

GIB SAUDI EQUITY FUND
Open-Ended Mutual Fund
(Managed by GIB Capital)
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 Unitholders

GIB SAUDI EQUITY FUND
Open-Ended Mutual Fund
(Managed by GIB Capital)
Interim Condensed Financial Statements (Un-audited)
For the period ended 30 June 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE UNITHOLDERS OF GIB SAUDI EQUITY FUND
MANAGED BY GIB CAPITAL COMPANY

(1 / 1)

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL STATEMENTS

INTRODUCTION

We have reviewed the accompanying interim statement of financial position of GIB Saudi Equity Fund (the "Fund") managed by GIB Capital Company (the "Fund Manager") as at 30 June 2025 and the related interim statement of comprehensive income, interim statement of changes in net assets (equity) attributable to the unitholders and the interim statement of cash flows for the six-months 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 Al Bassam
Chartered Accountants

Abdullellah Al Bassam
Certified Public Accountant
License No. 703
Riyadh, Kingdom of Saudi Arabia
13 Safar 1447H
Corresponding to: 07 August 2025

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GIB SAUDI EQUITY FUND
Open-Ended Mutual Fund
(Managed by GIB Capital)

INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

As at 30 June 2025

(Amounts in Saudi Riyal)

	Note	30 June 2025 (Un-audited)	31 December 2024 (Audited)
ASSETS			
Cash and cash equivalents	6	809,992	137,314
Investments carried at fair value through profit or loss (FVTPL)	7	177,735,613	167,707,167
Advance to purchase investments		-	8,068,599
Prepayments & other receivables		25,771	-
Total assets		178,571,376	175,913,080
LIABILITIES			
Management fees payable	11	568,234	566,050
Accrued expenses		231,596	269,092
Total liabilities		799,830	835,142
Net assets (equity) attributable to the Unitholders		177,771,546	175,077,938
NET ASSETS ATTRIBUTABLE TO THE UNITHOLDERS:			
Class A		-	-
Class B		114,658,983	113,205,133
Class C		63,112,563	61,872,805
		177,771,546	175,077,938
UNITS IN ISSUE (number):			
	8		
Class A		-	-
Class B		4,169,837	4,169,837
Class C		2,070,134	2,070,134
		6,239,971	6,239,971
NET ASSETS ATTRIBUTABLE TO EACH UNIT:			
Class A		-	-
Class B		27.50	27.15
Class C		30.49	29.89

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

GIB SAUDI EQUITY FUND
Open-Ended Mutual Fund
(Managed by GIB Capital)

INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

For the six-month period ended 30 June 2025

(Amounts in Saudi Riyal)

	Note	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
<u>Investment income</u>			
Net gain from investments carried at FVTPL	9	1,609,245	15,951,098
Dividend income		2,457,821	2,386,536
		<u>4,067,066</u>	<u>18,337,634</u>
<u>Expenses</u>			
Management fees	11	(1,148,935)	(1,074,324)
Board of Director's fees	11	(12,424)	(12,465)
Custody fees		(4,931)	(17,951)
Other expenses	10	(207,168)	(202,175)
		<u>(1,373,458)</u>	<u>(1,306,915)</u>
Net income for the period		<u>2,693,608</u>	<u>17,030,719</u>
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>2,693,608</u>	<u>17,030,719</u>

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

GIB SAUDI EQUITY FUND
Open-Ended Mutual Fund
(Managed by GIB Capital)

INTERIM STATEMENT OF CHANGES IN NET ASSETS (EQUITY) ATTRIBUTABLE TO THE UNITHOLDERS (UN-AUDITED)
For the six-month period ended 30 June 2025
(Amounts in Saudi Riyal)

	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
Net assets (Equity) attributable to the Unitholders at the beginning of the period	175,077,938	150,774,927
Total comprehensive income for the period	2,693,608	17,030,719
Contributions and redemptions by the Unitholders		
Issuance of units		
Class A	-	-
Class B	-	-
Class C	-	50,000
	-	50,000
Redemption of units		
Class A	-	-
Class B	-	(33,221)
Class C	-	(37,465)
	-	(70,686)
Net changes from unit transactions	-	(20,686)
Net assets (Equity) attributable to the Unitholders at the end of the period	177,771,546	167,784,960

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

GIB SAUDI EQUITY FUND
Open-Ended Mutual Fund
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INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
For the six-month period ended 30 June 2025
(Amounts in Saudi Riyal)

