

MEFIC SAUDI FREESTYLE EQUITY FUND
Open-Ended Mutual Fund
(Managed By Middle East Financial Investment Company)
Interim condensed financial statements (Un-audited)
For the six-months period ended 30 June 2025
Together with the
Independent Auditor's Review Report to the Unit Holders

MEFIC SAUDI FREESTYLE EQUITY FUND
Closed-ended Private Mutual Fund
(Managed by Middle East Financial Investment Company)
Interim Condensed Financial Statements (Un-Audited)
For The Six-Months Period Ended 30 June 2025

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

(1 / 1)

TO THE UNITHOLDERS OF MEFIC SAUDI FREESTYLE EQUITY FUND

INTRODUCTION

We have reviewed the accompanying interim statement of financial position of MEFIC SAUDI FREESTYLE EQUITY FUND (the "Fund") as at 30 June 2025 and the related interim statement of comprehensive loss for the six-month periods then ended, and the interim statements of changes in net assets (equity) and cash flows for the six-month 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 Albassam
Chartered Accountants



Abdullah Al Bassam
Certified Public Accountant
License No. 703
Riyadh: 16 Safar 1447H
Corresponding to: 10 August 2025



MEFIC SAUDI FREESTYLE EQUITY FUND
Open-Ended Mutual Fund
(Managed By Middle East Financial Investment Company)
INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 June 2025
(Amounts in Saudi Arabian Riyal)

	<u>Note</u>	<u>30 June 2025</u> <u>(Un-audited)</u>	<u>31 December 2024</u> <u>(Audited)</u>
ASSETS			
Cash and cash equivalents	6	119,314	1,094,390
Financial assets at fair value through profit or loss (FVTPL)	7	7,926,627	3,887,640
Trade and other receivables		-	99,155
Total assets		8,045,941	5,081,185
LIABILITIES			
Management fee payable	9	11,569	8,763
Accrued expenses	9	6,671	2,504
Total liabilities		18,240	11,267
Net assets (equity) attributable to the unit holders		8,027,701	5,069,918
Units in issue (number)		31,158	19,012
Net assets (equity) attributable to each unit		257.6491	266.6743

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)**INTERIM STATEMENT OF COMPREHENSIVE (LOSS) / INCOME (UN-AUDITED)****For The Six-Month Period Ended 30 June 2025****(Amounts in Saudi Arabian Riyal)**

	<u>Note</u>	<u>30 June 2025</u> <u>(Un-audited)</u>	<u>30 June 2024</u> <u>(Un-audited)</u>
INVESTMENT INCOME			
Dividend income		60,401	73,965
Realized (loss) / gain on the disposal of financial asset carried at FVTPL		(749,486)	65,679
Unrealized gain from financial asset at fair value through profit or loss (FVTPL)		593,292	64,197
Other income		-	37
		<u>(95,793)</u>	<u>203,878</u>
EXPENSES			
Fund management fees	9	(61,774)	(52,230)
Other expenses	8,9	(17,650)	(14,923)
		<u>(79,424)</u>	<u>(67,153)</u>
Net (loss) / income for the period		<u>(175,217)</u>	<u>136,725</u>
Other comprehensive income for the period			-
Total comprehensive (loss) / income for the period		<u>(175,217)</u>	<u>136,725</u>

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)**INTERIM STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNIT HOLDERS (UN-AUDITED)****For The Six-Month Period Ended 30 June 2025****(Amounts in Saudi Arabian Riyal)**

	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
Net assets (equity) attributable to the unit holders at the beginning of the period	5,069,918	5,016,219
Total comprehensive (loss) / income for the period	(175,217)	136,725
Contributions and redemptions by the unit holders		
Issuance of units	3,155,000	-
Redemption of units	(22,000)	(167,500)
Net changes from unit transactions	3,133,000	(167,500)
Net assets (equity) attributable to the unit holders at the end of the period	8,027,701	4,985,444

Units Transactions	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
	<i>(Units)</i>	
As at the beginning of the period	19,012	20,321
Issuance of units	12,227	-
Redemption of units	(81)	(631)
Net change in number of units	12,146	(631)
The net number of units (equity) attributable to the unit holders at the end of the period	31,158	19,690

