

**ALINMA DIVERSIFIED SAUDI RIYAL FUND
(MANAGED BY ALINMA CAPITAL COMPANY)**

**INTERIM CONDENSED FINANCIAL STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2025**

AND INDEPENDENT AUDITOR'S REVIEW REPORT

Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

INTERIM CONDENSED FINANCIAL STATEMENTS

For the six-month period ended 30 June 2025

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED FINANCIAL STATEMENTS**To the Unitholders of Alinma Diversified Saudi Riyal Fund****(Managed by Alinma Capital Company)****Introduction**

We have reviewed the accompanying interim condensed statement of financial position of Alinma Diversified Saudi Riyal Fund ("the Fund") being managed by Alinma Capital Company (the "Fund Manager") as at 30 June 2025, and the related interim condensed statements of profit or loss and other comprehensive income, cash flows and changes in equity for the six-month period then ended, including other explanatory notes. The Fund Manager 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 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 the 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 statements are not prepared, in all material respects, in accordance with IAS 34, that is endorsed in the Kingdom of Saudi Arabia.

for Alluhaid & Alyahya Chartered Accountants



Saleh A. Alyahya
Certified Public Accountant
License number 473

Riyadh: 29 Muharram 1447H
(24 July 2025)



Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

		30 June 2025 (Unaudited) SR	31 December 2024 (Audited) SR
	<i>Notes</i>		
ASSETS			
Cash and cash equivalents	5	10,421,751	449,710
Financial assets at fair value through profit or loss ("FVTPL")	6	64,895,219	86,138,588
Financial assets at amortized cost	7	115,611,565	86,036,367
Dividends receivable		258,850	316,304
		<hr/>	<hr/>
TOTAL ASSETS		191,187,385	172,940,969
		<hr/>	<hr/>
LIABILITIES AND EQUITY			
LIABILITIES			
Accrued expenses and other current liabilities		164,658	144,864
		<hr/>	<hr/>
TOTAL LIABILITIES		164,658	144,864
		<hr/>	<hr/>
EQUITY			
Net assets attributable to unitholders of redeemable units		191,022,727	172,796,105
		<hr/>	<hr/>
TOTAL LIABILITIES AND EQUITY		191,187,385	172,940,969
		<hr/>	<hr/>
Redeemable units in issue (numbers)		18,654,157	16,826,078
		<hr/>	<hr/>
Net asset value per unit attributable to unitholders (SR)		10.24	10.27
		<hr/>	<hr/>

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

Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

INTERIM CONDENSED STATEMENT OF COMPREHENSIVE INCOME

	<i>Notes</i>	<i>Unaudited</i>	
		<i>For the six-month period ended</i>	<i>30 June 2024</i>
		<i>30 June 2025</i>	<i>SR</i>
		<i>SR</i>	<i>SR</i>
INCOME			
Special commission income		4,037,883	3,484,256
Income from financial assets at FVTPL	6	1,425,493	265,072
Dividend income		635,393	679,446
TOTAL INCOME		6,098,769	4,428,774
EXPENSES			
Management fees	8	(510,559)	(361,604)
Charge for expected credit loss	7	(91,002)	-
Other income (expenses)		20,636	(28,075)
TOTAL EXPENSES		(580,925)	(389,679)
NET INCOME FOR THE PERIOD		5,517,844	4,039,095
Other comprehensive income for the period		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		5,517,844	4,039,095