	Note	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
Cash flows from operating activities:			
Net income for the period		2,693,608	17,030,719
Adjustments for:			
Unrealized loss from investments carried at FVTPL	9	<u>2,747,835</u>	<u>1,377,077</u>
		5,441,443	18,407,796
Net changes in operating assets and liabilities:			
Investments carried at FVTPL		(12,776,281)	(24,588,351)
Advance to purchase investments		8,068,599	6,147,750
Prepayments and other receivables		(25,771)	(66,527)
Management fees payable		2,184	101,621
Accrued expenses		(37,496)	(32,481)
Net cash generated from / (used in) operating activities		<u>672,678</u>	<u>(30,192)</u>
Cash flows from financing activities:			
Proceeds from issuance of units		-	50,000
Redemptions of the units		-	<u>(70,686)</u>
Net cash used in financing activities		<u>-</u>	<u>(20,686)</u>
Net increase / (decrease) in cash and cash equivalents		672,678	(50,878)
Cash and cash equivalents at beginning of the period		137,314	808,496
Cash and cash equivalents at end of the period		<u>809,992</u>	<u>757,618</u>

The accompanying notes 1 to 17 form an integral part of these interim condensed financial statements.

GIB SAUDI EQUITY FUND
Open-Ended Mutual Fund
(Managed by GIB Capital)
Notes to the interim condensed financial statements (Un-audited)
For the six-month period ended 30 June 2025

(All amounts in Saudi Riyal unless otherwise stated)

1 FUND AND ITS ACTIVITIES

The GIB Saudi Equity Fund (“the Fund”) is an open-ended investment fund to invest in Saudi stocks. It was established and managed by GIB Capital (“Fund Manager”), which is a one-person company in accordance with the laws in the Kingdom of Saudi Arabia under the Commercial Registration No. 1010244294 dated 6/2/1429H and Capital Market Authority License No. 37-07078.

The Fund aims to achieve capital growth in the medium and long term by investing in shares of Saudi companies listed on the main Saudi stock market or the parallel Saudi stock market (Nomu).

The Fund's units are divided into three categories A, B, and C as follows:

- Category (A), which is for institutional and individual investors, who are those whose subscription amount exceeds or equals Saudi Riyals 10,000,000.
- Category (B), which is for institutional and individual investors, who are those whose subscription amount is equal to or less than Saudi Riyals 10,000.
- Category (C), which is for the employees of the Fund Manager, Gulf International Bank, and the investment portfolio of the Fund Manager and Gulf International Bank.

In dealing with the Unitholders, the Fund Manager considers the Fund as an independent accounting unit. Accordingly, the Fund Manager prepares separate financial statements for the Fund. The management of the Fund is the responsibility of the Fund Manager. However, in accordance with the Fund’s Agreement, 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 GIB Capital. The Custodian of the Fund is Albilad Investment Company.

Date of approval of the Capital Market Authority (“CMA”) for the establishment of the Fund and the offering of its units: 11 January 2018.

2 REGULATING AUTHORITY

The Fund is governed by the Investment Fund Regulations (the “Regulations”) published by CMA on 3 Dhul Hijja 1427H (corresponding to 24 December 2006) thereafter amended on 16 Sha’ban 1437H (corresponding to 23 May 2016). The regulation was further amended (the “Amended Regulations”) on 17 Rajab 1442H (corresponding to 1 March 2021) detailing requirements for all funds within the Kingdom of Saudi Arabia. The Amended Regulations have effective dates starting from 19 Ramadan 1442H (corresponding to 1 May 2021).

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 currency of the primary economic environment in which the Fund operates (the “functional currency”). These interim condensed financial statements are presented in Saudi Riyal (“SR”) which is the Fund’s functional and presentation currency.

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3 BASIS OF PREPARATION (CONTINUED)

3.3 Functional and Presentation Currency (continued)

Transactions and balances

Foreign currency transactions are translated into SR using the exchange rates prevailing at the date of transactions. Foreign currency assets and liabilities are translated into SR using the exchange rates prevailing at date of the interim statement of financial position. Foreign exchange gains and losses, if any, arising from translation are included in the interim statement of comprehensive income

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 management 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:

During the period, the Fund has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. Several amendments, given below, apply for the first time in 2025, but do not have a material impact on the interim condensed financial statements of 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

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4 MATERIAL ACCOUNTING POLICIES (CONTINUED)

4.1 New standards, interpretations and amendments adopted by the Fund (continued):

The listing of standards and interpretations issued which the Fund reasonably expects to be applicable at a future date are as follows. The Fund is currently assessing the impact of these standards and interpretations and intends to adopt these when they become effective.

