

### 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 1471.2 million to PKR 1513.81 million. The fund achieved a monthly, annualized return of 8.99% for the month ended June 30, 2025, outperforming its benchmark, which returned 10.84% during the same period.

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

Fund Statistics	
<b>Name of Fund</b>	786 Smart Fund
<b>Type</b>	Open End
<b>Category</b>	Shariah Compliant Income Scheme
<b>Net Assets</b>	PKR 1513.81 million
<b>Net Assets Value per unit</b>	PKR 84.0647
<b>Wt. average Time to maturity</b>	0.64
<b>Benchmark</b>	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*
<b>Trustee &amp; Custodian</b>	Digital Custodian Company Limited
<b>Auditor</b>	Reanda Haroon Zakaria & Company
<b>Registrar</b>	M/s F.D. Registrar Services (SMC-Pvt) Limited
<b>Launch Date</b>	19-May-2003
<b>Listing</b>	PSX
<b>Duration</b>	Perpetual
<b>Management Fee</b>	1.50% per annum
<b>Total Expense Ratio**</b>	Ytd 2.18%   Mtd 2.14%
<b>Sales Load</b>	1% Front End
<b>Pricing Mechanism</b>	Forward
<b>Leverage</b>	Nil
<b>Risk Profile</b>	Medium
<b>AMC Rating</b>	AM3 (20 Dec 2024)
<b>Stability Rating</b>	AA-(f) by PACRA (17 Oct 2024)
<b>Subscription</b>	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	12.70%
Pakistan Telecommunicaiton Co Ltd. Sukuk XI	SUKUK	7.20%
K-Electric Company Ltd. (23-11-22)	SUKUK	6.02%
Dubai Islamic Bank Ltd. (02-12-22)	SUKUK	2.90%
Ismail Industries Limited - Sukuk 4	SUKUK	2.16%
Lucky Electric Power Company Ltd Sukuk-21	SUKUK	1.96%
Mughal Iron & Steel Industries Ltd (03-6-2025)	SUKUK	1.57%
K-Electric Company Ltd. (24-04-25)	SUKUK	1.38%
Agha Steel Industries Limited	SUKUK	0.47%
Bankislami Pakistan Limited	SUKUK	0.21%

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 Industries Ltd.	TFC	32,655,939	32,655,939	-	0.00%	0.00%
New Allied Electronics Industries 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%
Amtek 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	0.47%	0.47%

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	

Asset Allocation ( % of Total Assets)		
Assets	Jun-25	May-25
<b>Sukuk</b>	<b>36.57%</b>	60.91%
<b>Bank Balances</b>	<b>61.39%</b>	36.33%
<b>Others</b>	<b>2.04%</b>	2.76%

Asset Allocation (Credit Quality)		
Credit Quality	Jun-25	May-25
<b>AAA</b>	<b>61.19%</b>	42.00%
<b>AA</b>	<b>16.74%</b>	11.35%
<b>AA-</b>	<b>2.16%</b>	15.29%
<b>A+</b>	<b>17.18%</b>	17.81%
<b>A</b>	<b>0.21%</b>	10.31%
<b>D</b>	<b>0.47%</b>	0.48%
<b>Unrated</b>	<b>2.05%</b>	2.76%

Fund Returns		
Periods	Returns	Benchmark
<b>June 2025</b>	<b>8.99%</b>	<b>10.84%</b>
<b>FYTD 2025</b>	<b>14.57%</b>	<b>10.37%</b>
<b>Rolling 12 Months June 2025</b>	14.57%	10.37%
<b>FY 2024</b>	22.72%	10.10%
<b>FY 2023</b>	18.84%	6.06%
<b>FY 2022</b>	10.81%	3.34%
<b>FY 2021</b>	5.49%	3.11%
<b>FY 2020</b>	10.90%	6.41%
<b>FY 2019</b>	11.12%	12.93%
<b>FY 2018</b>	11.86%	6.22%
<b>FY 2017</b>	16.32%	5.98%
<b>FY 2016</b>	22.61%	6.50%
<b>last 10 years</b>	14.52%	6.74%

Returns are computed on the basis of NAV to NAV with dividend reinvested  
The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

Investment Committee	
<b>Tara Uzra Dawood</b>	Chief Executive Officer
<b>Noman Shakir</b>	Chief Financial Officer
<b>Muhammad Abbas</b>	Vice President - Fund Manager
<b>Muhammad Ali</b>	Head of Compliance

Cut-off Timings		
Business / Dealing Days	Business Hours	Cut-off Timmings
<b>Monday - Friday</b>	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 14.57 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.