the year		54,576	523,020
Cash and cash equivalents at end of the year	5	<u>385,549</u>	<u>54,576</u>
*Supplementary information:			
Redemption Payable		<u>5,003</u>	<u>22,007</u>

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

ALJAZIRA GCC INCOME FUND

Open-Ended Mutual Fund

(Managed by Aljazira Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Amounts in Saudi Riyals)

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Aljazira GCC Income Fund (the “Fund”) is an open-ended investment fund established and managed through an agreement between Aljazira Capital Company - a Saudi Closed Joint Stock Company (the “Fund Manager”) and the investors (the “Unitholders”). The Fund manager is a wholly owned subsidiary of Bank Aljazira (the “Bank”). The Capital Market Authority (“CMA”) approval for establishment of the Fund was granted through its letter no 2414/5 dated 25 Jumada Al-Thani 1434H (corresponding to 05 May 2013). The Fund commenced its operations on 13 July 2013.

The Fund operates under the terms and conditions contained in its prospectus with the prime objective of providing the investors with the opportunities to invest primarily in Shariah compliant equities, issued and traded in GCC capital markets. The Fund focuses on dividend distributing equities. The Fund’s net income is reinvested in the Fund, which is reflected in the net assets (equity) attributable to each unit.

The Fund is administered by the Fund Manager. The Fund’s assets are held in the custody of HSBC (the “Custodian”).

The Fund is governed by the Investment Fund Regulations (the “Regulations”) published by CMA on 3 Dhul Hijja 1427H (corresponding to 24 December 2006) thereafter amended on 16 Sha’ban 1437H (corresponding to 23 May 2016). The regulation was further amended (the “Amended Regulations”) on 17 Rajab 1442H (corresponding to 1 March 2021) detailing requirements for all funds within the Kingdom of Saudi Arabia. The Amended Regulations have effective dates starting from 19 Ramadan 1442H (corresponding to 1 May 2021).

SUBSCRIPTION / REDEMPTION

Subscription / redemption requests are accepted on all days on which Tadawul is open. The value of the Fund’s portfolio is determined on Monday and Thursday. The net asset value of the Fund for the purpose of purchase or sale of units is determined by dividing the net assets of the Fund by the total number of outstanding units.

2 BASIS OF PREPARATION

The principal accounting policies applied in the preparation of these financial statements are set out below.

2.1 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

2.2 Basis of measurement

These financial statements have been prepared on a historical cost convention, except for investments that are measured at fair value.

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

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NOTES TO THE FINANCIAL STATEMENTS

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(Amounts in Saudi Riyals)

2 BASIS OF PREPARATION (CONTINUED)

2.3 Functional and presentation currency

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

Transactions and balances

Foreign currency transactions are translated into SAR using the exchange rates prevailing at the date of transactions. Foreign currency assets and liabilities are translated into SAR using the exchange rates prevailing at date of the statement of financial position. Foreign exchange gains and losses arising from translation are included in the statement of comprehensive income.

3 CRITICAL ACCOUNTING ESTIMATES AND ASSUMPTIONS

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In the process of applying the Fund’s accounting policies, management has made the following estimates and judgments which are significant to these financial statements:

A. Judgment

3.1 Going concern

The Fund's management has assessed the Fund’s ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast significant doubt on the Fund’s ability to continue as a going concern. Accordingly, the financial statements have been prepared on a going concern basis.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

4.1 New standards, amendments to standards and interpretations

The accounting policies used in the preparation of these financial statements are consistent with those used and disclosed in the annual financial statements of the Fund for the year ended 31 December 2023. There are new standards, amendments and interpretations apply for the first time in 2024, but do not have an impact on the financial statements of the Fund.

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

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For the year ended 31 December 2024

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4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.1 New standards, amendments to standards and interpretations (continued)

4.1.1 New standards, interpretations and amendments

A number of new amendments to standards, enlisted below, are effective this year but they do not have a material effect on the Fund's financial statements.

