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786 INVESTMENTS LIMITED



786 ISLAMIC MONEY MARKET FUND

**FOR THE
HALF YEAR ENDED
DECEMBER 31, 2025
(UN-AUDITED)**



786 ISLAMIC MONEY MARKET FUND

CORPORATE INFORMATION

Management Company	786 Investments Limited G-3 B.R.R. Tower, Hassan Ali Street, Off I.I. Chundrigar Road, Karachi - 74000 Pakistan Tel: (92-21) 32603751-54 Email: info@786investments.com Website: www.786investments.com	
Board of Directors	Mr. Ahmed Salman Munir Miss Tara Uzra Dawood Mr. Nadeem Akhtar Mr. Naveed Ahmed Syed Musharaf Ali Mr. Iqbal Shafiq Mr. Ahmer Zia Sarwar	Chairperson Chief Executive Officer Director Director Director Director Director
Chief Financial Officer & Company Secretary	Mr. Noman Shakir	
Audit Committee	Mr. Ahmer Zia Sarwar Mr. Naveed Ahmed Syed Musharaf Ali	Chairman Member Member
Human Resource Committee	Mr. Ahmed Salman Munir Miss Tara Uzra Dawood Mr. Naveed Ahmed	Chairperson Member Member
Trustee:	Digital Custodian Company Limited (formerly: MCB Financial Services Limited) 4th Floor, Pardasi House, 2/1 R-Y old Queens Road, Karachi	
Auditors	Reanda Haroon Zakaria & Company Chartered Accountants	
Legal Advisor	Rauf & Ghaffar Law Associates (Advocates & Consultants) Suite # 65, 5th Floor, Fareed Chamber, Abdullah Haroon Road, Saddar – Karachi, Pakistan.	
Registrars	F.D. Registrar Services (Pvt.) Ltd. Office# 1705, 17th Floor Saima Trade Tower. A, I.I. Chundrigar Road, Karachi-74000, Pakistan.	
Banker:	Al Baraka Bank (Pakistan) Limited Faysal Bank Limited United Bank Limited	
Rating	Not Applicable	



786 ISLAMIC MONEY MARKET FUND

DIRECTORS' REPORT FOR THE HALF YEAR ENDED DECEMBER 31, 2025

The Board of Directors of **786 Investments Limited**, referred to as '786' or 'the Company,' which serves as the Management Company of **786 Islamic Money Market Fund (786 IMMF)**, is pleased to present the audited financial statements for the half yearly period ended December 31, 2025.

Economic & Money Market Review:

As at December 2025, Pakistan's economy remained influenced by global economic trends, with moderate growth in key trading partners supporting exports and remittances. Inflationary pressures have eased, aided by declining global commodity prices, while interest rates and liquidity conditions in the domestic money market remained broadly stable. Global growth is projected at 3.3 percent in 2025, with trade volume expanding by 3.4 percent, providing opportunities for Pakistan's export sectors. The outlook for energy prices and imported inflation is favorable, supporting domestic stability, while ongoing structural reforms continue to underpin prospects for sustainable economic growth.

In 2025, Pakistan's economy showed cautious stabilization, supported by policy discipline and structural reforms. The SBP reduced the policy rate to 10.5% after a cumulative 1,100 basis points cut. Headline inflation eased to 5.61% in December, averaging 3.5% for the year. The external sector improved with a US\$ 100 million current account surplus, foreign reserves of US\$ 15.9 billion, and the rupee at 280.12 per US dollar, aided by remittances of US\$ 16.15 billion (+9.33% YoY). Structural reforms included resolving over PKR 1 trillion in power sector debt and progress under the IMF EFF (US\$ 3.1 billion disbursed; US\$ 3.9 billion pending). Capital markets rebounded, with the KSE-100 Index up 51%, gold up 73%, seven new listings, and the 75% privatization of PIA. CPEC Phase II attracted US\$ 5 billion in commitments, and the KSE-100 is projected at 214,000 by December 2026.

Stock Market Review & Outlook

Pakistan's equity market mirrored broader economic stabilization in 2025. The KSE-100 Index surged 51%, delivering a two-year cumulative return of 179%, despite episodic volatility from regional conflicts and global uncertainties. Gold outperformed, rising 73%, while seven new capital market listings, including GEM Board entries, reflected renewed investor confidence. A major structural milestone was the 75% privatization of PIA, signaling progress in the government's reform agenda. Looking ahead, structural reforms, improved fiscal discipline, and supportive macroeconomic conditions are expected to sustain market momentum, with the KSE-100 Index projected at 214,000 by December 2026.

