

Crowe Solutions For Professional Consulting
Member Crowe Global

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)

**CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) AND INDEPENDENT
AUDITOR'S REVIEW REPORT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

Al-Khair Capital Murabaha Fund
(Managed by Al-Khair Capital Saudi Arabia Company)
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025

Index	Page
INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED INTERIM FINANCIAL STATEMENTS	1
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)	2
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)	3
CONDENSED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS (UNAUDITED)	4
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)	5
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)	6 - 10

INDEPENDENT AUDITORS' REVIEW REPORT ON CONDENSED INTERIM FINANCIAL STATEMENTS

**TO: The Unitholders of Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)**

Introduction:

We have reviewed the accompanying condensed interim statement of financial position of **Al-Khair Capital Murabaha Fund Saudi Riyal** – ("the Fund") managed by **Al-Khair Capital Saudi Arabia Company** (the "Fund Manager"), as at 30 June 2025 and the related condensed interim statement of comprehensive income, condensed interim statement of changes in net assets attributable to the unitholders and condensed interim statement of cash flows for the six months' period then ended and notes to the condensed interim financial statements, including a material accounting policies information and other explanatory notes. Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"). Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review:

We conducted our review in accordance with International Standard on Review Engagements (2410), "Review of interim financial information performed by the independent auditor of the entity", as endorsed in the Kingdom of Saudi Arabia. A review of condensed interim 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.

Emphasis of Matter:

We draw attention to the *Going Concern* section included under Note 5 to the accompanying condensed interim financial statements, which describes the Fund Manager's rationale for the disposal of all financial assets measured at amortized cost and the status of its assessment of a new strategic investment plan. Our conclusion is not modified in respect of this matter.

Conclusion:

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia.



17 Safar 1447H (Corresponding to 11 August 2025).
Riyadh, Saudi Arabia

Crowe Solutions
For Professional Consulting



Abdullah M. AlAzem
License No. (335)

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at 30 June 2025

	<i>Note</i>	<i>30 June 2025 (Unaudited) SR</i>	<i>31 December 2024 (Audited) SR</i>
<u>ASSETS</u>			
Cash and cash equivalents	7	2,945	29,969
TOTAL ASSETS		2,945	29,969
<u>LIABILITIES</u>			
Management fee payable	10	5,903	5,903
Accrued expenses and other liabilities	8	35,373	24,066
TOTAL LIABILITIES		41,276	29,969
 NET LIABILITIES		 (38,331)	 -
 Units in issue		 -	 -
Net liabilities value attributable to each unit		-	-

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

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
For the six months period ended 30 June 2025

		<i>For the six months period ended 30 June</i>	
	<i>Notes</i>	<i>2025 (Unaudited) SR</i>	<i>2024 (Unaudited) SR</i>
<u>INVESTMENT INCOME</u>			
Income from short term Murabaha placement		-	2,063,284
TOTAL INCOME		-	2,063,284
<u>EXPENSES</u>			
Management fees	10		(86,037)
Other Expenses	9	(38,331)	(76,069)
TOTAL EXPENSES		(38,331)	(162,106)
NET (LOSS)/ INCOME FOR THE PERIOD		(38,331)	1,901,178
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE (LOSS)/ INCOME FOR THE PERIOD		(38,331)	1,901,178

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

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)
CONDENSED INTERIM STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE
TO THE UNITHOLDERS (UNAUDITED)
For the six month period ended 30 June 2025

	<i>For the six months period ended 30 June</i>	
	<i>2025 (Unaudited) SR</i>	<i>2024 (Unaudited) SR</i>
NET ASSETS AT THE BEGINNING OF THE PERIOD	-	126,457,721
CHANGES FROM OPERATIONS		
Total comprehensive income/(loss) for the period	(38,331)	1,901,178
CHANGES FROM UNIT TRANSACTIONS		
Proceeds from units issued	-	-
Value of units redeemed	-	(89,967,040)
Net change from unit transactions	-	(89,967,040)
NET (LIABILITIES) /ASSETS AT THE END OF THE PERIOD	<u>(38,331)</u>	<u>38,391,859</u>

UNIT TRANSACTIONS

Transactions in units for the six-month period ended 30 June are summarised as follows:

	<i>For the six months period ended 30 June</i>	
	<i>2025 Units</i>	<i>2024 Units</i>
UNITS AT THE BEGINNING OF THE PERIOD	-	10,102,875
Units issued	-	-
Units redeemed	-	(7,118,915)
Net decrease in units	-	(7,118,915)
UNITS AT THE END OF THE PERIOD	<u>-</u>	<u>2,983,960</u>

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

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
For the six months period ended 30 June 2025

