

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 1511.63 million to PKR 1529.88 million. The fund achieved a monthly, annualized return of 8.73% for the month ended August 31, 2025, outperforming its benchmark, which returned 9.29% 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 1529.88 million
Net Assets Value per unit	PKR 85.3258
Wt. average Time to maturity	0.6
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 2.06% Mtd 2.06%
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

INVESTE COMPANY	Type	% of Total Assets
Mughal Iron & Steel Industries Ltd (26-3-2025)	SUKUK	12.56%
Pakistan Telecommunication Co Ltd. Sukuk XI	SUKUK	7.12%
K-Electric Company Ltd. (23-11-22)	SUKUK	5.63%
Ismail Industries Limited - Sukuk 5	SUKUK	3.24%
Lucky Electric Power Company Ltd Sukuk-22	SUKUK	3.11%
Dubai Islamic Bank Ltd. (02-12-22)	SUKUK	2.88%
Loads Limited Sukuk (23-7-2025)	SUKUK	1.62%
Mughal Iron & Steel Industries Ltd (03-6-2025)	SUKUK	1.55%
K-Electric Company Ltd. (24-04-25)	SUKUK	1.36%
Agha Steel Industries Limited	SUKUK	0.40%
BankIslami Pakistan Limited	SUKUK	0.21%

	Asset Allocation (% of Total Assets)	
Assets	Aug-25	Jul-25
Sukuk	39.67%	38.18%
Bank Balances	59.01%	60.34%
Others	1.32%	1.48%

Asset Allocation (Credit Quality)

Credit Quality	Aug-25	Jul-25
AAA	39.08%	32.82%
AA+	16.72%	16.25%
AA-	3.24%	2.16%
AA	20.41%	27.84%
A+	17.01%	17.20%
A	1.82%	1.85%
D	0.40%	0.40%
Unrated	1.32%	1.48%

Fund Returns

Periods	Returns	Benchmark
August 2025	8.73%	9.29%
FYTD 2026	8.83%	9.68%
Rolling 12 Months August 2025	12.09%	10.16%
FY 2025	14.57%	10.37%
FY 2024	22.72%	10.10%
FY 2023	18.84%	6.06%
FY 2022	10.81%	3.34%
FY 2021	5.49%	3.11%
FY 2020	10.90%	6.41%
FY 2019	11.12%	12.93%
FY 2018	11.86%	6.22%
FY 2017	16.32%	5.98%
FY 2016	22.61%	6.50%
last 10 years	14.52%	7.10%
Peer Group Average Return		9.24%
5 years Peer Group Average Return		13.57%

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

Tara Uzra Dawood	Chief Executive Officer
Noman Shakir	Chief Financial Officer
Muhammad Abbas	Vice President - Fund Manager
Muhammad Ali	Head of Compliance

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%
Amtext Ltd.	Sukuk	22,500,000	22,500,000	-	0.00%	0.00%
Agha Steel Industries Limited	Sukuk	10,200,000	4,080,000	6,120,000	0.40%	0.40%

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 Timings
Monday - Friday	09:00 am - 6:00 pm	9:00 am - 4:00 pm

Other Information

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.

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