

ADCB Global Sukuk Fund

Report and Audited Financial Statements For the year ended 31 December 2025

ADCB Global Sukuk Fund For the year ended 31 December 2025

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ADCB Global Sukuk Fund

For the year ended 31 December 2025

General Information

Registered Office

ADCB UAE Funds
Abu Dhabi Commercial Bank building
Sheikh Zayed Street, PO Box 939,
Abu Dhabi
United Arab Emirates

Fund Manager

Abu Dhabi Commercial Bank P.J.S.C.
Abu Dhabi Commercial Bank building,
Sheikh Zayed Street, PO Box 939,
Abu Dhabi
United Arab Emirates

Fund Administrator and Registrar and Custodian

Standard Chartered Bank,
acting through its Dubai branch
Level 12, Emaar Square,
Down Town, P.O. Box 999,
Dubai, United Arab Emirates

Auditor

Deloitte & Touche (M.E.)
Level 11,
Al Sila Tower Abu Dhabi Global Market Square AI Maryah
Island
P.O. Box 990, Abu Dhabi
United Arab Emirates

Legal Counsel

Simmons & Simmons Middle East LLP
ICD Brookfield Place, 17th Floor
DIFC, Dubai
United Arab Emirates

Chief Investment Officer Report

The Chief Investment Officer present the report and financial statements ADCB Global Sukuk Fund (the “Fund”) for the year ended 31 December 2025.

Investment Objective

The Fund aims to generate appropriate periodic returns on its investments giving the investors a chance to receive periodic coupons in addition to achieving long-term capital growth by investing in a diversified portfolio of Sharia-compliant global fixed-income securities (Sukuk) and in accordance with the controls stipulated in the investment guidelines.

Results and distributions

The results for the period end are set out in the statement of profit or loss and other comprehensive income on page 7.

Going concern Considerations

The Chief investment officer (CIO) continually monitor and consider significant risks, assumptions, and uncertainties that may cast doubt on the Fund’s ability as going concern.

The CIO have considered and concluded that there are no significant risks, assumptions and uncertainties that may cast doubt on the Fund’s ability to continue as a going concern. Therefore, the Fund’s financial statements are prepared on a going concern basis

Independent Auditor

The Independent Auditor, Deloitte & Touche (M.E), has indicated their willingness to continue as the Fund’s auditor.

Significant events after the year end

There are no significant events after the year end date which require adjustment.

Release from liability

The Chief Investment Officer release from liability the external auditors in connection with their duties for the year ended 31st December 2025.

Chief Investment officer
Gavin Ravin

INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ADCB GLOBAL SUKUK FUND

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of ADCB Global Sukuk Fund (the "Fund"), which comprise the statement of financial position as at 31 December 2025, and the statement of profit or loss and other comprehensive income, statement of changes in net assets attributable to holders of redeemable units, and statement of cash flows for the year ended 31 December 2025, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at 31 December 2025, and its financial performance and cash flows for the year ended 31 December 2025 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (IESBA Code) together with the other ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Fund manager is responsible for the other information. The other information comprises the Chief Investment Officer Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



INDEPENDENT AUDITOR'S REPORT TO THE UNITHOLDERS OF ADCB GLOBAL SUKUK FUND (continued)

Responsibilities of Management and Chief Investment Officer for the Financial Statements

The Fund manager is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as issued by the IASB, and for such internal control as Fund manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Fund manager is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Chief Investment Officer is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Fund manager.
- Conclude on the appropriateness of Fund manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Chief Investment Officer regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



**INDEPENDENT AUDITOR'S REPORT
TO THE UNITHOLDERS OF ADCB GLOBAL SUKUK FUND (continued)**

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In our opinion, the accounting and other records required by applicable UAE laws and regulations have been properly kept by the Fund.

Deloitte & Touche (M.E.)

A handwritten signature in blue ink, appearing to be "Mohammad Khamees Al Tah", written over a horizontal line.

Mohammad Khamees Al Tah
Registration No. 717
27 March 2026
Abu Dhabi
United Arab Emirates

ADCB Global Sukuk Fund
Statement of financial position
For the year ended 31 December 2025

	Notes	31 December 2025 USD	31 December 2024 USD
ASSETS			
Non-current assets			
Financial assets at fair value through profit or loss ("FVTPL")	7	<u>5,772,426</u>	<u>20,186,723</u>
Total non-current assets		<u>5,772,426</u>	<u>20,186,723</u>
Current assets			
Cash and cash equivalents	5	<u>96,780</u>	<u>3,832,887</u>
Profit receivable from Sukuk		<u>94,302</u>	<u>345,724</u>
Total current assets		<u>191,082</u>	<u>4,178,611</u>
Total assets		<u>5,963,508</u>	<u>24,365,334</u>
LIABILITIES			
Current liabilities			
Due to a related party	6	<u>28,318</u>	<u>68,144</u>
Redemption payable		<u>-</u>	<u>9,370</u>
Other liabilities	8	<u>61,820</u>	<u>67,369</u>
Total current liabilities		<u>90,138</u>	<u>144,883</u>
Total liabilities		<u>90,138</u>	<u>144,883</u>
Net assets attributable to unitholders		<u>5,873,370</u>	<u>24,220,451</u>
Represented by:		USD	USD
Net Asset Value (NAV) per unit, based on outstanding units of 584,174 (31 December 2024: 2,494,341)	9	<u>10.05</u>	<u>9.71</u>

These financial statements were approved and authorised for issue by the Chief Investment Officer of ADCB Global Sukuk Fund on 27 March 2026.

