

**ALJAZIRA INTERNATIONAL EQUITIES FUND**  
**Open-Ended Fund**  
**(Managed by Aljazira Capital Company)**  
**Interim Condensed Financial Statements (Unaudited)**  
**For the six-months period ended 30 June 2025**  
**Together with the**  
**Independent Auditor's Review Report to the Unitholders**

**ALJAZIRA INTERNATIONAL EQUITIES FUND**

**Open-Ended Fund**

**(Managed by Aljazira Capital Company)**

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**INTERIM CONDENSED FINANCIAL STATEMENTS (Unaudited)**

**For the six-months period ended 30 June 2025**

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## INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNITHOLDERS OF ALJAZIRA INTERNATIONAL EQUITIES FUND  
MANAGED BY ALJAZIRA CAPITAL COMPANY

(1 /1)

### REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS

#### INTRODUCTION

We have reviewed the accompanying interim statement of financial position of Aljazira International Equities Fund (the "Fund") managed by Aljazira Capital Company (the "Fund Manager") as at 30 June 2025 and the related interim statement of comprehensive income, interim statement of changes in net assets (equity) attributable to the unitholders and the interim statement of cash flows for the six-months period then ended, and a summary of material accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

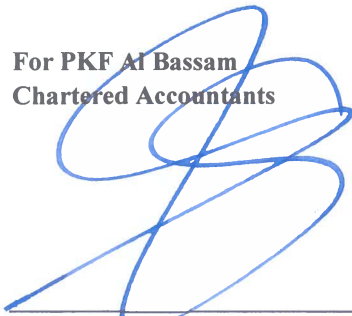
#### SCOPE OF REVIEW

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

#### CONCLUSION

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

For PKF Al Bassam  
Chartered Accountants



Abdullellah Al Bassam  
Certified Public Accountant  
License No. 703  
Riyadh, Kingdom of Saudi Arabia  
13 Safar 1447H  
Corresponding to: 07 August 2025



**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund**

(Managed by Aljazira Capital Company)

**INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)**

As at 30 June 2025

(Amounts in United States Dollars)

	<b>Notes</b>	<b>30 June 2025 (Un-audited)</b>	<b>31 December 2024 (Audited)</b>
<b><u>ASSETS</u></b>			
Cash and cash equivalents	4	1,855,556	6,781,175
Investments carried at fair value through profit or loss (FVTPL)	5	122,427,822	116,536,745
Receivable against sale of investments		2,500,584	-
Dividend receivable		93,233	66,306
Prepayments and other receivables		774	2,949
<b>TOTAL ASSETS</b>		<b>126,877,969</b>	<b>123,387,175</b>
<b><u>LIABILITIES</u></b>			
Management fee payable	6	517,230	523,335
Payable to unitholders on account of redemption		54,326	155,969
Payable against purchase of investments		2,612,710	-
Accrued expenses and other liabilities		504,732	338,814
<b>TOTAL LIABILITIES</b>		<b>3,688,998</b>	<b>1,018,118</b>
<b>NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS</b>		<b>123,188,971</b>	<b>122,369,057</b>
<b>Units in issue (in numbers)</b>	7	<b>571,189</b>	<b>600,581</b>
<b>Net Asset (Equity) Value per unit</b>		<b>215.67</b>	<b>203.75</b>

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

**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund**

(Managed by Aljazira Capital Company)

**INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

	<b>Notes</b>	<b>30 June 2025 (Un-audited)</b>	<b>30 June 2024 (Un-audited)</b>
<b><u>Income</u></b>			
Net gain from investments carried at FVTPL	8	7,184,935	16,471,199
Dividend income		707,264	642,630
Other income		-	133,695
		<u>7,892,199</u>	<u>17,247,524</u>
<b><u>Expenses</u></b>			
Management fees	6	(1,009,504)	(1,013,056)
Performance fee		(246,645)	(670,035)
Custody fees		(28,757)	(45,231)
Other expenses		(45,295)	(65,990)
Foreign currency exchange losses		(5,909)	-
		<u>(1,336,110)</u>	<u>(1,794,312)</u>
<b>Net income for the period</b>		<b>6,556,089</b>	<b>15,453,212</b>
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>6,556,089</b>	<b>15,453,212</b>

