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786 INVESTMENTS LIMITED



786 ISLAMIC MONEY MARKET FUND

**ANNUAL REPORT
2026**



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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 Compaany 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	PACRA: AA(f)	



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Mission Statement

To offer our unit holders the best possible return by expertly diversifying the Fund's investment portfolio into minimal risk and high yielding instruments and at all time to be a good corporate citizen.



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REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of 786 Investments Limited. ("786" or the "Company") the Management Company of **786 Islamic Money Market Fund** is pleased to present the annual report and the audited financial statements of the Company for the year ended June 30, 2026.

Economic Review:

The global economy remained resilient during 2025 despite heightened trade tensions, geopolitical uncertainties, elevated public debt and challenging financial conditions. Global growth is estimated at 2.8% in 2025 and is projected at 2.7% in 2026, with a gradual improvement to 2.9% in 2027, while global inflation is expected to moderate from 3.4% in 2025 to 3.1% in 2026. Although continued disinflation and monetary easing may support economic activity and investment, the outlook remains subject to risks arising from trade policy uncertainty, geopolitical tensions, financial market volatility and limited fiscal space. Global trade growth is also expected to moderate in 2026 following the temporary boost from front-loaded shipments in 2025. Against this backdrop, businesses are expected to remain focused on operational efficiency, prudent financial management, market diversification and effective risk management, while technological developments, particularly in artificial intelligence and digital infrastructure, present opportunities for productivity and long-term growth.

Pakistan's external sector remained broadly stable during FY2025-26, although the current account recorded a modest deficit of USD 139 million, compared with a surplus of USD 1.838 billion in FY2024-25. The deficit represented only 0.03% of GDP, compared with a surplus of 0.45% in the previous year. Towards the close of the fiscal year, the current account recorded a deficit of USD 649 million in June 2026, following a surplus of USD 500 million in May 2026, reflecting some pressure on the external account.

Despite these pressures, Pakistan's external liquidity position strengthened, supported by inflows from multilateral institutions. As of June 24, 2026, SBP-held foreign exchange reserves increased by USD 611 million to USD 16.5 billion, while total liquid foreign exchange reserves reached USD 22.0 billion, including USD 5.5 billion held by commercial banks. The improvement in reserves provided greater resilience to the country's external financing position and supported overall macroeconomic stability.

Money Market Review:

The State Bank of Pakistan maintained the policy rate at 11.50% following its Monetary Policy Committee meeting held on June 15, 2026, amid rising inflationary pressures and a gradual economic recovery. Inflation increased from 7.3% in March to 10.9% in April and 11.7% in May 2026, mainly driven by higher fuel costs, adjustments in the petroleum levy and administered energy prices, along with their pass-through to transportation, food and production costs.

Despite these inflationary pressures, economic activity continued to recover gradually, supported by improving external-sector conditions and overall macroeconomic stabilisation.

Fund Overview

786 Islamic Money Market Fund was launched on October 22, 2024, as a Shariah-compliant open-end money market scheme. The Fund aims to provide competitive returns to investors by investing primarily in low-risk, Shariah-compliant money market instruments.

Fund Performance

As of June 30, 2026, the net assets of the Fund stood at PKR 669.80 million, with a Net Asset Value (NAV) per unit of PKR 100.54. During the period, the Fund generated total income of PKR 43.25 million, primarily from investments and bank balances. Total expenses for the period amounted to PKR 3.43 million, resulting in net income after taxation of PKR 39.82 million. The accounting income available for distribution during the period amounted to PKR 32.40 million.



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Corporate Governance and Financial Reporting Framework

The Directors are pleased to state as follows:

The Directors are pleased to state as follows:

1. The financial statements, prepared by the company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
2. Proper books of account have been maintained by the company.
3. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
4. International Financial Reporting Standards, as applicable in Pakistan, have been followed in preparation of financial statements and any departures there from has been adequately disclosed and explained.
5. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further.
6. There are no significant doubts upon the company's ability to continue as a going concern.
7. There has been no material departure from the best practices of Corporate Governance except as disclosed in the statement of compliance annexed with these financial statements.
8. There is no statutory payment on account of taxes, duties, levies and charges outstanding.
9. During the year 2025-26, the no transactions were recorded.

The Company has complied with the requirement of the Regulation and LISTED COMPANIES (CODE OF CORPORATE GOVERNANANCE) REGULATIONS, 2019 in the following manner.

The total number of directors is seven (7), as follows:

- a) Male: 6
b) Female: 1

The Composition of board is as follows:

Category	Names	Designation
Independent Directors	Mr. Ahmed Salman Munir Mr. Nadeem Akhtar Mr. Ahmer Zia Sarwa	Chairperson Director Director
Executive Director	Ms. Tara Uzra Dawood	Chief Executive Officer
Non-Executive Directors	Syed Musharaf Ali Mr. Naveed Ahmed Mr. Iqbal Shafiq	Director Director Director
Female Directors	Ms. Tara Uzra Dawood	Chief Executive Officer



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Board of Directors Meetings

During the year, four meetings were held. The attendance of each Director is as follows:

Name	No of Meetings held	No of Meetings attended	Leave granted
Ms. Tara Uzra Dawood	4	4	-
Mr. Iqbal Shafiq	4	2	2
Syed Musharaf Ali	4	4	-
Mr. Nadeem Akhtar	4	3	1
Mr. Ahmed Salman Munir	4	2	1
Mr. Naveed Ahmed	4	4	-
Mr. Ahmer Zia Sarwar	4	4	-

Audit Committee Meeting

During the year, four meetings were held. The attendance of each member is as follows:

Name	No of Meetings held	No of Meetings attended	Leave granted
Ahmer Zia Sarwar	4	4	-
Syed Musharaf Ali	4	4	-
Mr. Naveed Ahmed	4	4	-

Directors Remuneration

The remuneration of the Non-Executive Directors, Independent Directors and Chief Executive Officer for attending Board and its Committees meetings is determined by the Company in the General Meeting. The remuneration of the Directors is determined on the basis of prevailing industry trends and business practices. The details of remuneration paid to the Chief Executive Officer and Directors are available in note 32 to the financial statements.

Auditors

The Auditors, M/s Yousuf Adil, Chartered Accountants, have given their consent to act as auditors of the Fund. The Board Audit Committee has recommended their appointment as auditors of the 786 Islamic Money Market Fund for the year ending June 30, 2027, at the same remuneration as that of the previous year. The Board has endorsed the recommendation.

Dividend

The Board of Directors declared a cash dividend of PKR 9.052 per unit on June 19, 2026.

Sales and Redemption Units

During the period, 9,771,809 units amounting to PKR 1,026 million were issued, while 7,465,163 units amounting to PKR 801.65 million were redeemed. As of June 30, 2026, the total number of outstanding units stood at 6,661,983, valued at PKR 669.80 million.

Events after the Balance Sheet Date

There was no subsequent event after the Balance sheet date.



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Acknowledgement

The Board of Directors of the Management Company is thankful to the Securities and Exchange Commission of Pakistan and the management of the Pakistan Stock Exchange Limited for their continued support and cooperation.

The Directors also appreciate the efforts of the employees of the Company for their commitment and dedication and thank the shareholders for their continued confidence in the Company.

Ahmed Salman Munir
Chairperson

Director

September 14, 2026
Karachi.



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آڈٹ کمیٹی کا اجلاس

سال کے دوران، چار اجلاس منعقد ہوئے۔ ہر ایک ڈائریکٹر کی حاضری حسب ذیل ہے:

نام	منعقدہ اجلاس کی تعداد	اجلاسوں میں شرکت کی تعداد	تعطیل
جناب احمد ضیاء سرور	4	4	-
سید مشرف علی	4	4	-
جناب نوید احمد	4	4	-

ڈائریکٹر کا مشاہرہ

بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے لئے نان ایگزیکٹو ڈائریکٹرز، آزاد ڈائریکٹرز اور چیف ایگزیکٹو آفیسر کے مشاہرہ کا تعین کمیٹی اجلاس عام میں کرتی ہے۔ ڈائریکٹرز کا مشاہرہ موجودہ انڈسٹری رجحانات اور کاروباری پیکسز کی بنیاد پر مبین کیا جاتا ہے۔ چیف ایگزیکٹو آفیسر اور ڈائریکٹرز کو ادا کئے جانے والے مشاہرہ کی تفصیلات مالی حسابات کے نوٹ 32 میں دستیاب ہیں۔

محاسب کا تقرر

محاسب، میسرز یوسف عادل، چارٹرڈ اکاؤنٹنٹس نے فنڈ کے محاسب کی حیثیت سے خدمات انجام دینے پر اپنی رضا مندی ظاہر کی ہے۔ بورڈ کی آڈٹ کمیٹی نے 1786 سلاک منی مارکیٹ فنڈ کے 30 جون 2027 کو ختم ہونے والے سال کے لیے انہیں محاسب مقرر کرنے کی سفارش کی ہے، جبکہ ان کا معاوضہ گزشتہ سال کے مساوی رکھنے کی تجویز دی گئی ہے۔ بورڈ نے اس سفارش کی توثیق کر دی ہے۔

ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 19 جون 2026 کو 9.052 روپے فی یونٹ نقد ڈیویڈنڈ کا اعلان کیا ہے۔

