

TAKAFUL ENDOWMENT 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**

TAKAFUL ENDOWMENT 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
Takaful Endowment Fund
(An open-ended mutual Fund)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of **Takaful Endowment 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


Abdulrahman S. Al Suwaiygh
Certified Public Accountant

License no. 461
7 August 2025
13 Safar 1447H



TAKAFUL ENDOWMENT FUND

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

	Notes	As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
<u>ASSETS</u>			
Cash and cash equivalents		26,442	625,989
Investments at fair value through profit or loss ("FVTPL")	4	29,700,440	28,835,080
Accrued special commissions income		212,465	80,522
Dividends receivable		17,907	
Advance against allotment of securities	5	-	369,773
Total assets		29,957,254	29,911,364
<u>LIABILITIES</u>			
Management fees payable	6	56,665	53,265
Accrued expenses	8	78,872	102,838
Total liabilities		135,537	156,103
Net assets attributable to the Unitholders		29,821,717	29,755,261
Units in issue (numbers)		30,511,406	30,312,062
Net assets attributable to each unit (SAR)		0.98	0.98

The accompanying notes 1 to 15 form an integral part of this interim condensed financial information.

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

		For the six months period 30 June 2025	For the period from 07 January 2024 to 30 June 2024
	Notes		
INCOME			
Net unrealized loss on investments at FVTPL		(380,559)	(1,318,600)
Net realized loss on investments at FVTPL		(465,943)	(350,076)
Dividends income		479,476	528,688
Special commissions income		347,474	231,672
Total loss		(19,552)	(908,316)
EXPENSES			
Management fees	6	56,665	46,562
Other expenses	9	52,550	62,830
Total expenses		109,215	109,392
Net loss for the period		(128,767)	(1,017,708)
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		(128,767)	(1,017,708)

The accompanying notes 1 to 15 form an integral part of this interim condensed financial information.

TAKAFUL ENDOWMENT FUND

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

	For the six-months period 30 June 2025	For the period from 07 January 2024 to 30 June 2024
Net assets attributable to the Unitholders at beginning of the period	29,755,261	--
Net loss for the period	(128,767)	(1,017,708)
Other comprehensive income for the period	-	--
Total comprehensive loss for the period	(128,767)	(1,017,708)
Proceeds from issuance of units during the period	195,223	30,243,789
Net assets attributable to the Unitholders at end of the period	29,821,717	29,226,081

	For the six-months period 30 June 2025	For the period from 07 January 2024 to 30 June 2024
Units at beginning of the period	30,312,062	-
Issuance of units during the period	199,345	30,250,008
Units at end of the period	30,511,407	30,250,008

The accompanying notes 1 to 15 form an integral part of this interim condensed financial information.

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

	Notes	For the six-months period 30 June 2025	For the period from 07 January 2024 to 30 June 2024
Operating activities			
Net loss for the period		(128,767)	(1,017,708)
Adjustments for:			
Net unrealized loss on investments at FVTPL		380,559	1,318,600
Net realized loss on investments at FVTPL		465,943	350,076
Dividends income		(479,476)	(528,688)
Net changes in operating assets and liabilities			
Purchase of investments at FVTPL		(12,274,783)	(47,681,163)
Proceeds from sale of investments at FVTPL		10,562,921	16,703,700
Increase in accrued special commission income		(131,943)	(60,328)
Decrease in advance against allotment of securities		369,773	
Increase in payable to custodian		-	94,805
Increase in management fee payable		3,400	46,564
(Decrease) increase in accrued expenses		(23,966)	60,728
		(1,256,339)	(30,713,414)
Dividends received		461,569	508,422
Net cash used in operating activities		(794,770)	(30,204,992)
Financing activity			
Proceeds from issuance of units		195,223	30,243,789
Net cash flows from financing activities		195,223	30,243,789
Net (decrease) increase in cash and cash equivalents		(599,547)	38,797
Cash and cash equivalents at the beginning of the period		625,989	--
Cash and cash equivalents at the end of the period		26,442	38,797

The accompanying notes 1 to 15 form an integral part of this interim condensed financial information.