Amendments to standard	Description	Effective for annual years beginning on or after	Summary of the amendment
IAS 1	Classification of liabilities as current or non-current	January 1, 2024	<p>The amendment has clarified</p> <ul style="list-style-type: none">- what is meant by a right to defer settlement,- that a right to defer must exist at the end of the reporting period,- that classification is unaffected by the likelihood that an entity will exercise its deferral right, and- that only if an embedded derivative in a convertible liability is itself an equity instrument the terms of liability would not impact its classification.
IFRS 16	Leases on sale and leaseback	January 1, 2024	<p>These amendments include requirements for sale and leaseback transactions in IFRS 16 to explain how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted.</p>
IAS 7 and IFRS 7	Supplier finance arrangements	January 1, 2024	<p>These amendments require to add disclosure requirements to enhance transparency of supplier finance arrangements, and 'signposts' within existing disclosure requirements, that ask entities to provide qualitative and quantitative information about supplier finance arrangements.</p>

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4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.1 New standards, amendments to standards and interpretations (continued)

4.1.2 New standards, amendments and revised IFRS issued but not yet effective

The Fund has not applied the following new and revised IFRSs and amendments to IFRS that have been issued but are not yet effective.

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IAS 21	Lack of Exchangeability	January 1, 2025	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments introduce new disclosures to help financial statement users assess the impact of using an estimated exchange rate.
IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1, 2026	These amendments clarify financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception. The new exception permits companies to elect to derecognize certain financial liabilities settled via electronic payment systems earlier than the settlement date. They also provide guidelines to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features. Additionally, these amendments introduce new disclosure requirements and update others.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Amounts in Saudi Riyals)

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.2 New standards, amendments to standards and interpretations (continued)

4.1.2 New standards, amendments and revised IFRS issued but not yet effective

Amendments to standard	Description	Effective from accounting period beginning on or after	Summary of amendment
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027	<p>IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements. The changes, which mostly affect the income statement, include the requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes.</p> <p>Further, operating expenses are presented directly on the face of the income statement – classified either by nature (e.g. employee compensation), by function (e.g. cost of sales) or using a mixed presentation. Expenses presented by function require more detailed disclosures about their nature.</p> <p>IFRS 18 also provides enhanced guidance for aggregation and disaggregation of information in the financial statements, introduces new disclosure requirements for management-defined performance measures (MPMs)* and eliminates classification options for interest and dividends in the statement of cash flows.</p>
IFRS 19	Subsidiaries without Public Accountability	January 1, 2027	<p>IFRS 19 permits an eligible subsidiary to provide reduced disclosures when applying IFRS Accounting Standards in its financial statements.</p> <p>A subsidiary is eligible for the reduced disclosures if it does not have public accountability and its ultimate or any intermediate parent produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.</p>

Management anticipates that these new standards interpretations and amendments will be adopted in the Fund's financial statements as and when they are applicable and adoption of these interpretations and amendments may have no material impact on the financial statements of the Fund in the period of their initial application.

ALJAZIRA GCC INCOME FUND

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(Managed by Aljazira Capital Company)

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Amounts in Saudi Riyals)

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.2 Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents consist of bank balances and cash placed with the Custodian.

4.3 Financial instruments

4.3.1 Initial recognition and measurement

Financial assets and financial liabilities are recognized when the Fund becomes a party to the contractual provisions of the instrument.

At initial recognition, the Fund measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at FVTPL, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or financial liability, such as fees and commissions. Transaction costs of financial assets and financial liabilities carried at FVTPL are expensed in the statement of comprehensive income.

4.3.2 Classification and measurement of financial assets

Classification of financial assets

On initial recognition, a financial asset is classified and measured at amortized cost, fair value through other comprehensive income ("FVOCI") or FVTPL.

Financial asset at amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial asset at FVOCI

A financial asset is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund Manager may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

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For the year ended 31 December 2024

(Amounts in Saudi Riyals)

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.3 Financial instruments (continued)

4.3.2 Classification and measurement of financial assets (continued)

Financial asset at FVTPL

All financial assets not classified as measured at amortized cost or FVOCI are measured at FVTPL.