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

**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund****(Managed by Aljazira Capital Company)****INTERIM STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS (UN-AUDITED)****For the six-months period ended 30 June 2025****(Amounts in United States Dollars)**

	<b>30 June 2025</b> <b>(Un-audited)</b>	<b>30 June 2024</b> <b>(Un-audited)</b>
<b>Net assets (Equity) attributable to the Unitholders at beginning of the period</b>	<b>122,369,057</b>	<b>112,402,716</b>
<b>Total comprehensive income for the period</b>	<b>6,556,089</b>	<b>15,453,212</b>
<b>Changes from unit transactions</b>		
Issuance of units	<b>2,613,547</b>	<b>4,508,465</b>
Redemption of units	<b>(8,349,722)</b>	<b>(9,838,441)</b>
Net changes from unit transactions	<b>(5,736,175)</b>	<b>(5,329,976)</b>
<b>Net assets (Equity) attributable to the Unitholders at end of the period</b>	<b>123,188,971</b>	<b>122,525,952</b>

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

**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund**

(Managed by Aljazira Capital Company)

**INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

	<b>Notes</b>	<b>30 June 2025 (Un-audited)</b>	<b>30 June 2024 (Un-audited)</b>
<b><u>Cash flows from operating activities:</u></b>			
Net income for the period		6,556,089	15,453,212
Adjustments for:			
- Unrealized gain from investments carried at FVTPL	8	<u>(2,200,734)</u>	<u>(8,347,963)</u>
		4,355,355	7,105,249
<b><u>Net changes in operating assets and liabilities:</u></b>			
Investments carried at FVTPL		(3,690,343)	(2,485,517)
Receivable against sale of investments		(2,500,584)	-
Dividend receivable		(26,927)	(36,811)
Prepayments and other receivables		2,175	(913)
Management fee payable		(6,105)	(242,774)
Payable against purchase of investments		2,612,710	-
Accrued expenses and other liabilities		165,918	153,009
Net cash generated from operating activities		<u>912,199</u>	<u>4,492,243</u>
<b><u>Cash flows from financing activities:</u></b>			
Proceeds from issuance of units		2,613,547	4,508,465
Redemption of units, net off payable *		<u>(8,451,365)</u>	<u>(9,774,983)</u>
Net cash used in financing activities		<u>(5,837,818)</u>	<u>(5,266,518)</u>
Net decrease in cash and cash equivalents		(4,925,619)	(774,275)
Cash and cash equivalents at beginning of the period	4	<u>6,781,175</u>	<u>3,034,902</u>
Cash and cash equivalents at end of the period	4	<u>1,855,556</u>	<u>2,260,627</u>
<b>Supplementary information</b>			
* Payable to unitholders on account of redemptions		<u>54,326</u>	<u>365,540</u>

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

## **ALJAZIRA INTERNATIONAL EQUITIES FUND**

### **Open-Ended Fund**

(Managed by Aljazira Capital Company)

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### **NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**

**For the six-months period ended 30 June 2025**

**(Amounts in United States Dollars)**

## **1 LEGAL STATUS AND PRINCIPAL ACTIVITIES**

Aljazira International Equities Fund (the “Fund”) is an open-ended, Saudi 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”) in the Fund. The Fund Manager is a wholly owned subsidiary of Bank Aljazira (the “Bank”). The Capital Market Authority (“CMA”) approval to continue issuing units to public was granted vide its letter no 7720/5 dated 12 Muharram 1431H (corresponding to 29 December 2009). The Fund commenced its operations on 21 September 1998.

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 in Shariah compliant investment securities listed in diversified global markets with a long-term capital growth. The Fund’s net income is re-invested in the Fund, which is reflected in the net assets (equity) attributable to each unit.