پنشن کی کیلکولیشن اور ریٹرنیشن

اس عرصہ کے دوران، 1,026 ملین روپے کی مالیت کے 9,771,809 پنشن جاری، جبکہ 801.65 ملین روپے کی مالیت کے 7,465,163 پنشن کی ریٹرنیشن کی گئی۔ 30 جون 2026 تک، بتایا پنشن کی کل تعداد 6,661,983 تھی، جس کی مالیت 669.80 ملین روپے تھی۔

بعد از بیٹلنس شیٹ واقعات

بیٹلنس شیٹ کی تاریخ کے بعد کوئی دیگر واقعہ نہیں ہوا۔

اظہار تشکر

مئنيجمنٹ کمیٹی کے بورڈ آف ڈائریکٹرز سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کے مسلسل تعاون اور معاونت پر ان کے تہ دل سے شکر گزار ہیں۔ ڈائریکٹرز کمیٹی کے ملازمین کی محنت، عزم اور لگن کو بھی سراہتے ہیں اور شیئر ہولڈرز کا کمیٹی پر مسلسل اعتماد برقرار رکھنے پر شکریہ ادا کرتے ہیں۔

ڈائریکٹر

احمد سلمان میمن
چیئر پرسن

14 ستمبر 2026ء
کراچی



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کارپوریٹ گورننس اور مالیاتی رپورٹنگ کا دائرہ کار

ڈائریکٹرز بخوشی بیان کرتے ہیں کہ:

- 1 کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور، آپریٹنگ کے نتائج، نقدی بہاؤ اور ایکٹیوٹی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- 2 کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- 3 مالی حسابات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کو تسلسل کے ساتھ لاگو کیا گیا ہے اور اکاؤنٹنگ کے تخمینہ جات مناسب اور دانشمندانہ فیصلوں پر مبنی ہیں۔
- 4 مالی حسابات کی تیاری میں پاکستان میں لاگو بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی پیروی کی گئی ہے اور کسی انحراف کا واضح انکشاف اور وضاحت کی گئی ہے۔
- 5 اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- 6 کمپنی کے گولڈنک کنٹریں ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- 7 کارپوریٹ گورننس کے بہترین عمل سے کوئی مادی انحراف نہیں کیا گیا ہے سوائے جن کا مالی گوشواروں کے ساتھ منسلک تفصیلی بیان میں انکشاف کیا گیا۔
- 8 سیکسز، ڈیپوٹیز، لیویز اور ہٹایا چارجز کی مد میں کوئی قانونی ادائیگی نہیں ہے۔
- 9 سال 2025-26 کے دوران، کوئی لین دین نہیں کیا گیا۔

کمپنی نے درج ذیل انداز میں لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) رگولیشنز 2019 اور رگولیشن کے تقاضوں کی تعمیل کی ہے۔

ڈائریکٹرز کی کل تعداد سات (7) درج ذیل کے مطابق ہے:

(a) - مرد 6

(b) - خاتون 1

بورڈ کی ترتیب درج ذیل ہے:

کینگری	نام	عہدہ
آزاد ڈائریکٹر	جناب احمد سلمان منیر جناب ندیم اختر جناب احمر ضیاء سرور	چیئر پرسن ڈائریکٹر ڈائریکٹر
ایگزیکٹو ڈائریکٹر	محترمہ تارا عزیز اداؤد	چیف ایگزیکٹو آفیسر
نان ایگزیکٹو ڈائریکٹر	سید شرف علی جناب نوید احمد جناب اقبال شفیق	ڈائریکٹر ڈائریکٹر ڈائریکٹر
خاتون ڈائریکٹر	محترمہ تارا عزیز اداؤد	چیف ایگزیکٹو آفیسر

بورڈ آف ڈائریکٹرز کے اجلاس

سال کے دوران، چار اجلاس منعقد ہوئے۔ ہر ایک ڈائریکٹر کی حاضری حسب ذیل ہے:

نام	منعقدہ اجلاس کی تعداد	اجلاسوں میں شرکت کی تعداد	تفصیل
محترمہ تارا عزیز اداؤد	4	4	-
جناب اقبال شفیق	4	2	2
سید شرف علی	4	4	-
جناب ندیم اختر	4	3	1
جناب احمد سلمان منیر	4	2	1
جناب نوید احمد	4	4	-
جناب احمر ضیاء سرور	4	4	-



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مینجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

786 اسلامک منی مارکیٹ فنڈ کی مینجمنٹ کمپنی 786 انویسٹمنٹ لمیٹڈ (786 یادی کمپنی) کے بورڈ آف ڈائریکٹرز 30 جون 2026 کو ختم ہونے والے سال کی سالانہ رپورٹ اور نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

اقتصادی جائزہ:

عالمی معیشت نے 2025 کے دوران بڑھتی ہوئی تجارتی کشیدگی، جغرافیائی سیاسی غیر یقینی صورتحال، زیادہ سرکاری قرضوں اور مشکل مالیاتی حالات کے باوجود چلک کا مظاہرہ کیا۔ 2025 میں عالمی اقتصادی نمو کا تخمینہ 2.8 فیصد ہے، جبکہ 2026 میں اس کے 2.7 فیصد رہنے اور 2027 میں بتدریج بہتر ہو کر 2.9 فیصد تک پہنچنے کی توقع ہے۔ اسی دوران عالمی افراط زر 2025 میں 3.4 فیصد سے کم ہو کر 2026 میں 3.1 فیصد رہنے کی توقع ہے۔ اگرچہ افراط زر میں مسلسل کمی اور مانیٹری پالیسی میں نرمی سے اقتصادی سرگرمیوں اور سرمایہ کاری کو سہارا مل سکتا ہے، تاہم تجارتی پالیسی سے متعلق غیر یقینی صورتحال، جغرافیائی سیاسی کشیدگی، مالیاتی منڈیوں میں اتار چڑھاؤ اور محدود مالیاتی گنجائش کے باعث معاشی مظہر نامے کو بدستور مختلف خطرات لاحق ہیں۔ 2025 میں پیشگی طور پر بڑی مقدار میں ترسیلات مال کی وجہ سے عالمی تجارت کو ملنے والی عارضی رفتار کے بعد 2026 میں عالمی تجارتی نمو میں بھی کمی آنے کی توقع ہے۔ اس پس منظر میں کاروباری اداروں کی توجہ آپریشنل کارکردگی میں بہتری، جتنا ط مالیاتی انتظام، منڈیوں میں تنوع اور مؤثر رسک مینجمنٹ پر مرکوز رہنے کی توقع ہے، جبکہ تکنیکی ترقی، بالخصوص مصنوعی ذہانت اور ڈیجیٹل انفراسٹرکچر کے شعبوں میں پیش رفت، پیداواری صلاحیت میں اضافے اور طویل مدتی اقتصادی نمو کے لیے نئے مواقع فراہم کر رہی ہے۔

پاکستان کا بیرونی شعبہ مالی سال 2025-26 کے دوران مجموعی طور پر مستحکم رہا، تاہم کرنٹ اکاؤنٹ میں 139 ملین امریکی ڈالر کا معمولی خسارہ ریکارڈ کیا گیا، جبکہ مالی سال 2024-25 میں 1.838 بلین امریکی ڈالر کا سرپلس حاصل ہوا تھا۔ یہ خسارہ جی ڈی پی کے صرف 0.03 فیصد کے برابر رہا، جبکہ گزشتہ مالی سال میں جی ڈی پی کے 0.45 فیصد کے مساوی سرپلس ریکارڈ کیا گیا تھا۔ مالی سال کے اختتام کے قریب جون 2026 میں کرنٹ اکاؤنٹ 649 ملین امریکی ڈالر کے خسارے میں رہا، جبکہ مئی 2026 میں 500 ملین امریکی ڈالر کا سرپلس ریکارڈ کیا گیا تھا، جس سے بیرونی کھاتے پر پیدا ہونے والے کچھ باؤ کی عکاسی ہوتی ہے۔

ان دباؤ کے باوجود پاکستان کی بیرونی لیکویڈیٹی کی صورتحال میں بہتری آئی، جسے کثیرالجہتی مالیاتی اداروں سے حاصل ہونے والی رقم نے سہارا دیا۔ 24 جون 2026 تک اسٹیٹ بینک کے پاس موجود زرمبادلہ کے ذخائر میں 611 بلین امریکی ڈالر کا اضافہ ہوا اور یہ 16.5 بلین امریکی ڈالر تک پہنچ گئے، جبکہ مجموعی لیکویڈیٹی زرمبادلہ کے ذخائر 22.0 بلین امریکی ڈالر تک پہنچ گئے، جن میں 5.5 بلین امریکی ڈالر کرنل بینکوں کے پاس موجود تھے۔ زرمبادلہ کے ذخائر میں اس بہتری سے ملک کی بیرونی مالیاتی ضرورت پوری کرنے کی صلاحیت کو مزید استحکام ملا اور مجموعی معاشی استحکام کو تقویت حاصل ہوئی۔

منی مارکیٹ کا جائزہ:

اسٹیٹ بینک آف پاکستان نے 15 جون 2026 کو منعقد ہونے والے مانیٹری پالیسی کمیٹی کے اجلاس کے بعد پالیسی ریٹ 11.50 فیصد پر برقرار رکھا۔ یہ فیصلہ بڑھتے ہوئے افراط زر کے دباؤ اور معیشت کی بتدریج بحالی کے تناظر میں کیا گیا۔ افراط زر کی شرح مارچ میں 7.3 فیصد سے بڑھ کر اپریل میں 10.9 فیصد اور مئی 2026 میں 11.7 فیصد ہو گئی۔ اس اضافے کی بنیادی وجوہات میں ایندھن کی قیمتوں میں اضافہ، پیٹرولیم کی قیمتوں میں ردوبدل اور توانائی کی انتظامی قیمتوں میں اضافہ شامل رہے، جبکہ ان عوامل کے اثرات نقل و حمل، خورداک اور پیداواری لاگت تک بھی منتقل ہوئے۔

ان افراط زر کے دباؤ کے باوجود معاشی سرگرمیوں میں بتدریج بحالی کا سلسلہ جاری رہا، جسے بیرونی شعبے کی بہتر ہوتی ہوئی صورتحال اور مجموعی معاشی استحکام کی کوششوں سے تقویت ملی۔

فنڈ کا جائزہ

786 اسلامک منی مارکیٹ فنڈ کا آغاز 22 اکتوبر 2024 کو شریعت کے مطابق اوپن اینڈ منی مارکیٹ اسکیم کے طور پر کیا گیا، جس کا مقصد بنیادی طور پر کم خطرہ والے، شریعت کے مطابق منی مارکیٹ کے آلات میں سرمایہ کاری کر کے سرمایہ کاروں کو مسابقتی منافع فراہم کرنا ہے۔

فنڈ کی کارکردگی

30 جون 2026 تک، فنڈ کے خالص اثاثے 669.80 ملین روپے رہے، جس کی خالص اثاثہ قیمت (NAV) (نی یونٹ) 100.54 روپے تھی۔ سال کے دوران، فنڈ نے بنیادی طور پر سرمایہ کاری اور بینک ٹیلنس سے 43.25 ملین روپے کی کل آمدنی حاصل کی۔ اس مدت کے لیے کل اخراجات 3.43 ملین روپے ہوئے، جس کے نتیجے میں ٹیکس کے بعد خالص آمدنی 39.82 ملین روپے ہوئی۔ اس مدت کے دوران تقسیم کے لیے دستیاب اکاؤنٹ آمدنی 32.40 ملین روپے تھی۔



786 ISLAMIC MONEY MARKET FUND

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED 30 JUNE 2026

Description of Collective Investment Scheme Category and Type

Shariah Compliant Income/Open end

Fund Objective

The objective of the Fund is to ensure maximum preservation of capital while delivering a competitive and reasonable rate of return through strategic investments in highly liquid, Shariah-compliant money market instruments.

Explanation as to whether the Collective Investment Scheme Achieved Its Stated Objective

The Collective Investment Scheme achieved its stated objective.

Fund Performance

As of June 30, 2026, the net assets of the Fund stood at PKR 669.80 million, compared to PKR 437.28 million as of June 30, 2025, reflecting significant growth in the Fund's size during the year. The Net Asset Value (NAV) per unit increased to PKR 100.54 as of June 30, 2026, from PKR 100.40 in the previous year. During the year, the Fund generated total operating income of PKR 43.25 million, compared to PKR 8.63 million in the prior year, primarily from investments and bank balances. The increase in income was supported by the growth in the Fund's asset base and investments. Total expenses amounted to PKR 3.42 million, compared to PKR 1.63 million in the previous year.

The Fund recorded net income after taxation of PKR 39.82 million during FY2026, compared to PKR 6.99 million in FY2025. The accounting income available for distribution during the year amounted to PKR 32.40 million, compared to PKR 1.58 million in the previous year.

The growth in net assets was mainly attributable to strong investor confidence and an increase in units in issue, which increased to 6.66 million in FY2026 from 4.36 million in FY2025. Overall, the Fund continued to achieve its objective of providing competitive returns while maintaining a portfolio focused on low-risk, Shariah-compliant money market instruments.

Fund Return

The Fund's benchmark comprises **90% of the three-month PKISRV rate and 10% of the three-month average of the highest savings rates offered by three (3) AA-rated Scheduled Islamic Banks or Islamic windows of Conventional Banks, as selected by MUFAP.**

Financial Year	YTD Return	YTD Benchmark
FY 2026	9.60%	9.37%
FY 2025	6.63%	9.93%



786 ISLAMIC MONEY MARKET FUND

Asset Allocation - 2026

Asset Class	Allocation
Sukuk	17.14%
Bank Balances	81.82%
Others	1.05%

Asset Quality - 2026

Rating	Allocation
AA+	81.75%
AA	17.14%
A+	0.07%
Unrated	1.04%

Changes in Total Net Assets and NAV per Unit Since the Last Review Period

Particulars	June 30, 2025	June 30, 2026	Change
Net Assets Value	PKR 437.27 million	PKR 669.80 million	53.18%
NAV per Unit	PKR 100.4003	PKR 100.5405	-

Investment Strategy

The Fund's priority is to maintain adequate liquidity, make prudent decisions regarding residual debt, and adopt a risk-averse approach to future investments. Fund management is actively pursuing the settlement of residual debt while ensuring a high level of protection for unit holders. Maintaining steady returns while meeting all redemption requirements remains the Fund's primary objective.

Dividend

The Board of Directors declared a cash dividend of PKR 9.0520 per unit for the year ended June 30, 2026.

Number Of Certificate holders	From	Certificate Holding To	Number Of Certificates
3	0.0001	- 9,999.9999	13,239
-	10,000	- 49,999.9999	-
1	50,000	- 99,999.9999	55,710
1	100,000	- 499,999.9999	105,433
1	500,000	- 999,999.9999	696,493
4	1,000,000	- 14,999,999.9999	5,791,108
-	15,000,000	- 99,999,999.9999	-
10			6,661,983



786 ISLAMIC MONEY MARKET FUND

Economic Review:

The global economy remained resilient during 2025 despite heightened trade tensions, geopolitical uncertainties, elevated public debt and challenging financial conditions. Global growth is estimated at 2.8% in 2025 and is projected at 2.7% in 2026, with a gradual improvement to 2.9% in 2027, while global inflation is expected to moderate from 3.4% in 2025 to 3.1% in 2026. Although continued disinflation and monetary easing may support economic activity and investment, the outlook remains subject to risks arising from trade policy uncertainty, geopolitical tensions, financial-market volatility and limited fiscal space. Global trade growth is also expected to moderate in 2026 following the temporary boost from front-loaded shipments in 2025. Against this backdrop, businesses are expected to remain focused on operational efficiency, prudent financial management, market diversification and effective risk management, while technological developments, particularly in artificial intelligence and digital infrastructure, present opportunities for productivity and long-term growth.

Pakistan's external sector remained broadly stable during FY2025-26, although the current account recorded a modest deficit of USD 139 million, compared with a surplus of USD 1.838 billion in FY2024-25. The deficit represented only 0.03% of GDP, compared with a surplus of 0.45% in the previous year. Towards the close of the fiscal year, the current account recorded a deficit of USD 649 million in June 2026, following a surplus of USD 500 million in May, reflecting some pressure on the external account.

Despite these pressures, Pakistan's external liquidity position strengthened, supported by inflows from multilateral institutions. As on June 24, 2026, SBP-held foreign exchange reserves increased by USD 611 million to USD 16.5 billion, while total liquid foreign exchange reserves reached USD 22.0 billion, including USD 5.5 billion held by commercial banks. The improvement in reserves provided greater resilience to the country's external financing position and supported overall macroeconomic stability.

Money Market Review:

The State Bank of Pakistan maintained the policy rate at 11.50% following its Monetary Policy Committee meeting on 15 June 2026, amid rising inflationary pressures and a gradual economic recovery. Inflation increased from 7.3% in March to 10.9% in April and 11.7% in May 2026, mainly driven by higher fuel costs, petroleum levy adjustments and administered energy prices, along with their pass-through to transportation, food and production costs. Despite the inflationary pressures, economic activity continued to recover gradually, supported by improving external-sector conditions and overall macroeconomic stabilization.

Other Disclosure under NBFC Regulations 2008:

The Fund Manager hereby makes the following disclosures as required under NBFC Regulations 2008;

- The Management Company or any of its delegates did not receive any soft commission (goods & services) from any of its brokers/dealers by virtue of transactions conducted by the Fund.



