

AL RAJHI INLCUSION FUND
An open-ended mutual fund

(MANAGED BY AL RAJHI CAPITAL COMPANY)
INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025
TOGETHER WITH THE INDEPENDENT AUDITOR'S REVIEW REPORT TO THE
UNITHOLDERS

AL RAJHI INCLUSION FUND

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)****FOR THE SIX MONTHS PERIOD ENDED 30 JUNE 2025**

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Independent auditor's review report on the interim condensed financial information

To the Unitholders and the Fund Manager of
Al Rajhi Inclusion Fund
(An open-ended mutual Fund)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of **Al Rajhi Inclusion Fund** (the "Fund") managed by Al Rajhi Capital Company (the "Fund Manager") as of June 30, 2025, and the related statement of comprehensive income, changes in net assets attributable to the unitholders and cashflows for the six-month period ended June 30, 2025, and explanatory notes. The Fund Manager is responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim financial information 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 interim financial information 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 information is not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

Other Matter

The financial statements for the year ended 31 December 2024 and the interim financial information for the six-month period ended 30 June 2024 were audited and reviewed respectively by other auditors who expressed an unmodified opinion on those statements and an unmodified review conclusion on that information on 26 March 2025 (corresponding to 26 Ramadan 1446H) and 8 August 2024 (corresponding to 4 Safar 1446H), respectively.

Deloitte and Touche & Co.

Chartered Accountants



Mazen A. Al-Omari

Certified Public Accountant

License no. 480

7 August 2025

13 Safar 1447H



AL RAJHI INCLUSION FUND

An open-ended mutual fund

(MANAGED BY AL RAJHI CAPITAL COMPANY)**INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)****ALL AMOUNTS PRESENTED IN (﷼)**

	Notes	30 June 2025 (Unaudited)	31 December 2024 (Audited)
<u>ASSETS</u>			
Cash and cash equivalents	4	93,478,286	37,625,076
Investments at fair value through profit or loss ("FVTPL")	5	593,939,637	525,278,803
Dividends receivables		1,632,944	-
Accrued special commissions income		7,500	-
Advance against allotment of securities	6	-	6,632,875
Total assets		689,058,367	569,536,754
<u>LIABILITIES</u>			
Management fee payable	8	3,863,519	1,078,331
Payable to the unitholders on account of redemption		21,795	390,918
Accrued expenses	9	526,028	208,887
Total liabilities		4,411,342	1,678,136
Net assets attributable to the unitholders		684,647,025	567,858,618
Units in issue (numbers)		49,366,604	38,294,829
Net assets attributable to each unit		13.87	14.83

The accompanying notes 1 to 16 form an integral part of these interim condensed financial information.

AL RAJHI INCLUSION FUND

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)****ALL AMOUNTS PRESENTED IN (﷼)**

		For the six-month period ended 30 June	
	Notes	2025	2024
INCOME			
Net unrealized (loss) gain on investments at FVTPL		(39,758,359)	24,454,277
Net realized (loss) gain on investments at FVTPL		(9,469,504)	28,510,915
Dividends income		6,999,032	2,941,410
Accrued special commissions income		816,763	467,024
Total (loss) income		(41,412,068)	56,373,626
EXPENSES			
Management fees	8	7,463,573	4,113,581
Other expenses	10	483,304	141,778
Total expenses		7,946,877	4,255,359
Net (loss) income for the period		(49,358,945)	52,118,267
Other comprehensive income for the period		-	-
Total comprehensive (loss) income for the period		(49,358,945)	52,118,267

The accompanying notes 1 to 16 form an integral part of these interim condensed financial information.