The Fund is administered by Northern Trust (the “Administrator”). The Fund’s assets are held in the custody of Northern Trust Securities (the “Custodian”). Lazard Asset Management Limited act as a Sub Fund Manager to the Fund. Fee paid to the Sub Manager is borne by the Fund Manager except for performance fee which is borne by the Fund and paid to Fund Manager for onward settlement.

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).

## **2 BASIS OF PREPARATION**

### **2.1. Statement of compliance**

These interim condensed financial statements of the Fund have been prepared in accordance with International Accounting Standard (IAS) 34 - Interim Financial Reporting that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement issued by the Saudi Organization for Certified Public Accountants (SOCPA) and should be read in conjunction with the Fund’s last annual financial statement for the year ended 31 December 2024. The results for the six-months period ended 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

### **2.2. Basis of measurement**

These interim condensed financial statements have been prepared on a historical cost basis, 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 interim statement of financial position. Instead, assets and liabilities are presented in order of liquidity.

### **2.3. Functional and presentation currency**

These interim condensed financial statements are presented in United States Dollar (USD) which is the Fund’s functional and presentation currency.

#### *Transactions and balances*

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

## ALJAZIRA INTERNATIONAL EQUITIES FUND

### Open-Ended Fund

(Managed by Aljazira Capital Company)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

### 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES

The accounting policies used in the preparation of these interim condensed financial statements are consistent with those used and disclosed in the annual financial statements of the Fund for the year ended 31 December 2024. There are new standards, amendments and interpretations apply for the first time in 2025, but do not have an impact on the interim condensed 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 interim condensed financial statements. In the opinion of the Fund's Board, these will have no significant impact on the interim condensed financial statements of the Fund. The Fund intends to adopt those amendments and interpretations, if applicable.

#### 3.1 New standards, interpretations and amendments adopted by the Fund

During the period, the Fund has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments, given below, apply for the first time in 2025, but do not have a material impact on the interim condensed financial statements of the Fund.

Standard/ interpretation	Description	Effective from periods beginning on or after
Amendment to IFRS 21 – Lack of exchangeability	IASB amended IAS 21 to add requirements to help in determining whether a currency is exchangeable into another currency, and the spot exchange rate to use when it is not exchangeable. Amendment set out a framework under which the spot exchange rate at the measurement date could be determined using an observable exchange rate without adjustment or another estimation technique.	1 January 2025

The listing of standards and interpretations issued which the Fund reasonably expects to be applicable at a future date are as follows. The Fund is currently assessing the impact of these standards and interpretations and intends to adopt these when they become effective.

Standard/ interpretation	Description	Effective from periods beginning on or after
Amendments to IFRS 10 and IAS 28- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Partial gain or loss recognition for transactions between an investor and its associate or joint venture only apply to the gain or loss resulting from the sale or contribution of assets that do not constitute a business as defined in IFRS 3 Business Combinations and the gain or loss resulting from the sale or contribution to an associate or a joint venture of assets that constitute a business as defined in IFRS 3 is recognized in full.	Effective date deferred indefinitely
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures	Under the amendments, certain financial assets including those with ESG-linked features could now meet the SPPI criterion, provided that their cash flows are not significantly different from an identical financial asset without such a feature.  The IASB has amended IFRS 9 to clarify when a financial asset or a financial liability is recognized and derecognized and to provide an exception for certain financial liabilities settled using an electronic payment system.	1 January 2026.

## ALJAZIRA INTERNATIONAL EQUITIES FUND

### Open-Ended Fund

(Managed by Aljazira Capital Company)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

### 3 SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

#### 3.1 New standards, interpretations and amendments adopted by the Fund (continued)

Standard/ interpretation	Description	Effective from periods beginning on or after
IFRS 18, Presentation and Disclosure in Financial Statements	IFRS 18 provides guidance on items in statement of profit or loss classified into five categories: operating; investing; financing; income taxes and discontinued operations. It defines a subset of measures related to an entity's financial performance as 'management-defined performance measures' ('MPMs'). The totals, subtotals and line items presented in the primary financial statements and items disclosed in the notes need to be described in a way that represents the characteristics of the item. It requires foreign exchange differences to be classified in the same category as the income and expenses from the items that resulted in the foreign exchange differences.	January 2027
IFRS 19, Subsidiaries without Public Accountability: Disclosures	IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19. A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date it does not have public accountability and its parent produces consolidated financial statements under IFRS Accounting Standards.	1 January 2027