Auditors' Report:

The Auditors in their review report on half-year ended December 31, 2025, concluded as under:

- Based on our review, nothing has come to the attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for the interim financial reporting.

Fund Performance

As of December 31, 2025, net assets stood at PKR 447.394 million, compared to PKR 100.690 million as of December 31, 2024. The Net Asset Value (NAV) per unit increased from PKR 105.13 to PKR 100.40 during the period, resulting in a fiscal year-to-date (FYTD) return for 2026 of 9.33%, compared to its benchmark FYTD 2026 return of 9.63% for the same period. The performance of the Fund is net of management fees and other expenses.

The Fund's net income during the period stood at PKR 19.016 million, compared to PKR 0.690 million in the same period last year. Total expenses amounted to PKR 1.783 million, compared to PKR 0.818 million in the same period last year.



786 ISLAMIC MONEY MARKET FUND

Acknowledgement

We extend our most sincere gratitude to our shareholders and valued customers for their continued trust and patronage. Our heartfelt thanks also go to the dedicated 786 team for their hard work and commitment. Additionally, we express our appreciation to regulatory authorities, particularly the Securities & Exchange Commission of Pakistan and Pakistan Stock Exchange Ltd, for their continued professional guidance and support.

On behalf of the board of
786 Investments Limited

----SD----
Chairperson

----SD----
Director

Date: **February 26, 2026**
Place: Karachi



786 ISLAMIC MONEY MARKET FUND

ڈائریکٹرز کی رپورٹ

786 اسلامی منی مارکیٹ فنڈ (IMMF 786) کی بیجمنٹ کمپنی، 786 انویسٹمنٹ لمیٹڈ (786 ایڈی کمپنی) کے بورڈ آف ڈائریکٹرز 31 دسمبر 2024 کو ختم ہونے والی ششماہی کے نظر جانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

معاشی ذمی مارکیٹ جائزہ

دسمبر 2025 تک پاکستان کی معیشت عالمی معاشی رجحانات سے متاثر رہی، تاہم اہم تجارتی شراکت دار ممالک میں معتدل نمونے برآمدات اور ترسیلات زر کو سہارا فراہم کیا۔ عالمی اجناس کی قیمتوں میں کمی کے باعث مہنگائی کے دباؤ میں کمی آئی جبکہ ملکی منی مارکیٹ میں شرح سود اور لیکویڈیٹی کی صورتحال عمومی طور پر مستحکم رہی۔ عالمی شرح نمو 2025 میں 3.3 فیصد جبکہ عالمی تجارتی حجم میں 3.4 فیصد اضافے کی پیش گوئی کی گئی ہے، جو پاکستان کی برآمدات کے لیے مثبت مواقع فراہم کرتا ہے۔ توانائی کی قیمتوں اور درآمدی مہنگائی کے حوالے سے منظر نامہ سازگار رہے جبکہ جاری سائنسی اصلاحات پائیدار معاشی استحکام کی بنیاد رکھ رہی ہیں۔

2025 کے دوران اسٹیٹ بینک آف پاکستان نے مجموعی طور پر 1,100 بیسیس پوائنٹس کمی کے بعد پالیسی ریٹ 10.5 فیصد تک کر دیا۔ دسمبر میں مہنگائی کی شرح 5.61 فیصد رہی جبکہ سالانہ اوسط 3.5 فیصد رہی۔ بیرونی کھاتہ بہتر ہوا اور 100 ملین امریکی ڈالر کا کرنٹ اکاؤنٹ سرپلس ریکارڈ کیا گیا۔ زرمبادلہ کے ذخائر 15.9 ارب امریکی ڈالر تک پہنچ گئے جبکہ روپے کی قدر 280.12 امریکی ڈالر رہی۔ ترسیلات زر 16.15 ارب امریکی ڈالر رہیں جو سال بہ سال 9.33 فیصد اضافہ ظاہر کرتی ہیں۔ توانائی کے شعبے میں ایک کھرب روپے سے زائد گردش قرض کے حل اور آئی ایم ایف پروگرام کے تحت پیش رفت اہم سنگ میل رہی۔ سرمایہ منڈیوں میں نمایاں بہتری آئی، کے ایس ای-100 انڈیکس میں 51 فیصد اضافہ ہوا جبکہ سونے کی قیمت میں 73 فیصد اضافہ ریکارڈ کیا گیا۔