786 ISLAMIC MONEY MARKET FUND

- There was no unit split undertaken during the year.
- Investments are subject to market risk that may materially affect any interests of unit holders

Details of Pattern of Holdings (Units)

Pattern of Unit Holding	As at 30 June 2026			As at 30 June 2025		
	Number of Unit Holders	Investment Amount	Percentage Investment	Number of Unit Holders	Investment Amount	Percentage Investment
	----- Rupees -----			----- Rupees -----		
Individuals	2	1,268,136	0.19%	-	-	0.00%
Associated Companies & Directors	1	142,430,179	21.26%	2	230,020,263	52.60%
Insurance Companies	3	349,889,726	52.24%	1	75,096,413	17.17%
Retirement Funds	-	-	0.00%	-	-	0.00%
Others	4	176,210,985	26.31%	4	132,160,220	30.22%
	10	669,799,026	100.00%	7	437,276,896	100.00%



786 ISLAMIC MONEY MARKET FUND

**DETAILS OF PATTERN OF HOLDINGS (UNITS)
AS AT JUNE 30, 2026**

Number Of Certificate holders	Certificate Holding			Number Of Certificates
	From		To	
3	0.0001	-	9,999.9999	13,239
-	10,000	-	49,999.9999	-
1	50,000	-	99,999.9999	55,710
1	100,000	-	499,999.9999	105,433
1	500,000	-	999,999.9999	696,493
4	1,000,000	-	14,999,999.9999	5,791,108
-	15,000,000	-	99,999,999.9999	-
10				6,661,983

S. No.	Category	No of Unit Holders	Unit Held	Amount	% of Total
1	Associated Companies				
	786 Investments Limited	1	1,416,645	142,430,179	21.26
	Dawood Family Takaful Limited	2	2,438,462	245,164,158	36.60
2	Individuals	2	12,612	1,268,136	0.19
3	Insurance Companies	1	1,041,626	104,725,568	15.64
4	Bank/DFIs	-	-	-	-
5	Modaraba / Mutual Funds	-	-	-	-
6	Others	4	1,752,638	176,210,985	26.31
	TOTAL	10	6,661,983	669,799,026	100.00



786 ISLAMIC MONEY MARKET FUND

**DETAILS OF PATTERN OF HOLDINGS (UNITS)
AS AT JUNE 30, 2026**

S. No.	Category	No of Unit Holders	Unit Held	Amount	% of Total
1	Associated Companies	3	3,855,107	387,594,337	57.87
2	Individuals	2	12,612	1,268,136	0.19
3	Insurance Companies	1	1,041,626	104,725,568	15.64
4	Others	4	1,752,638	176,210,985	26.31
TOTAL		10	6,661,983	669,799,026	100.00

**INDEPENDENT ASSURANCE REPORT
ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS 2023**

**TO THE BOARD OF DIRECTORS OF
786 ISLAMIC MONEY MARKET FUND, SHARIAH COMPLIANT FUND**

INTRODUCTION

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) – External Shariah Audit of 786 Islamic Money Market Fund (the Fund) for assessing compliance of the fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended **June 30, 2026**. This engagement was conducted by a multidisciplinary team including assurance practitioners and an independent Shariah scholar.

APPLICABLE CRITERIA

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended **June 30, 2026**) is assessed, comprise of the Shariah principles and rules, as defined in the Regulations and reproduced as under:

- (a) Legal and regulatory framework administered by the Commission;
- (b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the Commission;
- (c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- (d) Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- (e) Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above.

The above criteria were evaluated for their implications on the financial statements of the fund for the year ended June 30, 2026, which are annexed .

Smsco

MANAGEMENT'S RESPONSIBILITY FOR THE SHARIAH COMPLIANCE

Management is responsible to ensure that the financial arrangements, contracts and transactions having Shariah implications, entered into, by the Fund with its customers, other financial institutions and stakeholders and related policies and procedures are, in substance and in their legal form, in compliance with the requirements of Shariah Rules and principles. The management is also responsible for design, implementation and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

OUR INDEPENDENCE AND QUALITY CONTROL

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies International Standard on Quality Control "Quality Control Management for the Firms, that Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

OUR RESPONSIBILITIES AND SUMMARY OF THE WORK PERFORMED

Our responsibility in connection with this engagement is to express an opinion on compliance of the fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2026, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), 'Assurance Engagements other than audits or reviews of historical financial statements, issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal controls relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications are in compliance and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles. (Criteria specified in the paragraph 2 above)

We believe that the evidences we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

SM/CO

CONCLUSION

Based on our reasonable assurance engagement, we report that in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2026, are in compliance with the Shariah principles (the criteria specified in paragraph 2 above), in all material respects.

The engagement partners on the Shariah audit resulting in this independent reasonable assurance report are Mashkoor Ahmed, FCA.

Yours truly



S.M. Suhail & Co.
Chartered Accountants
Karachi

Our Ref: SMS-A-04862027
Date: September 14, 2026



Annexure “a” to “f”

STATEMENT OF COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS 2023

786 ISLAMIC MONEY MARKET FUND

For the Year Ended June 30, 2026

(a) The status of Shariah compliance;

The financial arrangements, contracts and transactions entered into by 786 Islamic Money Market Fund (the Fund) for the year ended on June 30, 2026 are in compliance with Shariah Governance Regulations 2023. All agreement(s) entered into by the Company are Shariah compliant and the financing agreement(s) have been executed on the formats approved by the Sharia Advisor

(b) The risks associated with the Shariah non-compliance;

The Fund has maintained Shariah-compliant investments, and non-compliant "scripts", whereas Shariah non complaint Scripts as at June 30, 2026, are planned for divestment. The dividend income received amounting to PKR 0/- from these non-compliant scripts has been transferred to charity account, for "purifying" earnings to align with Shariah principles.

(c) The capacity and quality of the internal controls to measure, manage and mitigate the Shariah non-compliance risks;

The Shariah Internal Audit Reports are presented to the management and the Board of Directors outlining the compliance with the Shariah Governance Regulations 2023 and highly non-compliance. The most recent Shariah Internal Audit Report issued dated September 23, 2026 and, management's responses of corrective actions taken to rectify the same.

(d) The adequacy and effectiveness of the Shariah governance framework;

The Sharia Advisor appointed by the fund ensure products and services adhere to Shariah principles by vetting policies, investments and agreements, provide guidance on Islamic finance principles like the prohibition of riba and uncertainty, and conduct Shariah review. Shariah Advisors also provides guidance to develop Shariah-compliant financial instruments, manage portfolio purification, and provide annual shariah report on Shariah compliance under the Shariah Regulations 2023.



All the products and policies have been approved by the Shariah Advisor and the Financial arrangement including investments made, policies, contract and transactions, entered into by the fund are in accordance with the policies approved by Shariah Advisor .

The Sharia Advisor Review Report dated September 23, 2026, viewed that the business operations of 786 Islamic Money Market Fund are Shariah Compliant

(e) The level of awareness and sensitivity of the management and the board of directors in addressing the Shariah risks;

The management and the Board of Directors are responsible for ensuring internal controls of operations in compliance with Shariah Regulations 2023, fully aware of Shariah non-compliance risks and monitor to ensure conformity with Shariah principles.

The Fund has developed and implemented all the policies and procedures in accordance with Shariah Principles and rulings of the Shariah Advisor along with a comprehensive mechanism to ensure compliance in the overall operations, Further, the governance arrangements including the reporting of events and status to those charged with relevant responsibilities, such as the Sahirah Committee/Shariah Advisor and the Board of Directors have been implemented.

(f) Any other issues deemed significant by the external auditors with respect to Shariah compliance

There were no significant noncompliance issues during the year. The business operations of the Fund at all the times in accordance with the provisions of the Shariah Governance Regulations 2023.

Chief Executive Officer
786 ISLAMIC MONEY MARKET FUND

September 8, 2026

AHSA/SSR/786IMMF/665



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2026 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in 786 Islamic Money Market fund managed by 786 Investments Limited are permissible and in accordance with Shariah principles.

During the year, the 786 Islamic Money Market fund did not book any charity amount.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

والله أعلم بالصواب، وصلى الله على نبينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf of Al-Hilal Shariah Advisors (Pvt.) Limited.



Mufti Irshad Ahmad Aijaz
Chairman Shariah Council



Faraz Younus Bandukda, CFA
Chief Executive



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 year ended June 30, 2026 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 year ended June 30, 2026.

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 examined 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.

ONLINE

+923-111-322-228
digitalcustodian.co
/digitalcustodian

LAHORE

LSE Plaza, 508
Kashmir Egerton Road
+92 42 3630 4406

KARACHI

Perdesi House
Old Queens Road
+92 21 3241 9770



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: September 11, 2026

ONLINE

+923-111-322-228
digitalcustodian.co
f t i n y / digitalcustodian

LAHORE

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**INDEPENDENT AUDITOR'S REPORT TO THE
UNIT HOLDERS OF 786 ISLAMIC MONEY MARKET FUND**

Opinion

We have audited the annexed financial statements of **786 Islamic Money Market Fund (the fund)** which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holder's fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statement gives a true and fair view of the financial position of the Fund as at June 30, 2026 and of its financial performance and its cash flows for the year then ended in accordance with the approved accounting and reporting standard as applicable in Pakistan

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The Other Information comprises the information included in the Company's Annual Report does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Reanda Haroon Zakaria Aamir Salman Rizwan & Company
Chartered Accountants

Suite Nos. M13, 709 & 710 Progressive Plaza, Beaumont Road, Karachi 75530, Pakistan.
Tel: +92 (21) 3567 4741-44 Fax: +92 (21) 3567 4745 | Email: info@hzasrkh.pk | www.hzasr.pk

Other offices at:
Lahore and Islamabad

Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

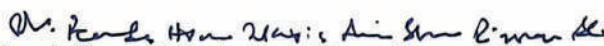
We also provide the board of directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further, we report that the Fund's financial statements have been prepared in accordance with the relevant provision of Non-Bank finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Farhan Ahmed Memon**.