AL RAJHI INCLUSION FUND

An open-ended mutual fund

(MANAGED BY AL RAJHI CAPITAL COMPANY)**INTERIM CONDENSED STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS****(UNAUDITED)****ALL AMOUNTS PRESENTED IN (ﷲ)**

	30 June 2025	16 August 23 to June 2024
Net assets attributable to the unitholders at beginning of the period	567,858,618	-
Net (loss) income for the period	(49,358,945)	52,118,267
Other comprehensive income for the period	-	-
Total comprehensive (loss) income for the period	(49,358,945)	52,118,267
Subscription and redemptions by the unitholders		
Proceeds from issuance of units during the period	235,789,110	386,739,803
Payments for redemption of units during the period	(69,641,758)	(69,116,281)
Net changes from unit transaction	166,147,352	317,623,522
Net assets attributable to the unitholders at end of the period	684,647,025	369,741,789

	30 June 2025	16 August 23 to June 2024
Units at beginning of the period	38,294,829	--
Issuance of units during the period	15,847,836	32,847,843
Redemption of units during the period	(4,776,061)	(6,150,281)
Net increase in units	11,071,775	26,697,562
Units at end of the period	49,366,604	26,697,562

The accompanying notes 1 to 16 form an integral part of these interim condensed financial information.

AL RAJHI INCLUSION FUND

An open-ended mutual fund

(MANAGED BY AL RAJHI CAPITAL COMPANY)**INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)****ALL AMOUNTS PRESENTED IN (﷼)**

		30 June 2025	16 August 23 to June 2024
Operating activities			
Net income for the period		(49,358,945)	52,118,267
Adjustments for:			
Net unrealized loss (gain) on investments at FVTPL		39,758,359	(24,454,277)
Net realized loss (gain) on investments at FVTPL		9,469,504	(28,510,915)
Dividends income		(6,999,032)	(2,941,410)
Net changes in operating assets and liabilities			
Purchase of investments at FVTPL		(324,800,552)	(2,617,211,673)
Proceeds from sale of investments at FVTPL		206,911,855	2,307,210,238
Increase in special commission income receivable		(7,500)	-
Decrease in advance against allotment of securities		6,632,875	-
(Decrease) increase in payable to the Unitholders on account of redemption		(369,123)	4,395,287
Increase in management fee payable		2,785,188	1,345,035
Increase in accrued expenses		317,141	107,230
		(115,660,230)	(307,942,218)
Dividends received		5,366,088	2,450,063
Net cash used in operating activities		(110,294,142)	(305,492,155)
Financing activities			
Proceeds from issuance of units		235,789,110	386,739,803
Payments for redemption of units		(69,641,758)	(69,116,281)
Net cash flows generated from financing activities		166,147,352	317,623,522
Net increase in cash and cash equivalents		55,853,210	12,131,367
Cash and cash equivalents at the beginning of the period	4	37,625,076	--
Cash and cash equivalents at the end of the period	4	93,478,286	12,131,367

The accompanying notes 1 to 16 form an integral part of these interim condensed financial information.

AL RAJHI INCLUSION FUND

An open-ended mutual fund

(MANAGED BY AL RAJHI CAPITAL COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)

AS AT 30 JUNE 2025

ALL AMOUNTS PRESENTED IN (ﷲ)

1. INCORPORATION AND ACTIVITIES

- a) Al Rajhi Inclusion Fund, (the "Fund") is an open-ended investment fund created by an agreement between Al Rajhi Capital Company (the "Fund Manager"), a wholly owned subsidiary of Al Rajhi Banking and Investment Corporation (the "Bank") and investors (the "Unitholders") in the Fund. Fund in accordance with the Capital Market Authority ("CMA") regulation. The address of the Fund Manager is as follows
- b)
 - Al Rajhi Capital, Head Office
 - 8467 King Fahad Road, Al Muruj District
 - P.O. Box 2743
 - Riyadh 11263
 - Kingdom of Saudi Arabia

The Fund is an open-ended public investment fund which aims to achieve capital growth by investing mainly in shares of companies listed on Saudi stock markets that are expected to join global indices. In addition to investing in initial offerings, initial rights offerings, remaining offerings, traded funds, real estate traded funds, and money market instruments that are compatible with the controls of the Sharia Supervision Committee.