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

Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS

	<i>Unaudited</i>	
	<i>For the six-month period ended</i>	
	<i>30 June 2025</i>	<i>30 June 2024</i>
	<i>SR</i>	<i>SR</i>
Operating activities		
Net income for the period	5,517,844	4,039,095
<i>Adjustments for:</i>		
Special commission income	(4,037,883)	(3,484,256)
Gain on financial assets at FVTPL	(1,425,493)	(265,072)
Dividend income	(635,393)	(679,446)
Charge for expected credit loss	91,002	-
	(489,923)	(389,679)
<i>Changes in operating assets and liabilities:</i>		
Decrease (increase) in financial assets at FVTPL	22,668,862	(19,702,989)
(Increase) decrease in financial assets at amortized cost	(29,220,621)	14,289,812
Increase in accrued expenses and other current liabilities	19,794	36,932
	(7,021,888)	(5,765,924)
Special commission income received	3,592,304	3,318,124
Dividends received	692,847	685,117
Net cash flows used in operating activities	(2,736,737)	(1,762,683)
Financing activities		
Proceeds from issuance of units	41,237,115	25,158,245
Payments against redemption of units	(22,731,337)	(13,660,857)
Dividend distribution	(5,797,000)	(3,261,076)
Net cash flows from financing activities	12,708,778	8,236,312
Net increase in cash and cash equivalents	9,972,041	6,473,629
Cash and cash equivalents at beginning of the period	449,710	6,282,780
Cash and cash equivalents at end of the period	10,421,751	12,756,409

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

Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY

	<i>Unaudited</i>	
	<i>For the six-month period ended</i>	
	<i>30 June 2025</i>	<i>30 June 2024</i>
	<i>SR</i>	<i>SR</i>
EQUITY AT THE BEGINNING OF THE PERIOD	172,796,105	120,497,406
Comprehensive income:		
Net income for the period	5,517,844	4,039,095
Other comprehensive income for the period	-	-
Total comprehensive income for the period	5,517,844	4,039,095
Dividends distribution (note 10)	(5,797,000)	(3,261,076)
	178,313,949	121,275,425
CHANGE FROM UNIT TRANSACTIONS		
Proceeds from issuance of units	41,237,115	25,158,245
Payments against redemption of units	(22,731,337)	(13,660,857)
Net change from unit transactions	18,505,778	11,497,388
EQUITY AT THE END OF THE PERIOD	191,022,727	132,772,813
REDEEMABLE UNIT TRANSACTIONS		

Transactions in redeemable units for the period are summarised as follows:

	<i>Unaudited</i>	
	<i>For the six-month period ended</i>	
	<i>30 June 2025</i>	<i>30 June 2025</i>
	<i>Units</i>	<i>Units</i>
UNITS AT THE BEGINNING OF THE PERIOD	16,826,078	11,795,668
Units issued during the period	4,041,461	2,469,811
Units redeemed during the period	(2,213,382)	(1,334,936)
Net increase in units	1,828,079	1,134,875
UNITS AT THE END OF THE PERIOD	18,654,157	12,930,543

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

Alinma Diversified Saudi Riyal Fund (Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

30 June 2025

1 INCORPORATION AND ACTIVITIES

Alinma Diversified Saudi Riyal Fund, (the “Fund”), is an open-ended Shariah compliant fund created under an agreement between Alinma Capital Company (the “Fund Manager”), a subsidiary of Alinma Bank (the “Bank”) and investors (the “Unitholders”) in the Fund, in accordance with CMA regulations.

The objective of the Fund is to invest in debt instruments, money market and other classes of assets that comply with the Shariah Committee Standards, with aim of achieving a balance between striving to preserve capital and achieving returns.

The Capital Market Authority (“CMA”) granted approval for the establishment of the Fund on 21 Sha’ban 1444H (corresponding to 13 March 2023). The Fund commenced its operations on 19 Dhul Qa’dah 1444H (corresponding to 8 June 2023).

The Fund is managed by Alinma Capital Company (the “Fund Manager”), a closed joint stock company with commercial registration number 1010269764, licensed by the Capital Market Authority of the Kingdom of Saudi Arabia (“CMA”) under license number 09134-37.

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 Riyadh Capital Company (the “Custodian”) to act as its custodian. The fees of the custodian are paid by the Fund.

2 REGULATING AUTHORITY

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

3 BASIS OF PREPARATION

3.1 *Statement of compliance*

These interim condensed financial statements for the six-month period ended 30 June 2025 of the Fund have been 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 that are endorsed by Saudi Organisation for Chartered and Professional Accountants (“SOCPA”).