#### 3.2 Critical accounting estimates and assumptions

The preparation of these interim condensed financial statements requires the Fund manager to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In the process of applying the Fund's accounting policies, the Fund manager has made the following estimate and judgment which is significant to these interim condensed financial statements:

##### 3.2.1 Going concern

The Fund's management has made an assessment of 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, these interim condensed financial statements have been prepared on a going concern basis.

### 4 CASH AND CASH EQUIVALENTS

	Notes	30 June 2025 (Un-audited)	31 December 2024 (Audited)
Cash with Custodian	4.1	<u>1,855,556</u>	<u>6,781,175</u>
		<u>1,855,556</u>	<u>6,781,175</u>

4.1. These funds are placed with the Custodian (also see Note 1).

**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund**

(Managed by Aljazira Capital Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

**5 INVESTMENTS CARRIED AT FVTPL**

Investments in equity instruments carried at FVTPL comprise of the following:

Industry sector	30 June 2025 (Un-audited)		
	Cost	Fair value	%
Internet	14,788,764	21,813,579	17.82%
Semiconductors	12,451,465	21,463,381	17.53%
Software	9,619,811	14,558,502	11.89%
Pharmaceuticals	11,023,222	10,971,230	8.96%
Computers	5,266,505	9,843,903	8.04%
Commercial services	3,083,428	4,179,529	3.41%
Mining	2,670,532	3,935,924	3.21%
Retail	3,902,375	3,921,953	3.20%
Auto manufacturers	2,393,734	2,849,041	2.33%
Building materials	2,537,074	2,644,673	2.16%
Engineering & construction	1,833,132	2,278,064	1.86%
Oil and gas	2,260,540	2,080,021	1.70%
Electrical component & equipment	1,560,309	2,055,031	1.69%
Machinery diversified	1,838,813	1,820,472	1.49%
Others	16,636,661	18,012,519	14.71%
<b>Total</b>	<b>91,866,365</b>	<b>122,427,822</b>	<b>100%</b>

Industry sector	31 December 2024 (Audited)		
	Cost	Fair value	%
Semiconductors	12,781,085	18,814,083	16.14%
Internet	10,075,022	16,872,789	14.48%
Software	8,027,202	12,784,688	10.97%
Computers	6,388,564	12,578,266	10.79%
Pharmaceuticals	11,887,175	12,197,278	10.47%
Retail	3,601,163	4,489,577	3.85%
Auto manufacturers	2,671,933	3,904,528	3.35%
Commercial Services	3,063,922	3,894,964	3.34%
Mining	3,031,228	3,071,945	2.64%
Building materials	2,679,546	2,975,719	2.55%
Oil and gas	2,901,298	2,623,362	2.25%
Cosmetics and Personal Care	2,225,808	2,100,385	1.80%
Household Products/Wares	2,202,746	2,084,584	1.79%
Chemicals	1,700,690	1,658,659	1.43%
Others	14,938,638	16,485,918	14.15%
<b>Total</b>	<b>88,176,020</b>	<b>116,536,745</b>	<b>100%</b>

**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund**

(Managed by Aljazira Capital Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

**6 RELATED PARTIES TRANSACTIONS AND BALANCES*****Management fee and other expenses***

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

The Fund pays performance fees at a rate of 20% on the specified benchmark criteria as per the Fund's terms and conditions.

The Fund Manager recovers from the Fund any other expenses incurred on behalf of the Fund such as board compensation, Shariah supervisory board compensation and other similar charges. These expenses are not expected to exceed an annual rate of 0.25% of the value of Fund's net assets (equity) calculated on a daily basis.