The Fund was established on 13 Muharram 1445H (corresponding to 31 July 2023) as per notification to the Capital Market Authority (CMA) and commenced its operations on 29 Muharram 1445H (corresponding to 16 August 2023). Therefore, the Fund's first financial period runs from 16 August 2023 to 30 June 2024, and as a result, comparative figures for the statements are not presented.

The Fund Manager is responsible for the overall management of the Fund's activities. The Fund Manager can also enter into arrangements with other institutions for the provision of investment, custody or other administrative services on behalf of the Fund.

The Fund has appointed Al Bilad Investment Company (the "Custodian") to act as its custodian.

The Fund is governed by the Investment Fund Regulations (the "Regulations") issued by the CMA detailing the requirements for all Investment Funds within the Kingdom of Saudi Arabia

2. BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

This interim condensed financial information is prepared 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") and should be read in conjunction with the Fund's last annual financial statements for the year ended 31 December 2024. The results for the six-month period end 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ended 31 December 2025.

2.2 BASIS OF MEASUREMENT

This interim condensed financial information has been prepared on a historical cost basis, using the accrual basis of accounting except for investments carried at FVTPL that were measured at fair value. The Fund presents its interim condensed statement of financial position in the order of liquidity. All balances are classified as current. The Fund can recover or settle all its assets and liabilities within 12 months from the reporting date.

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(MANAGED BY AL RAJHI CAPITAL COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED (CONTINUED))

AS AT 30 JUNE 2025

ALL AMOUNTS PRESENTED IN (ﷲ)

2. BASIS OF PREPARATION (CONTINUED)

2.3 FUNCTIONAL AND PRESENTATION CURRENCY

This interim condensed financial information is presented in Saudi Arabian Riyal ("ﷲ"), which is also the functional currency of the Fund. All financial information presented has been rounded to the nearest ﷲ.

2.4 USE OF JUDGEMENTS AND ESTIMATES

The preparation of the interim condensed financial information 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.

There are no significant estimates or judgements involved in the preparation of financial information, that might have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next accounting period. The Fund based its assumptions and estimates on parameters available when the interim condensed financial information was 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.

2.5 GOING CONCERN

The Fund Manager has assessed the Fund's ability to continue as a going concern and is satisfied that the Fund has the resources to continue in business for the foreseeable future. Furthermore, the 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.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies used in the preparation of these financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2024 except for the adoption of the following amendments to IFRS explained below which became applicable for annual reporting periods commencing on or after January 1, 2025. The Fund Manager has assessed that the below amendments have no significant impact on the financial statements.

The Fund has adopted the following amendments, interpretations and revisions to existing standards, which were issued by the IASB and are applicable from January 1, 2025:

<u>New and revised IFRS Accounting Standard</u>	<u>Summary</u>
Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to Lack of Exchangeability	The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not.

Other than the above, there are no other significant IFRS Accounting Standards and amendments that were effective for the first time for the financial year beginning on or after 1 January 2025.

The Fund Manager anticipates that the application of these new standards and amendments in the future will not have any significant impact on the amounts reported.

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED) (CONTINUED)****AS AT 30 JUNE 2025****ALL AMOUNTS PRESENTED IN (﷼)****3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

Standards issued but not yet effective up to the date of issuance of the Fund's financial statements are listed below. The listing is of standards and interpretations issued, which the Fund reasonably expects to be applicable at a future date. The Fund intends to adopt these standards when they become effective.