	<i>For the six months period ended 30 June</i>	
	<i>2025</i>	<i>2024</i>
	<i>(Unaudited)</i>	<i>(Unaudited)</i>
	<i>SR</i>	<i>SR</i>
OPERATING ACTIVITIES		
Net (loss)/ income for the period	(38,331)	1,901,178
<i>Adjustment to reconcile net (loss)/income from operating activities:</i>		
	-	-
	(38,331)	1,901,178
Changes in operating assets and liabilities:		
Financial assets at fair value through profit or loss	-	2,838,962
Prepayments and other receivables	-	(158,199)
Management fees payable	-	(68,233)
Redemption payable	-	21,277
Accrued expenses	11,308	(7,058)
Net cash (used in) / generated from operating activities	(27,024)	4,527,927
FINANCING ACTIVITIES		
Proceeds from units issued	-	-
Value of units redeemed	-	(89,967,040)
Net cash used in financing activities	-	(89,967,040)
CHANGE IN CASH AND CASH EQUIVALENTS	(27,024)	(85,439,113)
Cash and cash equivalent at the beginning of the period	29,969	116,581,832
CASH AND CASH EQUIVALENT AT THE END OF THE PERIOD	<u>2,945</u>	<u>31,142,719</u>

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

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
For the six months period ended 30 June 2025

1 GENERAL

Al-Khair Capital Murabaha Fund Saudi Riyal (the "Fund") is an open-ended investment fund established and managed by Al-Khair Capital Saudi Arabia Company (the "Fund Manager") for the benefit of the Fund's Unitholders (the "Unitholders"). The Fund commenced its operations on 27 Jumad Al Thani 1435H (corresponding to 27 April 2014). The address of the Fund Manager is as follows:

Al Khair Capital
P.O. Box. 69410
Riyadh 11547
Kingdom of Saudi Arabia

The objective of the Fund is to generate income and liquidity consistent with short-term money market rates and to preserve the value of unitholders' investment as approved by the Shari'ah Board of the Fund

The fund manager is Al-Khair Capital Saudi Arabia, and the custodian is appointed by Al-Inmaa Investment Company. The terms and conditions were approved by the Capital Market Authority ("CMA") on the date of 19 Jumada Al-Thani 1435 AH (corresponding to 20 April 2014) and were later amended and approved several times, the last of which was on the date of 07 Rabi' Al-Thani 1443 AH (corresponding to 22 October 2023). The Fund began its operations on 27 Jumada al-Thani 1435 AH (corresponding to 27 April 2014) and the last update was at 7 Rabei Al-Thani 1445H (corresponding to 22 October 2023).

2 REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the "Regulations") issued by the CMA on 3 Dhul Hijja 1427H (corresponding to 24 December 2006) and effective from 6 Safar 1438H (corresponding 6 November 2016) by the New Investment Fund Regulations ("Amended Regulations") published by the CMA on 16 Shaaban 1437H (corresponding to 23 May 2016), in addition to the new amendment no.2-22-2021 issued 12 Rajab 1442H (Corresponding to 24 February 2021), detailing requirements for all funds within the Kingdom of Saudi Arabia.

3 BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

These interim condensed financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"), as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered Professional Accountants ("SOCPA").

These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements; therefore, these should be read in conjunction with the Fund's annual audited financial statements as at and for the year ended 31 December 2024.

Assets and liabilities in the interim condensed statement of financial position are presented in the order of liquidity.

An analysis in respect of recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 12.

3.2 BASIS OF MEASUREMENT

The interim condensed financial statements are prepared under the historical cost convention except for financial instruments at fair value through profit or loss that are measured at fair value and assets measured at amortised costs.

3.3 FUNCTIONAL CURRENCY

These condensed financial statements are presented in Saudi Riyals (SR), which is the fund's functional currency.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

The material accounting policies information used in the preparation of these condensed interim financial statements are consistent with those used and disclosed in the financial statements for the year ended 31 December 2024.

5 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed interim financial statements in conformity with IFRS as endorsed in KSA requires the use of certain critical accounting judgements, estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires management to exercise its judgment in the process of applying the Funds' accounting policies. Such judgements, estimates and assumptions are continually evaluated and are based on historical experience and other factors, including obtaining professional advice and expectations of future events that are believed to be reasonable under the circumstances. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. Actual results may differ from the estimates. Significant areas where management has used estimates, assumptions or exercised judgement are as follows:

Going concern

These interim condensed financial statements have been prepared on a going concern basis, that the Fund will continue its operations and effectively manage liquidity to ensure, as far as possible, that it has sufficient resources to meet its obligations as they fall due, under both normal and adverse conditions. During the prior year, all financial assets measured at amortized cost were disposed off to facilitate the redemption requests from Unitholders. The Fund Manager is in process of developing a new investment strategy aimed at enhancing market competitiveness in alignment with peer funds in the market. However, as of the date of Interim condensed financial statements 30 June 2025, this plan remains under review and has not yet been finalized or approved by the Funds' board of directors. Additionally, the Fund has obtained a financial support letter from its Fund Manager, Al Khair Capital Saudi Arabia, ensuring assistance in meeting future obligations.

Based on these factors, management believes that there are no material uncertainties that may cast significant doubt on the Fund's ability to continue as a going concern.