Reanda Haroon Zakaria Aamir Salman Rizwan & Company Place: Karachi
Chartered Accountants Dated: 14 SEP 2026

UDIN: AR202610147CDospBa9f



786 ISLAMIC MONEY MARKET FUND

**STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026**

		2026	2025
	Note	-----Rupees-----	
ASSETS			
Balances with banks	4	549,120,750	420,920,731
Investments	5	115,000,000	15,000,000
Accrued income/profit	6	6,524,736	2,462,619
Preliminary expenses and floatation costs		350,000	550,025
Security Deposit		100,000	-
Total Assets		671,095,486	438,933,375
LIABILITIES			
Payable to 786 Investments Limited - Management Company	7	119,344	98,237
Payable to Digital Custodian Company Limited - Trustee	8	59,673	56,717
Payable to Securities and Exchange Commission of Pakistan	9	25,944	16,650
Accrued expenses and other liabilities	10	1,091,499	1,484,875
Total Liabilities		1,296,460	1,656,479
Contingencies and Commitments	11		
Net Assets		669,799,026	437,276,896
Unit Holders' Funds		669,799,026	437,276,896
		(Number)	(Number)
Number Of Units In Issue	12	6,661,983	4,355,336
		(Rupees)	(Rupees)
Net assets value per unit		100.54	100.4003

The annexed notes form an integral part of these financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



786 ISLAMIC MONEY MARKET FUND

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

		<i>For the Year Ended 30 June 2026</i>	<i>For the Period 22 October 2024 to 30 June 2025</i>
	<i>Note</i>	<i>-----Rupees-----</i>	
INCOME			
Income from investments and balances with banks	13	43,250,858	8,631,456
EXPENSES			
Remuneration to the management company	7.1	1,303,452	-
Sindh sales tax on remuneration to the management company	7.2	195,518	43,247
Accounting and operational charges	7.3	-	98,237
Remuneration to the trustee	8.1	653,631	412,652
Sindh sales tax on trustee fee	8.2	98,046	61,880
Annual fee to Securities and Exchange Commission of Pakistan	9	325,863	73,679
Auditor's remuneration		406,799	361,600
Fees and subscription		130,000	250,000
Printing and related charges		-	27,000
CDC Charges		20,316	-
Preliminary expenses		200,000	-
Legal and professional charges		91,374	-
Bank Charges		1,009	304,319
		<u>3,426,010</u>	<u>1,632,614</u>
Net income for the year tax		<u>39,824,848</u>	<u>6,998,842</u>
Taxation		-	-
Net income for the year after tax		<u>39,824,848</u>	<u>6,998,842</u>
Allocation of net income for the year			
Net income for the year		39,824,848	6,998,842
Income already paid on units redeemed		(7,421,857)	(5,413,939)
Accounting income available for distribution:		<u>32,402,991</u>	<u>1,584,903</u>
Relating to capital gain		-	-
Excluding capital gain		<u>32,402,991</u>	<u>1,584,903</u>
		<u>32,402,991</u>	<u>1,584,903</u>

The annexed notes form an integral part of these financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



786 ISLAMIC MONEY MARKET FUND

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026**

	2026	2025				
<i>Note</i>	-----Rupees-----					
Net income for the year after taxation	39,824,848	6,998,842				
Unrealized Gain / (loss) on revaluation of investments classified as fair value through other comprehensive income - net	5.3 <table><tr><td>-</td></tr><tr><td>-</td></tr></table>	-	-	<table><tr><td>-</td></tr><tr><td>-</td></tr></table>	-	-
-						
-						
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Total comprehensive income for the year	<u>39,824,848</u>	<u>6,998,842</u>				

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

Chief Financial Officer

Chief Executive Officer

Director



786 ISLAMIC MONEY MARKET FUND

**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2026**

	June 30, 2026				June 30, 2025			
	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	-	-	-	-
<i>Issue of 9,771,809 units (2025: 5,597,861 units)</i>								
- Capital value (at net asset value per unit at the beginning of the year)	981,092,600	-	-	981,092,600	559,786,071	-	-	559,786,071
- Element of income	44,727,353	-	-	44,727,353	10,107,527	-	-	10,107,527
Total proceeds on issuance of units	1,025,819,952	-	-	1,025,819,952	569,893,598	-	-	569,893,598
<i>Redemption of 7,465,163 units (2025: 1,242,525 units)</i>								
- Capital value (at net asset value per unit at the beginning of the year)	(749,504,557)	-	-	(749,504,557)	(124,252,513)	-	-	(124,252,513)
- Amount paid out of element of income		(7,421,857)	-	(7,421,857)		(5,413,939)	-	(5,413,939)
- Refund/adjustment on units as element of income	(44,727,353)	-	-	(44,727,353)	-	-	-	-
Total payments on redemption of units	(794,231,910)	(7,421,857)	-	(801,653,767)	(124,252,513)	(5,413,939)	-	(129,666,452)
Net income for the year before Levy and tax	-	39,824,848	-	39,824,848	-	6,998,842	-	6,998,842
Refund of Capital		(30,958,128)		(30,958,128)	(8,261,307)			(8,261,307)
Other comprehensive income	-	-	-	-	-	-	-	-
Distribution for the year @ 9.0520 per unit on June 19, 2026		(510,775)		(510,775)				
Distribution for the year @ 4.16138 per unit on June 24, 2025	-	-	-	-	-	(1,687,785)	-	(1,687,785)
	-	8,355,945	-	8,355,945	(8,261,307)	5,311,057	-	(2,950,250)
Net assets at end of the year	668,967,820	831,205	-	669,799,026	437,379,778	(102,882)	-	437,276,896
<i>Undistributed (loss)/income brought forward</i>								
- Realized Income		(102,882)				-		
- Unrealized income		-				-		
		(102,882)				-		
<i>Accounting income available for distribution</i>								
- Relating to capital gain		32,402,991				1,584,903		
- Excluding capital gain		-				-		
		32,402,991				1,584,903		
Distribution during the year		(31,468,903)				(1,687,785)		
Undistributed Income carried forward		831,205				(102,882)		
<i>Undistributed Income carried forward</i>								
- Realized Income		831,205				(102,882)		
		831,205				(102,882)		
Net assets value per unit at end of the year		100.54				100.40		

The annexed notes form an integral part of these financial statements.

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

Chief Financial Officer

Chief Executive Officer

Director



786 ISLAMIC MONEY MARKET FUND

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	<i>For the Year Ended 30 June 2026</i>	<i>For the Period 22 October 2024 to 30 June 2025</i>
<i>Note</i>	<i>-----Rupees-----</i>	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before Levy and tax	39,824,848	6,998,842
Adjustments For:		
Income from investments and balances with banks	(43,250,858)	(8,631,456)
Operating Loss Before Working Capital Changes	(3,426,010)	(1,632,614)
Changes in working capital		
Increase in Assets		
Deposits and prepayments	(100,000)	-
Preliminary expenses and floatation costs	200,025	(550,025)
Increase in Liabilities		
Payable to 786 Investments Limited - Management Company	21,107	98,237
Payable to Digital Custodian Company Limited - Trustee	2,956	56,717
Payable to Securities and Exchange Commission of Pakistan	9,294	16,650
Accrued expenses and other liabilities	(393,376)	1,484,875
	(360,019)	1,656,479
Cash generated from operations	(3,686,004)	(526,160)
Income taxes paid	-	-
Net cash used in operating activities	(3,686,004)	(526,160)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from Investments - net	(100,000,000)	(15,000,000)
Profit received on investments and balances with banks	39,188,741	6,168,837
Net cash Used in from operating activities	(60,811,259)	(8,831,163)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Amounts received against issue of units	1,025,819,952	569,893,598
Payment made against redemption of units	(801,653,767)	(129,666,452)
Refund of Capital	(30,958,128)	(8,261,307)
Dividend paid	(510,775)	(1,687,785)
Net cash generated from financing Activities	192,697,282	430,278,054
Net decrease in cash and cash equivalents	128,200,019	420,920,731
Cash and cash equivalents at beginning of the year	420,920,731	-
Cash and cash equivalents at end of the year	4	420,920,731

The annexed notes form an integral part of these financial statements.

For 786 Investments Limited.
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



786 ISLAMIC MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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 November 10, 2025 and stability rating of "AA(f)" to the Fund as at March 19, 2026.
- 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.



786 ISLAMIC MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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 accounting policies set out below have been applied consistently to all periods in these financial statements.

3.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the income statement.

3.1.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3.1.1.1 Classification and measurement of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the entity's business model for managing them.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments at fair value through other comprehensive income (OCI), profit income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is reclassified to the income statement.

Financial assets at fair value through profit or loss (debt instruments)

Debt instruments that do not meet the amortised cost criteria or the fair value through other comprehensive income criteria are classified as at fair value through profit or loss. In addition, debt instruments that meet either the amortised cost criteria or the fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.



786 ISLAMIC MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

3.1.1.2 Fair value measurement principles

The fair value of financial instruments is determined as follows:

Basis of valuation of government debt securities:

The government debt securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV / PKISRV rates) which are based on the remaining tenor of the securities.