The Fund classifies its financial assets either as subsequently measured at amortized cost or measured at FVTPL.

The classification requirements for debt instruments are described below:

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent Solely Payments of Principal and Profit (SPPI), and that are not designated at FVTPL, are measured at amortized cost. The carrying amount of these assets is adjusted by any expected credit loss allowance recognized and measured. Profit earned from these financial assets is recognized in the statement of comprehensive income using the effective profit rate method.

FVTPL: If a financial asset's cash flows do not represent solely SPPI or if it not held within the held to collect or the held to collect and sell business model, then it is measured at FVTPL. A gain or loss on a debt investment measured at FVTPL is recognized in the statement of comprehensive income, within "Net gain / (loss) in investments mandatorily measured at FVTPL", in the period in which it arises. A gain or loss from debt instruments that were designated at fair value, or which are not held for trading are presented separately from debt investments that are mandatorily measured at FVTPL, within "Net gain / (loss) in investments designated at FVTPL". Profit earned from these financial assets is recognized in the statement of comprehensive income using the effective profit rate method.

Business model: The business model reflects how the Fund manages the assets in order to generate cash flows. That is, whether the Fund's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets. If neither of these is applicable (e.g., financial assets are held for trading purposes), then the financial assets are classified as part of 'other' business model and measured at FVTPL. Factors considered by the Fund in determining the business model for a group of assets include past experience on how the cash flows for these assets were collected, how the asset's performance is internally evaluated and reported to key management personnel, how risks are assessed and managed and how managers are compensated. Securities held for trading are held principally for the purpose of selling in the near term or are part of a portfolio of financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. These securities are classified in 'other' business model and measured at FVTPL.

SPPI: Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flows and sell, the Fund assesses whether the financial instruments' cash flows represent solely payment of principal and profit (the "SPPI" test). In making this assessment, the Fund considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., profit includes only consideration for the time value of resources, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at FVTPL.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2024

(Amounts in Saudi Riyals)

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.3 Financial instruments (continued)

4.3.2 Classification and measurement of financial assets (continued)

Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

The Fund classifies its equity instruments at FVTPL. The Fund subsequently measures all equity investments at FVTPL, except where the Fund Manager has elected, at initial recognition, to irrevocably designate an equity investment at FVOCI. The Fund's policy is to designate equity investments as FVOCI when those investments are held for purposes other than to trade. When this election is used, fair value gains and losses are recognized in OCI and are not subsequently reclassified to the statement of comprehensive income, including on disposal. Impairment losses and reversal of impairment losses are not reported separately from other changes in fair value. Dividends, when representing a return on such investments, continue to be recognized in the statement of comprehensive income when the Fund's right to receive payments is established.

4.3.3 Derecognition

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognized where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement) and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Fund's continuing involvement in the asset. In that case, the Fund also recognized an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained. The Fund derecognizes a financial liability when the obligation under the liability is discharged, cancelled or expired.

4.3.4 Financial liabilities

The Fund classifies its financial liabilities at amortized cost unless it has designated liabilities at FVTPL.

4.3.5 Impairment of financial assets

The Fund assesses on a forward-looking basis the expected credit loss ("ECL") associated with its financial assets carried at amortized cost. The Fund recognizes a loss allowance for such losses at each reporting date. The measurement of ECL reflects:

- An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
- The time value of resources; and
- Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

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4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.3 Financial instruments (continued)

4.3.5 Impairment of financial assets (continued)

All regular way purchases and sales of financial assets are recognized / derecognized on the trade date (i.e., the date that the Fund commits to purchase or sell the assets). Regular way purchases or sales are purchases or sales of financial assets that require settlement of assets within the time frame generally established by regulation or convention in the marketplace.

4.3.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

This is generally not the case with master netting agreements unless one party to the agreement defaults and the related assets and liabilities are presented gross in the statement of financial position.

