ALJAZIRA SUKUK FUND
Open-Ended Mutual Fund
(Managed by Aljazira Capital Company)
INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)
For the six-months period ended 30 June 2026
Together with the
Independent Auditor's Review Report to the Unitholders

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PKF Al-Bassam
Chartered Accountants

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS

TO THE UNITHOLDERS OF ALJAZIRA SUKUK FUND
OPEN-ENDED MUTUAL FUND
(MANAGED BY ALJAZIRA CAPITAL COMPANY)

INTRODUCTION

We have reviewed the accompanying interim condensed financial statements of Aljazira Sukuk Fund (the "Fund") managed by Aljazira Capital Company (the "Fund Manager") as at 30 June 2026 which comprises:

- The interim condensed statement of financial position as at 30 June 2026;
- The interim condensed statement of comprehensive income for the six-months period then ended;
- The interim condensed statement of changes in net assets (equity) attributable to the unitholders for the six-months period then ended;
- The interim condensed statement of cash flows for the six-months period then ended; and
- The notes to the interim condensed financial statements.

The Fund Manager 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.

PKF Al-Bassam
Chartered Accountants

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

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
As at 30 June 2026
(Amounts in United States Dollars)

	Notes	30 June 2026 (Un-audited)	31 December 2025 (Audited)
ASSETS			
Cash and cash equivalents	4	**245,502**	1,504,701
Investments carried at fair value through profit or loss (FVTPL)	5	**40,051,297**	38,688,680
Accrued special commission income		**531,181**	629,183
Prepayments and other receivables		**1,590**	868
Total assets		**40,829,570**	40,823,432
LIABILITIES			
Management fee payable	6	**227,152**	76,397
Payable against purchase of investments		**198,964**	80,730
Accrued expenses and other payables		**48,919**	50,736
Total liabilities		**475,035**	207,863
NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS		**40,354,535**	40,615,569
Units in issue (in numbers)	7	**386,768**	391,934
Net asset (Equity) value per unit		**104.34**	103.63

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

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
For the six-months period ended 30 June 2026
(Amounts in United States Dollars)

		For the six-months period ended	
	Notes	30 June 2026 (Un-audited)	30 June 2025 (Un-audited)
Investment income:			
Net (loss) / gain from investments carried at FVTPL	8	(603,180)	596,291
Special commission income		1,085,867	950,917
		482,687	1,547,208
Expenses			
Management fees	6	(150,756)	(136,398)
Custody fees		(5,887)	(4,236)
Foreign currency exchange loss		(41,180)	(66,916)
Other expenses		(26,996)	(22,947)
		(224,819)	(230,497)
Net income for the period		257,868	1,316,711
Other comprehensive income for the period		-	-
Total comprehensive income for the period		257,868	1,316,711

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

INTERIM CONDENSED STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS (UN-AUDITED)
For the six-months period ended 30 June 2026
(Amounts in United States Dollars)

	For the six-months period ended	
	30 June 2026 (Un-audited)	30 June 2025 (Un-audited)
Net assets (equity) attributable to the Unitholders at beginning of the period	**40,615,569**	35,757,344
Total comprehensive income for the period	**257,868**	1,316,711
Contributions and redemptions by the Unitholders		
Issuance of units	**996,727**	2,559,767
Redemption of units	**(1,515,629)**	(1,690,205)
Net changes from unit transactions	**(518,902)**	869,562
Net assets (Equity) attributable to the Unitholders at end of the period	**40,354,535**	37,943,617

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UN-AUDITED)
For the six-months period ended 30 June 2026
(Amounts in United States Dollars)