اسٹاک مارکیٹ جائزہ و مستقبل کا منظر نامہ

2025 میں پاکستان کی ایکویٹی مارکیٹ نے مجموعی معاشی استحکام کی عکاسی کی۔ کے ایس ای-100 انڈیکس میں 51 فیصد اضافہ ہوا جبکہ دو سالہ مجموعی منافع 179 فیصد رہا، اگرچہ علاقائی تنازعات اور عالمی غیر یقینی صورتحال کے باعث قوی اتار چڑھاؤ بھی دیکھنے میں آیا۔ پی آئی اے کی 75 فیصد بھکاری اور نئی لسٹنگ نے سرمایہ کاروں کے اعتماد کو تقویت دی۔ مستقبل میں سائنسی اصلاحات، مالیاتی نظم و ضبط اور سازگار معاشی حالات کے باعث مارکیٹ میں مثبت رجحان برقرار رہنے کی توقع ہے، اور دسمبر 2026 تک کے ایس ای-100 انڈیکس کے 214,000 پوائنٹس تک پہنچنے کی پیش گوئی کی جا رہی ہے۔

آڈیٹرز کی رپورٹ

آڈیٹرز نے 31 دسمبر 2025 کو ختم ہونے والی ششماہی مدت کے عبوری مالیاتی گوشواروں پر اپنی جائزہ رپورٹ میں درج ذیل رائے دی ہے:

”ہمارے جائزے کی بنیاد پر ہمیں کوئی ایسی بات معلوم نہیں ہوئی جس سے یہ ظاہر ہو کہ یہ عبوری مالیاتی گوشوارے پاکستان میں لاگو اکاؤنٹنگ اور رپورٹنگ معیارات کے مطابق تمام اہم پہلوؤں میں تیار نہیں کیے گئے ہیں۔“

فنڈ کی کارکردگی

31 دسمبر 2025 تک فنڈ کے خالص اثاثے 447.394 ملین روپے رہے، جو کہ 31 دسمبر 2024 کو 100.690 ملین روپے تھے۔ نی یونٹ نیٹ ایسیٹ و لیو (NAV) 105.13 روپے سے کم ہو کر 100.40 روپے رہی۔ مالی سال 2026 کے لیے اب تک کی واپسی (FYTD) 9.33 فیصد رہی جبکہ اسی مدت میں شیئہ مارکیٹ کی واپسی 9.63 فیصد رہی۔

فنڈ کی کارکردگی بیجمنٹ فیس اور دیگر اخراجات منہا کرنے کے بعد ہے۔ مدت کے دوران خالص آمدنی 19.016 ملین روپے رہی جبکہ گزشتہ سال اسی مدت میں یہ 0.690 ملین روپے تھی۔ مجموعی اخراجات 1.783 ملین روپے رہے جو گزشتہ سال اسی مدت میں 0.818 ملین روپے تھے۔



786 ISLAMIC MONEY MARKET FUND

اظہار تشکر
ڈائریکٹرز سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (SECP) اور دیگر ریگولیٹری اداروں کے قابل قدر تعاون، مدد اور رہنمائی کے لیے ان کا شکریہ ادا کرتے ہیں۔ بورڈ اثاثہ منیجمنٹ کمپنی کے ملازمین، ہسٹری کا ان کی لگن اور محنت کے لیے، اور یونٹ ہولڈرز کا منیجمنٹ پر ان کے اعتماد کے لیے بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ
786 انویسٹمنٹ لمیٹڈ

---SD---

ڈائریکٹر

---SD---

چیئر پرسن

تاریخ: 26 فروری 2026

مقام: کراچی



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REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

786 ISLAMIC MONEY MARKET FUND

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

The 786 Islamic Money Market Fund has been established through a Trust Deed (the Deed), dated February 29, 2024 entered into and between 786 Investments Limited, the Management Company, and Digital Custodian Company Limited, the Trustee.

1. 786 Investments Limited, the Management Company of 786 Islamic Money Market Fund has, in all material respects, managed 786 Islamic Money Market Fund during the period ended December 31st, 2025 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement.
2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and

Statement

No short coming has been addressed during the period ended December 31st, 2025.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the short coming(s).

Disclosure of the steps

We have critically examine the fund in accordance with circular, directives, NBFC Regulations 2008 and its constitutive documents. However, no shortcoming has been addressed.

4. Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

D.K.L

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KARACHI

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+92 21 3241 9770



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Trustee Opinion

“The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents”.