4.4 Other receivables

Other receivables are initially measured at fair value plus incremental direct transaction costs, and subsequently at their amortized cost using effective commission method. Loss allowance for receivables is always measured at an amount equal to lifetime expected credit losses.

4.5 Redeemable units

Redeemable units are classified as equity instruments when:

- The redeemable units entitle the holder to a pro rata share of the Fund's net assets (equity) in the event of the Fund's liquidation.
- The redeemable units are in the class of instruments that is subordinate to all other classes of instruments.
- All redeemable units in the class of instruments that is subordinate to all other classes of instruments have identical features.
- The redeemable units do not include any contractual obligation to deliver cash or another financial asset other than the holder's rights to a pro rata share of the Fund's net assets (equity).
- The total expected cash flows attributable to the redeemable units over the life of the instrument are based substantially on the profit or loss, the change in the recognized net assets (equity) or the change in the fair value of the recognized and unrecognized net assets (equity) of the Fund over the life of the instrument.

In addition to the redeemable units having all of the above features, the Fund must have no other financial instrument or contract that has:

- Total cash flows based substantially on the profit or loss, the change in the recognized net assets (equity) or the change in the fair value of the recognized and unrecognized net assets (equity) of the Fund
- The effect of substantially restricting or fixing the residual return to the redeemable Unitholders.

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4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.5 Redeemable units (continued)

The Fund continuously assesses the classification of the redeemable units. If the redeemable units cease to have all the features, or meet all the conditions set out, to be classified as equity, the Fund will reclassify them as financial liabilities and measure them at fair value at the date of reclassification, with any differences from the previous carrying amount recognized in equity. If the redeemable units subsequently have all the features and meet the conditions to be classified as equity, the Fund will reclassify them as equity instruments and measure them at the carrying amount of the liabilities at the date of the reclassification.

The issuance, acquisition and cancellation of redeemable units are accounted for as equity transactions.

No gain or loss is recognized in the statement of comprehensive income on the purchase, issuance or cancellation of the Fund's own equity instruments.

4.6 Accrued expenses and other liabilities

Accrued expenses and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective profit rate method.

4.7 Net gain or loss on financial assets at FVTPL

Net gains or losses on financial assets at FVTPL are changes in the fair value of financial assets held for trading or designated upon initial recognition as at FVTPL and exclude interest and dividend income and expenses.

Unrealized gains and losses comprise changes in the fair value of financial instruments for the year and from reversal of the prior period's unrealized gains and losses for financial instruments which were realized in the reporting period. Realized gains and losses on disposals of financial instruments classified as at FVTPL are calculated using the weighted average cost method. They represent the difference between an instrument's initial carrying amount and disposal amount, or cash payments or receipts made on derivative contracts (excluding payments or receipts on collateral margin accounts for such instruments).

4.8 Dividend income

Dividend income is recognized in the statement of comprehensive income on the date on which the right to receive payment is established. For quoted equity securities, this is usually the ex-dividend date. For unquoted equity securities, this is usually the date on which the shareholders approve the payment of a dividend. Dividend income from equity securities designated as at FVTPL is recognized in statement of comprehensive income in a separate line item.

4.9 Transaction costs

Transaction costs are costs incurred to acquire financial assets or liabilities at FVTPL. They include fees and commissions paid to agents, advisers, brokers and dealers. Transaction costs, when incurred, are immediately recognized in profit or loss as an expense.

4.10 Management fees

Management fee is calculated at rate mentioned in terms and conditions of the Fund and is payable quarterly in arrears

4.11 Other expenses

Other expenses are charged at rates / amounts within limits mentioned in terms and conditions of the Fund.

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4 SUMMARY OF MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.12 Zakat / taxation

According to the zakat regulations for investment funds, investment funds are not subject to the collection of zakat in accordance with the rules for zakat collection from investors in investment funds, provided that they do not carry out economic activities or investment activities that are not stipulated in the terms and conditions of those investment funds. Zakat will be collected from the fund's unit holders.