	Notes	For the six-months period ended 30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Cash flows from operating activities:			
Net income for the period		**257,868**	1,316,711
Adjustments for:			
- Unrealized loss / (gain) from investments carried at fair value through profit or loss (FVTPL)	8	**613,271**	(619,355)
		871,139	697,356
Net changes in operating assets and liabilities:			
Investments carried at fair value through profit or loss (FVTPL)		**(1,975,888)**	(2,597,441)
Accrued special commission income		**98,002**	-
Prepayments and other receivables		**(722)**	3,122
Payable against purchase of investments		**118,234**	-
Management fee payable		**150,755**	6,883
Accrued expenses and other liabilities		**(1,817)**	815
Net cash used in operating activities		**(740,297)**	(1,889,265)
Cash flows from financing activities:			
Proceeds from issuance of units		**996,727**	2,559,767
Redemption of units		**(1,515,629)**	(1,690,205)
Net cash (used in) / generated from financing activities		**(518,902)**	869,562
Net decrease in cash and cash equivalents		**(1,259,199)**	(1,019,703)
Cash and cash equivalents at beginning of the period		**1,504,701**	1,097,231
Cash and cash equivalents at end of the period	4	**245,502**	77,528

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

1 LEGAL STATUS AND PRINCIPAL ACTIVITIES

Aljazira Sukuk Fund (the "Fund") is an open-ended, Saudi investment Fund established and managed through an agreement between Aljazira Capital Company – a 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 to issue units to public was granted through its letter No. 495/5 dated 19 Sha'ban 1441H (corresponding to 12 April 2020). The Fund commenced its operations dated 4 Muharram 1442H (corresponding to 23 August 2020).

The Fund operates under the terms and conditions contained in its prospectus with the prime objective of generating income in the medium to long term and to disburse cash dividends to investors. 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 Northern Trust (the "Administrator"). The Fund's assets are held in the custody of Northern Trust Securities (the "Custodian"). Franklin Templeton Investment Limited acts as a Fund Sub Manager. Fee paid to the Fund Sub Manager is borne by the Fund Manager.

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 each business day in the Kingdom of Saudi Arabia. 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 Fund 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 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 Charted and Professional Accountants ("SOCPA") and should be read in conjunction with the Fund's last annual financial statement for the year ended 31 December 2025. The results for the six-months period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

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 through profit or loss ("FVTPL").

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.

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 condensed statement of financial position. Foreign exchange gains and losses, if any, arising from translation are included in the interim condensed statement of comprehensive income.

(Amounts in United States Dollars)

3 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 2025. There are new standards, amendments and interpretations apply for the first time in 2026, 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 2026, but do not have a material impact on the interim condensed financial statements of the Fund.

Standard/ interpretation	Description	Effective from periods on or after	Fund manager assessment
Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments	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.	Fund manager has performed a preliminary assessment and does not expect the adoption of these amendments to have a material impact on the Fund's financial statements.
Amendments to IFRS 9 and IFRS 7 Contracts referencing Nature-dependent Electricity	Contracts Referencing Nature-dependent Electricity amends IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to more faithfully reflect the effects of contracts referencing nature-dependent electricity on an entity's financial statements.	1 January 2026	Based on the nature of the Fund's operations and contractual arrangements, Fund manager does not expect these amendments to have any impact on the Fund's financial statements.
Annual improvements to IFRS – Volume 11	Annual improvements are limited to changes that either clarify the wording in an Accounting Standard or correct relatively minor unintended consequences, oversights or conflicts between the requirements in the Accounting Standards. The 2024 amendments are to the following standards: IFRS 1 First-time Adoption of International Financial Reporting Standards; IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows.	1 January 2026	Fund manager has performed a preliminary assessment and does not expect the adoption of these amendments to have a material impact on the Fund's financial statements.

(Amounts in United States Dollars)

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)
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3.2 New standards, amendments and revised IFRS issued but not yet effective

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 on or after	Fund manager assessment
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	Based on the nature of the Fund's operations and contractual arrangements, Fund manager does not expect these amendments to have any impact on the Fund's financial statements.
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. The Bank is currently assessing the detailed presentation and disclosure requirements of IFRS 18 and has initiated a gap assessment to evaluate the expected impact on the financial statements upon its effective date of 1 January 2027 (Modify based on specific progress of each bank)	January 2027	Fund manager is currently assessing the impact of IFRS 18. While the standard is expected to result in changes to presentation and disclosures, it is not expected to have a material impact on the recognition or measurement of the Company's assets, liabilities, income or expenses.
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	Based on the nature of the Fund's operations, Fund manager does not expect these amendments to have any impact on the Fund's financial statements.

