

### 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 1438.02 million to PKR 1445.36 million. The fund achieved a monthly, annualized return of 9.25% for the month ended December 31, 2025, outperforming its benchmark, which returned 9.30% during the same period.

Category of CIS	Risk Profiling	Risk of Principal Erosion	Fund Statistics			Asset Allocation ( % of Total Assets)		
Shariah Compliant Income Scheme	Medium	Principal at Medium Risk	Name of Fund	786 Smart Fund	Assets	Dec-25	Nov-25	
Type	Open End		Type	Shariah Compliant Income Scheme	Sukuk	57.00%	57.23%	
Category			Net Assets	PKR 1445.36 million	Bank Balances	39.45%	41.22%	
Net Assets			Net Assets Value per unit	PKR 87.9999	Others	3.55%	1.55%	
Wt. average Time to maturity	0.92							
Benchmark								
Trustee & Custodian								
Auditor								
Registrar								
Launch Date								
Listing								
Duration								
Management Fee								
Total Expense Ratio**								
Sales Load								
Pricing Mechanism								
Leverage								
Risk Profile								
AMC Rating								
Stability Rating								
Subscription								

\*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			Fund Returns		
INVESTEE COMPANY	Type	% of Total Assets	Periods	Returns	Benchmark
Mughal Iron & Steel Industries Ltd (26-3-2025)	SUKUK	13.30%	December 2025	9.25%	9.30%
Thatta Cement Limited - (10-10-25) LTS	SUKUK	10.28%	FYTD 2026	9.29%	9.39%
Pakistan Telecommunicaiton Co Ltd. STS	SUKUK	13.02%	Rolling 12 Months December 2025	9.53%	10.06%
K-Electric Company Ltd. (23-11-22)	SUKUK	5.62%	FY 2025	14.57%	10.37%
Ismail Industries Limited - Sukuk 5	SUKUK	3.43%	FY 2024	22.72%	10.10%
Lucky Electric Power Company Ltd Sukuk-22	SUKUK	3.29%	FY 2023	18.84%	6.06%
Dubai Islamic Bank Ltd. (02-12-22)	SUKUK	3.04%	FY 2022	10.81%	3.34%
Daewoo Pakistan Bus Services Limited -Sukuk (30- Loads Limited Sukuk (23-7-2025)	SUKUK	1.71%	FY 2021	5.49%	3.11%
K-Electric Company Ltd. (24-04-25)	SUKUK	1.37%	FY 2020	10.90%	6.41%
		1.45%	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		10.00%
			5 years Peer Group Average Return		13.30%

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
Norman Shakir	Chief Financial Officer
Muhammad Abbas	Vice President - Fund Manager
Aazim Khan	Head of Risk and Compliance

Details of Non-Compliant Investment					
Name of Investment	Type	Value before Provision	Provision (if any)	Value after Provision	% of Net Assets
New Allied Electronics Industries Ltd.	TFC	32,655,939	32,655,939	-	0.00%
New Allied Electronics Industries Ltd.	Sukuk	5,027,500	5,027,500	-	0.00%
Amtex Ltd.	Sukuk	22,500,000	22,500,000	-	0.00%
Eden Housing Ltd.	Sukuk	2,887,171	2,887,171	-	0.00%
Agha Steel Industries Limited	Sukuk	10,200,000	6,120,000	4,080,000	0.28%

Registered Address	Cut-off Timings		
786 Investments Limited	Business / Dealing Days	Business Hours	Cut-off Timmings
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	Monday - Friday	09:00 am - 6:00 pm	9:00 am - 4:00 pm

#### Other Information

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)