The fund manager must submit an information declaration to the Authority within a period not exceeding 120 days from the end of the fiscal year. The fund manager has registered the fund and will submit the annual zakat information return to the Authority.

4.13 Net assets value

The net assets value per unit disclosed in the financial statements is calculated by dividing the net assets of the Fund by the number of units in issue at the year-end.

4.14 Provisions

Provisions are recognized when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provision is not recognized for future operating loss.

5 CASH AND CASH EQUIVALENTS

	Notes	31 December 2024	31 December 2023
Cash at Bank	5.1, 7	49,698	35,394
Cash with Custodian		335,851	19,182
		385,549	54,576

5.1 Cash balances are held in current accounts with the Bank Aljazira, a related party (Note 1). The Fund does not earn profit on these current accounts.

ALJAZIRA GCC INCOME FUND**Open-Ended Mutual Fund****(Managed by Aljazira Capital Company)****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024****(Amounts in Saudi Riyals)****6 INVESTMENTS CARRIED AT FVTPL**

Industry sector	31 December 2024		
	Cost	Fair value	%
Banks & Financial Services	1,564,385	1,926,066	19.19%
Transportation	1,009,105	1,297,984	12.93%
Insurance	572,929	959,824	9.56%
Energy & Utilities	838,655	913,555	9.10%
Materials	734,076	732,826	7.30%
Consumer Services	358,082	656,217	6.54%
Telecommunication Services	618,341	623,081	6.21%
Software & Services	546,924	619,798	6.18%
Real Estate Management & Development	223,350	578,435	5.76%
Food & Beverages	355,160	376,893	3.76%
Retailing	332,867	347,569	3.46%
Capital Goods	294,239	333,500	3.32%
Health Care Equipment & Services	150,633	281,735	2.81%
Others	257,377	387,572	3.86%
Total	7,856,123	10,035,055	100%

Industry sector	31 December 2023		
	Cost	Fair value	%
Energy & Utilities	2,891,464	4,076,317	18.81%
Banks & Financial Services	2,608,789	3,924,093	18.11%
Insurance	2,598,113	3,203,524	14.78%
Transportation	1,962,830	2,011,599	9.28%
Retailing	1,051,764	1,626,652	7.51%
Materials	1,479,035	1,483,845	6.85%
Telecommunication Services	1,304,976	1,471,747	6.79%
Capital Goods	370,951	880,122	4.06%
Health Care Equipment & Services	255,949	761,445	3.51%
Consumer Services	376,488	597,134	2.76%
Software & Services	285,131	476,980	2.20%
Industrial Investment	354,824	442,593	2.04%
Real Estate Management & Development	225,680	433,272	2.00%
Others	213,446	284,225	1.31%
Total	15,979,440	21,673,548	100%

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7 DIVIDEND RECEIVABLES

	31 December 2024	31 December 2023
Dividend receivables	515,703	640,938
	515,703	640,938

As at 31 December 2024, the Fund has dividend receivables in respect of investments held in different securities. The Fund's management has assessed these receivables as recoverable and has, therefore, retained them in the financial statements.

8 RELATED PARTIES TRANSACTIONS AND BALANCES

Management fee and other expenses

For management services, the Fund pays on a quarterly basis, the management fees at an annual rate of 1.50% of the net assets (equity) of the Fund attributable to Unitholders, calculated on daily basis, as set out in the Fund's terms and conditions.

The Fund Manager recovers from the Fund any other expenses incurred on behalf of the Fund such as Shariah supervisory board compensation and other similar charges. These expenses are not expected to exceed an annual rate of 0.5% of the value of Fund's net assets (equity) calculated on a daily basis.

Transactions with related parties

During the year, the Fund entered into the following significant transactions with related parties in the ordinary course of business. These transactions were carried out on the basis of approved terms and conditions of the Fund.