MEFIC SAUDI FREESTYLE EQUITY FUND
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INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
For The Six-Month Period Ended 30 June 2025
(Amounts in Saudi Arabian Riyal)

	Note	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
Cash flows from operating activities:			
Net (loss) / income for the period		(175,217)	136,725
Adjustments for:			
Financial assets at fair value through profit or loss		(156,194)	(65,679)
		(331,411)	6,849
Net changes in operating assets and liabilities:			
Financial assets at fair value through profit & loss (FVTPL)		(3,882,793)	177,069
Trade and other receivable		99,155	(2,316)
Management fees payable		2,806	(133)
Accrued expenses		4,167	(62)
Net cash (used in) / generated from operating activities		(4,108,076)	181,407
Cash flows from financing activities:			
Proceeds from issuance of units		3,155,000	-
Redemptions of units		(22,000)	(167,500)
Net cash generated from / (used in) financing activities		3,133,000	(167,500)
Net changes in cash and cash equivalents		(975,076)	13,907
Cash and cash equivalents at beginning of the period	6	1,094,390	9,698
Cash and cash equivalents at end of the period	6	119,314	23,605

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

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

For The Six-Month Period Ended 30 June 2025

(Amounts in Saudi Arabian Riyal)

1. FUND AND ITS ACTIVITIES

The MEFIC Saudi Freestyle Equity Fund (the “Fund”) is an open-ended mutual fund established and managed by agreement between Middle East Financial Investment Company (the “Fund Manager”) and the fund’s investors (Unit Holders).

The fund's objective is to achieve capital returns through long-term capital development by investing in the Saudi stock market, public listed funds, IPO funds and money market funds. All investments of the Fund are compliant with Shariah provisions.

The Fund started its activities on 14 Rabi’ Al-Thani 1439 H, corresponding to 1 January 2018. The Capital Market Authority approved the establishment of the fund by letter No. 17/3403/5/3 dated 18 Ramadan 1438 H corresponding to 13 June 2017.

2. REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulation (the “Regulation”) published by CMA on 17 Rajab 1442H (corresponding to 1 March 2021) detailing requirements for all funds within the Kingdom of Saudi Arabia. The Amended Regulation have effective dates starting from 19 Ramadan 1442H (corresponding to 1 May 2021).

3. BASIS OF PREPARATION

3.1 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 Chartered and Professional 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.

3.2 Basis of measurement

These interim condensed financial statements have been prepared under the historical cost convention, using the accrual basis of accounting except for investments carried at fair value through profit or loss which are carried at their fair value. The Fund presents its interim statement of financial position in the order of liquidity.

3.3 Functional and Presentation Currency

Items included in the interim condensed financial statements are measured using the functional currency in which the Fund operates (the “functional currency”). These financial statements are presented in Saudi Riyals, which is the functional and presentation currency of the Fund.

3.3.1 Foreign 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 the interim statement of financial position date. Foreign exchange gains and losses arising from translation are included in the interim statement of comprehensive income.

MEFIC SAUDI FREESTYLE EQUITY FUND

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For The Six-Month Period Ended 30 June 2025

(Amounts in Saudi Arabian Riyal)

3. BASIS OF PREPARATION (CONTINUED)

3.4 Critical accounting judgments, estimates and assumption

The preparation of the interim condensed 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.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting period, are described below. The Fund based its assumptions and estimates on parameters available when the interim condensed financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Fund. Such changes are reflected in the assumptions when they occur.

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.

4. 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. Certain 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 other several 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 when they become applicable.

4.1 *New standards, interpretations and amendments adopted by 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.

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For The Six-Month Period Ended 30 June 2025

(Amounts in Saudi Arabian Riyal)

4. MATERIAL ACCOUNTING POLICIES (CONTINUED)

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
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.	1 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

5. MANAGEMENT FEE, AND OTHER CHARGES

On each valuation day, the fund manager charges the fund a management fee of 1.75% of the fund's net asset value, deducted on a monthly basis.