Standard/ interpretation	Description	Effective from periods 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.	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

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5 MANAGEMENT FEE, AND OTHER CHARGES

The Fund Manager charges the management fees for categories A, B and C at 0.8%, 1.75% and 0.50% per annum respectively of the net asset value of the Fund, calculated on a daily basis and payable on a quarterly basis. The Fund Manager is also reimbursed for any other expenses which are paid on behalf of the Fund, such as custodian fees of 0.03% as maximum per annum of the net asset value of the Fund and transaction fees of SAR 30 as maximum per transaction.

6 CASH AND CASH EQUIVALENTS

	Note	30 June 2025 (Un-audited)	31 December 2024 (Audited)
Cash in investment account	6.1	809,992	137,314

6.1 Cash in investment account is held in an investment account with Albilad Investment Company, The Fund does not earn profit on these investment accounts.

7. INVESTMENTS CARRIED AT FVTPL

The Fund invests primarily in equity of listed Saudi companies. The sector-wise portfolio of investments carried at FVTPL is summarized as follows:

	30 June 2025 (Un-audited)	31 December 2024 (Audited)
Bank	68,438,434	68,985,642
Insurance	24,882,168	15,712,272
Capital goods	21,757,668	6,278,940
Health care equipment & services	12,640,422	6,051,312
Transportation	8,548,785	3,353,242
Materials	7,870,356	21,767,228
Software & services	7,304,786	-
Utilities	6,113,375	3,558,000
Retailing	5,260,219	4,197,484
Telecommunication services	4,762,264	5,445,999
Food and staple retailing	4,137,627	-
Real estate development	2,515,200	-
Consumer services	1,856,898	6,290,251
Pharmaceuticals, biotechnology & life sciences	1,647,411	-
Energy	-	14,652,035
Food, beverage & tobacco	-	11,414,762
Total market value	177,735,613	167,707,167
Total cost	180,483,448	167,676,099

7.1 The movement during the period / year is as follows:

	30 June 2025 (Un-audited)	31 December 2024 (Audited)
Balance at start of the period	167,707,167	144,533,253
Additions during the period / year	120,464,254	245,203,235
Sold during the period / year	(112,045,053)	(244,347,862)
Unrealized loss	(2,747,835)	(1,790,161)
Realized gain	4,357,080	24,108,702
Balance at the period / year end	177,735,613	167,707,167

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8 UNIT TRANSACTIONS

Transactions in units for the period / year are summarized as follows:

	30 June 2025 (Un-audited)	31 December 2024 (Audited)
	<i>(Units in numbers)</i>	
Units at the beginning of the period / year	6,239,971	6,241,180
Units issued during the period / year		
Class A	-	-
Class B	-	-
Class C	-	1,845
	-	1,845
Units redeemed during the period / year		
Class A	-	-
Class B	-	(1,311)
Class C	-	(1,743)
	-	(3,054)
Net change in units	-	(1,209)
Units at the end of the period / year	6,239,971	6,239,971

9 NET GAIN FROM INVESTMENTS CARRIED AT FVTPL

	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
Realized gain from sale of investments carried at FVTPL	4,357,080	17,328,175
Unrealized loss from revaluation of investments carried at FVTPL	(2,747,835)	(1,377,077)
	1,609,245	15,951,098

10 OTHER EXPENSES

	30 June 2025 (Un-audited)	30 June 2024 (Un-audited)
VAT expense	172,379	166,647
Other expenses	34,789	35,528
	207,168	202,175

11 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Fund include "GIB Capital" being the Fund Manager, "GIB Bank" being the shareholder of GIB Capital, Albilad Investment Company being the Custodian and the Fund's Board of Directors.

In the ordinary course of its activities, the Fund transacts business with related parties. The related parties' transactions are governed by limits set by the regulations 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 period and the balances resulting from such transactions are as follows:

Related party	Nature of transactions	Amount of transactions during the period		Closing balance (payable)	
		30 June 2025 (Un-audited)	30 June 2024 (Un-audited)	30 June 2025 (Un-audited)	31 December 2024 (Audited)
GIB Capital	Management fees payable	(1,148,935)	(1,074,324)	(568,234)	(566,050)
	Board of Directors' Fees	(12,424)	(12,465)	(15,054)	(32,630)
	Accrued VAT*	(172,379)	(161,148)	(85,274)	(84,907)

* Accrued VAT to related party is included in the interim statement of financial position under accrued expenses.