(Amounts in United States Dollars)

3 MATERIAL ACCOUNTING POLICIES (CONTINUED)

3.3 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 are significant to these interim condensed financial statements.

3.3.1 Going concern

The Fund Manager 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 Fund Manager 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 2026 (Un-audited)	31 December 2025 (Audited)
Cash with Custodian	4.1	**245,502**	1,504,701

4.1 Cash is held with the Custodian in compliance with the Investment Fund Regulations (also see Note 1).

5 INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT & LOSS (FVTPL)

5.1 The investment portfolios of the Fund comprise of the following sukuks:

	30 June 2026 (Un-audited)		
Counterparty	**Cost**	**Market value**	**%**
QUOTED			
Perusahaan Penerbit SBSN	**3,041,191**	**2,754,680**	**6.88**
Saudi Electricity Global Sukuk Company	**2,615,949**	**2,490,347**	**6.22**
SA Global Sukuk Ltd.	**2,495,292**	**2,385,300**	**5.96**
Mdgh Sukuk Ltd.	**2,302,791**	**2,309,325**	**5.77**
Al Mi'yar Capital SA	**2,177,132**	**2,012,862**	**5.03**
DP World Crescent Ltd.	**1,949,725**	**1,930,620**	**4.82**
KSA Sukuk Ltd.	**1,672,222**	**1,615,555**	**4.03**
Aldar Sukuk	**1,602,896**	**1,561,826**	**3.90**
Al Rajhi Sukuk Ltd.	**1,418,329**	**1,421,815**	**3.55**
ISDB Trust Services	**1,400,000**	**1,386,413**	**3.46**
SRC Sukuk Ltd.	**1,263,555**	**1,274,940**	**3.18**
Adnoc Murban Sukuk Ltd.	**1,018,352**	**1,014,484**	**2.53**
Emaar Sukuk Ltd.	**998,221**	**998,255**	**2.49**
SUCI Second Investment Co.	**898,760**	**900,988**	**2.25**
Aercap Sukuk Ltd.	**895,966**	**889,209**	**2.22**
SNB Sukuk Ltd.	**864,250**	**863,614**	**2.16**
EI Sukuk Co. Ltd.	**853,648**	**862,087**	**2.15**
Sharjah Sukuk Programme Ltd.	**799,008**	**812,068**	**2.03**
Alinma Sukuk Ltd.	**814,138**	**804,664**	**2.01**
Riyad Sukuk Ltd.	**760,000**	**766,376**	**1.91**
Kuwait Finance House Sukuk Ltd.	**715,066**	**711,716**	**1.78**
MAF Sukuk Ltd.	**720,278**	**706,404**	**1.76**
ROP Sukuk Trust	**600,000**	**605,385**	**1.51**
QIB Sukuk Ltd.	**610,000**	**596,592**	**1.49**
Ma'aden Sukuk Ltd.	**585,995**	**567,073**	**1.42**

(Amounts in United States Dollars)

5 INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT & LOSS (CONTINUED)

5.1 The investment portfolios of the Fund comprise of the following sukuks (continued)

	30 June 2026 (Un-audited)		
Counterparty	**Cost**	**Market value**	**%**
QUOTED			
TMS Issuer SARL	**537,587**	**543,690**	**1.36**
Fab Sukuk Co. Ltd.	**530,000**	**534,680**	**1.33**
TPAO Varlik Kiralama ASA	**462,692**	**457,052**	**1.14**
Equate Sukuk Spc Ltd.	**446,503**	**451,292**	**1.13**
Air Lease Corporation Sukuk Ltd.	**432,223**	**436,801**	**1.09**
Arab National Bank	**429,440**	**429,440**	**1.07**
Dae Sukuk (DIFC) Ltd.	**438,101**	**424,615**	**1.06**
Alpha Star Holding VIII Ltd.	**399,779**	**403,878**	**1.01**
Other	**4,154,978**	**4,127,251**	**10.30**
Total	**40,904,067**	**40,051,297**	**100.00**