Related Parties	Nature of relationship	Nature of transaction	31 December 2024	31 December 2023
Aljazira Capital Company	Fund Manager	Management fee	(327,688)	(347,067)
Fund's Board	Key executive	Board remuneration	(11,968)	(11,903)
		Cash outflow on purchase of shares	(315,044)	-
Bank Aljazira	Affiliate	Sales proceed on disposal of shares	145,931	441,813
		Realized gain	7,593	91,513
		Unrealized gain	15,716	-

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8 RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)

8.1 Certain units of the Fund are subscribed by the Fund Manager and other funds managed and administered by the Fund Manager, the details of which are as follows:

Name of related parties	31 December 2024	31 December 2023
	<i>(Unit in numbers)</i>	
Fund Manager		
Aljazira Capital Company	8,393	37,899

Balances with related parties

Related parties	Nature of relationship	Nature of transaction	31 December 2024	31 December 2023
Aljazira Capital Company		Management fee payable	(76,545)	(88,099)
	Fund Manager	Cash inflows from Subscription of Units	--	--
		Proceeds paid from Redemption of Units	(7,378,267)	--
		Share in net assets	2,119,736	7,992,520
Bank Aljazira	Affiliate	Bank balances	49,698	35,394
Fund's Board	Key executive	Remuneration payable	(11,967)	(11,901)

9 UNIT TRANSACTIONS

Transactions in units for the year are summarized as follows:

	31 December 2024	31 December 2023
	<i>(Unit in numbers)</i>	
Units at beginning of the year	104,692	127,149
Units issued during the year	35,022	12,274
Units redeemed during the year	(93,930)	(34,731)
Net change in units	(58,908)	(22,457)
Units at end of the year	45,784	104,692

ALJAZIRA GCC INCOME FUND**Open-Ended Mutual Fund****(Managed by Aljazira Capital Company)****NOTES TO THE FINANCIAL STATEMENTS****For the year ended 31 December 2024****(Amounts in Saudi Riyals)****10 NET GAIN FROM INVESTMENTS CARRIED AT FVTPL**

	31 December 2024	31 December 2023
Unrealized (loss) / gain on revaluation of investments	(3,515,176)	5,694,108
Realized gain on disposal of investments	7,703,263	792,087
	4,188,087	6,486,195

11 FINANCIAL INSTRUMENTS BY CATEGORY

31 December 2024	Amortized cost	FVTPL
Assets as per statement of financial position		
Cash and cash equivalents	385,549	-
Investments carried at FVTPL	-	10,035,055
Advance against purchase of investments	873,788	-
Dividend receivable	515,703	-
Total	1,775,040	10,035,055

Liabilities as per statement of financial position		
Management fee payable	76,545	-
Payable to Unitholders on account of redemption	5,003	-
Accrued expenses and other liabilities	169,313	-
Total	250,861	-

31 December 2023	Amortized cost	FVTPL
Assets as per statement of financial position		
Cash and cash equivalents	54,576	-
Investments carried at FVTPL	-	21,673,548
Dividend receivable	640,938	-
Total	695,514	21,673,548

Liabilities as per statement of financial position		
Management fee payable	88,099	-
Accrued expenses and other liabilities	195,006	-
Total	305,112	-

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12 RISK MANAGEMENT

12.1 Financial risk factors

The objective of the Fund is to safeguard its ability to continue as a going concern so that it can continue to provide optimum returns to its Unitholders and to ensure reasonable safety to the Unitholders.

The Fund's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and operational risk.

The Fund Manager is responsible for identifying and controlling risks. The Fund Board supervises the Fund Manager and is ultimately responsible for the overall management of the Fund.

Monitoring and controlling risks are primarily set up to be performed based on the limits established by the Fund Board. The Fund has its Terms and Conditions document that set out its overall business strategies, its tolerance of risks and its general risk management philosophy and is obliged to take actions to rebalance the portfolio in line with the investment guidelines.

The Fund uses different methods to measure and manage the various types of risk to which it is exposed; these methods are explained below.