<u>New and revised IFRS Accounting Standards</u>	<u>Effective for annual periods beginning on or after</u>
Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i> regarding the classification and measurement of financial instruments The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	1 January 2026
Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i> regarding purchase power arrangements The amendments aim at enabling entities to include information in their financial statements that in the IASB's view more faithfully represents contracts referencing nature-dependent electricity.	1 January 2026
Annual improvements to IFRS Accounting Standards - Volume 11 The pronouncement comprises the following amendments: <ul style="list-style-type: none"> • IFRS 1: Hedge accounting by a first-time adopter • IFRS 7: Gain or loss on derecognition • IFRS 7: Disclosure of deferred difference between fair value and transaction price • IFRS 7: Introduction and credit risk disclosures • IFRS 9: Lessee derecognition of lease liabilities • IFRS 9: Transaction price • IFRS 10: Determination of a "de facto agent" • IAS 7: Cost method 	1 January 2026
IFRS 18 <i>Presentation and Disclosures in Financial Statements</i> IFRS 18 includes requirements for all entities applying IFRS for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.	1 January 2027
IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i> IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.	1 January 2027
Amendments to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures (2011)</i> The amendments relate to the treatment of the sale or contribution of assets from an investor to its associate or joint venture	Effective date deferred indefinitely. Adoption is still permitted.

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED (CONTINUED))****AS AT 30 JUNE 2025****ALL AMOUNTS PRESENTED IN (AED)****4. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise of bank balances with Al Rajhi Banking and Investment Corporation (the "Bank"), the parent entity of the Fund Manager. In addition, these balances also comprise of cash placed with Al Bilad Investment Company (the "Custodian") for buying and selling of investment securities.

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Cash and cash equivalent - Alrajhi	4,789,162	30,995,129
Cash and cash equivalent - Custodian	27,401,896	5,894,827
Cash and cash equivalent - AED	712,929	535,320
Cash and cash equivalent - BHD	574,299	199,800
Short-term Murabaha placements	60,000,000	-
Total	93,478,286	37,625,076

This represents overnight Murabaha placements, and this it carries a profit rate of 4.50%.

5. INVESTMENTS AT FVTPL

Investments at FVTPL comprise the following investments as at the reporting date:

	30 June 2025 (Unaudited)			
	Cost	Fair value	% of Fair value	Unrealised gain
<u>Investments:</u>				
Equity Investment (Note 5.1)	525,664,127	533,884,551	89.89%	8,220,424
Units of Mutual Fund (Note 5.2)	60,000,000	60,055,086	10.11%	55,086
Total	585,664,127	593,939,637	100%	8,275,510
	31 Dec 2024 (audited)			
	Cost	Fair value	% of Fair value	Unrealised gain
<u>Investments:</u>				
Equity securities (Note 5.1)	477,270,311	525,278,803	100%	48,008,942
Total	477,270,311	525,278,803	100%	48,008,942

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****AS AT 30 JUNE 2025****ALL AMOUNTS PRESENTED IN (ﷲ)****5. INVESTMENTS AT FVTPL (CONTINUED)**

5.1 The composition of the Fund's equity securities investments portfolio by industry sector is as follows:

30 June 2025 (Unaudited)				
	Cost	Fair value	% of Fair value	Unrealised gain / (loss)
<u>Investments (by sectors)</u>				
Energy	112,372,997	124,989,572	23.41%	12,616,575
Real Estate	105,289,245	121,696,214	22.79%	16,406,969
Financial	75,520,499	69,157,186	12.95%	(6,363,313)
Industrial	61,316,062	55,947,480	10.48%	(5,368,582)
Materials	35,668,542	39,107,515	7.33%	3,438,973
Consumer Discretionary	41,548,015	36,372,655	6.81%	(5,175,360)
Information Technology	27,423,554	35,695,970	6.69%	8,272,416
Consumer Staples	31,703,242	23,253,141	4.36%	(8,450,101)
Utilities	23,426,496	16,644,193	3.12%	(6,782,303)
Telecommunication Services	11,395,475	11,020,625	2.06%	(374,850)
Total	525,664,127	533,884,551	100.00%	8,220,424