Gavin Ravin
Chief Investment Officer

The accompanying notes form an integral part of these financial statements.

ADCB Global Sukuk Fund
Statement of comprehensive income
For the year ended 31 December 2025

	Notes	31 December 2025 USD	31 December 2024 USD
INCOME			
Sukuk profit distribution		555,484	1,268,960
Net realised loss on financial assets at FVTPL	7	(213,264)	(399,065)
Net unrealised gain (loss) on financial assets at FVTPL	7	299,742	(183,480)
Other income		85	-
Total operating income		<u>642,047</u>	<u>686,415</u>
EXPENSES			
Management fees	6	(90,997)	(237,972)
Other expenses		(86,709)	(90,559)
Total operating expenses		<u>(177,706)</u>	<u>(328,531)</u>
Profit before tax		<u>464,341</u>	<u>357,884</u>
Income tax expense	12	(20,796)	(34,825)
Total income attributable to unitholders		<u>443,545</u>	<u>323,059</u>

The accompanying notes form an integral part of these financial statements.

ADCB Global Sukuk Fund
Statement of changes in net assets attributable to holders of redeemable units
For the year ended 31 December 2025

	Number of units	Net assets attributable to unitholders USD
Net assets attributable to holders of redeemable units as at 1 January 2025	2,494,341	24,220,451
Redemption of units during the year end	(1,910,167)	(18,716,174)
Increase in net assets attributable to unitholders	-	443,545
Dividend paid during the year	-	(74,452)
	<hr/>	<hr/>
Net assets attributable to holders of redeemable units as at 31 December 2025	584,174	5,873,370
	<hr/>	<hr/>
Balance as at 1 January 2024	3,762,959	35,887,298
Redemption of units during the year end	(1,268,618)	(11,989,906)
Increase in net assets attributable to unitholders	-	323,059
	<hr/>	<hr/>
Net assets attributable to holders of redeemable units as at 31 December 2024	2,494,341	24,220,451
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The accompanying notes form an integral part of these financial statements.

ADCB Global Sukuk Fund
Statement of cash flows
For the year ended 31 December 2025

	Notes	31 December 2025 USD	31 December 2024 USD
Cash flow from operating activities			
Profit before tax		464,341	357,884
Adjustments for:			
Net realised loss on financial assets at FVTPL	6	213,264	183,480
Net unrealised (gain) loss on financial assets at FVTPL	6	(299,742)	399,065
Operating cash flows before changes in operating assets and liabilities		377,863	940,429
Net changes in working capital:			
Decrease in profit receivable from Sukuk		251,422	23,604
Decrease in due to a related party		(39,826)	(13,048)
(Decrease) Increase in redemption payable		(9,370)	9,370
(Decrease) Increase in other liabilities excluding tax impact		(26,344)	9,279
		553,745	946,030
Purchase of financial assets at FVTPL	6	(4,528,377)	(60,021,300)
Proceeds from sale of financial assets at FVTPL	6	19,029,152	74,465,456
Net cash generated from operating activities		15,054,520	15,413,790
Cash flow from financing activities			
Payments on redemption of redeemable units		(18,716,174)	(11,989,906)
Dividends distribution		(74,453)	-
Net cash used in financing activity		(18,790,627)	(11,989,906)
Net (decrease) increase in cash and cash equivalents		(3,736,107)	3,423,884
Cash and cash equivalents at the beginning of the year		3,832,887	409,003
Cash and cash equivalents at the end of the year	4	96,780	3,832,887

The accompanying notes form an integral part of these financial statements.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

1 General information

ADCB Global Sukuk Fund (“the Fund”) (formerly known as Al Hilal Global Sukuk Fund) is an open-ended public fund established by Al Hilal Bank (the “Previous Fund Manager”) and whose fund management has been transferred to Abu Dhabi Commercial Bank on 8 August 2024. The Fund is under the supervision of the Capital Market Authority (“CMA”) of the United Arab Emirates (“UAE”) dated 5 February 2012. The custody of the Fund has been delegated to Standard Chartered Bank (the “Custodian”) and the administration services is delegated to Standard Chartered Bank (“the Fund Administrator”). The registered address of the Fund is P O Box 63111, Abu Dhabi, UAE

The Fund aims to generate appropriate periodic returns on its investments giving the investors a chance to receive periodic coupons in addition to achieving long-term capital growth by investing in a diversified portfolio of Sharia-compliant global fixed-income securities (Sukuk) and in accordance with the controls stipulated in the investment guidelines.

There have been no significant changes that have had any effect on the financial statements subsequent to period ended 31 December 2025.

2 Application of new and revised IFRS Accounting Standards

2.1 New and revised IFRSs effective for accounting periods beginning on or after 1 January 2025

In the current period, the Fund has applied amendments to IFRS Accounting Standards issued by the International Accounting Standards Board (“IASB”) that are effective for an annual period beginning on or after 1 January 2025.

The adoption of these amendments has not had a material impact on the disclosures or the amounts recognised in these financial statements.

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to Lack of Exchangeability

Other than the above, there are no other IFRS Accounting Standards and amendments that were effective for the first time for the financial year beginning on or after 1 January 2025.