	As at 31 December 2025 (Audited)		
Counterparty	Cost	Market value	%
QUOTED			
Perusahaan Penerbit SBSN	3,036,850	2,822,283	7.29
Saudi Electricity Global Sukuk Company	2,617,460	2,548,677	6.59
Al Mi Yar Capital SA	2,278,422	2,176,907	5.63
SA Global Sukuk Limited	2,089,067	2,005,880	5.18
DP World Crescent Limited	1,950,867	1,981,562	5.12
Maldives Sukuk Issuance Limited	1,865,688	1,876,236	4.85
KSA Sukuk Limited	1,671,492	1,644,450	4.25
Aldar Sukuk	1,603,538	1,595,026	4.12
Al Rajhi Sukuk Ltd.	1,418,899	1,436,732	3.71
ISDB Trust Services	1,400,000	1,412,796	3.65
Dae Sukuk (DIFC) Limited	1,287,380	1,283,537	3.32
Emaar Sukuk Ltd	994,023	993,605	2.57
SUCI Second Investment Co.	898,952	915,249	2.37
Aercap Sukuk Ltd	895,403	896,435	2.32
EI Sukuk Co.Ltd	854,224	874,731	2.26
SNB Sukuk Ltd	863,030	863,367	2.23
Adnoc Murban Sukuk Ltd	818,277	829,690	2.14
Sharjah Sukuk Programme Ltd	800,228	817,803	2.11
The Egyptian Fin Co For Sov Taskeek	803,790	809,408	2.09
Riyad Sukuk Limited	760,000	776,807	2.01
SRC Sukuk Limited	727,049	734,291	1.90
Maf Sukuk Ltd	717,850	724,926	1.87
Rop Sca Sicav-Raif	600,000	615,726	1.59
Maaden Sukuk Ltd	587,195	581,846	1.50
Fab Sukuk Company Limited	530,000	548,304	1.42
Tvf Varlik Kiralama As	500,000	520,218	1.34
Dubai Islamic Bank Sukuk Co Ltd	474,819	474,751	1.23
Air Lease Corporation Sukuk Ltd.	431,753	445,008	1.15
Arab National Bank	429,440	429,440	1.11
Banque Saudi Fransi	402,118	401,080	1.04
Kuwait Finance House	395,996	396,759	1.03
Global Sukuk Ventures QPJSC	388,200	386,424	1.00
Mashreq Al Islami Sukuk	275,000	281,031	0.73
Other	3,507,249	3,587,695	9.28
Total	38,874,259	38,688,680	100

(Amounts in United States Dollars)

5.2 The Fund is accruing special commission income on the Sukuk coupon rates.

6 RELATED PARTIES TRANSACTIONS AND BALANCES

Management fee and other expenses

For management services, the Fund pays on a quarterly, the management fees at an annual rate of 0.65% 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 also 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).

Transactions with related parties

During the period, 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**	**30 June 2026 (Un-audited)**	30 June 2025 (Un-audited)
Aljazira Capital Company	Fund Manager	Proceeds paid from Redemption of Units	**(990,057)**	-
		Management fees	**(150,756)**	(136,398)
Fund's Board	Key executive	Board remuneration	**(2,116)**	(2,104)
Aljazira Asset Allocation Fund - Growth Strategy	Funds managed by the Fund Manager	Cash inflows from Subscription of Units	**171,748**	1,171,678
		Proceeds paid from Redemption of Units	**(53,500)**	(903,465)
Aljazira Asset Allocation Fund – Moderate Strategy		Cash inflows from Subscription of Units	**17,974**	321,116
		Proceeds paid from Redemption of Units	**(73,500)**	(308,000)
Aljazira Asset Allocation Fund - Conservative Strategy		Cash inflows from Subscription of Units	**149,115**	520,031
		Proceeds paid from Redemption of Units	**(27,500)**	(26,700)

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

	30 June 2026 (Un-audited)	31 December 2025 (Audited)
Name of related party	***(Unit in numbers)***	
Fund Manager		
Aljazira Capital Company	**73,825**	83,533
Funds managed by the Fund Manager		
Aljazira Asset Allocation Fund - Growth Strategy	**79,313**	78,177
Aljazira Asset Allocation Fund - Moderate Strategy	**67,390**	67,925
Aljazira Asset Allocation Fund - Conservative Strategy	**60,785**	59,616