31 December 2024 (Audited)				
	Cost	Fair value	% of Fair value	Unrealised gain / (loss)
<u>Investments (by sectors)</u>				
Real Estate	112,718,245	127,286,260	24.23%	14,568,015
Financial	107,301,429	118,066,691	22.48%	10,765,262
Energy	50,025,857	57,433,746	10.93%	7,407,889
Industrial	51,070,211	50,967,465	9.70%	(102,746)
Information technology	32,542,565	48,471,516	9.23%	15,928,951
Consumer Discretionary	39,842,210	40,733,885	7.75%	891,675
Material	26,452,100	26,746,019	5.09%	293,919
Utilities	22,131,648	22,944,773	4.37%	813,125
Capital Goods	19,487,288	18,316,363	3.49%	(1,170,925)
Consumer Staples	15,024,620	13,633,946	2.60%	(1,390,674)
Health care	674,138	678,139	0.13%	4001
Total	477,270,311	525,278,803	100.00%	48,008,492

The above equity investments are listed on the Saudi Stock Exchange ("Tadawul"). The Fund Manager seeks to limit risk of the Fund by monitoring exposures in each investment sector and individual securities.

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****AS AT 30 JUNE 2025****ALL AMOUNTS PRESENTED IN (ﷲ)****5. INVESTMENTS AT FVTPL (CONTINUED)****5.2 Name of funds in which the investments are held**

	30 June 2025 (Unaudited)			
	Cost	Fair value	% of Fair value	Unrealised gain / (loss)
<u>Name of Funds</u>				
Al Rajhi Awaheed Fund*	60,000,000	60,055,086	100.00%	55,086
Total	60,000,000	60,055,086	100.00%	55,086

* A fund managed by the Fund Manager

6. ADVANCE AGAINST ALLOTMENT OF SECURITIES

This represents investment in IPO subscription of companies engaged in healthcare equipment and consumer discretionary sector within the Kingdom of Saudi Arabia. These shares were subsequently allotted to subscribers on 7 January 2025 and 8 January 2025, respectively

7. RELATED PARTY TRANSACTIONS AND BALANCES

The related parties of the Fund include the Bank, the Fund Manager, the Fund Board, other funds managed by the Fund Manager and employees of the same. In the ordinary course of its activities, the Fund transacts business with the related parties.

The Fund does not charge any subscription fee on subscription of units and redemption fee on redemption of units. Other expenses paid by the Fund Manager on the behalf of the Fund are recharged to the Fund as they are incurred as per constituting documents of the Fund.

In addition to transactions disclosed elsewhere in these condensed interim financial statements, the Fund entered into the following transactions with related parties during the period. These transactions were carried out on the basis of approved terms and conditions of the fund

Related party	Nature of relationship	Nature of transaction	For the six-month period ended 30 June 2025	16 August 23 to June 2024
Al Rajhi Capital Company – Fund Manager	The fund manager	Management Fee	7,463,573	4,113,581
The fund board	The fund board	Fund Board fee to members of the Board	14,877	-

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****AS AT 30 JUNE 2025****ALL AMOUNTS PRESENTED IN (ﷲ)****7. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)**

Related party	Nature of relationship	Nature of balance	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Al Rajhi Capital Company – Fund Manager	The fund manager	Management fee payable	3,863,519	1,078,331
The fund board	The fund board	Fund board fee payable to member of the board	42,743	30,000

Balances arising from above transactions with related parties are as follows:

The units in issue at 30 June 2025 include 21,970,038 units held by other funds managed by the Fund Manager (31 Dec 2024, 12,712,030 units)

8. MANAGEMENT FEES

The Fund pays management fees calculated at an annual rate of 2% per annum of the Fund's net assets value at each valuation date along with the VAT charges 15% of the transaction. The fee is intended to compensate the Fund Manager for administration of the Fund.

