

Al Mal UAE Equity Fund

Condensed interim financial statements

For the six-month period ended 30 June 2025

Al Mal UAE Equity Fund

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KPMG Lower Gulf Limited
The Offices 5 at One Central
Level 4, Office No: 04.01
Sheikh Zayed Road, P.O. Box 3800
Dubai, United Arab Emirates
Tel. +971 (4) 4030300, www.kpmg.com/ae

Independent Auditors' Report on Review of Condensed Interim Financial Statements

To the unitholders of Al Mal Capital UAE Equity Fund

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Al Mal UAE Equity Fund (the "Fund") as at 30 June 2025, the condensed interim statements of profit or loss and other comprehensive income, changes in net assets attributable to unit holders and cash flows for the six month period then ended, and notes to the condensed interim financial statements ("the condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34, 'Interim Financial Reporting'. 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". 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 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 2025 condensed interim financial statements are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting'.

KPMG Lower Gulf Limited

Fawzi AbuRass
Registration No.: 968
Dubai, United Arab Emirates

Date: **13 AUG 2025**

Al Mal UAE Equity Fund

Condensed interim statement of financial position

		As at	
	Notes	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
ASSETS			
Current assets			
Financial assets at fair value through profit or loss	7	52,640	46,914
Receivables and other assets	6	563	189
Cash and cash equivalents		2,330	2,518
Total assets		55,533	49,621
LIABILITIES			
Current liabilities			
Payables and other liabilities	8	358	1,026
Total liabilities		358	1,026
Net assets attributable to holders of redeemable units	9	55,175	48,595

The condensed interim financial statements were approved by the Fund Manager on 12 August 2025 and signed on its behalf by:

For Al Mal Capital PSC, Fund Manager



Chief Executive Officer



Chief Investment Officer

Al Mal UAE Equity Fund

Condensed interim statement of profit or loss and other comprehensive income

		Six-month period ended 30 June	
	<i>Notes</i>	2025	2024
		AED'000	AED'000
		(Unaudited)	(Unaudited)
Net gain/(loss) from financial assets at fair value through profit or loss	<i>10</i>	2,753	(731)
Dividend income		1,565	1,630
Interest income		29	53
Total investment income		4,347	952
Management fees	<i>11</i>	(356)	(389)
Performance fees	<i>11</i>	(229)	-
Custodian fees		(27)	(36)
Administration fees	<i>12</i>	(65)	(44)
Professional fees		(61)	(72)
Other operating expenses		(9)	(35)
Total operating expenses		(747)	(576)
Profit for the period		3,600	376
Other comprehensive income		-	-
Total comprehensive income for the period		3,600	376

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Condensed interim statement of changes in net assets attributable to unit holders

	Six-month period ended 30 June	
	<i>Notes</i> 2025	2024
	AED'000	AED'000
Balance at 1 January - Audited	48,595	48,820
Profit for the period	3,600	376
Other comprehensive income for the period	-	-
Total comprehensive income for the period	3,600	376
Issue of redeemable units during the period	<i>9</i> 2,980	-
Redemption of redeemable units during the period	<i>9</i> -	-
Net contributions by holders of redeemable units	2,980	-
Balance at 30 June - Unaudited	55,175	49,196

Al Mal UAE Equity Fund

Condensed interim statement of cash flows

	Six-month period ended 30 June	
<i>Notes</i>	2025	2024
	AED'000	AED'000
	(Unaudited)	(Unaudited)
Cash flows from operating activities		
Profit for the period	3,600	376
Adjustments:		
Net (gain)/loss from financial assets at fair value through profit or loss	<i>10</i> (2,583)	731
Dividend income	(1,565)	(1,630)
Operating cash flows before changes in working capital and dividends received	(548)	(523)
Proceeds from sale of financial assets at fair value through profit or loss	<i>7</i> 19,033	7,681
Purchase of financial assets at fair value through profit or loss	<i>7</i> (22,176)	(10,518)
(Increase)/decrease in receivables and other assets	(374)	863
Decrease in payables and other liabilities	(668)	(482)
Cash used in operations	(4,733)	(2,979)
Dividends received	1,565	1,630
Net cash outflow from operating activities	(3,168)	(1,349)
Cash flows from financing activities		
Proceeds from issuance of redeemable units	<i>9</i> 2,980	-
Net cash inflow from financing activities	2,980	-
Net decrease in cash and cash equivalents	(188)	(1,346)
Cash and cash equivalents at the beginning of period	2,518	3,116
Cash and cash equivalents at the end of period	2,330	1,767

Al Mal UAE Equity Fund

Notes to the condensed interim financial statement for the six-month period ended 30 June 2025

1 Status and principal activities

Al Mal UAE Equity Fund (the “Fund”) is an open-ended investment fund established under the approval of the Central Bank of the United Arab Emirates, reference 13/210/2006, dated 6 February 2006. The Fund commenced operations on 1 March 2006 and is licensed by the Securities and Commodity Authority (“SCA”) of the United Arab Emirates (“UAE”).