ADCB Global Sukuk Fund
Notes to the financial statements
For the year ended 31 December 2025

2 Application of new and revised IFRS Accounting Standards (continued)

2.2 New Standards and interpretations issued but not yet effective

The impact of the new standards, interpretations and amendments that are issued, but not yet effective, up to the date of issuance of the Fund's financial statements are disclosed below. The Fund intends to adopt these standards, if applicable, when they become effective.

<u>New and revised IFRSs</u>	<u>Effective for annual periods beginning on or after</u>
IFRS 18 Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	1 January 2027
Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	1 January 2026
Amendments IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	1 January 2026
Translation to a Hyperinflationary Presentation Currency (Amendments to IAS 21)	1 January 2027
<i>Annual improvements to IFRS Accounting Standards — Volume 11</i>	1 January 2026

The pronouncement comprises the following amendments:

- 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

IFRS Sustainability Disclosure Standards

IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information	Effective date not yet decided by the regulator in the United Arab Emirates
IFRS S2 Climate-related Disclosures	Effective date not yet decided by the regulator in the United Arab Emirates

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

3 Material accounting policy information

Statement of compliance

These financial statements have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board and applicable laws and regulations of the United Arab Emirates.

Basis of preparation

The financial statements have been prepared on a historical cost basis, except for financial assets classified as at fair value through profit or loss, which are measured at fair value.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Classification of financial assets and liabilities

All financial assets under the scope of IFRS 9 are required to be subsequently measured at amortised cost or fair value on the basis of the Fund's business model for managing the financial assets and contractual cash flow characteristics of the financial assets.

A financial asset is measured at amortised cost, if both the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

A financial asset is measured at fair value through other comprehensive income, if both of the following conditions are met:

- The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and profit on the principal amount outstanding.

A financial asset is measured at fair value through profit or loss, unless it is measured at amortised cost or at fair value through other comprehensive income. However, the Fund may make an irrevocable election at initial recognition for particular investments in equity instruments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

The Fund has classified its investments as financial assets at fair value through profit or loss.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

3 Material accounting policy information (continued)

Financial instruments (continued)

Classification of financial assets and liabilities (continued)

All financial liabilities are classified as subsequently measured at amortised cost, except for:

- Financial liabilities at fair value through profit or loss;
- Financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies;
- Financial guarantee contracts; and
- Commitments to provide a financing at a below-market profit rate.

At initial recognition, the Fund may irrevocably designate a financial asset or liability as measured at fair value through profit or loss when permitted, or when doing so result in more relevant information, because either:

- It eliminates or significantly reduces a measurement or recognition inconsistency (sometimes referred to as an accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases; or
- A group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the fund is provided internally on that basis to the entity's key management personnel.

Reclassification of financial assets and financial liabilities

Where the Fund changes its business model for managing financial assets, it reclassifies all affected financial assets. An entity shall not reclassify any financial liability.

Measurement of financial assets

Initial measurement of financial assets

At initial recognition, financial assets are measured at fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

Subsequent measurement of financial assets

After initial recognition, an entity shall measure a financial asset in accordance with its classification at:

- amortised cost less impairment,
- fair value through other comprehensive income less impairment; or
- fair value through profit or loss.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

3 Material accounting policy information (continued)

Financial instruments (continued)

Impairment is assessed on the financial assets other than equity instruments measured at amortised cost and at fair value through other comprehensive income as disclosed below.

Impairment of financial assets

In relation to the impairment of financial assets, the Fund applies the Expected Credit Loss (“ECL”) model. Under the expected credit loss model, the Fund accounts for expected credit losses and changes in those expected credit losses at the end of each reporting period to reflect changes in credit risk since initial recognition of the financial assets. It is not necessary for a credit event to have occurred before credit losses are recognised. The Fund has adopted the simplified approach for measuring the impairment on its financial assets. Under the simplified approach, the Fund measures the loss allowance at an amount equal to lifetime ECL for its financial instruments.

A loss allowance for expected credit losses is recognised on all classes of financial assets, other than those that are measured as fair value through profit or loss and equity instruments classified and measured at fair value through other comprehensive income. The financial assets subject to impairment requirements of IFRS 9, include bank balances and other assets.

Derecognition of financial assets

The Fund derecognises a financial asset only when:

- the contractual rights to the cash flows from the asset expire; or
- it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

If the Fund neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Fund recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Fund retains substantially all the risks and rewards of ownership of a transferred financial asset, the Fund continues to recognise the financial asset.

Measurement of financial liabilities

Amounts due to a related party and other payables are classified as ‘financial liabilities’ and are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective profit method, with profit expense recognised on an effective yield basis, except for short term liabilities when the recognition of profit is immaterial.

Derecognition of financial liabilities

The Fund derecognises financial liabilities when, and only when, the Fund’s obligations are discharged, cancelled or they expire.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

3 Material accounting policy information (continued)

Financial instruments (continued)

Measurement of financial liabilities (continued)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Cash and cash equivalents

Cash and cash equivalents for the purpose of statement of cash flows comprise balances with banks with original maturities of less than three months.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

Net asset value per unit

The net asset value per unit is calculated by dividing the net assets included in the statement of financial position by the closing number of units outstanding at year end.

Redemption payable

Upon receiving a redemption request, the Fund recognises a "Redemption payable" liability, measured at the Net Asset Value (NAV) per unit as of the redemption date (the "Valuation Day"), reflecting any applicable fees. This liability, classified as current, signifies the Fund's obligation to pay redeeming unitholders, and is derecognised upon settlement.

Accruals and other payables

Accruals and other payables are recognized initially at fair value and subsequently stated at amortized cost.