Dabeer Khan
Manager Compliance
Digital Custodian Company Limited

Karachi: February 26, 2026

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TO THE MEMBERS OF 786 ISLAMIC MONEY MARKET FUND REPORT ON REVIEW OF INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **786 Islamic Money Market Fund** (“the fund”) as at December 31, 2025 and the related condensed interim statement of profit or loss, statement of other comprehensive income, condensed interim statement of movement in unit holders, condensed interim statement of cash flows, and condensed interim notes to the financial statements for the six-month period then ended (here-in-after referred to as the “interim financial statements”). Management company (786 investment limited) is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed statement of profit or loss and condensed interim statement of other comprehensive income for the three-months period ended December 31, 2025 have not been reviewed as we are required to review only the cumulative figures for the six months period ended December 31, 2025.

The engagement partner on the review resulting in this report on interim financial statements is **Farhan Ahmed Memon**.



Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

Place: Karachi
Dated:

UDIN: RR202510147ZN8tQm1H0

Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

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786 ISLAMIC MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES (UNAUDITED)
AS AT DECEMBER 31, 2025

	<i>Note</i>	<i>Un-Audited December 31, 2025</i>	<i>Audited June 30, 2025</i>
		----- Rupees -----	
ASSETS			
Balances with banks	4	445,489,914	420,920,731
Investments	5	-	15,000,000
Accrued income/profit	6	3,135,969	2,462,619
Security Deposit		100,000	-
Preliminary expenses and floatation costs		490,417	550,025
TOTAL ASSETS		449,216,300	438,933,375
LIABILITIES			
Payable to 786 Investments Limited - Management Company	7	203,606	98,237
Payable to Digital Custodian Company Limited - Trustee	8	42,083	56,717
Payable to Securities and Exchange Commission of Pakistan	9	22,906	16,650
Accrued expenses and other liabilities	10	1,553,676	1,484,875
TOTAL LIABILITIES		1,822,271	1,656,479
Contingencies and Commitments	11	-	-
NET ASSETS		447,394,029	437,276,896
Unit Holders' Funds		447,394,029	437,276,896
		<i>(Number)</i>	
NUMBER OF UNITS IN ISSUE	12	4,255,828	4,355,336
		<i>(Rupees)</i>	<i>(Rupees)</i>
Net assets value per unit		105.13	100.40

The annexed notes from 1 to 18 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

ph:



Chief Executive Officer



Chief Financial Officer



Director

786 ISLAMIC MONEY MARKET FUND
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE SIX MONTHS AND THREE MONTH ENDED DECEMBER 31, 2025

	Note	Six Months Period Ended December 31,		Three Months Period Ended December 31,	
		2025	2024	2025	2024
----- Rupees -----					
INCOME					
Income from investments and balances with banks	13	20,800,225	1,508,603	9,606,199	1,508,603
EXPENSES					
Remuneration to the management company	7.1	626,578	288,320	284,951	288,320
Sindh sales tax on remuneration to the management company	7.2	93,986	43,248	42,742	43,248
Accounting and operational charges	7.3	-	19,221	-	19,221
Remuneration to the trustee	8.1	300,447	138,526	147,609	138,526
Sindh sales tax on trustee fee	8.2	45,068	20,776	22,100	20,776
Annual fee to Securities and Exchange Commission of Pakistan	9	156,644	14,416	71,135	14,416
Auditor's remuneration		229,693	129,499	114,847	129,499
Fees and subscription		65,533	69,490	32,767	69,490
Securities transactions cost		4,213	-	397	-
Legal and professional charges		199,375	86,320	101,573	86,320
Amortization Of Preliminary Expenses		59,608	-	-	-
Printing and related charges		2,534	8,334	2,461	8,334
		<u>1,783,679</u>	<u>818,150</u>	<u>820,582</u>	<u>818,150</u>
Net income for the year before Levy and tax		<u>19,016,546</u>	<u>690,453</u>	<u>8,785,617</u>	<u>690,453</u>
Levy		-	-	-	-
Net income for the period before tax		<u>19,016,546</u>	<u>690,453</u>	<u>8,785,617</u>	<u>690,453</u>
Taxation		-	-	-	-
Net income for the period after tax		<u>19,016,546</u>	<u>690,453</u>	<u>8,785,617</u>	<u>690,453</u>
Allocation of net income for the period					
Net income for the period		19,016,546	690,453	8,726,009	690,453
Income already paid on units redeemed		(3,690,866)	-	(1,796,231)	-
Accounting income available for distribution:		<u>15,325,680</u>	<u>690,453</u>	<u>6,989,386</u>	<u>690,453</u>
Relating to capital gain		-	-	-	-
Excluding capital gain		15,325,680	690,453	6,929,778	690,453
		<u>15,325,680</u>	<u>690,453</u>	<u>6,989,386</u>	<u>690,453</u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