The objective of the Fund is to achieve medium to long term capital growth and a reasonable level of income by investing primarily in equity securities listed on the Abu Dhabi Securities Exchange (“ADX”), Dubai Financial Market (“DFM”), NASDAQ Dubai and London Stock Exchange although, where appropriate, investments may also be made in equity securities listed on stock exchanges in other Gulf Cooperation Council (“GCC”) countries or elsewhere as permitted by the prospectus.

The Fund’s investment activities are managed by Al Mal Capital P.S.C. (the “Fund Manager” or “Investment Manager”), a United Arab Emirates (“UAE”) based company. Standard Chartered Bank, DIFC (“SCB”) is the administrator to the Fund.

The registered office of the Fund is at 48 Burj Gate, Downtown Dubai, Sheikh Zayed Road, P.O. Box. 119930, Dubai, United Arab Emirates.

Implementation of UAE Corporation Tax Law and application of IAS 12 Income Taxes

On 9 December 2022, the United Arab Emirates (UAE) Ministry of Finance (“MoF”) released Federal Decree-Law No 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law (“CT Law”) to enact a new CT regime in the UAE. The new CT regime became effective for accounting periods beginning on or after 1 June 2023.

The Fund does not fall under the category of a taxable person under Article 11 of the CT Law and there is no potential current or deferred tax impact for the period ended 30 June 2025. Further, the unitholders of the Fund will be subject to tax on their share of profits in the Fund as Partners in an Unincorporated Partnership under Article 16 of the CT Law. The Fund will continue to assess the expected impact and continue to evaluate its interpretation in light of the Decisions and related guidance.

2 Basis of preparation

The condensed interim financial statements have been prepared in accordance with the International Accounting Standard (“IAS”) 34, Interim Financial Reporting issued by International Accounting Standards Board (“IASB”).

The condensed interim financial statements do not include all of the information required for full annual financial statements and should be read in conjunction with the audited financial statements of the Fund for the year ended 31 December 2024. In addition, results for the period from 1 January 2025 to 30 June 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025.

The accounting policies used in the preparation of these condensed interim financial statements are consistent with those used in the audited financial statements for the year ended 31 December 2023, except for the adoption of new standards or amendments effective as of 1 January 2024.

These condensed interim financial statements are presented in United Arab Emirates Dirham (“AED” or “UAE Dirhams”), which is the functional currency of the Fund, rounded to the nearest thousand.

(a) New and amended standards adopted by the Fund

In the current period, there are no significant IFRSs and amendments that were effective for the first time for the financial year beginning on or after 1 January 2025.

Al Mal UAE Equity Fund

Notes to the condensed interim financial statement *(continued)*
for the six-month period ended 30 June 2025

2 Basis of preparation *(continued)*

(b) Accounting standards issued but not yet effective

The Fund has not early adopted any new and revised IFRSs that have been issued but are not yet effective.

	<u>Effective for annual periods beginning on or after</u>
Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments Disclosures regarding the classification and measurement of financial instruments. The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.	1 January 2026
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendment to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures relating to treatment of sale or contribution of assets from investors	Effective date deferred indefinitely

3 Use of estimates and judgments

The preparation of condensed interim financial statements requires management to make certain estimates and assumptions that affect the reported amounts of financial assets and liabilities and the resultant allowances for impairment and fair values. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In preparing these condensed interim financial statements, 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 that were applied to the audited financial statements as at and for the year ended 31 December 2024.

4 Financial risk management

The Fund's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended 31 December 2024.

5 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: Quoted market price (unadjusted) in an active market for an identical instrument.
- Level 2: Valuation techniques based on observable inputs, 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 where all significant inputs are directly or indirectly observable from market data.
- Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and the unobservable inputs have a significant effect on the instrument's valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

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Notes to the condensed interim financial statement *(continued)* for the six-month period ended 30 June 2025

5 Fair value measurement *(continued)*

Fair values of financial assets and financial liabilities that are traded in active markets are based on quoted market prices or dealer price quotations.

The table below analyses financial instruments measured at fair value at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised.

	Level 1 AED'000	Total AED'000
30 June 2025 (Unaudited)		
Financial assets at fair value through profit or loss ("FVTPL")	52,640	52,640
31 December 2024 (Audited)		
Financial assets at FVTPL	46,914	46,914

There have been no transfers between fair value levels during the period.

Due to the short-term nature of the financial assets and liabilities at amortised cost, their carrying amount is considered to be not materially different to their fair value at the condensed interim statement of financial position date.