The fund manager recovers from the fund any expenses incurred on behalf of the fund such as audit fees, legal fees, board of directors fees and any other similar fees. And it is not expected in their total to exceed 0.5% of the fund's net asset value.

6. CASH AND CASH EQUIVALENTS

		30 June 2025 (Un-audited)	31 December 2024 (Audited)
Cash at bank	6.1	119,314	1,094,390
		119,314	1,094,390

6.1 The Fund does not earn profits from investment accounts.

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

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

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(Amounts in Saudi Arabian Riyal)

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS (FVTPL)

	30 June 2025 (Un-audited)		
	Cost	Market value	% of market value
Banks	1,950,220	1,969,996	24.85%
Materials	1,586,612	1,875,586	23.66%
Telecommunication Services	715,682	716,403	9.04%
Insurance	597,062	668,340	8.43%
Capital goods	518,202	574,217	7.24%
Software & Services	277,006	474,711	5.99%
Food & Beverages	416,427	399,802	5.04%
Health Care Equipment & Svc	325,439	343,339	4.33%
Utilities	386,157	333,312	4.20%
Real Estate Mgmt & Dev't	325,529	329,171	4.15%
Transportation	234,999	241,750	3.05%
Total	7,333,335	7,926,627	100.00%

	31 December 2024 (Audited)		
	Cost	Market value	% of market value
Materials	906,858	798,500	20.54%
Banks	589,245	638,767	16.43%
Software & Services	162,459	556,700	14.32%
Transportation	341,419	518,887	13.35%
Energy	312,734	302,794	7.79%
Telecommunication Services	323,048	300,000	7.72%
Consumer Discretionary	106,287	153,133	3.94%
Distribution & Retail	168,072	135,441	3.48%
Consumer Services	134,773	126,540	3.25%
Real Estate Mgmt & Dev't	124,931	123,376	3.17%
Health Care Equipment & Svc	136,780	109,122	2.81%
Food & Beverages	49,386	53,900	1.39%
Insurance	35,181	48,800	1.26%
Commercial & Professional Svc	24,382	21,680	0.56%
Financial Services			
Total	3,415,555	3,887,640	100.00%

Movement of Financial assets

	30 June 2025 (Un-audited)	31 December 2024 (Audited)
Opening balance	3,887,640	5,017,228
Purchase of investments during the period / year	14,594,395	2,551,680
Loss on disposal of investments carried at fair value through profit or loss	(749,486)	(4,070,766)
Unrealized gain on investments carried at fair value through profit or loss	593,292	355,650
Disposal of investments of the period / year	(10,399,214)	33,848
Investment at the end of the period / year	7,926,627	3,887,640

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)****For The Six-Month Period Ended 30 June 2025****(Amounts in Saudi Arabian Riyal)****8. OTHER EXPENSES**

	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
Other expenses	15,348	12,976
VAT expense	2,302	1,947
	17,650	14,923

9. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties to the fund are unit holders, the fund manager and other funds managed by the fund manager. In the normal course of business, transactions with related parties are carried out in accordance with the provisions issued by the CMA. All related party transactions are approved by the Fund's Board of Directors.

The significant related party transactions entered into by the Fund during the year and the balances resulting from such transactions are as follows:

Related party	Nature of transactions	Amount of transactions during the period		Closing balance (Debit)	
		30 June 2025 (Un-audited)	30 June 2024 (Un-audited)	30 June 2025 (Un-audited)	31 December 2024 (Audited)
Middle East Financial Investment Company	Fund management fee	61,776	52,230	11,569	8,763
(Fund Manager)	Other expenses	17,650	14,923	6,671	2,504

10. FINANCIAL INSTRUMENTS BY CATEGORY

30 June 2025 (Un-audited)	Amortized cost	FVTPL
Assets as per statement of assets and liabilities		
Cash and cash equivalents	119,314	-
Financial assets at fair value through profit or loss (FVTPL)	-	7,926,627
Total	119,314	7,926,627
31 December 2024 (Audited)	Amortized cost	FVTPL
Assets as per statement of assets and liabilities		
Cash and cash equivalents	1,094,390	-
Financial assets at fair value through profit or loss (FVTPL)	-	3,887,640
Trade and other receivables	99,155	-
Total	1,193,545	3,887,640

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)

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

For The Six-Month Period Ended 30 June 2025

(Amounts in Saudi Arabian Riyal)

11. FINANCIAL RISK MANAGEMENT

11.1 Financial risk factors

The objective of the Fund is to maintain its ability to continue as a going concern so that it can continue to provide optimum returns to its Unit Holders and to ensure reasonable safety to the unit holders.