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12 FINANCIAL INSTRUMENTS BY CATEGORY

30 June 2025 (Un-audited)	Amortized cost	FVTPL
Assets as per interim statement of financial position		
Cash and cash equivalents	809,992	-
Investments carried at FVTPL	-	177,735,613
Prepayment & other receivables	25,771	-
Total	835,763	177,735,613
31 December 2024 (Audited)		
Assets as per statement of financial position		
Cash and cash equivalents	137,314	-
Investments carried at FVTPL	-	167,707,167
Advance to purchase investments	8,068,599	-
Total	8,205,913	167,707,167

All financial liabilities as at 30 June 2025 and 31 December 2024 were classified as financial liabilities carried at amortized cost.

13 FINANCIAL RISK MANAGEMENT

13.1 Financial risk factors

The objective of the Fund is to safeguard its ability to continue as a going concern so that it can continue to provide optimum returns to its Unitholders and to ensure reasonable safety to the Unitholders.

The Fund's activities expose it to a variety of financial risks: market risk, credit risk, liquidity risk and operational risk.

The Fund Manager is responsible for identifying and controlling risks. The Fund Board supervises the Fund Manager and is ultimately responsible for the overall management of the Fund.

Monitoring and controlling risks 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 interim 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 2025 and 31 December 2024 due to a reasonably possible change in equity indices based on the industry concentration, with all other variables held constants is as follows:

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13 FINANCIAL RISK MANAGEMENT (CONTINUED)

13.1 Financial risk factors (continued)

(a) Market risk (continued)

(i) Price risk (continued)

	30 June 2025 (Un-audited)		31 December 2024 (Audited)	
	Potential reasonable change %	Effect on NAV	Potential reasonable change %	Effect on NAV
Bank	1%	684,384	1%	689,856
Insurance	1%	248,822	1%	157,123
Capital goods	1%	217,577	1%	62,789
Health care equipment & services	1%	126,404	1%	60,513
Transportation	1%	85,488	1%	33,532
Materials	1%	78,704	1%	217,672
Software & services	1%	73,048	-	-
Utilities	1%	61,134	1%	35,580
Retailing	1%	52,602	1%	41,975
Telecommunication services	1%	47,623	1%	54,460
Food and staple retailing	1%	41,376	-	-
Real estate development	1%	25,152	-	-
Consumer services	1%	18,569	1%	62,903
Pharmaceuticals, biotechnology & life sciences	1%	16,474	-	-
Energy	-	-	1%	146,520
Food, beverage & tobacco	-	-	1%	114,148

(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 for its cash and cash equivalent. Bank balances are deposited in investment account in Albilad Capital which is Bank with good financial rating.

The following table shows the Fund's maximum exposure to credit risk for components of the interim statement of financial position.

	30 June 2025 (Un-audited)	31 December 2024 (Audited)
Cash and cash equivalents	809,992	137,314

(c) Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund's Terms and Conditions provide for subscription and redemption of units on Sunday and Tuesday, therefore, it is exposed to the liquidity risk of meeting Unitholder redemptions on these days. The Fund's financial liabilities primarily consist of payables which are expected to be settled within one month from the interim statement of financial position date.

The Fund Manager monitors liquidity requirements by ensuring that sufficient funds are available to meet any commitments as they arise, either through new subscriptions, liquidation of the investment portfolio or by taking short term loans from the Fund Manager.

The expected maturity of the assets and liabilities of the Fund is less than 12 months.

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13 FINANCIAL RISK MANAGEMENT (CONTINUED)

13.1 Financial risk factors (continued)

(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 Unitholders.

13.2 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 Fund classifies its financial instruments in the following levels of fair value hierarchy:

- 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 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.

14 RECLASSIFICATION

Certain comparative figures have been reclassified to conform to the current year's presentation.

15 SUBSEQUENT EVENTS

As of the date of approval of these interim condensed financial statements, there have been no significant subsequent events requiring disclosure to or adjustment in these interim condensed financial statements.

16 LAST VALUATION DAY

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

17 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

These interim condensed financial statements were authorized for issue by the Fund's Board of Directors on 11 Safar 1447H corresponding to 05 August 2025G.