6 Receivables and other assets

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Advance for investments	551	170
Prepayments	12	19
	563	189

7 Financial assets at fair value through profit or loss

The movement during the period/year is as follows:

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Balance at the beginning of the period/year	46,914	45,390
Additions during the period/year	22,176	24,773
Disposals during the period/year	(19,033)	(30,318)
Unrealised gain during the period/year (Note 10)	2,583	7,069
Balance at the end of the period/year	52,640	46,914

8 Payables and other liabilities

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Performance fee	229	889
Accrued expenses	129	137
	358	1,026

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Notes to the condensed interim financial statement *(continued)*
for the six-month period ended 30 June 2025

9 Net assets attributable to holders of redeemable units

The analysis of movements in the number of redeemable units and net assets attributable to holders of redeemable units during the period/year was as follows:

Authorised redeemable units

	30 June 2025 (Unaudited)	31 December 2024 (Audited)
<i>Number of units</i>		
Redeemable units of AED 1 each	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid		
<i>Number of units</i>		
Balance at 1 January	25,088,046	28,265,997
Issue of redeemable units during the period/year	1,601,250	317,565
Redemption of redeemable units during the period/year	-	(3,495,516)
Balance at the end of the period/year	<u>26,689,296</u>	<u>25,088,046</u>

Net assets attributable to holders of redeemable units

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Balance at 1 January	48,595	48,820
Profit for the period/year	3,600	8,280
Issue of redeemable units during the period/year	2,980	568
Redemption of redeemable units during the period/year	-	(6,444)
Distribution of dividend during the period/year	-	(2,629)
Balance at the end of the period/year	<u>55,175</u>	<u>48,595</u>
Net asset value per unit	<u>2.07</u>	<u>1.94</u>

The rights attached to the redeemable units are as follows:

- Redeemable units may be redeemed on the last business day of each calendar week at the net asset value per unit of those assets. The unit holder must request such redemption at least two weeks prior to the redemption date.
- The holders of the redeemable units are entitled to receive all dividends declared and paid by the Fund. Upon winding up, the holders are entitled to a return of capital based on the net asset value per unit.

Notwithstanding the redeemable unit holders' rights to redemption set out above, the Fund has the right, as set out in its prospectus, to impose a redemption gate limit of not more than 10 percent of the net assets of the Fund in any redemption period in order to manage redemption levels and maintain the strength of the Fund's capital base.

10 Net gain/(loss) from financial assets at fair value through profit or loss

	30 June 2025 AED'000 (Unaudited)	30 June 2024 AED'000 (Unaudited)
Unrealised gain/(loss) (Note 7)	2,583	(1,656)
Realised gain	<u>170</u>	<u>925</u>
	<u>2,753</u>	<u>(731)</u>

(9)

Al Mal UAE Equity Fund

Notes to the condensed interim financial statement *(continued)*
for the six-month period ended 30 June 2025

11 Related parties

The Fund, in the normal course of business, enters into transactions with business enterprises that fall within the definition of a 'related party' as contained in International Accounting Standard 24. The Fund's management is of the opinion that the terms of such transactions are not materially different from those that could have been obtained from third parties.

Transactions with related parties during the period are as follows:

	30 June 2025 AED'000 (Unaudited)	30 June 2024 AED'000 (Unaudited)
The Fund Manager		
Management fees	356	389
Performance fees	229	-

Balances with related parties are as follows:

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
The Fund Manager		
Management fee payable	60	78
Performance fee payable	229	889

Management fees

The Fund appointed Al Mal Capital PSC, an investment management company incorporated in the United Arab Emirates, to implement the investment strategy as specified in the prospectus. Under the Investment Management agreement, the Investment Manager receives a management fee at an annual rate of 1.5% of the net asset attributable to holders of redeemable units. This management fee is calculated quarterly on a pro rata basis based on net assets attributable to holders of redeemable units at the beginning of the period.

The investment management contract can be terminated by the Fund at any time.

Performance fees

The Investment Manager will be entitled to receive a performance fee in respect of each financial year. The performance fee will be equal to 20% of the increase in the Net Asset Value Per Unit (NAVPU) at the end of the financial year compared to the NAVPU at the end of the immediately preceding financial year above the hurdle rate of 10% subject to the condition that the NAVPU at the end of the financial year exceeds the high watermark.

The performance fee in respect of each financial year will be calculated with reference to the NAVPU before deducting any accrued performance fee and adjusted for subscription, redemptions, and distributions during the relevant performance period.

12 Administration fees

Under the agreement, the administrator is paid on a quarterly basis the actual cost of administration which will not exceed 0.3% of the Fund's average net assets attributable to holders of redeemable units annually.

Al Mal UAE Equity Fund

Notes to the condensed interim financial statement *(continued)*
for the six-month period ended 30 June 2025

13 Financial instruments

	30 June 2025 AED'000 (Unaudited)	31 December 2024 AED'000 (Audited)
Financial assets		
At fair value through profit or loss	52,640	46,914
At amortised cost – cash and cash equivalents	2,330	2,518
At amortised cost - receivables and other assets	551	170
	<u>55,521</u>	<u>49,602</u>
Financial liabilities		
At amortised cost – payables and other liabilities	358	1,026

14 Events occurring after reporting period

There have been no events subsequent to the condensed interim statement of financial position date that would significantly affect the amounts reported or require disclosure in the condensed interim financial information as at and for the six-month period ended 30 June 2025.