PL



Chief Executive Officer



Chief Financial Officer



Director

786 ISLAMIC MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME(UN-AUDITED)
FOR THE SIX MONTHS AND THREE MONTH ENDED DECEMBER 31, 2025

	<i>Six Months Period Ended</i>		<i>Three Months Period Ended</i>	
	<i>December 31,</i>		<i>December 31,</i>	
<i>Note</i>	<i>2025</i>	<i>2024</i>	<i>2025</i>	<i>2024</i>
	<i>----- Rupees -----</i>			
Net income for the period after taxation	19,016,546	690,453	8,726,009	690,453
Unrealized Gain / (loss) on revaluation of investments classified as fair value through other comprehensive income - net	-	-	-	-
5.3	-	-	-	-
Total comprehensive income for the period	19,016,546	690,453	8,726,009	690,453

The annexed notes from 1 to 18 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

M.



Chief Executive Officer



Chief Financial Officer



Director

786 ISLAMIC MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UNAUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025

	December 31, 2025				December 31, 2024			
	Capital Value	Undistributed Income	Unrealized Gain/ (Loss) on Investment	Total	Capital Value	Undistributed Income	Unrealized Gain/ (Loss) on Investment	Total
----- Rupees -----								
Net assets at beginning of the year	437,379,778	(102,882)	-	437,276,896	-	-	-	-
Issue of 1,964,316 units								
Issue of 1,000,000 units								
- Capital value (at net asset value per unit at the beginning of the period)	197,217,873	-	-	197,217,873	-	-	-	-
- Element of income	4,782,127	-	-	4,782,127	100,000,000	-	-	100,000,000
Total proceeds on issuance of units	202,000,000	-	-	202,000,000	100,000,000	-	-	100,000,000
Redemption of 2,063,824 units								
- Capital value (at net asset value per unit at the beginning of the period)	(207,208,547)	-	-	(207,208,547)	-	-	-	-
- Amount paid out of element of income	-	(3,690,866)	-	(3,690,866)	-	-	-	-
- Refund/adjustment on units as element of income	-	-	-	-	-	-	-	-
Total payments on redemption of units	(207,208,547)	(3,690,866)	-	(210,899,413)	-	-	-	-
Net income for the year before Levy and tax	-	19,016,546	-	19,016,546	-	690,453	-	690,453
Refund of Capital	-	-	-	-	-	-	-	-
Other comprehensive income/ (loss)	-	-	-	-	-	-	-	-
	-	19,016,546	-	19,016,546	-	690,453	-	690,453
Net assets at end of the period	432,171,231	15,222,798	-	447,394,029	100,000,000	690,453	-	100,690,453
Undistributed (loss)/income brought forward								
- Realized Income	-	-	-	-	-	-	-	-
- Unrealized income	-	-	-	-	-	-	-	-
Accounting income available for distribution								
- Relating to capital gain	15,325,680	-	-	15,325,680	690,453	-	-	690,453
- Excluding capital gain	-	-	-	-	-	-	-	-
	15,325,680	-	-	15,325,680	690,453	-	-	690,453
Distribution during the period	-	-	-	-	-	-	-	-
Undistributed Income carried forward	15,325,680	-	-	15,325,680	690,453	-	-	690,453
Undistributed Income carried forward								
- Realized Income	15,325,680	-	-	15,325,680	690,453	-	-	690,453
	15,325,680	-	-	15,325,680	690,453	-	-	690,453
Net assets value per unit at beginning of the year	100.40	-	-	100.40	-	-	-	100.40
Net assets value per unit at end of the period	105.13	-	-	105.13	-	-	-	105.13

The annexed notes from 1 to 18 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