TAKAFUL ENDOWMENT FUND

An open-ended mutual fund

(MANAGED BY AL RAJHI CAPITAL COMPANY)

NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED)

ALL AMOUNTS PRESENTED IN (ﷲ)

30 JUNE 2025

1. INCORPORATION AND ACTIVITIES

- (a) Takaful Endowment 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, in accordance with the Capital Market Authority ("CMA") regulations. The address of the Fund Manager is as follows:

Al Rajhi Capital, Head Office
8467 King Fahad Road, Al Muruj District
P.O. Box 2743
Riyadh 11263
Kingdom of Saudi Arabia

The fund aims to encourage voluntary community participation in supporting non-profit development investment and effective contribution under the concept of social solidarity to participate in supporting Takaful around the Kingdom of Saudi Arabia to develop and invest its assets in the fund for the purpose of enhancing their value and developing their capital, which will benefit the programs of the Takaful Charity Association for the care of Orphans and their Mothers, which include health, social, educational, empowerment, cultural and recreational support, and housing support. The Fund will distribute to the "Charity Association for Orphan Care in Madinah" in the amount of not less than 70% of net profits annually (from distributed profits and / or capital gains).

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.

- (b) 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. The Fund is governed by the Investment Funds Regulations (the "Regulations") issued by the Board of CMA on 3 Dhul Hijjah 1427H (corresponding to 24 December 2006) and amended by the resolution of the Board of the CMA dated 23 Dhul Qa'dah 1446H (corresponding to 21 May 2025) detailing the requirements of all 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.

TAKAFUL ENDOWMENT FUND

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(MANAGED BY AL RAJHI CAPITAL COMPANY)

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

ALL AMOUNTS PRESENTED IN (ﷲ)

30 JUNE 2025

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 this interim condensed financial information is 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:

New and revised IFRS Accounting Standard

Summary

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.
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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 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.

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****ALL AMOUNTS PRESENTED IN (﷼)****30 JUNE 2025****3. MATERIAL ACCOUNTING POLICIES (CONTINUED)**

<u>New and revised IFRS Accounting Standards</u>	<u>Effective for annual periods beginning on or after</u>
<p>Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i> regarding the classification and measurement of financial instruments</p> <p>The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.</p>	1 January 2026
<p>Amendments to IFRS 9 <i>Financial Instruments</i> and IFRS 7 <i>Financial Instruments: Disclosures</i> regarding purchase power arrangements</p> <p>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.</p>	1 January 2026
<p>Annual improvements to IFRS Accounting Standards - Volume 11</p> <p>The pronouncement comprises the following amendments:</p> <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
<p>IFRS 18 <i>Presentation and Disclosures in Financial Statements</i></p> <p>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.</p>	1 January 2027
<p>IFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i></p> <p>IFRS 19 specifies the disclosure requirements an eligible subsidiary is permitted to apply instead of the disclosure requirements in other IFRS Accounting Standards.</p>	1 January 2027
<p>Amendments to IFRS 10 <i>Consolidated Financial Statements</i> and IAS 28 <i>Investments in Associates and Joint Ventures (2011)</i></p> <p>The amendments relate to the treatment of the sale or contribution of assets from an investor to its associate or joint venture</p>	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)****ALL AMOUNTS PRESENTED IN (ﷲ)****30 JUNE 2025****4. 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 loss
<u>Investments:</u>				
Units of mutual funds (Note 4.1)	10,370,237	9,973,328	33.58%	(396,909)
Equity securities (Note 4.2)	10,290,449	9,932,832	33.44%	(357,617)
Sukuk (Note 4.3)	9,794,280	9,794,280	32.98%	-
Total	30,454,966	29,700,440	100.00%	(754,526)
31 December 2024 (Audited)				
	Cost	Fair value	% of Fair value	Unrealised loss
<u>Investments:</u>				
Units of mutual funds (Note 4.1)	9,417,369	9,347,773	32.42%	(69,596)
Equity securities (Note 4.2)	11,091,678	10,787,307	37.41%	(304,371)
Sukuk (Note 4.3)	8,700,000	8,700,000	30.17%	-
Total	29,209,047	28,835,080	100.00%	(373,967)