Basis of valuation of debt securities:

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

The Fund applies discretion on the effective yield as per the allowable limits in the above mentioned Circulars after the taking into account aspects such as Liquidity Risk, Sector Specific Risk and Issuer Class Risk.

The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/-50 bps. For unrated securities the allowable limits +50 bps.

3.1.1.3 Impairment of financial assets

Management Company assesses at each reporting date whether there is objective evidence that the Fund's financial assets or a group of financial assets are impaired. If any such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognised whenever the carrying value of an asset exceeds its recoverable amount.

SECP / Commission through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Therefore, the Fund will not be subject to the impairment provisions of IFRS 9.

For financial assets other than debt securities measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model. Under IFRS 9, the Fund is required to measure loss allowance equal to an amount equal to lifetime ECL or 12 months ECL based on credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Management Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

However, majority of the assets of the Fund exposed to credit risk pertain to counter parties which have high credit rating or where credit risk has not been increased since initial recognition. Therefore, management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

3.1.1.4 "Derecognition"

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of assets and liabilities) when: - the rights to receive cash flows from the asset have expired; or the Fund has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset;

- the rights to receive cash flows from the asset have expired; or
- the Fund has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset;

3.1.2 Financial liabilities

3.1.2.1 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at fair value through profit or loss.

Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as instruments held for trading or derivatives) or the Fund has opted to measure them at fair value through profit or loss.



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3.1.2.2 *Derecognition*

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

3.1.3 *Offsetting of financial instruments*

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.2 *Cash and cash equivalents*

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value.

3.3 *Provisions*

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

3.4 *Taxation*

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend.

The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

3.5 *Dividend distribution and appropriations*

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders.

Distributions declared subsequent to the year end / reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

3.6 *Issue and redemption of units*

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, and charges on redemption, if applicable.

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.7 *Net asset value per unit*

The Net Asset Value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.



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NOTES TO THE FINANCIAL STATEMENTS
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3.8 Revenue recognition

- Gain or loss on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / loss arising on revaluation of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Income / profit from investments in sukuks, government securities, certificate of musharka, bai mujjal and commercial paper is recognised on a time proportionate basis using effective interest rate method.
- Profit on bank balances is recognised on a time proportionate basis using bank's approved rates.
- Dividend income is recognised when the right to receive the dividend is established.

3.9 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company, Trustee fee and annual fee of the SECP are recognised in the income statement on an accrual basis.

3.10 Earnings per unit

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

4 BALANCES WITH BANKS	Note	2026 -----Rupees-----	2025
- Saving accounts		135,371,205	420,920,731
- Short Term Placement	4.1	413,749,544	-
		<u>549,120,750</u>	<u>420,920,731</u>

4.1 This amount of Rs. 413.749 million is maintained with Faysal Bank Limited that carries profit at the rate of 11.5% per annum. Other savings accounts of the Fund carry profit rates ranging from 8% to 11% (2025: 9.00% to 11%) per annum.

5 INVESTMENTS	Note	2026 -----Rupees-----	2025
Unlisted - Sukuk certificates	5.1	<u>115,000,000</u>	<u>15,000,000</u>

5.1 At fair value through other comprehensive income

Cost / Carrying Value of Investment	5.2	115,000,000	15,000,000
Less: Net unrealized gain in fair value of investments-closing		-	-
Fair value of investments		<u>115,000,000</u>	<u>15,000,000</u>

5.1.1 "786 Islamic Money Market Fund"

	As at July 01, 2025	Purchases during the period	Sold / Matured During the Year	As at Jun, 30, 2026	Cost/ Carrying Value	Market Value	% of Total Investment
At fair value through other comprehensive income	Note	----- Number of certificates -----			----- Rupees -----		
Unlisted - Sukuk certificates							
Face Value of Rs. 1,000,000/- each							
Pakistan Telecommunication Company Limited Sukuk 16th Issue	5.1.2	-	11	-	11	11,000,000	10%
Lucky Electric Power Company Limited - Sukuk 23		-	50	-	50	50,000,000	43%



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**NOTES TO THE FINANCIAL STATEMENTS
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		<i>As at July 01, 2025</i>	<i>Purchases during the period</i>	<i>Sold / Matured During the Year</i>	<i>As at Jun, 30, 2026</i>	<i>Cost/ Carrying Value</i>	<i>Market Value</i>	<i>% of Total Investment</i>	
<i>Note</i>		<i>----- Number of certificates -----</i>				<i>----- Rupees -----</i>			
	Pakistan Telecommunication Company Limited Sukuk 18th Issue	5.1.2	-	29	-	29	29,000,000	29,000,000	25%
	PTCL Sukuk STS B (13 April 2026)		-	25	-	25	25,000,000	25,000,000	22%
	Lucky Electric Power Company Ltd Sukuk-21	5.1.3	5	-	5	-	-	-	0%
	Pakistan Telecommunication Company Limited Sukuk 11th Issue		10	-	10	-	-	-	0%
	Pakistan Telecommunication Company Limited Sukuk 17th Issue		-	75	75	-	-	-	0%
	<i>At fair value through other comprehensive income</i>						<u>115,000,000</u>	<u>115,000,000</u>	0%
5.1.2 The Fund has invested PKR 11 million in the Short Term Sukuk Issue XVI issued by Pakistan Telecommunication Company Limited (PTCL), having an aggregate issue size of PKR 5 billion and a face value of PKR 1,000,000 per unit. The Sukuk are unsecured and carry a profit rate equivalent to 3-month KIBOR plus 0.00%, payable quarterly in arrears. The Sukuk certificates are scheduled to mature on July 9, 2026.									
5.1.3 The Fund has invested PKR 50 million in Short Term Sukuk (STS-23) issued by The Lucky Electric Power Company Limited, having an aggregate issue size of PKR 6 billion and a face value of PKR 1,000,000 per unit. The Sukuk are unsecured and carry a profit rate equivalent to 3-month KIBOR minus 0.10%, payable quarterly in arrears. The Sukuk certificates are scheduled to mature on September 17, 2026.									
5.1.4 The Fund has invested PKR 29 million in the Short Term Sukuk Issue XVIII issued by Pakistan Telecommunication Company Limited (PTCL), having an aggregate issue size of PKR 5 billion and a face value of PKR 1,000,000 per unit. The Sukuk are unsecured and carry a profit rate equivalent to 3-month KIBOR plus 0.00%, payable semi-annually in arrears. The Sukuk certificates are scheduled to mature on September 17, 2026.									
5.1.5 The Fund has invested PKR 25 million in the Short Term Sukuk (STS-B) issued by Pakistan Telecommunication Company Limited (PTCL), having an aggregate issue size of PKR 5 billion and a face value of PKR 1,000,000 per unit. The Sukuk are unsecured and carry a profit rate equivalent to 3-month KIBOR plus 0.00%, payable semi-annually in arrears. The Sukuk certificates were scheduled to mature on October 13, 2026.									
5.2	<i>Unrealized gain on revaluation of investments classified as fair value through other comprehensive income - net</i>	<i>Note</i>					<i>2026</i>	<i>2025</i>	
							<i>-----Rupees-----</i>		
	Fair value of investments						115,000,000	15,000,000	
	Less: Cost/Carrying Value of Investment						(115,000,000)	(15,000,000)	
	Less: Accrued interest income						-	-	
	Less: Net unrealized gain in fair value of investments - Opening						-	-	
							<u>-</u>	<u>-</u>	
6	<i>ACCRUED INCOME/PROFIT</i>								
	- Income from profit and loss sharing (PLS) accounts						2,838,738	563,959	
	- Income from sukuk certificates						3,685,998	1,898,660	
							<u>6,524,736</u>	<u>2,462,619</u>	
7	<i>PAYABLE TO 786 INVESTMENTS LIMITED - MANAGEMENT COMPANY</i>								
	Management remuneration	7.1					103,778	-	
	Sindh sales tax payable	7.2					15,566	-	
	Accounting and operational charges	7.3					-	98,237	
							<u>119,344</u>	<u>98,237</u>	



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7.1 In accordance with the provisions of the Trust Deed of the Fund, the Management Company is entitled to charge remuneration at the rate of 1.50% per annum on the average annual net assets of the Fund, calculated on a daily basis. However, the Management Company is currently charging management fee at the rate of 0.30% 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% 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."

		2026	2025
	Note	-----Rupees-----	
8 PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE			
Trustee Remuneration	8.1	51,889	49,319
Sindh sales tax payable on Trustee remuneration	8.2	7,784	7,398
		<u>59,673</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% on trustee'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.

		2026	2025
	Note	-----Rupees-----	
10 ACCRUED EXPENSES AND OTHER LIABILITIES			
Other liabilities	10.1	350,000	550,025
Accrued expenses	10.2	741,499	934,850
		<u>1,091,499</u>	<u>1,484,875</u>

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

		2026	2025
		-----Rupees-----	
10.2 Accrued expenses			
Auditors' remuneration payable		406,800	361,600
Rating fee payable - PACRA		25,200	100,000
PSX fee payable		180,000	150,000
Printing and related expenditure payable		-	19,000
Shariah and tax advisors fee payable		129,499	304,250
		<u>741,499</u>	<u>934,850</u>



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**NOTES TO THE FINANCIAL STATEMENTS
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11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2025.