Net realised/unrealised gain (loss) on financial assets at fair value through profit or loss

Net realised and unrealised gain (loss) from financial assets at fair value through profit or loss includes all realised gain (loss) and unrealised fair value changes and foreign exchange differences but excludes dividend income.

Net realised gain (loss) from financial assets at fair value through profit or loss represents the difference between the closing price applicable on the last revaluation date and their sale/settlement price.

The unrealised gain (loss) represents the difference between the carrying amount of a financial instrument at the beginning of the reporting period, or transaction price when purchased in the current reporting period and its fair value at the end of the reporting period.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

3 Material accounting policy information (continued)

Foreign currencies

Transactions in foreign currencies are recorded at rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the statement of financial position date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

Foreign currency exchange differences arising on translation of foreign currencies are recognised in the statement of comprehensive income. Foreign currency exchange differences relating to investments at fair value through profit or loss are included in net gain (loss) on investments at fair value through profit or loss.

Redeemable units

Redeemable units are classified as equity. In accordance with the Fund's prospectus, the redemption amounts of the redeemable units are based on last published net asset value. The net asset value includes the Fund's underlying investments, calculated using the closing prices.

Distributions to holders of redeemable shares comprise dividends declared and paid by the Fund to the holders of redeemable shares during the year. Dividends are at the discretion of the Fund. A dividend to the Fund's unit holders is accounted for as a reduction in net assets attributable to holders of redeemable units.

Expenses

All expenses, including the management fees, administration fees, custodian fee, organisational costs and other operational expenses are recognised in the statement of comprehensive income on an accrual basis.

Taxation

Income tax expense comprises current and deferred tax.

Current tax expense (or benefit) is the tax payable (or receivable) on the current year's taxable income calculated using tax rates (and laws) enacted or substantively enacted by the end of the reporting period in each jurisdiction, adjusted for changes in deferred tax assets and liabilities. Current tax expense is recognised in the income statement except when the tax relates to items directly recognised in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity respectively. Tax provisions are recognised for uncertain tax positions when it is probable that there will be a future outflow of funds to a tax authority, measured at the best estimate of the amount expected to become payable.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

3 Material accounting policy information (continued)

Taxation (continued)

Deferred tax is recognised using the liability method on temporary differences arising between the carrying amounts of assets and liabilities in the financial statements and their tax bases. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted as at the reporting date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax liabilities are recognised for all taxable temporary differences, except for goodwill and temporary differences arising from the initial recognition of assets and liabilities in transactions that do not affect taxable or accounting profit. Deferred tax assets are only recognised for temporary differences to the extent that it is probable that future taxable profits will be available against which deductible temporary differences can be utilised.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to by the Fund.

When available, the Fund measures the fair value of an instrument using quoted closing prices in an active market for that instrument. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions on an arm's length basis.

The best evidence of the fair value of a financial instrument at initial recognition is the transaction price, i.e. the fair value of the consideration given or received.

Assets and liabilities are measured at a closing prices.

All changes in fair value, other than dividend income, are recognised in the statement of comprehensive income as net realised and unrealised gain or loss from financial instruments at fair value through profit or loss.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

4 Significant accounting judgements, estimates and assumptions

The preparation of the financial statements in compliance with International Financial Reporting Standards requires the Chief Investment Officer to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The management have not made any significant judgment and estimate in preparation of these financial statements.

5 Cash and cash equivalents

For the purpose of cash flow, cash and cash equivalents comprise of the following:

	31 December 2025 USD	31 December 2024 USD
Bank balances	<u>96,780</u>	<u>3,832,887</u>

Cash held at banks are assessed to have low credit risk of default since these banks are highly regulated by the Central Bank of UAE. Accordingly, Fund estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the cash held at bank at the end of the reporting period are past due and considering the historical default experience and the current credit ratings of the banks, the Fund have assessed that there is no impairment and hence have not recorded any loss allowances on these balances.

6 Related party balances and transactions

Related parties comprise members of the Fund Advisory Board, the Sharia Supervisory Board and the Fund Manager and those entities over which the Fund, members of the Fund Advisory Board, the Sharia Supervisory Board and the Fund Manager can exercise control or significant influence or be controlled or significantly influenced by such entities, including the funds that are managed by the Investment Manager. In the ordinary course of business, the Fund renders and receives services from such related parties at agreed rates, terms and conditions set out by the Fund Manager.

Terms and conditions

Key terms and conditions are shown below:

Banking:

The Fund Manager provides banking services at rates agreed with the Fund.

ADCB Global Sukuk Fund
Notes to the financial statements
For the year ended 31 December 2025

6 Related party balances and transactions (continued)

Others:

The Fund Manager is entitled to investment management fees of 0.85% of net assets value (2024: 0.85%) attributable to unit holders as set out in the Funds' term sheet.

Transactions with the related parties included in the statement of comprehensive income are as follows:

	31 December 2025 USD	31 December 2024 USD
Management fees	<u>90,997</u>	<u>237,972</u>

Balances with related parties that are disclosed in the financial position are as follows:

	31 December 2025 USD	31 December 2024 USD
Number of units held by related parties	<u>584,174</u>	<u>2,136,849</u>
Total value of redeemable units held by related parties (in USD)	<u>5,894,140</u>	<u>20,770,172</u>
Cash and cash equivalents (note 5)	<u>96,780</u>	<u>3,832,887</u>
<i>Due to a related party</i>		
Investment management fees payable to the Fund Manager	<u>28,318</u>	<u>68,144</u>

Compensation of key management personnel

The Fund is managed by the Fund Manager and there are no key management personnel of the Fund.