(a) Market risk

(i) Foreign exchange risk

Foreign exchange risk is the risk that the value of future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates and arises from financial instruments denominated in foreign currency.

The Fund's investments measured at FVTPL are exposed to the foreign exchange risk in following currencies:

Currency	Country	31 December 2024		31 December 2023	
		Fair value	%	Fair value	%
AED	United Arab Emirates	2,899,152	28.89	3,607,513	16.64
KWD	Kuwait	302,380	3.01	796,730	3.68
QAR	Qatar	158,067	1.58	386,914	1.79
		3,359,599	33.43	4,791,157	22.11

(i) Foreign exchange risk (continued)

The effect on the net assets value (as a result of the change in the fair value of investments as at 31 December) due to a reasonably possible change in foreign exchange rates, with all other variables held constant is as follows:

Currency	Country	31 December 2024		31 December 2023	
		Potential reasonable change %	Effect on NAV	Potential reasonable change %	Effect on NAV
AED	UAE	+/- 1%	28,992	+/- 1%	36,075
KWD	Kuwait	+/- 1%	3,024	+/- 1%	7,967
QAR	Qatar	+/- 1%	1,581	+/- 1%	3,869

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12 RISK MANAGEMENT (CONTINUED)

12.1 Financial risk factors (continued)

(a) Market risk (continued)

(ii) Commission rate risk

Commission rate risk is the risk that the value of the future cash flows of a financial instrument or fair values of fixed coupon financial instruments will fluctuate due to changes in market commission rates.

The Fund is not subject to commission rate risk, as it does not have any commission bearing financial instruments.

(iii) Price risk

Price risk is the risk that the value of the Fund's financial assets will fluctuate as a result of changes in market prices caused by factors other than foreign currency and commission rate movements.

The price risk arises primarily from uncertainty about the future prices of financial instruments that the Fund holds. The Fund closely monitors the price movement of its investments in financial instruments. As of the statement of financial position date, the Fund has investments in listed equity securities.

The effect on the net assets value (as a result of the change in the fair value of investments as at 31 December 2024 due to a reasonably possible change in equity indices based on the underlying assets concentration, with all other variables held constants is as follows:

Industry sector	31 December 2024		31 December 2023	
	Potential reasonable change %	Effect on NAV	Potential reasonable change %	Effect on NAV
Banks & Financial Services	+/- 1%	19,261	+/- 1%	39,241
Transportation	+/- 1%	12,980	+/- 1%	20,116
Insurance	+/- 1%	9,598	+/- 1%	32,035
Energy & Utilities	+/- 1%	9,136	+/- 1%	40,763
Materials	+/- 1%	7,328	+/- 1%	14,838
Consumer Services	+/- 1%	6,562	+/- 1%	5,971
Telecommunication Services	+/- 1%	6,231	+/- 1%	14,717
Software & Services	+/- 1%	6,198	+/- 1%	4,770
Real Estate Management & Development	+/- 1%	5,784	+/- 1%	4,333
Food & Staples Retailing	+/- 1%	3,769	+/- 1%	-
Retailing	+/- 1%	3,476	+/- 1%	16,267
Capital Goods	+/- 1%	3,335	+/- 1%	8,801
Health Care Equipment & Services	+/- 1%	2,817	+/- 1%	7,614
Industrial Investment	+/- 1%	-	+/- 1%	4,426
Others	+/- 1%	3,876	+/- 1%	2,842

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12 RISK MANAGEMENT (CONTINUED)

12.1 Financial risk factors (continued)

(b) Credit risk

The Fund is exposed to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation.

Its Fund's policy to enter into financial instrument contracts with reputable counterparties. The Fund seeks to limit its credit risk by monitoring credit exposures, limiting transactions with specific counterparties and continually assessing the creditworthiness of counterparties. The Fund is exposed to credit risk for its cash and cash equivalents, dividends receivable and other receivables. Cash and cash equivalents are placed with the Custodian; hence the credit risk is minimal. For other assets, credit risk is also low.