The Fund Manager has prepared the interim condensed financial statements on the basis that the Fund will continue to operate as a going concern. The Fund Manager considers that there are no material uncertainties that may cast doubt significant doubt over this assumption. They have formed a judgement that there is a reasonable expectation that the Fund has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

The interim condensed financial statements do not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Fund’s financial statements as at and for the period ended 31 December 2024.

Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
30 June 2025

3 BASIS OF PREPARATION (continued)

3.2 Basis of measurement

These interim condensed financial statements have been prepared under historical cost convention, except for the financial assets at FVTPL which are measured at fair value.

The interim condensed statement of financial position is stated broadly in order of liquidity. All assets and liabilities are current in nature except for financial assets measured at amortised cost, maturities of which are disclosed in note 7 in the interim condensed financial statements.

3.3 Financial and presentation currency

These interim condensed financial statements are presented in Saudi Riyal (SR), which is also the functional currency of the Fund.

3.4 Use of judgements, estimates and assumptions

In preparing these interim condensed financial statements, management has made the judgement, estimates, and assumptions that affect the application of the Fund's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation uncertainty were the same as those described in the last audited financial statements.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Fund's annual financial statements for the year ended 31 December 2024 except for the adoption of new amendments to existing standards effective as of 1 January 2025. Certain amendments apply for the first time in 2025, but do not have an impact on the interim condensed financial statements of the Fund.

a) NEW CURRENTLY EFFECTIVE REQUIREMENTS

<u>New accounting standards or amendments:</u>	<u>Effective date</u>
Lack of Exchangeability – Amendments to IAS 21	1 January 2025

The Fund has not early adopted any standard, interpretation or amendment that has been issued but not yet effective.

Management anticipates that these new standards, interpretations and amendments will be adopted in the interim condensed financial statements for the period of initial application. Adoption of these new standards, interpretations and amendments may have no material impact on the interim condensed financial statements in the period of initial application

b) FORTHCOMING IFRS REQUIREMENTS

<u>New accounting standards or amendments:</u>	<u>Effective date</u>
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7	1 January 2026
Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	
Annual Improvements to IFRS Accounting Standards – Volume 11	
IFRS 18 Presentation and Disclosure in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption/ effective date deferred indefinitely

Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
30 June 2025

5 CASH AND CASH EQUIVALENTS

	<i>30 June 2025 (Unaudited) SR</i>	<i>31 December 2024 (Audited) SR</i>
Bank balance	421,751	449,710
Murabaha deposits maturing within 3 months (i)	10,000,000	-
	<u>10,421,751</u>	<u>449,710</u>

- (i) This represents Murabaha deposits placed with a bank operating in the Kingdom of Saudi Arabia with original maturities within 3 months carries an average special commission income rate of 5.6% per annum.

6 FINANCIAL ASSETS AT FVTPL

Financial assets at FVTPL comprised of investment in public and private mutual funds which are registered in the Kingdom of Saudi Arabia.

	<i>30 June 2025 (Unaudited)</i>		<i>31 December 2024 (Audited)</i>	
	Cost (SR)	Market value (SR)	Cost (SR)	Market value (SR)
Public Funds	43,167,888	47,188,101	61,432,667	62,577,179
Private Funds	6,703,768	17,707,118	17,989,295	23,561,409
	<u>49,871,656</u>	<u>64,895,219</u>	<u>79,421,962</u>	<u>86,138,588</u>

The income from financial assets at FVTPL during the six-month period ended 30 June 2025 amounted to SR 1,425,493 (30 June 2024: SR 265,072).

7 FINANCIAL ASSETS AT AMORTISED COST

	<i>30 June 2025 (Unaudited) SR</i>	<i>31 December 2024 (Audited) SR</i>
Sukuks (i)	113,857,856	84,637,235
Accrued special commission income	2,224,012	1,778,433
	<u>116,081,868</u>	<u>86,415,668</u>
Less: Allowance for ECL (note 7.1)	<u>(470,303)</u>	<u>(379,301)</u>
	<u>115,611,565</u>	<u>86,036,367</u>

- (i) This represents Sukuks issued by counterparties operating in the Kingdom of Saudi Arabia and Gulf countries with original maturities between 2 and 11 years and carry an average special commission income rate of 7.91% per annum (31 December 2024: 7.75% per annum).

Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
30 June 2025

7 FINANCIAL ASSETS AT AMORTISED COST (continued)

The remaining maturity of these sukuk are as follows:

	30 June 2025 (Unaudited)	% of value (Unaudited)	31 December 2024 (Audited)	% of Value (Audited)
Later than 1 year	113,857,856	100%	84,637,235	100%
	<u>113,857,856</u>	<u>100%</u>	<u>84,637,235</u>	<u>100%</u>

7.1 Allowance for expected credit loss

The movement in allowance of ECL on financial assets at amortised cost during the period/year is as follows:

	30 June 2025 (Unaudited) SR	31 December 2024 (Audited) SR
At the beginning of the period/year	379,301	322,868
Charge for allowance for ECL	91,002	56,433
At the end of the period/year	<u>470,303</u>	<u>379,301</u>

8 RELATED PARTY TRANSACTIONS AND BALANCES

In ordinary course of activities, the Fund transacts business with related parties. The related party transactions are governed by limit set by the terms and conditions. All related party transactions are disclosed to the Fund Board of Director.

Related parties of the Fund include the Fund Manager, the Bank, entities related to the Bank and the Fund Manager and any party that has the ability to control other party or exercise significant influence over the party in making financial or operational decisions.

a) Management fees

The Fund Manager is responsible for the overall management of the Fund's activities. The Fund Manager charges management fee at the rate of 0.50% of the Fund's assets.

b) Brokerage expense

The Fund Manager charges 0.025% brokerage fees on the purchase and sales transactions of financial assets at FVTPL.

c) Board of Directors remuneration

The Board of Directors are allowed maximum remuneration of SR 24,000 for all board members in one year. During the six-month period ended 30 June 2025, Board remuneration was charged amounting to SR 5,951 for 3 directors (For the period ended 30 June 2024: SR 5,968).

Alinma Diversified Saudi Riyal Fund
(Managed by Alinma Capital Company)

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (continued)
30 June 2025

8 RELATED PARTY TRANSACTIONS AND BALANCES (continued)

8.1 Related party transactions

The following are the details of the significant transactions with related parties during the period

<i>Name of related party</i>	<i>Nature of relationship</i>	<i>Nature of transactions</i>	<i>Unaudited</i>	
			<i>For the six-month period ended 30 June 2025</i>	<i>For the six-month period ended 30 June 2024</i>
			<i>SR</i>	<i>SR</i>
Alinma Capital Company	Fund Manager	Management fees	(510,559)	(361,604)
Board of Director	Members	Fund Board fees	(5,951)	(5,968)

8.2 Related party balances

Period end balances receivable (payable) arising from transactions with related parties are as follows:

<i>Name of related party</i>	<i>Nature of balances</i>	<i>30 June 2025</i>	<i>31 December 2024</i>
		<i>(Unaudited)</i>	<i>(Audited)</i>
		<i>SR</i>	<i>SR</i>
Alinma Bank	Bank balance	421,751	343,468
	Sukuk	3,864,879	-
Alinma Saudi Riyal liquidity Fund	Financial assets at FVTPL	874,593	23,895,468
Alinma Capital Company	Management fees payable	(81,036)	(75,394)

9 FAIR VALUE MEASUREMENT

The Fund has investments in financial assets at FVTPL which is measured at fair values based on the net assets value of the mutual fund and therefore are classified within level 2 of the fair value hierarchy.

Management believes that at the reporting date the fair value of other financial assets and liabilities that are classified as amortized cost approximate their carrying values. These are all classified within level 2 of the fair value hierarchy. There were no transfers between various levels of fair value hierarchy during the current or prior period.

10 DISTRIBUTIONS

During the period ended 30 June 2025, the Fund Manager made several distributions amounting to SR 5,797,000 (30 June 2024: SR 3,261,076).

11 SUBSEQUENT EVENT

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

12 LAST VALUATION DATE

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

13 APPROVAL OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

The interim condensed financial statements were approved by the Fund Manager on 26 Muharram 1447H (corresponding to 21 July 2025).