ADCB Global Sukuk Fund
Notes to the financial statements
For the year ended 31 December 2025

7 Financial assets at fair value through profit or loss

The Fund's financial assets at FVTPL comprise investments in Sukuk that are held for trading. Movement in the balance of financial assets at FVTPL during the year is as follows:

	31 December 2025 USD	31 December 2024 USD
Balance at the beginning of the year	20,186,723	35,213,424
Purchases during the year	4,528,377	60,021,300
Sales during the year	(19,029,152)	(74,465,456)
Net unrealised gain (loss) on financial assets at FVTPL	299,742	(183,480)
Net realised loss on financial assets at FVTPL	(213,264)	(399,065)
	<u>5,772,426</u>	<u>20,186,723</u>

Investments by geography are as follows:

	31 December 2025 USD	31 December 2024 USD
Saudi Arabia	992,857	5,906,836
UAE	497,006	3,994,956
Oman	247,060	3,494,228
Indonesia	749,261	2,467,475
Kuwait	-	1,248,438
Cayman Islands	2,395,557	-
Malaysia	255,718	389,050
Bahrain	-	1,947,540
United Kingdom	-	483,600
Qatar	-	254,600
Luxembourg	519,518	-
Others	115,449	-
	<u>5,772,426</u>	<u>20,186,723</u>

8 Other liabilities

	31 December 2025 USD	31 December 2024 USD
Professional fees	21,388	22,345
Current tax payable (note 12)	32,601	34,825
Custodian fees payable	7,722	3,718
Other payables	109	6,481
	<u>61,820</u>	<u>67,369</u>

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

9 Net assets attributable to holders of redeemable units

Net Asset Value per share is calculated by dividing the net assets by the number of shares outstanding as of year end.

	31 December 2025 USD	31 December 2024 USD
Net asset attributable to unitholders (USD)	<u>5,873,370</u>	<u>24,220,451</u>
Number of units outstanding	<u>584,174</u>	<u>2,494,341</u>
Net asset value per unit (USD)	<u>10.05</u>	<u>9.71</u>

The initial offering of units was at a price of USD 10 per unit (par value). Subsequent to the initial offering, the subscription and redemption price for units is based on the Net Assets Value (NAV) per unit calculated on every Wednesday of each week. Redemption is made at the price per unit as determined at the relevant applicable dealing day without any deductions.

10 Fair values of financial instruments

Fair values

Carrying amounts of all the financial assets and liabilities approximated their fair values at the statement of financial position date.

Fair value hierarchy

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3: Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

As at 31 December 2025 and 31 December 2024, the Fund held the following financial instruments measured at fair value:

	Total USD	Level 1 USD	Level 2 USD	Level 3 USD
31 December 2025				
Financial assets at fair value through profit or loss ("FVTPL")	<u>5,772,426</u>	<u>5,772,426</u>	<u>-</u>	<u>-</u>
	Total USD	Level 1 USD	Level 2 USD	Level 3 USD
31 December 2024				
Financial assets at fair value through profit or loss ("FVTPL")	<u>20,186,723</u>	<u>20,186,723</u>	<u>-</u>	<u>-</u>

ADCB Global Sukuk Fund Notes to the financial statements For the year ended 31 December 2025

10 Fair values of financial instruments (continued)

Fair value hierarchy (continued)

During the year ended 31 December 2025, there were no transfers between or into Level 1, Level 2 and Level 3 fair value measurements (31 December 2024: USD Nil).

11 Financial risk management and objectives

Risk management framework

The Fund's principal financial liabilities consist of amounts due to a related party and other payables. The Fund has financial assets such as financial assets at fair value through profit or loss and bank balances. The Fund's financial assets and liabilities arise directly from its operations.

The Fund Advisory Board has the overall responsibility for the establishment and oversight of the Fund's risk management framework. The Fund is managed by the Investment Manager on the basis of the Fund's investment objectives and guidelines, subject to the supervision of the Fund Advisory Board, on a day-to-day basis. The Advisory Board reviews the activities and performance of the Fund (including Fund's investment strategies as set out in the investment guidelines) and makes appropriate recommendations to the Investment Manager.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly, on an ongoing basis, to reflect changes in market conditions, products and services offered.

The main risks arising from the Fund's financial instruments are as follows:

1. Liquidity risk;
2. Credit risk;
3. Operational risk;
4. Market risk; and
5. Profit rate risk.

The Investment Manager reviews and agrees policies for managing each of these risks which are summarized below:

Liquidity risk

Liquidity risk is the risk that the Fund will be unable to meet its funding requirements. Liquidity risk can be caused by market disruptions or a credit downgrade which may cause certain sources of funding to dry up immediately.

The Fund's approach to manage the risk is to have sufficient liquidity to meet its liabilities, including anticipated redemptions of units, as and when due, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund's liquidity risk is managed on a daily basis by the Investment Manager in accordance with policies and procedures in place. The Fund's overall liquidity risks are monitored on a weekly basis by the Fund Advisory Board.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

11 Financial risk management and objectives- (continued)

Liquidity risk (continued)

Under normal operating conditions, up to 25% of Fund NAV may be held in the form of cash and/or other short-term investments deemed appropriate by the Investment Manager in its sole discretion. Cash will be invested in a Sharia-compliant manner. Under non-normal operating conditions, including events such as providing liquidity for client transactions or during periods of excessive market volatility, cash and / or other short-term investments may account for up to 70% of Fund NAV. The Fund's term sheet provides for the weekly redemption of units and it is therefore exposed to the liquidity risk of meeting unitholders' redemptions at any time. The Fund's redemption policy only allows for redemptions on the last day of each week and unitholders must provide at least four business days prior notice of dealing day.