PL



Chief Executive Officer



Chief Financial Officer



Director

786 ISLAMIC MONEY MARKET FUND
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025

		<i>Six Months Period Ended</i>	
		<i>December 31,</i>	
		<i>2025</i>	<i>2024</i>
		<i>--- Rupees ---</i>	
A.	CASH FLOWS FROM OPERATING ACTIVITIES		
		<i>Note</i>	
	Net income for the year before Levy and tax	19,016,546	690,453
	Adjustments For:		
	Income from investments and balances with banks	(20,800,225)	(1,508,603)
	Operating Profit Before Working Capital Changes	<u>(1,783,679)</u>	<u>(818,150)</u>
	Changes in working capital		
	(Increase) in Assets		
	Preliminary expenses and floatation costs	59,608	(550,025)
	Security Deposit	(100,000)	-
	Increase/(Decrease) in Liabilities		
	Payable to 786 Investments Limited - Management Company	105,369	166,433
	Payable to Digital Custodian Company Limited - Trustee	(14,634)	85,559
	Payable to Securities and Exchange Commission of Pakistan	6,256	6,401
	Accrued expenses and other liabilities	68,801	843,668
		<u>165,792</u>	<u>1,102,061</u>
	Net cash generated / (used in) in from operating activities	<u>(1,658,279)</u>	<u>(266,114)</u>
	Income taxes paid	-	-
	Net cash generated / (used in) in from operating activities	<u>(1,658,279)</u>	<u>(266,114)</u>
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Proceeds from Investments - net	15,000,000	-
	Profit received on investments and balances with banks	20,126,875	653,736
	Net cash generated from investing Activities	<u>35,126,875</u>	<u>653,736</u>
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Amounts received against issue of units	202,000,000	100,000,000
	Payment made against redemption of units	(210,899,413)	-
	Net cash generated / (used in) from financing Activities	<u>(8,899,413)</u>	<u>100,000,000</u>
	Net decrease in cash and cash equivalents	<u>24,569,183</u>	<u>100,387,622</u>
	Cash and cash equivalents at beginning of the year	420,920,731	-
	Cash and cash equivalents at end of the period	<u>445,489,914</u>	<u>100,387,622</u>

The annexed notes from 1 to 18 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

M.



Chief Executive Officer



Chief Financial Officer



Director

786 ISLAMIC MONEY MARKET FUND
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 786 Islamic Money Market Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on October 22, 2024 between 786 Investments Limited as the Management Company and the Digital Custodian Company Limited as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorized constitution of the Trust Deed vide letter no. SCD/AMCW/786MMF/2023/179 dated November 3, 2023 in accordance with the requirements of the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

1.2 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at G3, B.R.R Tower, Hassan Ali Street, I.I Chundrigar Road, Karachi, Pakistan.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at G3, B.R.R Tower, Hassan Ali Street, I.I Chundrigar Road, Karachi, Pakistan.

1.3 The Fund aims to provide a stable stream of income to its unit holders, with a focus on capital preservation by investing in banks and money market instruments rated AA or higher.

1.4 The objective of the Fund is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah compliant debt instruments while taking into account liquidity considerations.

1.5 Title to the assets of the Fund are held in the name of Digital Custodian Company Limited as the Trustee of the Fund.

1.6 The Fund is categorized as "Shariah Compliant Money Market" as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CIS).

1.7 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM3" to the Management Company as at December 20, 2024

1.8 The funds are required to be registered under the "Sindh Trusts Act, 2020" (the Sindh Trust Act). Due to the enactment of the Sindh Trusts Act, 2020 (as amended by the Sindh Trusts (Amendment) Act, 2021), trusts, including collective investment and private funds, which are considered specialized trusts, must be registered with the Assistant Director of Industries and Commerce (Trust Wing), Government of Sindh, under Section 12A of the Sindh Trusts Act, 2020. Accordingly, on February 29 2024, the Trust Deed of the fund was registered under the Sindh Trust Act.

1.9 Significant events or transactions

There are no significant events or transactions during the period.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with approved accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprises of:

- International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of the directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non Banking Finance Companies (Establishment and Regulation) Rules 2003 (the NBFC Rules), Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.2 Accounting Estimates and Judgements

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a degree of judgment or complexity, or areas where estimates and assumptions are significant to the financial statements are as follows:

- Classification and measurement of financial assets (notes 3.1 and 5)
- Impairment of financial assets (note 3.1.1.3)
- Taxation (notes 3.4 and 16)
- Classification and measurement of financial liabilities (note 3.1.2.1)
- Contingencies and commitments (note 12)

Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for certain investments which are stated at fair value.

2.4 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied unless otherwise stated.

		<i>Un-Audited</i> <i>December 31,</i> <i>2025</i>	<i>Audited</i> <i>June 30,</i> <i>2025</i>
	<i>Note</i>	<i>----- Rupees -----</i>	
4 BALANCES WITH BANKS			
- Bank accounts	4.1	<u>445,489,914</u>	<u>420,920,731</u>

4.1 These saving accounts carry profit at rates ranging from 9.5% to 10.12% (June 30, 2025: 9% to 11%) per annum.

		<i>Un-Audited</i> <i>December 31,</i> <i>2025</i>	<i>Audited</i> <i>June 30,</i> <i>2025</i>
	<i>Note</i>	<i>----- Rupees -----</i>	
5 INVESTMENTS			

Unlisted - Sukuk certificates		<u>-</u>	<u>15,000,000</u>
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5.1 At fair value through other comprehensive income