(Amounts in United States Dollars)

6 RELATED PARTIES TRANSACTIONS AND BALANCES (CONTINUED)

Balances with related parties

Related parties	Nature of relationship	Nature of transaction	30 June 2026 (Un-audited)	31 December 2025 (Audited)
Aljazira Capital Company	Fund Manager	Management fee payable	**(227,152)**	(76,397)
Fund's Board	Key Executive	Remuneration payable	**(2,111)**	(4,277)
Aljazira Capital Company	Fund Manager	Share in net assets	**7,702,739**	8,656,524
Aljazira Asset Allocation Fund - Growth Strategy	Funds managed by the Fund Manager	Share in net assets	**8,275,308**	8,101,483
Aljazira Asset Allocation Fund - Moderate Strategy			**7,031,352**	7,039,067
Aljazira Asset Allocation Fund - Conservative Strategy			**6,342,126**	6,178,006

7 UNIT TRANSACTIONS

Transactions in units for the year are summarized as follows:

	30 June 2026 (Un-audited)	31 December 2025 (Audited)
	(Unit in numbers)	
Units at beginning of the period / year	391,934	369,878
Units issued during the period / year	9,606	62,445
Units redeemed during the period / year	(14,772)	(40,389)
Net change in units	(5,166)	22,056
Units at end of the period / year	386,768	391,934

8 NET (LOSS) / GAIN FROM INVESTMENTS CARRIED AT FAIR VALUE THROUGH PROFIT & LOSS (FVTPL)

	For the six-months period ended	
	30 June 2026 (Un-audited)	30 June 2025 (Un-audited)
Unrealized (loss) / gain on investments carried at FVTPL	(613,271)	619,355
Realized gain / (loss) on investments carried at FVTPL	10,091	(23,064)
	(603,180)	596,291

9 FINANCIAL INSTRUMENTS BY CATEGORY

As at 30 June 2026 (Un-audited)	**Amortized cost**	**FVTPL**
Assets as per statement of financial position		
Cash and cash equivalents	**234,502**	-
Investments carried at FVTPL	-	**40,051,297**
Accrued special commission income	**531,181**	-
Total	**776,683**	**40,051,297**
Liabilities as per statement of financial position		
Management fee payable	**227,152**	-
Payable against purchase of investments	**198,964**	-
Accrued expenses and other payables	**48,919**	-
Total	**475,035**	-

As at 31 December 2025 (Audited)	Amortized cost	FVTPL
Assets as per statement of financial position		
Cash and cash equivalents	1,504,701	-
Investments carried at FVTPL	-	38,688,680
Accrued special commission income	629,183	-
Total	2,133,884	38,688,680

Liabilities as per statement of financial position	Amortized cost	FVTPL
Management fee payable	76,397	-
Payable against purchase of investments	80,730	-
Accrued expenses and other payables	50,736	-
Total	207,863	-

10 FINANCIAL RISK MANAGEMENT

10.1 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 in debt instruments measured at FVTPL are not exposed to any foreign exchange risk as the said instruments are denominated in United States Dollar and the funds' functional and presentation currency is also in United States Dollar.

(Amounts in United States Dollars)

10 FINANCIAL RISK MANAGEMENT (CONTINUED)

10.1 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 portfolio management team of the Fund Manager monitors risk exposures on a daily basis. If the commission rate risk is not in accordance with the Fund's terms and conditions, then the Fund Manager is required to rebalance the portfolio within a reasonable period of time of each determination of such occurrence.

Exposure

A breakdown of the investments based on the type of commission rate on Sukuk is as follows:

	As at 31 December			
	30 June 2026 (Unaudited)		31 December 2025 (Audited)	
	Amount in USD	**%**	Amount in USD	%
Fixed rate	**40,051,297**	**100**	38,688,680	100

(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 statement of financial position date, the Fund has investments in listed debt securities.