The Fund's financial instruments include bank balances and listed Sukuk securities which are considered to be readily realisable as they are actively traded globally on major markets.

The maturity profile of assets and liabilities as at 31 December 2025 is as follows:

	Up to three months USD	From three months to one year USD	From one year to five years USD	More than five years USD	Unspecified maturity USD	Total USD
ASSETS						
Bank balances	96,780	-	-	-	-	96,780
Financial assets at fair value through profit or loss	249,373	-	1,415,349	4,107,704	-	5,772,426
Profit receivable from Sukuk	94,302	-	-	-	-	94,302
Total	440,455	-	1,415,349	4,107,704	-	5,963,508
LIABILITIES AND NET ASSETS						
Due to a related party	28,318	-	-	-	-	28,318
Other liabilities	61,820	-	-	-	-	61,820
Total	90,138	-	-	-	-	90,138
Net asset attributable to holders of redeemable units	350,317	-	1,415,349	4,107,704	-	5,873,370

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

11 Financial risk management and objectives (continued)

Liquidity risk (continued)

The maturity profile of assets and liabilities as at 31 December 2024 is as follows:

	Up to three months USD	From three months to one year USD	From one year to five years USD	More than five years USD	Unspecified maturity USD	Total USD
ASSETS						
Bank balances	3,832,887	-	-	-	-	3,832,887
Financial assets at fair value through profit or loss	-	-	7,986,036	12,200,687	-	20,186,723
Profit receivable from Sukuk	345,724	-	-	-	-	345,724
Total	4,178,611	-	7,986,036	12,200,687	-	24,365,334
LIABILITIES AND NET ASSETS						
Due to a related party	68,144	-	-	-	-	68,144
Redemption payable	9,370	-	-	-	-	9,370
Other liabilities	67,369	-	-	-	-	67,369
Total	144,883	-	-	-	-	144,883
Net asset attributable to holders of redeemable units	4,033,728	-	7,986,036	12,200,687	-	24,220,451

The Fund's expected cash flows on these instruments do not vary significantly from this analysis except for net assets attributable to the unitholders, which the Fund has the contractual obligation to redeem within 10 business days from the relevant dealing day. Historical experience indicates that these units are held by unitholders based on medium or long term basis and redemption levels are not expected to exceed 10% of Fund NAV in one dealing day.

Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. It arises principally from cash at bank and Sukuk investments. The Investment Manager attempts to control credit risk by monitoring credit exposures, limiting transactions with specific counterparties, and continually assessing the creditworthiness of counterparties. The maximum credit risk is limited to amounts appearing on the statement of financial position.

Where the credit risk is not in accordance with the investment policy or guidelines of the Fund, the Investment Manager is obliged to rebalance the portfolio as soon as it is reasonably practicable after each determination that the portfolio is not in compliance with the stated investment parameters. The Fund's concentration matrix reflecting diversification is as follows:

ADCB Global Sukuk Fund
Notes to the financial statements
For the year ended 31 December 2025

11 Financial risk management and objectives (continued)

Credit risk (continued)

	31 December	31 December
	2025	2024
	%	%
<i>Geographical diversification:</i>		
Saudi Arabia	17.20	29.26
United Arab Emirates	8.61	19.79
Oman	4.28	17.31
Indonesia	12.98	12.22
Kuwait		6.18
Cayman Islands	41.50	-
Malaysia	4.43	1.93
Bahrain	-	9.65
United Kingdom	-	2.40
Qatar	-	1.26
Luxembourg	9.00	-
Others	2.00	-
	100.00	100.00
	31 December	31 December
	2025	2024
	%	%
<i>Sector diversification:</i>		
Financial	46.05	46.63
Energy	14.11	-
Sovereign	-	17.85
Real Estate	-	9.83
Government	22.13	9.65
Utilities	8.78	7.27
Others	8.93	8.77
	100.00	100.00

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

11 Financial risk management and objectives (continued)

Credit risk (continued)

The Fund's individual significant exposure in its portfolio of investments at fair value through profit or loss is as follows:

Issuer diversification:

31 December 2025			31 December 2024		
Sukuk	%	Credit Ratings	Sukuk	%	Credit Ratings
Perusahaan Penerbit SBSN Indonesia III	8.69	BBB	Perusahaan Penerbit SBSN Indonesia III	12.22	BBB
Malaysia Sukuk Global Bhd	4.57	A-	SUCI SECOND INVEST CO	9.25	A+
TMS ISSUER SARL	-	-	TMS ISSUER SARL	5.04	A
Saudi Electricity Global Sukuk Co 3	8.78	A+	EDO SUKUK LTD	-	-
Aldar Sukuk No 2 Ltd	-	-	ALPHA STAR HLD VII	-	-
DAE Sukuk Dife Ltd	-	-	AL Rajhi Sukuk	-	-
Emaar Sukuk Ltd	3.34	BBB+	Saudi Electricity CO	7.27	A+
DIB Sukuk Ltd	-	-	ESIC Sukuk Ltd	5.03	BBB-
KFH SUKUK CO	-	-	KFH SUKUK CO	6.18	BB+
Almarai Co JSC	4.45	BBB-	ALINMA TIER 1 SUKUK LTD	-	-
DP World Crescent Ltd	-	-	Sultanate of Oman	-	-
AL RAJHI SUKUK LTD	-	-	AL RAJHI SUKUK LTD	-	-
Suci Second Investment Co	-	-	OTEL SUKUK LTD	9.88	BB+
DIB SUKUK LIMITED	-	-	DIB SUKUK LIMITED	8.78	BBB-
Aercap Sukuk Ltd/ Cayman Islands	3.45	(P)BBB+	Dubai Islamic Bank PJSC	-	-
Esic Sukuk Ltd	-	-	Malaysia Wakala Sukuk	-	-
Al Rajhi Bank	-	-	EMAAR SUKUK LTD	5.99	BBB
SA Global Sukuk Ltd	-	-	Kingdom of Bahrain	9.65	B+
Perusahaan Penerbit SBSN Indonesia III	4.44	BBB			
Oman Sovereign Sukuk Co	-	-			

Cash and cash equivalents

The Fund's bank balances are with the custodian. There were no significant concentrations of credit risk to any individual issuer or group of issuers as at 31 December 2025 and 31 December 2024 except the bank balances which are held with the custodian.

Settlement risk

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions, the Fund mitigates this risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

ADCB Global Sukuk Fund Notes to the financial statements For the year ended 31 December 2025

11 Financial risk management and objectives (continued)

Operational risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Fund cannot expect to eliminate all operational risks, but through a control framework and by monitoring and responding to potential risks, the Fund is able to manage the risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes.

The Fund's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation whilst achieving its investment objective of generating returns to investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the Investment Manager. This responsibility is supported by the development of overall standards for the management of operational risk, which encompasses the controls and processes at the service providers and the establishment of service levels with the service providers, in the following areas:

- Requirements for appropriate segregation of duties between various functions, roles and responsibilities
- Requirements for the reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements
- Documentation of controls and procedures
- Requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified
- Contingency plans
- Ethical and business standards
- Risk mitigation, including insurance where this is effective.

Compliance with policies and procedures is supported by periodic reviews undertaken by the Investment Manager's Audit and Compliance Division. The results of these reviews are discussed with the management, with summaries submitted to the Audit Committee and senior management of the Investment Manager.

The Investment Manager's assessment over the adequacy of the controls and processes in place at the service providers with respect to operational risks is carried out via regular discussions with the service providers.

Substantially all of the securities of the Fund are held with reputable custodians. Bankruptcy or insolvency of the custodians may cause the Fund's rights with respect to the securities held by the custodian to be delayed or limited. The Investment Manager monitors the credit ratings, internal control and financial position of its custodians on a periodic basis.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

11 Financial risk management and objectives (continued)

Market risk

Market risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual security, or its issuer, or factors affecting all securities traded in the market.

The Fund is exposed to market risk with respect to its investments. The Fund limits market risk by investing in a balanced portfolio of Sukuk based on Islamic Sharia Rules and Principles, listed in globally recognized markets. The Fund's market risk is managed on a daily basis by the Investment Manager in accordance with the policies and procedures in place. The Fund's overall market positions are monitored by the Fund Advisory Board on periodic basis.

Currency risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Fund has set limits on positions by currency. Positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within established limits. There are no restrictions on the currency in which the Sukuk are denominated. However, non-USD and non-USD-pegged currencies should not account for more than 50% of the Fund's net assets value and no single non-USD currency should account for more than 20% of the Fund's net assets value.

The exchange rate of AED, which is the Fund's largest non-USD currency, is pegged against US Dollar and hence the Fund's exposure to currency risk is limited to that extent. Since the majority of the assets and liabilities are in USD or in foreign currencies pegged with the USD, the Investment Manager estimates that any reasonable possible changes in exchange rates would not have a significant impact on the Fund's financial statements.

As there are no foreign investments held at 31 December 2025 and 31 December 2024 thus the Fund is not exposed to any currency risk.

Profit rate risk

Profit rate risk is the risk that arises from timing difference in the re-pricing of the Fund's profit bearing assets and liabilities.

Profit rate risk in trading book is applicable to the Fund's exposure to various Sukuk holdings issued by Governments and Corporates which are classified as Fair Value through Profit and Loss ("FVTPL"). The market value of these Sukuk is impacted as a result of fluctuations in the prevailing levels of profit rates on cash flows. The Investment Manager sets limits on the maximum exposure allowable as a result of adverse profit rate movement.

If the profit rates increased/decreased by 200 basis points, with all other variables remaining constant, the impact on the market value of Sukuk classified at fair value through profit and loss will be as follows:

ADCB Global Sukuk Fund
Notes to the financial statements
For the year ended 31 December 2025

11 Financial risk management and objectives (continued)

Profit rate risk (continued)

Impact on results of the Fund:

	31 December 2025 USD	31 December 2024 USD
Increase of 200 basis points change in profit rates	(635,544)	(2,270,677)
Decrease of 200 basis points change in profit rates	806,408	2,861,781

In addition to profit rate risk on financial assets at fair value through profit or loss, the Fund does not have any other profit bearing financial assets and liabilities which are exposed to profit rate risk.