9. ACCRUED EXPENSES

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
Purification fee	343,168	85,342
Benchmark fee	45,587	30,475
Fund board fee	42,743	30,000
Professional fee	18,685	20,700
Zakat advisory fee	7,984	16,100
Others	67,861	26,270
	526,028	208,887

10. OTHER EXPENSES

	For the six-month period ended 30 June	
	2025	2024
Purification fee	274,942	-
Audit fee	18,685	17,108
Benchmark fee	15,112	26,677
Custody fee	59,488	24,457
Others	115,077	73,536
	483,304	141,778

AL RAJHI INCLUSION FUND

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****AS AT 30 JUNE 2025****ALL AMOUNTS PRESENTED IN (ﷵ)****11. FAIR VALUE MEASUREMENT**

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

An active market is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis. The carrying value less impairment provision of 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.

The Fund values securities that are traded / reported on stock exchange at their last reported prices. To the extent that securities are actively traded and valuation adjustments are not applied, they are categorized in Level 1 of the fair value hierarchy. For reported NAV of non - traded open ended mutual funds they are categorized in Level 2 of the fair value hierarchy.

Fair value hierarchy – Financial instruments measured at fair value

The table below analyses financial instruments measured at fair value at the reporting date by the level in the fair value hierarchy into which the fair value measurement is categorized. The amounts are based on the values recognised in the interim condensed statement of financial position. All below fair value measurements are recurring.

Fair value hierarchy – Financial instruments measured at fair value (continued)

30 June 2025 (Unaudited)					
	Carrying Value	Level 1	Level 2	Level 3	Total
Investments at FVTPL	593,939,637	533,884,551	60,055,086	-	593,939,637
Total	593,939,637	533,884,551	60,055,086	-	593,939,637
31 December 2024 (Audited)					
	Carrying Value	Level 1	Level 2	Level 3	Total
Investments at FVTPL	525,278,803	525,278,803	-	-	525,278,803
Total	525,278,803	525,278,803	-	-	525,278,803

During the period, there were no transfer between the fair value hierarchy.

Other financial instruments such as cash and cash equivalents, dividend receivable, payable to the Unitholders on account of redemption, management fee payable and accrued expenses are short-term financial assets and financial liabilities whose carrying amounts are approximate to their fair value, because of the short-term nature and high credit quality of counterparties. Cash and cash equivalents are classified under level 1, while the remaining financial assets and liabilities are classified under level 3.

AL RAJHI INCLUSION FUND

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****AS AT 30 JUNE 2025****ALL AMOUNTS PRESENTED IN (﷼)****12. MATURITY ANALYSIS OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES**

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

	Within 12 months	After 12 months	Total
As at 30 June 2025 (Unaudited)			
Assets			
Cash and cash equivalents	93,478,286	-	93,478,286
Investments at FVTPL	593,939,637	-	593,939,637
Dividends receivable	1,632,944	-	1,632,944
Accrued special commission income	7,500	-	7,500
Total assets	689,058,367	-	689,058,367
Liabilities			
Management fee payable	3,863,519	-	3,863,519
Payable to the unitholders on account of redemption	21,795	-	21,795
Accrued expenses	526,028	-	526,028
Total liabilities	4,411,342	-	4,411,342
As at 31 December 2024 (Audited)			
Assets			
Cash and cash equivalents	37,625,076	-	37,625,076
Investments at FVTPL	525,278,803	-	525,278,803
Advance against allotment of securities	6,632,875	-	6,632,875
Total assets	569,536,754	-	569,536,754
Liabilities			
Management fee payable	1,078,331	--	1,078,331
Payable to the unitholders on account of redemption	390,918	--	390,918
Accrued expenses	208,887	--	208,887
Total liabilities	1,678,136	--	1,678,136

13. EVENTS OCCURRING AFTER REPORTING DATE

There are no events subsequent to the reporting date which require adjustments of or disclosure in the interim condensed financial information or notes thereto.

14. COMPARATIVE FIGURES

Certain prior period figures have been reclassified to conform to the current period's presentation

15. LAST VALUATION DAY

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

16. APPROVAL OF THE INTERIM CONDENSED FINANCIAL INFORMATION

This interim condensed financial information was approved by the fund manager on 6 August 2025 (corresponding to 12 Safar 1447H).