4.1 The composition of the Fund's investment portfolio in the units of mutual funds is as follows:

	30 June 2025(Unaudited)			
	Cost	Fair value	% of Fair value	Unrealised gain / (loss)
<u>Name of Funds</u>				
Al Rajhi Awaeed Fund*	2,564,648	2,575,894	25.83%	11,246
Alra'idah Financing Fund	1,478,000	1,478,000	14.82%	-
Al Rajhi Indirect Financing Fund 2*	1,470,000	1,470,000	14.74%	-
AL Maather REIT Fund	1,128,654	1,079,182	10.82%	(49,472)
Al Rajhi Real Estate Monthly Distributions Fund*	894,987	913,284	9.16%	18,297
Al Rajhi Indirect Financing Fund*	909,899	910,109	9.13%	210
SEDCO Capital REIT Fund	860,379	675,689	6.77%	(184,690)
Jadwa REIT Saudi Fund	603,255	450,288	4.51%	(152,967)
Bonyan REIT Fund	460,415	420,882	4.22%	(39,533)
Total	10,370,237	9,973,328	100%	(396,909)

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****ALL AMOUNTS PRESENTED IN (ﷲ)****30 JUNE 2025****4. INVESTMENTS AT FVTPL (CONTINUED)**

	31 December 2024 (Audited)			
	Cost	Fair value	% of Fair value	Unrealised gain / (loss)
<u>Name of Funds</u>				
Al Rajhi Real Estate Monthly Distributions Fund*	2,676,896	2,806,513	30.02%	129,617
Alra'idah Financing Fund	1,478,000	1,478,000	15.81%	-
AL Maather REIT Fund	1,128,654	1,135,476	12.15%	6,822
Al Rajhi Indirect Financing Fund	1,117,517	1,117,517	11.95%	-
Al Rajhi Awaeed Fund*	1,092,254	1,096,862	11.73%	4,608
SEDCO Capital REIT Fund	860,378	809,862	8.66%	(50,516)
Bonyan REIT Fund	460,415	454,146	4.86%	(6,269)
Jadwa REIT Saudi Fund	603,255	449,397	4.82%	(153,858)
Total	9,417,369	9,347,773	100.00%	(69,596)

* A fund managed by the fund manager.

4.2 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>				
Financials	2,402,171	2,352,598	23.69%	(49,573)
Energy	2,250,780	1,927,993	19.41%	(322,787)
Telecommunication Services	1,384,238	1,449,209	14.59%	64,971
Materials	1,317,537	1,176,870	11.85%	(140,667)
Industrials	709,373	859,888	8.66%	150,515
Information Technology	577,622	652,978	6.57%	75,356
Real Estate	538,465	552,671	5.56%	14,206
Utilities	604,519	450,120	4.53%	(154,399)
Health Care	408,244	423,655	4.27%	15,411
Consumer Discretionary	95,618	85,605	0.86%	(10,013)
Consumer Staples	1,882	1,245	0.01%	(637)
Total	10,290,449	9,932,832	100.00%	(357,617)

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****ALL AMOUNTS PRESENTED IN (ﷲ)****30 JUNE 2025****4. INVESTMENTS AT FVTPL (CONTINUED)**

	31 December 2024 (Aaudited)			
	Cost	Fair value	% of Fair value	Unrealised gain / (loss)
<u>Investments (by sectors)</u>				
Financial	2,412,081	2,369,429	21.96%	(42,652)
Materials	2,605,437	2,149,434	19.93%	(456,003)
Energy	1,920,143	1,904,881	17.66%	(15,262)
Information Technology	861,117	1,083,780	10.05%	222,663
Telecommunication Services	994,047	967,738	8.97%	(26,309)
Industrial	638,090	683,933	6.34%	45,843
Utilities	604,519	603,090	5.59%	(1,429)
Healthcare	465,344	479,946	4.45%	14,602
Real Estate	469,570	447,797	4.15%	(21,773)
Consumer Staples	105,651	80,779	0.75%	(24,872)
Consumer Discretionary	15,679	16,500	0.15%	821
Total	11,091,678	10,787,307	100.00%	(304,371)

4.3 The composition of investment in Sukuk is as follows:

<u>Description</u>	<u>Maturity date</u>	<u>Fair value as at</u>	<u>Fair value as at</u>
		<u>30 June 2025</u>	<u>31 December 2024</u>
RHC Sukuk 03/15/2025 Series 3	15-Mar-25	-	3,750,000
Riyad Bank Tier 1 Sukuk 2022	5-Oct-27	3,750,000	3,750,000
Arabian Centers Sukuk III	6-Mar-29	3,844,280	-
Rawabi Holding Series 14	28-Jan-28	1,200,000	1,200,000
Bank Aljazira Tier 1	15-Jan-30	1,000,000	-
		9,794,280	8,700,000

These carry profit rate ranging from 5.25% to 9.50% per annum.