***Transactions with related parties***

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

<b>Related parties</b>	<b>Nature of relationship</b>	<b>Nature of transaction</b>	<b>30 June 2025 (Un-audited)</b>	<b>30 June 2024 (Un-audited)</b>
Aljazira Capital Company	Fund Manager	Management fees	<b>(1,009,504)</b>	(1,013,056)
		Performance fee	<b>(246,645)</b>	(670,035)
Fund's Board	Key executive	Board remuneration	<b>(2,104)</b>	(2,128)
Aljazira Takaful Taawuni Company	Affiliate	Cash inflows from Subscription of Units	<b>1,250,099</b>	1,365,009
		Proceeds paid from Redemption of Units	<b>(3,443,459)</b>	(4,547,821)
AlJazira Allocation Fund - Growth Strategy	Asset - Funds managed by the Fund Manager	Cash inflows from Subscription of Units	<b>350,000</b>	-
		Proceeds paid from Redemption of Units	<b>(1,773,132)</b>	(819,000)
AlJazira Allocation Fund - Moderate Strategy	Asset - Funds managed by the Fund Manager	Cash inflows from Subscription of Units	<b>100,000</b>	188,037
		Proceeds paid from Redemption of Units	<b>(1,229,667)</b>	(1,134,000)
AlJazira Allocation Fund - Conservative Strategy	Asset - Funds managed by the Fund Manager	Cash inflows from Subscription of Units	<b>50,000</b>	340,435
		Proceeds paid from Redemption of Units	<b>(596,833)</b>	(379,500)

**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund**

(Managed by Aljazira Capital Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

**6 RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)**

Certain units of the Fund are subscribed by an affiliate of the Fund Manager and other funds managed and administered by the Fund Manager, the details of outstanding units as at period-end / year-end are as follows:

Related parties and nature of relationship	30 June 2025	31 December 2024
	(Un-audited)	(Audited)
	<i>(Unit in numbers)</i>	
<b>Affiliate</b>		
Aljazira Takaful Taawuni Company	272,552	283,512
<b>Funds managed by the Fund Manager</b>		
Aljazira Asset Allocation Fund - Growth Strategy	194,306	201,910
Aljazira Asset Allocation Fund - Moderate Strategy	46,091	51,906
Aljazira Asset Allocation Fund - Conservative Strategy	11,630	14,575

**Balances with related parties**

Related parties	Nature of relationship	Nature of transaction	30 June 2025 (Un-audited)	31 December 2024 (Audited)
Aljazira Capital Company	Fund Manager	Management fee payable	(517,230)	(523,335)
		Performance fee payable	(24,367)	(24,367)
Fund's Board	Key executive	Remuneration payable *	(2,126)	(4,278)
Aljazira Takaful Taawuni Company	Affiliate	Share in net assets	58,781,259	57,765,664
Aljazira Asset Allocation Fund - Growth Strategy	Funds managed by the Fund Manager	Share in net assets	41,906,040	41,139,097
Aljazira Asset Allocation Fund - Moderate Strategy	Funds managed by the Fund Manager	Share in net assets	9,940,361	10,575,836
Aljazira Asset Allocation Fund - Conservative Strategy	Funds managed by the Fund Manager	Share in net assets	2,508,150	2,969,717

\* Classified in interim statement of financial position under accrued expenses and other liabilities.

**7 UNIT TRANSACTIONS**

Transactions in units for the period / year are summarized as follows:

	30 June 2025	31 December 2024
	(Un-audited)	(Audited)
	<i>(Unit in numbers)</i>	
Units at beginning of the period / year	600,581	635,874
Units issued during the period / year	12,907	59,114
Units redeemed during the period / year	(42,299)	(94,407)
Net change in units	(29,392)	(35,293)
Units at end of the period / year	571,189	600,581

**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund**

(Managed by Aljazira Capital Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