Credit ratings

The Fund Manager reviews credit concentration of the financial assets subject to credit risk based on counterparties. The credit quality of the financial assets is managed using the ratings from reputable credit ratings agencies. As at 31 December 2024 and 31 December 2023, the Fund has financial assets subject to credit risk with the following credit quality:

Rating of Financial institution	31 December 2024	31 December 2023
Cash and cash equivalents		
A- (Fitch)	49,698	35,394
Unrated	335,851	19,182

(c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund's terms and conditions provide for subscription and redemption of units on every valuation day and it is, therefore, exposed to the liquidity risk of meeting Unitholder redemptions. The Fund's financial liabilities primarily consist of payables which are expected to be settled within one month from the statement of financial position date.

The Fund Manager monitors liquidity requirements by ensuring that sufficient funds are available to meet any commitments as they arise, either through new subscriptions, liquidation of the investment portfolio or by taking short term loans from the Fund Manager.

The contractual and expected maturity of all liabilities outstanding at the reporting date are within 12 months (2023: due within 12 months).

12.2 Operational risk

Operational risk is the risk of direct or indirect loss arising from a variety of causes associated with the processes, technology and infrastructure supporting the Fund's activities either internally or externally at the Fund's service provider and from external factors other than credit, liquidity, currency and market risks such as those arising from the legal and regulatory requirements.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns to Unitholders.

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12 RISK MANAGEMENT (CONTINUED)

12.3 Capital risk Management

The capital of the Fund is represented by the equity attributable to holders of redeemable units. The amount of equity attributable to holders of redeemable units can change significantly on each Valuation Day, as the Fund is subject to subscriptions and redemptions at the discretion of unitholders on every Valuation Day, as well as changes resulting from the Fund's performance. The Fund's objective when managing capital is to safeguard the Fund's ability to continue as a going concern in order to provide returns for unitholders, provide benefits for other unitholders and maintain a strong capital base to support the development of the investment activities of the Fund.

The Fund Manager monitor capital on the basis of the value of equity attributable to unitholders.

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value for financial instruments traded in active markets is based on quoted market prices at the close of trading on the financial reporting date. Instruments for which no sales were reported on the valuation day are valued at the most recent bid price.

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The carrying value less impairment provision, if any, of financial instrument carried at amortized cost are assumed to approximate their fair values.

The fair value hierarchy has the following levels:

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

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, include active listed equity instruments. The Fund does not adjust the quoted price for these instruments.

The Fund classifies all of its financial assets, except for those carried at amortized cost, at fair value as per below levels.

31 December 2024	Fair value Level			Total
	1	2	3	
FINANCIAL ASSET				
Investments carried at FVTPL	10,035,055	-	-	10,035,055
31 December 2023	Fair value Level			Total
	1	2	3	
FINANCIAL ASSET				
Investments carried at FVTPL	21,673,548	-	-	21,673,548

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13 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

During the year, there has been no transfer in fair value hierarchy for FVTPL investments.

The carrying value of other financial instruments such as, cash and cash equivalents approximate their fair value, because of their short-term nature and the high credit quality of counterparty. For all other financial assets and liabilities, the carrying value is an approximation of fair value.

14 DIVIDENDS DISTRIBUTION

In accordance with the approved terms and conditions, the Fund has to distribute dividend at the end of May and November every year. The Fund's Board approved to distribute dividends with regards to period ended 31 May 2024 and 30 November 2024 amounting to SAR 195,168 and SAR 195,168 respectively to its Unitholders.

15 SUBSEQUENT EVENTS

As of the date of approval of these financial statements, there have been no significant subsequent events requiring disclosure to or adjustment in these financial statements.

16 LAST VALUATION DAY

The last valuation day for the purpose of preparation of these financial statements was 30 December 2024 (2023: 28 December 2023).

17 APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved and authorized for issue by the Fund's Board on 20 Ramadan 1446H corresponding to 20 March 2025.