Other price risk

Other price risk is the risk that the fair value of the financial instrument will fluctuate as a result of changes in market prices (other than those arising from currency and profit rate risk), whether caused by factors specific to an individual investment, its issuer or all factors affecting all instruments traded in the market. As the majority of the Fund's financial instruments are carried at fair value with fair value changes recognised in the statement of comprehensive income, all changes in market conditions will directly affect net investment income.

Price risk is managed by the Investment Manager by constructing a diversified portfolio of instruments, in different industry sectors and traded on different markets. Under normal circumstances the Fund invests in the trading instruments in accordance with the investment guidelines.

As per the prospectus of the Fund, the policy for concentration of its investment portfolio profile is as follows:

- Unrated sovereign Sukuk should not account for more than 10% of the Fund's net assets.
- Convertible Sukuk should not account for more than 10% of the Fund's net assets.
- Any Sukuk issuance at the time of investing in them should not account for more than 15% of the Fund's net assets and should not account for more than 15% of the issuance. The Fund shall not invest more than 20% of the Fund's net assets in securities issued by the same group of corporate entities.
- Sovereign and quasi-sovereign issuances should account for at least 30% of the Fund's net assets. The classification of an issuance as quasi-sovereign shall be determined by the Investment Manager in its sole discretion. No more than 60% of the Fund's net assets should be held in Sukuk issued by entities in the UAE and, in relation to all other jurisdictions, no more than 50% of the Fund's net assets.
- Under normal operating conditions, up to 25% of the Fund's net assets may be held in the form of cash and/or other short-term investments deemed appropriate by the Investment Manager in its sole discretion. Cash will be invested in a Sharia-compliant manner. Under non-normal operating conditions, including events such as providing liquidity for client transactions or during periods of excessive market volatility, cash and or other short-term investments may account for up to 70% of the Fund's net assets.

ADCB Global Sukuk Fund

Notes to the financial statements

For the year ended 31 December 2025

11 Financial risk management and objectives (continued)

Profit rate risk (continued)

Where the market risk is not in accordance with the investment policy or guidelines of the Fund, the Investment Manager is obliged to rebalance the portfolio as soon as is reasonably practicable after each determination that the portfolio is not in compliance with the stated investment parameters.

The Fund estimates the future reasonably possible market price fluctuations for Sukuk investments on an individual investment basis.

Capital management

The primary objective of the Fund's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize unitholders value.

The Fund's capital is represented by the number of units outstanding. The objective of the Fund is to invest the subscriptions amounts in a portfolio with a view to both achieve and provide capital growth and attractive returns over medium term, while reducing directional downward risk in underlying market.

The Fund aims to deliver this objective mainly through investing in a balanced portfolio as per the Fund's investment guidelines while maintaining sufficient liquidity to meet unitholders' redemptions. The Fund has complied with the externally imposed requirements.

12 Corporate income tax

On December 9, 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 has become effective for accounting periods beginning on or after June 1, 2023.

Article 4 of the Federal Decree Law lists certain categories of persons exempt from the UAE CT Law, including Qualifying Investment Funds. However, the Fund Manager has assessed that the Fund does not meet the conditions outlined in Article 10 of the UAE CT Law Federal Decree Law to qualify as a Qualifying Investment Fund ("QIF").

Current tax is measured at the amount expected to be paid to or recovered from the tax authorities, based on tax rates and legislation that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is measured using tax rates and legislation that are enacted or substantively enacted by the reporting date, and which are expected to apply in the periods when the related assets and liabilities are realised or settled.

Below is the summary of total income tax expense recognised in the statement of comprehensive income

	31 December 2025	31 December 2024
	USD	USD
Current tax expense	20,796	34,825
Deferred tax expense	-	-
Total tax expense	20,796	34,825

ADCB Global Sukuk Fund
Notes to the financial statements
For the year ended 31 December 2025

12 Corporate income tax (continued)

Reconciliation between the tax expense/ benefit and profit or loss multiplied by applicable tax rate:

The reconciliation of tax expense to the accounting profit before tax is as follows:

	31 December 2025 USD	31 December 2024 USD
Profit before taxation	464,341	357,884
Tax at statutory rate of 9%	41,791	34,825
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
Income subject to corporate tax at statutory rate of 0%	(9,190)	-
Tax adjustment pertaining to prior year (reversal of excess provision)	(11,805)	-
Income tax expense	20,796	34,825

The tax rate applicable in the UAE is 9% (2024: 9%) for taxable profits exceeding USD 102,110. The effective tax rate is 4.5% (31 December 2024: 10%).

The movement in income tax provision for the year ended 31 December 2025 is as follows:

	31 December 2025 USD	31 December 2024 USD
At the beginning of the year	34,825	Nil
Charge for the year	20,796	34,825
Payments during the year	(23,020)	Nil
At the end of the year	32,601	34,825

Deferred taxes analyzed by type of temporary difference:

Differences between IFRS Accounting Standards and statutory taxation regulations in the UAE give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases.

As no temporary differences were identified, the Fund has not recognized any deferred tax impact in its financial statements.

13 Commitments and contingent liabilities

The Fund has no significant contingent liabilities and commitments at the reporting date (31 December 2024: USD Nil).

ADCB Global Sukuk Fund Notes to the financial statements For the year ended 31 December 2025

14 Subsequent events

There were no other subsequent events after the reporting year which affect the financial statements as at 31 December 2025.

15 Approval of financial statements

The financial statements were approved and authorised for issuance by the Chief of Investment Officer on 27 March 2026.