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****ALL AMOUNTS PRESENTED IN (ﷲ)****30 JUNE 2025****5. ADVANCE AGAINST ALLOTMENT OF SECURITIES**

This represents investment in IPO subscription of companies engaged in health care equipment and consumer discretionary distribution sector within the Kingdom of Saudi Arabia. The shares were subsequently allotted to subscribers on 07 January 2025 and 08 January 2025 respectively.

6. MANAGEMENT FEES

The Fund pays the Fund Manager a management fee, subject to VAT charges of 15%, which is calculated as the lower of 0.4% per annum of the net assets value at each valuation day or 10% of the total annual return before fees and expense. The fee is intended to compensate the Fund Manager for the administration of the Fund.

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 this interim condensed financial information, transactions with related parties for the period ended 30 June 2025 and related balances as at 30 June 2025 are as follows:

Related party	Nature of transaction / balance	30 June 2025	Transactions for
			the period from 07 January 2024 to 30 June 2024
Al Rajhi Capital Company – Fund Manager	Management fee	<u>56,665</u>	<u>46,562</u>
The Fund Board	Fund Board fee to members of the Board	<u>14,877</u>	<u>14,624</u>

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

Related party	Nature of transaction / balance	Balance as at 30	Balance as at 31
		June 2025	December 2024
Al Rajhi Capital Company – Fund Manager	Management fee payable	<u>56,665</u>	<u>53,265</u>
The Fund Board	Fund Board fee payable to members of the Board	<u>14,877</u>	<u>30,000</u>

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(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****ALL AMOUNTS PRESENTED IN (ﷲ)****30 JUNE 2025****8. ACCRUED EXPENSES**

	30 June 2025	31 December 2024
Benchmark fee	45,004	29,893
Fund Board fee	14,877	30,000
Accrued professional fee	5,749	20,700
Zakat advisory fee	2,851	16,100
Other accrued expenses	10,391	6,145
	78,872	102,838

9. OTHER EXPENSES

	For the six-months period 30 June 2025	For the period from 07 January 2024 to 30 June 2024
Benchmark fees	15,112	14,572
Audit fees	5,748	17,108
Others	31,690	31,150
	52,550	62,830

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

TAKAFUL ENDOWMENT FUND

An open-ended mutual fund

(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****ALL AMOUNTS PRESENTED IN (ﷲ)****30 JUNE 2025****10. FAIR VALUE MEASUREMENT (CONTINUED)**

30 June 2025 (Unaudited)					
	Carrying Value	Level 1	Level 2	Level 3	Total
Investments at FVTPL	29,700,440	12,558,873	17,141,567	-	29,700,440
Total	29,700,440	12,558,873	17,141,567	-	29,700,440

31 December 2024 (Audited)					
	Carrying Value	Level 1	Level 2	Level 3	Total
Investments at FVTPL	28,835,080	13,636,188	15,198,892	-	28,835,080
Total	28,835,080	13,636,188	15,198,892	-	28,835,080

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

Other financial instruments such as cash and cash equivalents, dividend receivable, accrued special commission income, payable to custodian, 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.

TAKAFUL ENDOWMENT FUND

An open-ended mutual fund

(MANAGED BY AL RAJHI CAPITAL COMPANY)**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION (UNAUDITED) (CONTINUED)****ALL AMOUNTS PRESENTED IN (ﷲ)****30 JUNE 2025****11. 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	26,442	-	26,442
Investments at FVTPL	29,700,440	-	29,700,440
Accrued special commission income	212,465	-	212,465
Dividend receivable	17,907	-	17,907
Total assets	29,957,254	-	29,957,254
Liabilities			
Management fee payable	56,665	-	56,665
Accrued expenses	78,872	-	78,872
Total Liabilities	135,537	-	135,537
As at 31 December 2024 (Audited)			
Assets			
Cash and cash equivalents	625,989	-	625,989
Investments at FVTPL	28,835,080	-	28,835,080
Advance against allotment of securities	369,773	-	369,773
Accrued special commission income	80,522	-	80,522
Total assets	29,911,364	-	29,911,364
Liabilities			
Management fee payable	53,265	-	53,265
Accrued expenses	102,838	-	102,838
Total Liabilities	156,103	-	156,103

12. 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 notes thereto.

13. COMPARTIVE FIGURES

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

14. LAST VALUATION DAY

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

15. 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).