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.

(a) Market risk

(i) 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 Manager diversifies the investment portfolio and closely monitors the price movement of its investments in financial instruments. As of the statement of financial position date, the Fund has equity investments.

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

MEFIC SAUDI FREESTYLE EQUITY FUND

Open-Ended Mutual Fund

(Managed By Middle East Financial Investment Company)**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UN-AUDITED)****For The Six-Month Period Ended 30 June 2025****(Amounts in Saudi Arabian Riyal)****11. FINANCIAL RISK MANAGEMENT (CONTINUED)****11.1 Financial risk factors (Continued)****(a) Market risk (continued)***(i) Price risk (continued)*

	30 June 2025		31 December 2024	
	(Un-audited)		(Audited)	
	Potential reasonable change %	Effect on NAV	Potential reasonable change %	Effect on NAV
Banks	+/- 1%	19,700	+/- 1%	6,388
Materials	+/- 1%	18,756	+/- 1%	7,985
Capital goods	+/- 1%	5,742	+/- 1%	-
Health Care Equipment & Svc	+/- 1%	3,433	+/- 1%	1,234
Real Estate Mgmt & Dev't	+/- 1%	3,292	+/- 1%	1,265
Telecommunication Services	+/- 1%	7,164	+/- 1%	3,000
Software & Services	+/- 1%	4,747	+/- 1%	5,567
Utilities	+/- 1%	3,333	+/- 1%	-
Transportation	+/- 1%	2,418	+/- 1%	5,189
Food & Beverages	+/- 1%	3,998	+/- 1%	1,091
Insurance	+/- 1%	6,683	+/- 1%	539
Energy	-	-	+/- 1%	3,028
Consumer Discretionary	-	-	+/- 1%	1,531
Distribution & Retail	-	-	+/- 1%	1,354
Consumer Services	-	-	+/- 1%	488
Commercial & Professional Svc	-	-	+/- 1%	217
Financial Services	-	-	+/- 1%	

(b) Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Fund is exposed to credit risk in cash and cash equivalents. Bank balances are deposited in local banks, which is considered a good financially rated bank. The following table shows the maximum exposure to credit risk for the components of the statement of financial position

	30 June 2025	31 December
	(Un-audited)	2024(Audited)
Cash and cash equivalents	119,314	1,094,390
Trade and other receivable	-	99,155

The carrying amount of financial assets represents the maximum credit exposure.

Credit risk on cash is limited as:

- All financial assets of the Fund are held with counterparties with sound credit ratings.

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.

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(Amounts in Saudi Arabian Riyal)

11. FINANCIAL RISK MANAGEMENT (CONTINUED)

11.1 Financial risk factors (continued)

(c) Liquidity risk

It is the risk that the fund is exposed to difficulties in obtaining the financing necessary to meet commitments related to financial liabilities. The Fund Manager monitors the liquidity requirements on an ongoing basis in order to ensure the adequacy of the available funding to meet any obligations when they occur.

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 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 unit holders.

11.2 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 values of the Fund's financial instruments 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 and debt instruments. The Fund does not adjust the quoted price for these instruments.

Fund classifies all of its financial assets except for those carried at amortized cost, at fair value as level 1.

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

For The Six-Month Period Ended 30 June 2025

(Amounts in Saudi Arabian Riyal)

12. SUBSEQUENT EVENTS

As of the date of approval of these interim condensed interim financial statements, there have been no significant subsequent events requiring disclosure to or adjustment in these 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 authorized for issue by the Fund's Board of Directors on 10 August 2025 (corresponding to 16 Safar 1447 H).