

Fund Manager Report

Investment Objective

To provide competitive, risk-adjusted returns to its investors, the portfolio invests in a diversified mix of long-, medium-, and short-term Shariah-compliant debt instruments, taking into account liquidity considerations.

Fund Manager's Comments

During the month, the fund size increased from PKR 1456.91 million to PKR 1471.2 million. The fund achieved a monthly, annualized return of 8.74% for the month ended May 31, 2025, outperforming its benchmark, which returned 10.61% during the same period.

Category of CIS	Risk Profiling	Risk of Principal Erosion
Shariah Compliant Income Scheme	Medium	Principal at Medium Risk

Fund Statistics	
Name of Fund	786 Smart Fund
Type	Open End
Category	Shariah Compliant Income Scheme
Net Assets	PKR 1471.2 million
Net Assets Value per unit	PKR 94.9932
Wt. average Time to maturity	0.59
Benchmark	75% six (6) months PKISRV rates + 25% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP*
Trustee & Custodian	Digital Custodian Company Limited
Auditor	Reanda Haroon Zakaria & Company
Registrar	M/s F.D. Registrar Services (SMC-Pvt) Limited
Launch Date	19-May-2003
Listing	PSX
Duration	Perpetual
Management Fee	1.50% per annum
Total Expense Ratio**	Ytd 2.18% Mtd 2.16%
Sales Load	1% Front End
Pricing Mechanism	Forward
Leverage	Nil
Risk Profile	Medium
AMC Rating	AM3 (20 Dec 2024)
Stability Rating	AA-(f) by PACRA (17 Oct 2024)
Subscription	PKR. 5,000/-

* effective from Jan 01, 2025; Previously 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP

* This includes Ytd | 0.32% and Mtd | 0.32% representing Government Levy and SECP Fee. (Annualized)

TOP TEN DEBT SECURITIES

INVESTEE COMPANY	Type	% of Total Assets
Mughal Iron & Steel Industries Ltd (26-3-2025)	SUKUK	13.06%
Pak Electron Limited ST Sukuk-8	SUKUK	11.45%
Select Technologies Pvt Ltd (13-12-2024)	SUKUK	10.10%
Pakistan Telecommunication Co Ltd. Sukuk XI	SUKUK	7.41%
K-Electric Company Ltd. (23-11-22)	SUKUK	6.19%
Pakistan Elecron Limited (05-12-2024)	SUKUK	3.37%
Dubai Islamic Bank Ltd. (02-12-22)	SUKUK	2.98%
Ismail Industries Limited - Sukuk 4	SUKUK	2.22%
Lucky Electric Power Company Ltd Sukuk-21	SUKUK	2.02%
K-Electric Company Ltd. (24-04-25)	SUKUK	1.42%

Details of Non-Compliant Investment

Name of Investment	Type	Value before Provision	Provision (if any)	Value after Provision	% of Net Assets	% of Gross Assets
Dewan Cement Ltd.	Pre-IPO Investment	4,188,789	4,188,789	-	0.00%	0.00%
New Allied Electronics Industires Ltd.	TFC	32,655,939	32,655,939	-	0.00%	0.00%
New Allied Electronics Industires Ltd.	Sukuk	5,027,500	5,027,500	-	0.00%	0.00%
Eden Housing Ltd.	Sukuk	2,887,171	2,887,171	-	0.00%	0.00%
Amtext Ltd.	Sukuk	22,500,000	22,500,000	-	0.00%	0.00%
Agha Steel Industries Limited	Sukuk	10,200,000	3,060,000	7,140,000	0.49%	0.48%

Registered Address

786 Investments Limited

G3, BRR Tower, Hassan Ali Street, Off I. I. Chundrigar Road, Karachi 74000, Pakistan
UAN: (92 21) 111-DAWOOD (329663) Tel: (92 21) 32603751-54
Email: info@786investments.com
URL: www.786investments.com

Cut-off Timings

Business / Dealing Days	Business Hours	Cut-off Timmings
Monday - Friday	09:00 am - 6:00 pm	9:00 am - 4:00 pm

Other Information

The calculation of performance does not include the cost of a front-end load. 786SF has provided annualize return 14.96 due to agreement executed between the Management Company and Dewan Cement Ltd. for recovery of fully provided TFC of Dewan Cement Ltd.

The scheme holds certain non-compliant investments. Before making any investment decision, investors are advised to review the latest Monthly Fund Manager Report and Financial Statements

Dispute Resolution/Complaints Handling:

Investors may lodge their complaints to our Investor Services Department through any of the following options where our dedicated staff is available to provide assistance. Call at 92-21 111 329 663 , Email at info@786investments.com or submit our website <https://www.786investments.com/investor-complaints/>. In case your complaint has not been redressed by us, you may lodge your complaint with SECP at the link <https://sdms.secp.gov.pk/>. However, please note that SECP will entertain only those complaints which were at first directly requested to be redressed by the Company and the Company has failed to redress the same. Further, the complaints that are not relevant to SECP's regulatory domain/competence shall not be entertained by the SECP.

Disclaimer

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. Past performance is not necessarily indicative of future results. Please read the Offering Document to understand investment policies and the risks involved.

(MUFAP's recommended format)