The effect on the net assets value (as a result of the change in the fair value of investments as at 30 June 2026 and 31 December 2025 due to a reasonably possible change in prices, with all other variables held constants is as follows:

	30 June 2026 (Un-audited)	
Counterparty	**Potential reasonable change %**	**Effect on NAV**
Perusahaan Penerbit SBSN	+/-1%	**27,547**
Saudi Electricity Global Sukuk Company	+/-1%	**24,903**
SA Global Sukuk Ltd.	+/-1%	**23,853**
Mdgh Sukuk Ltd.	+/-1%	**23,093**
Al Mi'yar Capital SA	+/-1%	**20,129**
DP World Crescent Ltd.	+/-1%	**19,306**
KSA Sukuk Ltd.	+/-1%	**16,156**
Aldar Sukuk	+/-1%	**15,618**
Al Rajhi Sukuk Ltd.	+/-1%	**14,218**
ISDB Trust Services	+/-1%	**13,864**
SRC Sukuk Ltd.	+/-1%	**12,749**
Adnoc Murban Sukuk Ltd.	+/-1%	**10,145**
Emaar Sukuk Ltd.	+/-1%	**9,983**
SUCI Second Investment Co.	+/-1%	**9,010**
Aercap Sukuk Ltd.	+/-1%	**8,892**
SNB Sukuk Ltd.	+/-1%	**8,636**
EI Sukuk Co. Ltd.	+/-1%	**8,621**

(Amounts in United States Dollars)

10 FINANCIAL RISK MANAGEMENT (CONTINUED)

10.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Price risk (continued)

	30 June 2026 (Un-audited)	
Counterparty	**Potential reasonable change %**	**Effect on NAV**
Sharjah Sukuk Programme Ltd.	+/-1%	8,121
Alinma Sukuk Ltd.	+/-1%	8,047
Riyad Sukuk Ltd.	+/-1%	7,664
Kuwait Finance House Sukuk Ltd.	+/-1%	7,117
MAF Sukuk Ltd.	+/-1%	7,064
ROP Sukuk Trust	+/-1%	6,054
QIB Sukuk Ltd.	+/-1%	5,966
Ma'aden Sukuk Ltd.	+/-1%	5,671
TMS Issuer SARL	+/-1%	5,437
Fab Sukuk Co. Ltd.	+/-1%	5,347
TPAO Varlik Kiralama ASA	+/-1%	4,571
Equate Sukuk Spc Ltd.	+/-1%	4,513
Air Lease Corporation Sukuk Ltd.	+/-1%	4,368
Arab National Bank	+/-1%	4,294
Dae Sukuk (DIFC) Ltd.	+/-1%	4,246
Alpha Star Holding VIII Ltd.	+/-1%	4,039
Other	+/-1%	41,273

	As at 31 December 2025 (Audited)	
Counterparty	Potential reasonable change %	Effect on NAV
Perusahaan Penerbit SBSN	+/-1%	28,223
Saudi Electricity Global Sukuk Company	+/-1%	25,487
Al Mi Yar Capital SA	+/-1%	21,769
SA Global Sukuk Limited	+/-1%	20,059
DP World Crescent Limited	+/-1%	19,816
Maldives Sukuk Issuance Limited	+/-1%	18,762
KSA Sukuk Limited	+/-1%	16,445
Aldar Sukuk	+/-1%	15,950
Al Rajhi Sukuk Ltd.	+/-1%	14,367
ISDB Trust Services	+/-1%	14,128
Dae Sukuk (DIFC) Limited	+/-1%	12,835
Emaar Sukuk Ltd	+/-1%	9,936
SUCI Second Investment Co.	+/-1%	9,152
Aercap Sukuk Ltd	+/-1%	8,964
EI Sukuk Co.Ltd	+/-1%	8,747
SNB Sukuk Ltd	+/-1%	8,634
Adnoc Murban Sukuk Ltd	+/-1%	8,297
Sharjah Sukuk Programme Ltd	+/-1%	8,178
The Egyptian Fin Co For Sov Taskeek	+/-1%	8,094
Riyad Sukuk Limited	+/-1%	7,768
SRC Sukuk Limited	+/-1%	7,343
Maf Sukuk Ltd	+/-1%	7,249
Rop Sca Sicav-Raif	+/-1%	6,157
Maaden Sukuk Ltd	+/-1%	5,818
Fab Sukuk Company Limited	+/-1%	5,483