Cost / Carrying Value of Investment	5.2	-	15,000,000
Net unrealized gain in fair value of investments-closing		-	-
Fair value of investments		<u>-</u>	<u>15,000,000</u>

		<i>Un-Audited</i>	<i>Audited</i>
		<i>December 31,</i>	<i>June 30,</i>
		<i>2025</i>	<i>2025</i>
	<i>Note</i>	<i>----- Rupees -----</i>	
6 ACCRUED INCOME/PROFIT			
- Income from profit and loss sharing (PLS) accounts		3,135,969	563,959
- Income from sukuk certificates		-	1,898,660
		<u>3,135,969</u>	<u>2,462,619</u>

**7 PAYABLE TO 786 INVESTMENTS LIMITED -
MANAGEMENT COMPANY**

Management remuneration	7.1	91,626	-
Sindh sales tax payable	7.2	13,743	-
Accounting and operational charges	7.3	98,237	98,237
		<u>203,606</u>	<u>98,237</u>

7.1 In accordance with the provisions of the Trust Deed of the Fund, the Management Company is entitled to charge a remuneration fee at the rate of 1.5% per annum of the average annual net assets of the Fund, calculated on a daily basis.

However, the Management Company, as a gesture of support to the Fund and its investors, has voluntarily reduced its remuneration rate and is currently charging 0.3% per annum on the average annual net assets of the Fund, calculated on a daily basis.

7.2 The Sindh Provincial Government has levied Sindh Sales tax at the rate of 15% (June 2025: 15%) on Management Company's remuneration.

7.3 Pursuant to the amendments introduced in the NBFC Regulations, 2008 vide S.R.O. 600(I)/2025 dated April 10, 2025, certain expenses are no longer eligible to be charged to the Collective Investment Schemes (CIS). These include registrar services, accounting, operation and valuation services, along with other specified costs.

Accordingly, effective from the date of notification, the Fund has not charged any accounting, registrar, operational, or valuation-related expenses to the Scheme.

		<i>Un-Audited</i>	<i>Audited</i>
		<i>December 31,</i>	<i>June 30,</i>
		<i>2025</i>	<i>2025</i>
	<i>Note</i>	<i>----- Rupees -----</i>	
8 PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE			
Trustee Remuneration	8.1	36,594	49,319
Sindh sales tax payable on Trustee remuneration	8.2	5,489	7,398
		<u>42,083</u>	<u>56,717</u>

8.1 According to the provisions of the Trust Deed of the 786 Islamic Money Market Fund, the Trustee is entitled to monthly remuneration for services rendered to the Fund as follows:

On net assets:

- Up to Rs.1 billion	Rs.0.6 million or 0.15% per annum of the net assets of the Fund computed on a daily basis whichever is higher.
- Exceeding Rs.1 Billion	Rs.0.6 million plus 0.09% per annum of the net assets of the Fund computed on a daily basis exceeding Rs.1 billion.

8.2 The Sindh Provincial Government has levied Sindh Sales tax at the rate of 15% (June 2025: 15%) on Management Company's remuneration.

9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents the annual fee payable to SECP as amended in clause 'c' of Schedule II of the Non-Banking Financial Companies (NBFC) Regulation 2008, read in conjunction with regulation 62 of the NBFC Regulation 2008. This fee became applicable from July 1, 2023, and it mandates that the Fund must remit to SECP an amount equal to 0.075% of the average daily net assets. This payment is due within fifteen days following the conclusion of each calendar month of the Collective Investment Scheme.

		<i>Un-Audited</i> <i>December 31,</i> <i>2025</i>	<i>Audited</i> <i>June 30,</i> <i>2025</i>
	<i>Note</i>	<i>----- Rupees -----</i>	
10 ACCRUED EXPENSES AND OTHER LIABILITIES			
Other liabilities	10.1	550,025	550,025
Accrued expenses	10.2	1,003,651	934,850
		<u>1,553,676</u>	<u>1,484,875</u>

10.1 This represents payable to 786 Investment Limited in respect of preliminary expenses.

		<i>Un-Audited</i> <i>December 31,</i> <i>2025</i>	<i>Audited</i> <i>June 30,</i> <i>2025</i>
		<i>----- Rupees -----</i>	
10.2 Accrued expenses			
Auditors' remuneration payable		184,493	361,600
Rating fee payable - PACRA		150,410	100,000
PSX fee payable		165,123	150,000
Printing and related expenditure payable		-	19,000
Shariah and tax advisors fee payable		503,625	304,250
		<u>1,003,651</u>	<u>934,850</u>

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2025.