**8 NET GAIN FROM INVESTMENTS CARRIED AT FVTPL**

	<b>30 June 2025</b> <b>(Un-audited)</b>	30 June 2024 <b>(Un-audited)</b>
Unrealized gain on revaluation of investments	2,200,734	8,347,963
Realised gain on disposal of investments	4,984,201	8,123,236
	<u>7,184,935</u>	<u>16,471,199</u>

**9 FINANCIAL INSTRUMENTS BY CATEGORY**

<b>30 June 2025 (Un-audited)</b>	<b>Amortized cost</b>	<b>FVTPL</b>
<b>Assets as per interim statement of financial position</b>		
Cash and cash equivalents	1,855,556	-
Investments carried at FVTPL	-	122,427,822
Receivable against sale of investments	2,500,584	-
Dividend receivable	93,233	-
Prepayment and other receivables	774	-
<b>Total</b>	<u>4,450,147</u>	<u>122,427,822</u>

<b>31 December 2024 (Audited)</b>	<b>Amortized cost</b>	<b>FVTPL</b>
<b>Assets as per interim statement of financial position</b>		
Cash and cash equivalents	6,781,175	-
Investments carried at FVTPL	-	116,536,745
Dividend receivable	66,306	-
Prepayment and other receivables	2,949	-
<b>Total</b>	<u>6,850,430</u>	<u>116,536,745</u>

All financial liabilities as at 30 June 2025 and 31 December 2024 are measured at amortized cost

**10 FINANCIAL RISK MANAGEMENT**

The objective of the Funds 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 is 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.

**ALJAZIRA INTERNATIONAL EQUITIES FUND**

**Open-Ended Fund**

(Managed by Aljazira Capital Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

**10 FINANCIAL RISK MANAGEMENT (CONTINUED)**

**(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 in equity instruments carried at fair value through profit or loss are exposed to the foreign exchange risk in following currencies:

Currency	Country	30 June 2025 (Un-audited)		31 December 2024 (Audited)	
		Fair value	%	Fair value	%
JPY	JAPAN	4,583,363	3.74	4,312,084	3.70
CHF	SWITZERLAND	4,542,305	3.71	4,083,748	3.50
EUR	EUROPE	4,078,747	3.33	2,659,432	2.28
TWD	TAIWAN	3,600,062	2.94	3,721,805	3.19
KRW	KOREAN WON	2,451,822	2.00	1,283,959	1.10
CAD	CANADA	2,166,068	1.77	2,213,626	1.90
HKD	HONG KONG	1,959,482	1.60	1,774,715	1.52
GBP	UNITED KINGDOM	1,606,065	1.31	-	-
AUD	AUSTRALIA	905,103	0.74	-	-
DKK	DENMARK	564,734	0.46	1,560,067	1.34
SEK	SWEDEN	431,825	0.35	-	-
	Others	2,065,148	1.69	4,379,684	3.76
		<b>28,954,724</b>	<b>23.64</b>	<b>25,989,120</b>	<b>22.29</b>

The effect on the net assets value (as a result of the change in the fair value of investments as at 30 June 2025 and 31 December 2024) due to a reasonably possible change in exchange rates based on the currency concentration, with all other variables held constant is as follows:

Currency	Country	30 June 2025 (Un-audited)		31 December 2024 (Audited)	
		Potential reasonable change %	Effect on NAV	Potential reasonable change %	Effect on NAV
JPY	JAPAN	1%	45,834	1%	43,121
CHF	SWITZERLAND	1%	45,423	1%	40,837
EUR	EUROPE	1%	40,787	1%	26,594
TWD	TAIWAN	1%	36,001	1%	37,218
KRW	KOREAN WON	1%	24,518	1%	12,840
CAD	CANADA	1%	21,661	1%	22,136
HKD	HONG KONG	1%	19,595	1%	17,747
GBP	UNITED KINGDOM	1%	16,061	-	-
AUD	AUSTRALIA	1%	9,051	-	-
DKK	DENMARK	1%	5,647	1%	15,601
SEK	SWEDEN	1%	4,318	-	-
	Others	1%	20,651	1%	43,797

**ALJAZIRA INTERNATIONAL EQUITIES FUND****Open-Ended Fund**

(Managed by Aljazira Capital Company)

**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

**10 FINANCIAL RISK MANAGEMENT (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 significant commission bearing financial instruments.