12 NUMBER OF UNITS IN ISSUE

	2026	2025
	----- Number of Units -----	
Total outstanding as of July 01	4,355,336	-
Issued during the period	9,771,809	5,597,861
Redemption during the period	(7,465,163)	(1,242,525)
Closing units	<u>6,661,983</u>	<u>4,355,336</u>

13 INCOME FROM INVESTMENTS AND BALANCES WITH BANKS

- Sukuk certificates	4,507,056	563,959
- Profit and loss sharing (PLS) account	38,743,802	8,067,497
	<u>43,250,858</u>	<u>8,631,456</u>

14 TOTAL EXPENSE RATIO

The total expense ratio (TER) of the Fund for the year ending on June 30, 2026, 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 income 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:

	Note	2026	2025
		----- Rupees -----	
16.1 Transactions during the Year Ended			
786 Investments Limited - Management Company			
Accounting and operational charges	7.3	-	98,237
Issue of 1,294,046 (2025: 2,485,050) Units		141,946,679	254,666,452
Redeemed of 1,294,046 (2025: 1,242,525) Units		141,946,595	129,666,444
Re-Invest of 280 (2025: 215) Units		28,048	21,595
Refund of Capital of 122,318 (2025: 51,306) Units		12,258,632	5,141,826
Dividend income		37,397	28,793
Dawood Family Takaful Limited			
Issue of 3,432,270 (2025: 996,985) Units		345,000,000	100,000,000
Redeemed of 1,990,794 (2025 Nil) Units		217,613,658	-



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	Note	2026 ----- Rupees -----	2025
BRR Guardian limited			
Issue of 2,632,534 (2025: 1,119,273) Units		282,000,000	115,000,000
Redeemed of 2,284,637 (2025 Nil) Units		242,197,841	-
Re-Invest of 2,394 (2025: 10,430) Units		239,883	1,045,331
Refund of Capital of 82,859 (2025: 28,017) Units		17,327,670	2,807,920
Digital Custodian Company Limited - Trustee			
Remuneration of the Trustee	8.1	653,631	412,652
Sales tax on Trustee fee	8.2	98,046	61,880
16.2 Balance as at year ended			
786 Investments Limited - Management Company			
Investment of 1,416,645 (2025: 1,294,047) Units		142,430,179	129,922,658
Accounting and operational charges	7	-	98,237
Digital Custodian Company Limited - Trustee			
Remuneration payable to the Trustee	8	51,889	49,319
Sales tax payable on Trustee fee	8	7,784	7,398
Dawood Family Takaful Limited			
Investment of 2,438,462 (2025: 996,985) Units		245,164,158	100,097,605
BRR Guardian limited			
Investment of 1,590,868 Units (2025: 1,157,719) Units		159,946,701	116,235,362

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.

	As at June 30, 2026		
	At amortized cost	Financial asset at fair value through other comprehensive income	Total
	----- Rupees -----		
17 FINANCIAL INSTRUMENTS BY CATEGORY			
Financial assets			
Balances with banks	549,120,750	-	549,120,750
Investments	-	115,000,000	115,000,000
Accrued income/profit	6,524,736	-	6,524,736
Preliminary expenses and floatation costs	350,000	-	350,000
	555,995,486	115,000,000	670,995,486
Financial liabilities			
Payable to 786 Investments Limited - Management Company	119,344	-	119,344
Payable to Digital Custodian Company Limited - Trustee	51,889	-	51,889
Payable to Securities and Exchange Commission of Pakistan	25,944	-	25,944
Accrued expenses and other liabilities	1,091,499	-	1,091,499
	1,288,676	-	1,288,676



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	As at June 30, 2025		
	At amortized cost	Financial asset at fair value through other comprehensive income	Total
	----- Rupees -----		
Financial assets			
Balances with banks	420,920,731	-	420,920,731
Investments	-	15,000,000	15,000,000
Accrued income/profit	2,462,619	-	2,462,619
Preliminary expenses and floatation costs	550,025	-	550,025
	<u>423,933,375</u>	<u>15,000,000</u>	<u>438,933,375</u>
Financial liabilities			
Payable to 786 Investments Limited - Management Company	98,237	-	98,237
Payable to Digital Custodian Company Limited - Trustee	49,319	-	49,319
Payable to Securities and Exchange Commission of Pakistan	16,650	-	16,650
Accrued expenses and other liabilities	1,484,875	-	1,484,875
	<u>1,649,081</u>	<u>-</u>	<u>1,649,081</u>

18 RISK MANAGEMENT FRAMEWORK

18.1 Risk management framework

The Fund's activities expose it to a variety of financial risks, market risk, credit risk and liquidity risk.

The Fund's Board of Directors has an overall responsibility for the establishment and oversight of the Fund's risk management framework.

Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the Fund's constitutive documents and the regulations and directives of the SECP. The policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The audit committee oversees how management monitors compliance with the Fund's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by the internal audit. The Internal audit undertakes regular reviews of risk management controls and procedures and the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Fund's Investment Manager, who has been authorised to manage the distribution of the assets to achieve the Fund's investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Fund's Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets within prescribed time limits.

18.2 Market Risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages the market risk by monitoring exposure on marketable securities by following internal risk management policies and investment guidelines approved by the Investment Committee and the regulations laid down by SECP.

18.2.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund is not exposed to currency risk as all the transactions are carried out in Pakistani Rupees.



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18.2.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

As of June 30, 2025, the Fund is exposed to such risk in respect of bank balances and investment in debt securities. The bank balances are subject to interest rates as declared by the respective banks on periodic basis. Debt securities are subject to floating interest rates other than Government securities which are subject to fixed interest rates. The sensitivity of the income or loss for the year is the effect of the assumed changes in interest rates on:

- the net interest income for one year, based on the floating rate financial assets held at the year end; and
- changes in fair value of investments for the year, based on revaluing fixed rate financial assets at the year end.

The following table demonstrates the sensitivity of Fund's income/(loss) for the year to a reasonably possible change in interest rates, with all other variables held constant. In practice, the actual results may differ from the sensitivity analysis.

	<i>Effect on Income</i>	
	<i>2026</i>	<i>2025</i>
	<i>Rupees</i>	<i>Rupees</i>
Change in Basis Point		
+ 100	66,412,075	43,592,073
- 100	(66,412,075)	(43,592,073)

Yield/interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

<i>----- June 30, 2026 -----</i>					
<i>Exposed to Yield / interest rate risk</i>					
<i>Yield / Effective Interest Rate (%)</i>	<i>Up to Three months</i>	<i>More than three months and up to one year</i>	<i>More than one year</i>	<i>Not exposed to Yield / interest rate risk</i>	<i>Total</i>
<i>----- Rupees -----</i>					
On-Balance Sheet					
Financial Assets					
Balances with banks	549,120,750	-	-	-	549,120,750
Investments	115,000,000	-	-	-	115,000,000
Accrued income/profit	-	-	-	6,524,736	6,524,736
Preliminary expenses and floatation costs	-	-	-	350,000	350,000
	664,120,750	-	-	6,874,736	670,995,486
Financial Liabilities					
Payable to 786 Investments Limited - Management Company	-	-	-	119,344	119,344
Payable to Digital Custodian Company Limited - Trustee	-	-	-	59,673	59,673
Payable to Securities and Exchange Commission of Pakistan	-	-	-	25,944	25,944
Accrued expenses and other liabilities	-	-	-	1,091,499	1,091,499
On-Balane Sheet Gap	-	-	-	1,296,460	1,296,460

There is no off-balance sheet financial instrument that exist as at year end June 30, 2026.



786 ISLAMIC MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

----- June 30, 2025 -----					
Yield / Effective Interest Rate (%)	Exposed to Yield / interest rate risk				Total
	Up to Three months	More than three months and up to one year	More than one year	Not exposed to Yield / interest rate risk	
		----- Rupees -----			
On-Balance Sheet					
Financial Assets					
Balances with banks	420,920,731	-	-	-	420,920,731
Investments	15,000,000	-	-	-	15,000,000
Accrued income/profit	-	-	-	2,462,619	2,462,619
Preliminary expenses and floatation costs	-	-	-	550,025	550,025
	435,920,731	-	-	3,012,644	438,933,375
Financial Liabilities					
Payable to 786 Investments Limited -	-	-	-	98,237	98,237
Payable to Digital Custodian Company	-	-	-	56,717	56,717
Payable to Securities and Exchange	-	-	-	16,650	16,650
Accrued expenses and other liabilities	-	-	-	1,484,875	1,484,875
On-Balane Sheet Gap	-	-	-	1,656,479	1,656,479

There is no off-balance sheet financial instrument that exist as at year end June 30, 2025.

18.2.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. At present, the Fund is not exposed to price risk.

18.3 Credit Risk

Credit risk represent the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investments and balances with banks. The Fund does not foresee any credit risk with respect to GOP Ijarah Sukuks since these are securities issued by State Bank of Pakistan on behalf of the Government of Pakistan. The credit risk on other financial assets is limited because the counter parties are mainly companies/ financial institution with reasonably high credit ratings. In addition, the internal risk management policies and investment guidelines (approved by investment committee) require the Fund to invest in debt securities that have been rate as investment grade by a well known rating agency.