<i>Un-Audited</i>	<i>Audited</i>
<i>December 31,</i>	<i>June 30,</i>
<i>2025</i>	<i>2025</i>
<i>Number of Units</i>	

12 NUMBER OF UNITS IN ISSUE

Total outstanding as of July 01	4,355,336	-
Issued during the period	1,964,316	5,597,861
Redemption during the period	<u>(2,063,824)</u>	<u>(1,242,525)</u>
Closing units	<u>4,255,828</u>	<u>4,355,336</u>
	<i>2025</i>	<i>2024</i>
	<i>December 31,</i>	

13 INCOME FROM INVESTMENTS AND BALANCES WITH BANKS

- Sukuk certificates	615,004	-
- Profit and loss sharing (PLS) account	<u>20,185,221</u>	<u>1,508,603</u>
	<u>20,800,225</u>	<u>1,508,603</u>

14 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund for the period ending on December 31, 2025, is 0.79%, which includes 0.14% representing government levies on the Fund, such as federal excise duties and sales taxes, as well as the annual fee payable to the SECP, among other expenses. This ratio is within the maximum limit of 2% (June 2025: 2%) prescribed under the NBFC Regulations for a collective investment scheme categorised as a Shariah Compliant Money Market scheme.

15 TAXATION

The Fund's income is exempt from income tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income available for distribution by the Fund to the unit holders in cash in the manner as explained above accordingly, no provision for taxation has been made in these financial statements.

16 TRANSACTIONS WITH RELATED PARTIES/CONNECTED PERSONS

Related party/connected person include 786 Investments Limited being the Management Company, other collective investment schemes managed by the Management company, Digital Custodian Company Limited formerly (MCB Financial Services Limited) being the Trustee of the Fund, Directors and Officers of the Management Company, other associated undertakings and unit holder's holding more than 10% units in the Fund or any other connected person.

Remuneration payable to the Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations 2008 and the Trust Deed respectively.

The transactions with related parties are in the normal course of business and at contracted rates and terms determined in accordance with market rates.

Aggregate transactions and balances with related parties, associated undertakings and connected person which are not disclosed elsewhere in the notes are as follows:

	<i>Note</i>	<i>Un-Audited December 31, 2025</i>	<i>Un-Audited December 31, 2024</i>
		<i>---- Rupees----</i>	
16.1 Transactions during the Period Ended			
<i>786 Investments Limited - Management Company</i>			
Remuneration of the management company	7.1	<u>626,578</u>	<u>288,320</u>
Sales tax on remuneration to the management company	7.2	<u>93,986</u>	<u>43,248</u>
<i>Dawood Family Takaful Limited</i>			
Issue of 993,809 Units (June 2025: 1,000,000 Units)		<u>100,000,000</u>	<u>100,000,000</u>
<i>Digital Custodian Company Limited - Trustee</i>			
Remuneration of the Trustee	8.1	<u>300,447</u>	<u>138,526</u>
Sales tax on Trustee fee	8.2	<u>45,068</u>	<u>20,776</u>
16.2 Balance as at period ended			
<i>786 Investments Limited - Management Company</i>			
Investment 1,294,047 Units (June 2025: 1,294,047 Units)		<u>136,036,639</u>	<u>129,922,658</u>
Remuneration payable to the management company	7	<u>91,626</u>	<u>-</u>
Sales tax payable on management company's remunerati	7	<u>13,743</u>	<u>-</u>
Accounting and operational charges	7	<u>98,237</u>	<u>98,237</u>
<i>Digital Custodian Company Limited - Trustee</i>			
Remuneration payable to the Trustee	8	<u>36,594</u>	<u>49,319</u>
Sales tax payable on Trustee fee	8	<u>5,489</u>	<u>7,398</u>
<i>Dawood Family Takaful Limited</i>			
Investment 1,990,794 Units (June 2025: 996,985 Units)		<u>209,282,187</u>	<u>100,097,605</u>

16.3 The transactions with related parties/connected persons are in the normal course of business at contracted rates and terms, determined in accordance with market rates.

17 GENERAL

Figures have been rounded off to the nearest rupee.

18 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue by the board of directors of the Management Company on February 26, 2026.

**For 786 Investments Limited
(Management Company)**

pl.



Chief Executive Officer



Chief Financial Officer



Director



BOOK POST



If undelivered, please return to:
786 SMART FUND
G-3, B.R.R. Tower,
Hassan Ali Street,
Off I.I. Chundrigar Road,
Karachi - 74000 Pakistan



Managed By:
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Trustee: Digital Custodian Company
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