(Amounts in United States Dollars)

Tvf Varlik Kiralama As	+/-1%	5,202

10 FINANCIAL RISK MANAGEMENT (CONTINUED)

10.1 Financial risk factors (continued)

(a) Market risk (continued)

(iii) Price risk (continued)

Counterparty	As at 31 December 2025 (Audited) Potential reasonable change %	Effect on NAV
Dubai Islamic Bank Sukuk Co Ltd	+/-1%	4,748
Air Lease Corporation Sukuk Ltd.	+/-1%	4,450
Arab National Bank	+/-1%	4,294
Banque Saudi Fransi	+/-1%	4,011
Kuwait Finance House	+/-1%	3,968
Global Sukuk Ventures QPJSC	+/-1%	3,864
Mashreq Al Islami Sukuk	+/-1%	2,810
Other	+/-1%	35,877

(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, Investments and receivables.

Cash is placed with reputable financial institutions; hence the credit risk is low. For other assets, credit risk is also low.

Credit ratings

The Fund Manager reviews credit concentration of the investment portfolio based on counterparties. The credit quality of the financial assets is managed using the ratings from reputable credit ratings agencies. As at 30 June 2026 and 31 December 2025, the Fund has investments with the following credit quality:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Cash and cash equivalents		
Unrated	**245,502**	1,504,701
Sukuks		
A+ (Fitch)	**3,161,823**	3,222,019
BBB (Fitch)	**1,008,381**	5,323,077
BBB+ (Fitch)	**2,594,258**	2,478,474
baa1 (Moody's)	**3,127,154**	3,170,477
AAA (S&P)	-	1,412,796
AA (Fitch)	**1,014,484**	1,216,114
A (Fitch)	**2,042,180**	2,290,632
A – (Fitch)	**825,076**	401,080
Caa2 (Moody's)	-	432,598
BBB- (S&P)	**812,067**	817,803
BB- (Fitch)	**457,052**	520,218
baa3 (Moody's)	**1,837,509**	1,858,431
Aa3 (Moody's)	**7,646,568**	7,367,904
B – (Fitch)	-	809,408
baa2 (Moody's)	**2,561,974**	2,632,370

(Amounts in United States Dollars)

10 FINANCIAL RISK MANAGEMENT (CONTINUED)

10.1 Financial risk factors (continued)

(b) Credit risk (continued)

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
A2 (Moody's)	-	1,752,815
BBB (S&P)	**3,203,727**	-
Aa2 (Moody's)	**2,309,325**	-
Aaa (Moody's)	**1,386,413**	-
A (S&P)	**757,520**	-
B1 (Moody's)	**711,743**	-
BBB+ (S&P)	**605,385**	-
Ba1 (Moody's)	**403,878**	-
AA (S&P)	**379,671**	-
Ba2 (Moody's)	**200,626**	-
Unrated	**3,004,483**	2,982,464
	40,051,297	38,688,680
Accrued special commission income	**531,181**	629,183

(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 business 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.

10.2 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.

10.3 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.

(Amounts in United States Dollars)

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of 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 debt instruments. The Fund does not adjust the quoted price for these instruments.

Investments in level 2 are valued based on market observable data including broker rates etc.

Fund classifies all of its financial assets, except for those carried at amortized cost as below.

	Fair value Level			
30 June 2026 (Un-audited)	**1**	**2**	**3**	**Total**
FINANCIAL ASSET				
Investments carried at fair value through profit or loss (FVTPL)	**40,051,297**	-	-	**40,051,297**

	Fair value Level			
31 December 2025 (Audited)	1	2	3	Total
FINANCIAL ASSET				
Investments carried at fair value through profit or loss (FVTPL)	38,688,680	-	-	38,688,680

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

Other financial instrument such as, cash and cash equivalents, are short-term financial asset whose carrying amount approximate their fair value, because of its 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.

12 SUBSEQUENT EVENTS

There have been no significant event after the interim condensed 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 2026 (2025: 31 December 2025).

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 22 Safar 1448H corresponding to 05 August 2026G.