18.3.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2026.

Name of Bank	Rating agency	Latest published rating		Percentage of bank balance
		Short term	Long term	
Al Baraka Bank Pakistan Limited	JCR-VIS	A1	AA-	0.09%
Faysal Bank Limited	PACRA	A1+	AA+	99.91%
United Bank Limited	JCR-VIS	A1+	AAA	0.00%

Name of issuer/ issue date	Rating agency	Latest published rating of the instrument	Percentage of Sukuks
Lucky Electric Power Co. Ltd Sukuk-21	PACRA	AA	9.57%
Pakistan Telecomm. Co Ltd. Sukuk XI	JCR VIS	AAA	43.48%
Pakistan Telecomm. Co Ltd. Sukuk XI	JCR VIS	AAA	25.22%
Pakistan Telecomm. Co Ltd. Sukuk XI	JCR VIS	AAA	21.74%



786 ISLAMIC MONEY MARKET FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

Concentration of credit risk

Concentration of risk exists arise when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly effect by changes in economic, political or other conditions. The Fund's portfolio of the financial instruments is mainly held with various banks, securities issued by State Bank of Pakistan on behalf of the Government of Pakistan and certain privately placed sukus.

18.3.2 Liquidity Risk

Liquidity risk is defined as the risk that the Fund will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities earlier than expected. The Fund is exposed to cash redemptions of its redeemable units on a regular basis. Units are redeemable at the unit holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive documents.

The table below summaries the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, for equity securities at fair value through income statement, the period in which those assets are assumed to mature is taken as the expected date on which these assets will be realized.

2026	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 years	Total
----- Rupees -----						
Financial Liabilities						
Payable to 786 Investments Limited - Management Company	119,344	119,344	-	-	-	238,688
Payable to Digital Custodian Company Limited - Trustee	51,889	-	-	-	-	51,889
Payable to Securities and Exchange Commission of Pakistan	25,944	-	-	-	-	25,944
Accrued expenses and other liabilities	1,091,499	-	-	-	-	1,091,499
	1,288,676	119,344	-	-	-	1,408,020
2025	Within 1 Month	1 to 3 Months	3 to 12 Months	1 to 5 Years	More than 5 years	Total
----- Rupees -----						
Financial Liabilities						
Payable to 786 Investments Limited - Management Company	-	98,237	-	-	-	98,237
Payable to Digital Custodian Company Limited - Trustee	49,319	-	-	-	-	49,319
Payable to Securities and Exchange Commission of Pakistan	16,650	-	-	-	-	16,650
Accrued expenses and other liabilities	1,484,875	-	-	-	-	1,484,875
	1,550,844	98,237	-	-	-	1,649,081



786 ISLAMIC MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

19 UNIT HOLDERS' FUND RISK MANAGEMENT

The Unit Holders' Fund is represented by redeemable units. The unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit as of the close of the business day less any back end load, provision for transaction cost and any provision for duty and charge, if applicable. The relevant movements are shown on the 'Statement of Movement in Unit holder's Fund.

The Fund has no restrictions or specific capital requirements on the subscription and redemption of units.

The Fund's objective when managing unit holders' fund is to safeguard the Fund's ability to continue as a going concern in order to seek maximum preservation of unit holders' fund and an optimum rate of return by investing in avenues having good credit rating and liquidity and to maintain a strong capital base to support the development of the investment activities of the Fund.

In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

The Fund meets the requirements of sub-regulation 54(3a) which requires that the minimum size of an Open End Scheme shall be one hundred million rupees at all times during the life of the scheme.

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

"Fair Value Measurement" defines fair value as the price that would be received to sale an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active market are based on the quoted market price at the close of trading on the period end date. The estimated fair value of all other financial assets and liabilities is considered not significantly different from the carrying values as the items are either short-term in nature or periodically repriced.

Debt Securities

These are valued at the rates notified by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the SECP's Circular 1 of 2009. The said circular prescribes a valuation methodology which in case of currently traded securities, is based on weighted average prices during the 15 days preceding the valuation date and in case of thinly or non-traded securities, on the basis of discount coupon method which takes into consideration credit risk and maturities of the instruments.

Government Securities

These are valued by reference to the quotations obtained from the PKRV rate sheet on the Reuters page.

The fair value of other assets and liabilities of the Fund approximate their carrying amount largely due to short term maturities of these instruments.

20.1 Fair Value Hierarchy

The Fund uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.



786 ISLAMIC MONEY MARKET FUND

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

		30-Jun-26					
		Carrying amount			Fair value		
		At amortised cost	FVTOCI	Total	Level 1	Level 2	Level 3
Note		----- Rupees -----					
Financial assets measured at fair value							
Investments							
Unlisted - Sukuk certificates	20.1.1	-	115,000,000	115,000,000	115,000,000	-	-
		-	115,000,000	115,000,000	115,000,000	-	-
Financial assets not measured at fair value							
	20.1.2						
Balances with banks		549,120,750	-	549,120,750			
Accrued income/profit		6,524,736	-	6,524,736			
Preliminary expenses and floatation costs		350,000	-	350,000			
		555,995,486	-	555,995,486			

Financial liabilities not measured at fair value

		Carrying amount		
		At amortised cost	FVTOCI	Total
		----- Rupees -----		
Payable to 786 Investments Limited - Management Company			119,344	119,344
Payable to Digital Custodian Company Limited - Trustee			51,889	51,889
Payable to Securities and Exchange Commission of Pakistan			25,944	25,944
Accrued expenses and other liabilities			1,091,499	1,091,499
			1,288,676	1,288,676

20.1.1 Investment in sukuks are valued on the basis of the rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by the Securities and Exchange Commission of Pakistan (SECP).

20.1.2 The Fund has not disclosed the fair values for these financial assets, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of fair value.

21 SUPPLEMENTARY NON FINANCIAL INFORMATION

		As at 30 June 2026			As at 30 June 2025		
		Number of Unit Holders	Investment Amount	Percentage Investment	Number of Unit Holders	Investment Amount	Percentage Investment
		----- Rupees -----			----- Rupees -----		
21.1 Pattern of Unit Holding							
Individuals		2	1,268,136	0.19%	-	-	0.00%
Associated Companies & Directors		1	142,430,179	21.26%	2	230,020,263	52.60%
Insurance Companies		3	349,889,726	52.24%	1	75,096,413	17.17%
Retirement Funds		-	-	0.00%	-	-	0.00%
Others		4	176,210,985	26.31%	4	132,160,220	30.22%
		10	669,799,026	100.00%	7	437,276,896	100.00%



786 ISLAMIC MONEY MARKET FUND

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

21.2 Details of Investment Committee

Name of Member	Designation	Qualification	Experience
Ms. Tara Uzra Dawood	Chief Executive Officer	Doctorate of Juridical Science	22 years
Mr. Noman Shakir	Chief Financial Officer and Company Secretary	ACMA	16 years
Mr. Muhammad Abbas	Fund Manager	MBA Finance	21 years
Mr. Muhammad Ali	Head of Compliance	MA Economic	5 years

21.3 Details of Fund Manager

Mr. Muhammad Abbas is fund manager of 786 Islamic Money Market Fund and 786 Smart Fund.

22 Details of Board of Director's meetings

Name of Director	September 29, 2025	October 23, 2025	February 26, 2026	April 9, 2026
Mr. Ahmed Salman Munir	Present	Present	N/A	Present
Miss Tara Uzra Dawood	Present	Present	Present	Present
Mr. Nadeem Akhtar	Present	N/A	Present	Present
Mr. Naveed Ahmed	Present	Present	Present	Present
Syed Musharaf Ali	Present	Present	Present	Present
Mr. Iqbal Shafiq	Present	N/A	Present	N/A
Mr. Ahmer Zia Sarwar	Present	Present	Present	Present

23 NUMBER OF EMPLOYEES

The total number of employees at year-end was 11 (2025: 10), and the average number of employees during the year was 11 (2025: 10)

24 GENERAL

Figures have been rounded off to the nearest rupee.

25 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the board of directors of the Management Company on **September 14, 2026**.

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

Chief Financial Officer

Chief Executive Officer

Director



786 ISLAMIC MONEY MARKET FUND

PERFORMANCE TABLE / KEY FINANCIAL DATA

	Year	Year
	2026	2025
Net Assets (Rs in million)	669.80	437.28
Net Asset Value per Units (Rs.)	100.54	100.40
Offer Price per Unit	101.55	101.40
Redemption Price per Unit	100.54	100.40
Number of Units	6,661,983	4,355,336
Net Profit for the year (Rs in million)	39.82	1.58
Income Distribution (Rs in million)		
Final	31.47	1.69
Interim	-	-
Average Annual Return (%)	10.68%	8.64%



786 ISLAMIC MONEY MARKET FUND

PROXY ISSUED BY THE FUND

The proxy voting policy of Fund, duly approved by Board of Directors of the Management Company, is available on the website of 786 Investments Limited i.e. <http://www.786investments.com> A detailed information regarding actual proxies voted by the Management Company in respect of the fund is also available without charge, upon request, to all unit holders.

The details of summarized proxies voted are as follows:

Resolutions	For	Against	Abstain
Number (%ages)	NIL	NIL	NIL



BOOK POST



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



Managed By:
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