NAFAQAH WAQF FUND
AN OPEN-ENDED INVESTMENT FUND
(MANAGED BY JADWA INVESTMENT COMPANY)
CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2026
TOGETHER WITH THE
INDEPENDENT AUDITOR'S REVIEW REPORT TO THE UNITHOLDER

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Headquarters in Riyadh

شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية
واجهة روشن، طريق المطار
صندوق بريد ٩٢٨٧٦
الرياض ١١٦٦٣
المملكة العربية السعودية
سجل تجاري رقم ١٠١٠٤٢٥٤٩٤

المركز الرئيسي في الرياض

Independent auditor's report on review of condensed interim financial statements

To the Unitholder of the Nafaqah Waqf Fund

Introduction

We have reviewed the accompanying 30 June 2026 condensed interim financial statements of the **Nafaqah Waqf Fund** (the "Fund"), managed the Jadwa Investment Company (the "Fund Manager"), which comprises:

- the condensed statement of financial position as at 30 June 2026;
- the condensed statement of profit or loss and other comprehensive income for the six-month period ended 30 June 2026;
- the condensed statement of changes in net assets (equity) attributable to the Unitholder for the six-month period ended 30 June 2026;
- the condensed statement of cash flows for the six-month period ended 30 June 2026; and
- the notes to the condensed interim financial statements.

The Fund Manager is responsible for the preparation and presentation of these condensed interim financial statements in accordance with International Accounting Standard 34 'Interim Financial Reporting', that is endorsed in the Kingdom of Saudi Arabia and to comply with the applicable provisions of the Investment Funds Regulations issued by Capital Market Authority and the Fund's Terms and Conditions. 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 the International Standard on Review Engagements 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 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 June 2026 condensed interim financial statements of the **Nafaqah Waqf Fund** are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

KPMG Professional Services Company

Abdullah Oudah Althagafi
License No. 455

Riyadh, 27 Safar 1448 H
Corresponding to: 10 August 2026

كي بي إم جي للاستشارات المهنية
ترخيص رقم ٤٦
س.ت ١٠١٠٤٢٥٤٩٤
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CONDENSED STATEMENT OF FINANCIAL POSITION
(AMOUNTS IN SAUDI ARABIAN RIYALS)

	Notes	**30 June 2026**	31 December 2025
		(Unaudited)	(Audited)
ASSETS			
Cash and cash equivalents		**15,610**	1,390
Investments	*7*	**102,303,304**	91,030,838
Total assets		**102,318,914**	91,032,228
LIABILITIES			
Management fee payable	*1(c), 9*	**84,926**	137,289
Accrued expense and other payable		**97,985**	96,863
Total liabilities		**182,911**	234,152
Net assets (equity) attributable to the Unitholder *(SAR)*		**102,136,003**	90,798,076
Units in issuance (*numbers*)		**7,328,894.58**	6,731,924.46
Net assets (equity) attributable to each unit *(SAR)*		**13.9361**	13.4877

The accompanying notes (1) to (13) form an integral part of these condensed interim financial statements.

CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
(AMOUNTS IN SAUDI ARABIAN RIYALS)

	Notes	**For the six-month period ended 30 June**	
		2026	2025
Gain on investments, net	*8*	**3,193,696**	435,052
Special commission income		**4,909**	--
Total income		**3,198,605**	435,052
Management fee	*1(c),9*	**(84,926)**	(59,700)
Fund board fee	*9*	**(7,890)**	(7,934)
Other operating expenses		**(52,299)**	(29,384)
Total operating expenses		**(145,115)**	(97,018)
Net profit for the period		**3,053,490**	338,034
Other comprehensive income for the period		**--**	--
Total comprehensive income for the period		**3,053,490**	338,034

The accompanying notes (1) to (13) form an integral part of these condensed interim financial statements.

CONDENSED STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDER (UNAUDITED)
(AMOUNTS IN SAUDI ARABIAN RIYALS)

	For the six-month period ended 30 June	
	2026	2025
Net assets (equity) attributable to the Unitholder at beginning of the period	**90,798,076**	72,700,339
Total comprehensive income for the period	**3,053,490**	338,034
Proceeds from issuance of units	**8,284,437**	8,998,490
Net assets (equity) attributable to the Unitholder at end of the period	**102,136,003**	82,036,863

	For the six-month period ended 30 June	
Unit transactions *(numbers)*	**2026**	2025
Unit in issuance at beginning of the period	**6,731,924.46**	5,390,388.95
Issuance of units during the period	**596,970.12**	662,918.62
Unit in issuance at end of the period	**7,328,894.58**	6,053,307.57

The accompanying notes (1) to (13) form an integral part of these condensed interim financial statements.

CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
(AMOUNTS IN SAUDI ARABIAN RIYALS)

	Notes	**For the six-month period ended 30 June**	
		2026	2025
Cash flows from operating activities			
Net profit for the period		**3,053,490**	338,034
Adjustments for			
Gain on investments, net	*8*	**(3,193,696)**	(435,052)
Dividend income		**(4,909)**	--
		(145,115)	(97,018)
Net changes in operating assets and liabilities			
Purchase of investments		**(8,982,306)**	(8,947,503)
Proceeds from sale of investments		**903,536**	76,371
Management fee payable		**(52,363)**	(24,367)
Accrued expenses and other liabilities		**1,122**	(5,580)
Net cash used in operations		**(8,275,126)**	(8,998,097)
Dividend received		**4,909**	--
Net cash used in operating activities		**(8,270,217)**	(8,998,097)
Cash flows from financing activities			
Proceeds from issuance of units		**8,284,437**	8,998,490
Net cash generated from financing activities		**8,284,437**	8,998,490
Net increase in cash and cash equivalents		**14,220**	393
Cash and cash equivalents at the beginning of the period		**1,390**	2,548
Cash and cash equivalents at the end of the period		**15,610**	2,941

The accompanying notes (1) to (13) form an integral part of these condensed interim financial statements.

1. GENERAL INFORMATION

(a) Nafaqah Waqf Fund (the "Fund") is a public open-ended investment fund established and managed as per terms and conditions between Jadwa Investment Company (the "Fund Manager") and the Fund Investors (the "Unitholders"). The Fund commenced its operations on 20 January 2021 after approval from the Capital Market Authority ("CMA").

The Fund aims to enhance the development role of private endowment in supporting the Fund through developing, investing, protecting endowed assets of the Fund to achieve social solidarity and bring benefits to the expenses of endowment and the endowed asset. The Fund Manager receives subscription amounts from subscribers (persons who create endowment) and invests it locally and internationally in all assets categories for the purpose of appreciation of endowed capital and distributes 50% of the net income (endowment returns) periodically on the endowment expenses specified for the Fund that represents the beneficiary body, after the Fund Board's approval. The Fund's net assets at the time of liquidation will also be used toward endowment purposes.

In dealing with the Unitholder, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund Manager prepares separate financial statements for the Fund.

(b) The Fund is governed by the Regulations published by the CMA's Board Resolution no. 1-219-2006 dated 3 Dhul Hijja 1427 H (corresponding to 24 December 2006) thereafter amended pursuant to the CMA's Board Resolution no. 1-135-2025 dated 3 Jumada Al Thani 1447 H (corresponding to 24 November 2025) detailing requirements for all funds within the Kingdom of Saudi Arabia. The Fund is also subject to the licensing instructions for endowment investment funds.

(c) The management of the Fund is the responsibility of the Fund Manager. However, in accordance with the Fund's terms and conditions, the Fund Manager can delegate or assign its duties to one or more of the financial institutions in the Kingdom of Saudi Arabia and overseas.

The Fund Manager and administrator of the Fund is Jadwa Investment Company and the custodian of the Fund is AlBilad Capital.

The Fund Manager charges the Fund a management fee of 0.6% of the net assets (equity) value at each valuation day (on each Monday and Thursday of the week). The Fund does not charge any management fee when it is investing in any Funds managed by Jadwa Investment Company.

In addition, the Fund Manager has the right to collectively charge the Fund all other expenses related to the management of the Fund, including but not limited to audit fee and legal charges subject to limits as set out in the Fund's terms and conditions not exceeding 0.30% of the net assets (equity) annually.

2. BASIS OF ACCOUNTING

These condensed interim financial statements are prepared in accordance with International Accounting Standard 34 ‘Interim Financial Reporting’ (“IAS 34”) as endorsed in the Kingdom of Saudi Arabia and to comply with the applicable provisions of the Investment Fund Regulations issued by the Capital Market Authority (“CMA”) and the Fund’s terms and conditions.

These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements and should be read in conjunction with the Fund’s annual audited financial statements for the year ended 31 December 2025.

3. BASIS OF MEASUREMENT

These condensed interim financial statements have been prepared on a historical cost convention, except for investments which are carried at fair value, using accrual basis of accounting and the going concern concept.

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 condensed interim statement of financial position. Instead, assets and liabilities are presented in order of their liquidity.

4. FUNCTIONAL AND PRESENTATION CURRENCY

These condensed interim financial statements are presented in Saudi Arabian Riyal (“SAR”), which is the Fund’s functional currency. All amounts have been rounded to the nearest SAR, unless otherwise indicated.

5. USE OF JUDGMENTS AND ESTIMATES

In preparing these condensed interim financial statements, management has made 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 estimates are recognized prospectively.

6. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these condensed interim financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 31 December 2025.

6. MATERIAL ACCOUNTING POLICIES (CONTINUED)

Below amendments to accounting standards, interpretations and amendments became applicable for annual reporting periods commencing on or after 1 January 2026. The Fund manager has assessed that the amendments have no significant impact on the Fund's condensed interim financial statements.