*(iii) Price risk*

Price risk is the risk that the value of the Fund's financial instruments 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 interim statement of financial position date, the Fund has equity investments in listed equity securities (Note 5).

The effect on the net assets (equity) value (as a result of the change in the fair value of significant investments as at 30 June 2025 and 31 December 2024) due to a reasonably possible change in equity indices based on the industry concentration, with all other variables held constants is as follows:

	30 June 2025 (Un-audited)		31 December 2024 (Audited)	
	Potential reasonable change %	Effect on NAV	Potential reasonable change %	Effect on NAV
Internet	1%	218,136	1%	168,728
Semiconductors	1%	214,634	1%	188,141
Software	1%	145,585	1%	127,847
Pharmaceuticals	1%	109,712	1%	121,973
Computers	1%	98,439	1%	125,783
Commercial services	1%	41,795	1%	38,950
Mining	1%	39,359	1%	30,719
Retail	1%	39,220	1%	44,896
Auto manufacturers	1%	28,490	1%	39,045
Building materials	1%	26,447	1%	29,757
Engineering & construction	1%	22,781	-	-
Oil and gas	1%	20,800	1%	26,234
Electrical component & equipment	1%	20,550	-	-
Machinery diversified	1%	18,205	-	-
Cosmetics and personal care	-	-	1%	21,004
Household Products/Wares	-	-	1%	20,846
Chemicals	-	-	1%	16,587
Others	1%	180,125	1%	164,859

## ALJAZIRA INTERNATIONAL EQUITIES FUND

### Open-Ended Fund

(Managed by Aljazira Capital Company)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)

For the six-months period ended 30 June 2025

(Amounts in United States Dollars)

### 10 FINANCIAL RISK MANAGEMENT (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.

It is the 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 and other receivables. Bank balances are placed with reputable financial institutions; hence the credit risk is minimal. For other assets, credit risk is also low.

#### *Credit ratings*

The credit quality of the Fund's cash and cash equivalents is assessed with reference to external credit ratings which, in all cases, are above investment-grade rating. The cash and cash equivalents along with credit ratings are tabulated below:

<b>Rating of financial institution</b>	<b>30 June 2025</b>	<b>31 December 2024</b>
<b>Unrated</b>	<b>(Un-audited)</b>	<b>(Audited)</b>
Cash and cash equivalents	<b>1,855,556</b>	6,781,175
Receivable against sale of investments	<b>2,500,584</b>	-
Dividend receivable	<b>93,233</b>	66,306

#### (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 on these days. 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.

#### (d) 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 providers 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.

## **ALJAZIRA INTERNATIONAL EQUITIES FUND**

### **Open-Ended Fund**

(Managed by Aljazira Capital Company)

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## **NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)**

**For the six-months period ended 30 June 2025**

**(Amounts in United States Dollars)**

### **11 FAIR VALUE ESTIMATION**

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 level 1.

For assets and liabilities that are measured at fair value on a recurring basis, the Fund identifies transfers between levels in the hierarchy by re-assessing the categorization (based on the lowest level input that is significant to the fair value measurement as a whole), and deems transfers to have occurred at the end of the reporting period during which the change has occurred. During the period, there was no transfer in fair value hierarchy for the financial assets held at fair value through profit or loss.

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

### **12 EVENTS AFTER THE END OF THE REPORTING PERIOD**

There has been no significant event after the interim statement of financial position date, which in the opinion of the Fund manager requires recognition or disclosure in the interim condensed financial statements.

### **13 LAST VALUATION DAY**

The last valuation day for the purpose of preparation of these interim condensed financial statements was 30 June 2025 (2024: 31 December 2024).

### **14 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS**

These interim condensed financial statements were approved and authorized for issue by the Fund's Board on 13 Safar 1447H corresponding to 07 August 2025G.