Fair value Measurement

The Fund measures its investments in financial instruments at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible to the Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value for financial instruments traded in active markets at the reporting date is based on their quoted price (bid price for long positions and ask price for short positions), without any deduction for transaction costs.

The Fund measures financial instruments at fair value at each reporting date. Fair values of those financial instruments are disclosed in note 11.

6 STANDARDS ISSUED BUT NOT YET EFFECTIVE

There are several standards 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 Board, these standards will have no significant impact on the interim condensed financial statements of the Fund. The Fund intends to adopt these standards, if applicable.

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – (CONTINUED)
For the six months period ended 30 June 2025

7. CASH AND CASH EQUIVALENTS

	<i>30 June 2025 (Unaudited) SR</i>	<i>31 December 2024 (Audited) SR</i>
Cash at Banks	2,945	29,969
	<u>2,945</u>	<u>29,969</u>

The bank balances represent the cash in a current account maintained with local banks.

The management has conducted a review as required under IFRS 9 and based on such assessment; the management believes that there is no need for any significant expected credit loss against the carrying value of bank balances.

8. ACCRUED EXPENSES AND OTHER LIABILITIES

	<i>30 June 2025 (Unaudited) SR</i>	<i>31 December 2024 (Audited) SR</i>
Audit fees	15,869	16,000
VAT payable	4,659	4,316
Board member fees	4,959	-
Custodian fees	3,688	3,750
Regulator fees	6,198	-
	<u>35,373</u>	<u>24,066</u>

9. OTHER EXPENSES

	<i>For the six-month period ended 30 June</i>	
	<i>2025 (Unaudited) SR</i>	<i>2024 (Unaudited) SR</i>
VAT	3,868	16,784
Audit fees	15,868	15,913
Custodian fee	7,438	7,459
Board member fee	4,959	4,973
Regulator fees	3,719	3,730
Tadawul fees	2,479	2,486
Others	-	24,724
	<u>38,331</u>	<u>76,069</u>

10 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Fund include the Unitholders, the Fund Manager, the Shareholder of the Fund Manager (Al-Khair Capital) and other funds managed by the Fund Manager.

In the ordinary course of its activities, the Fund transacts business with its related parties. All the related party transactions are carried out based on mutually agreed prices under formal agreement, which is approved by the Fund Board.

The Fund pays the Fund Manager a management fee at an annual rate of 0.25% per annum calculated on total net assets value on daily basis. The fee intended to compensate the Fund Manager for administration and management of Fund.

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – (CONTINUED)
For the six months period ended 30 June 2025

10 TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

Related party transactions for the period/year are as follows:

Name of Related party	Nature of transaction	Amount of transactions		Balance Receivable / (Payable)	
		For the six months period ended 30 June 2025 (Unaudited) SR	For the six months period ended 30 June 2024 (Unaudited) SR	30 June 2025 (Unaudited) SR	December 2024 (Audited) SR
The Fund Manager	Management fees		86,037	(5,903)	(5,903)
Al-Khair Capital (Dubai) Ltd.	Payment for redemption of units	-	(30,600,024)	-	-
The Fund's Board members	Board members' fee	4,959	4,973	(4,959)	-

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

Determination of fair value and fair value hierarchy

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- in the principal market for the asset or liability, or
- in the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Fund. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Fund uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The fair values of financial instruments are not significantly different from the carrying values included in the interim condensed financial statements due to the short duration of such financial instruments.

All assets and liabilities for which fair value is measured or disclosed in the interim condensed financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

During the period ended 30 June 2025, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into or out of level 3 fair value measurements.

Al-Khair Capital Murabaha Fund Saudi Riyal
(Managed by Al-Khair Capital Saudi Arabia Company)
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED) – (CONTINUED)
For the six months period ended 30 June 2025

12 MATURITY ANALYSIS OF ASSETS AND LIABILITIES

The table below shows an analysis of assets and liabilities according to when they are expected to be recovered or settled respectively:

<i>As at 30 June 2025 (Unaudited)</i>	Within 12 months	After 12 months	Total
ASSETS			
Cash and cash equivalents	2,945	-	2,945
TOTAL ASSETS	2,945	-	2,945
LIABILITIES			
Accrued expenses and other liabilities	35,373	-	35,373
Management fees payable	5,903	-	5,903
TOTAL LIABILITIES	41,276	-	41,276
<i>As at 31 December 2024 (Audited)</i>	Within 12 months	After 12 months	Total
ASSETS			
Cash and cash equivalents	29,969	-	29,969
TOTAL ASSETS	29,969	-	29,969
LIABILITIES			
Management fees payable	5,903	-	5,903
Accrued expenses and other liabilities	24,066	-	24,066
TOTAL LIABILITIES	29,969	-	29,969

13 LAST VALUATION DAY

The last valuation day of the period was 30 June 2025 (2024: 31 December 2024)

14 APPROVALS OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These condensed interim financial statements were approved by the Fund Board on 16 Safar 1447H (Corresponding to 10 August 2025).