Standards / Amendments	**Description**	**Effective from periods beginning on or after the following date**
Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments	Clarifies the assessment of financial assets with ESG-linked features under the SPPI test and provides guidance on the recognition and derecognition of financial assets and liabilities, including certain electronic payment transactions.	1 January 2026
Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity	Introduces requirements to better reflect the accounting and disclosure effects of contracts referencing nature-dependent electricity.	1 January 2026
Annual Improvements to IFRS – Volume 11	Includes minor clarifications and corrections to several IFRS standards, including IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7, to improve consistency and remove unintended inconsistencies.	1 January 2026

The following new standards, amendments and revisions to existing standards, which were issued by IASB but not yet effective up to the date of issuance of the Fund's condensed interim financial statements. The Fund intends to adopt these standards when they become effective.

Standards / Amendments	**Description**	**Effective from periods beginning on or after the following date**
Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Clarifies the recognition of gains and losses arising from transactions between an investor and its associate or joint venture, depending on whether the transferred assets constitute a business.	Effective date deferred indefinitely
IFRS 18 – Presentation and Disclosure in Financial Statements	Introduces new presentation and disclosure requirements, including defined categories in the statement of profit or loss and enhanced disclosures for management-defined performance measures (MPMs). The Fund Manager is assessing the presentation and disclosure impacts required.	1 January 2027
IFRS 19 – Subsidiaries without Public Accountability: Disclosures	Permits eligible subsidiaries without public accountability to apply IFRS Accounting Standards with reduced disclosure requirements.	1 January 2027

7. INVESTMENTS

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Investment measured at fair value through profit and loss		
- Investment funds managed by the Fund Manager	**78,637,621**	67,689,009
- Investment funds managed by the other fund manager	**23,665,683**	23,341,829
	102,303,304	91,030,838

During the period, the Fund purchased and sold investments in funds managed by the Fund Manager amounting to SAR 8.98 million (31 December 2025: SAR 12.62 million) and SAR 0.90 million (31 December 2025: SAR 1.18 million), respectively.

8. GAIN ON INVESTMENTS, NET

	For the six-month period ended 30 June (Unaudited)	
	2026	2025
Unrealized gain on investments measured at FVTPL, net	**3,108,452**	2,815
Realized gain on investments measured at FVTPL, net	**85,244**	432,237
	3,193,696	435,052

9. RELATED PARTY TRANSACTIONS AND BALANCES

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

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	Relationship	Nature of transaction	Amount of transactions during the six-month period ended 30 June (Unaudited)		Closing balances Receivable / (payable) as at	
			2026	2025	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Jadwa Investment Company	The Fund Manager	Management fees	**84,926**	59,700	**(84,926)**	(137,289)
The Fund Board	The Fund Board	Meeting Fee (Independent members)	**7,890**	7,934	**(65,190)**	(57,300)

10. FAIR VALUE MEASUREMENT

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical instruments.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments; quoted prices for identical or similar instruments in markets that are considered less than active; or other valuation techniques in which all significant inputs are directly or indirectly observable from market data.

Level 3: Inputs that are unobservable. This category includes all instruments for which the valuation technique includes inputs that are not observable, and the unobservable inputs have a significant effect on the instrument's valuation.

Investments that are redeemable at the reported net asset value ("NAV") at, or approximately at, the measurement date are classified within Level 2, while investments that are not redeemable at the reported NAV at the measurement date are classified within Level 3.

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 recognized in the condensed interim statement of financial position. All fair value measurements below are recurring.

	30 June 2026 (Unaudited)				
		Fair value			
Financial assets at fair value	**Carrying amount**	**Level 1**	**Level 2**	**Level 3**	**Total**
Investments	**102,303,304**	**--**	**88,682,322**	**13,620,982**	**102,303,304**

	31 December 2025 (Audited)				
		Fair value			
Financial assets at fair value	Carrying amount	Level 1	Level 2	Level 3	Total
Investments	91,030,838	--	79,557,929	11,472,909	91,030,838

For the period / year ended 30 June 2026 and 31 December 2025, there were no transfers between levels.

10. FAIR VALUE MEASUREMENT (CONTINUED)

A reconciliation of fair value measurements, including this transfer and the significant valuation techniques and inputs applied, is provided below.

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance as at beginning of the period	**11,472,909**	10,786,695
Investment made during the period	**830,600**	1,111,160
Unrealized gain recognized during the period	**1,317,473**	(424,946)
Balance at the end of the period	**13,620,982**	11,472,909

The Fund has classified cash and cash equivalents as level 1 as per the fair value hierarchy. For financial assets and liabilities carried at amortized cost, their carrying values are a reasonable approximation of fair value and are classified as level 3.

11. LAST VALUATION DAY

The Fund's units are valued on every Monday and Thursday of the week and unit price is announced on the following business day. The last valuation day for the purpose of preparation of these condensed interim financial statements was 30 June 2026 (2025: 31 December 2025).

12. EVENTS AFTER THE END OF THE REPORTING PERIOD

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

13. APPROVAL OF THE CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements were authorized for issue by the Fund Board on 26 Safar 1448 H (corresponding to 9 August 2026).