786 SMART FUND

Fund Manager Report

Oct '26

Investment Objective

To provide competitive, risk-adjusted returns to its investors, the portfolio invests in a diversified mix of long-, medium-, and short-term Shariah-compliant debt instruments, taking into account liquidity considerations.

Fund Manager's Comments

During the month, the fund size Increased from PKR 1,328.00 million to PKR 1,441.4 million. The fund achieved a monthly, annualized return of 8.56% for the month ended Oct 31, 2026, outperforming its benchmark, which returned 9.87% during the same period.

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

Fund Statistics

Name of Fund	786 Smart Fund
Type	Open End
Category	Shariah Compliant Income Scheme
Net Assets	PKR 1441.4 million
Net Assets Value per unit	PKR 87.0642
Wt. average Time to maturity	1.16
Benchmark	75% six (6) months PKISRV rates + 25% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP*
Trustee & Custodian	Digital Custodian Company Limited
Auditor	Reanda Haroon Zakaria & Company
Registrar	M/s F.D. Registrar Services (SMC-Pvt) Limited
Launch Date	19-May-2003
Listing	PSX
Duration	Perpetual
Management Fee	1.50% per annum
Total Expense Ratio**	Ytd 2.06% | Mtd 2.06%
Shariah Advisor	Al Hilal Shariah Advisor Private Limited
Sales Load	1% Front End
Pricing Mechanism	Forward
Leverage	Nil
Risk Profile	Medium
AMC Rating	AM3+ (10 Nov 2025)
Stability Rating	AA-(f) by PACRA (18 Nov 2025)
Subscription	PKR. 5,000/-

*effective from Jan 01, 2025; Previously 6-month average deposit rates of three A rated Islamic Banks/Islamic windows of conventional banks as selected by MUFAP

* This includes Ytd | 0.32% and Mtd | 0.32% representing Government Levy and SECP Fee. (Annualized)

Asset Allocation (% of Total Assets)

Assets	Oct-26	Sep-26
Sukuk	**75.73%**	**66.49%**
Bank Balances	**22.22%**	**13.53%**
Others	**2.06%**	**19.98%**

Asset Allocation (Credit Quality)

Credit Quality	Oct-26	Sep-26
AAA	**16.88%**	15.20%
AA+	**29.22%**	14.81%
AA-	**32.03%**	30.83%
AA	**6.93%**	6.15%
A+	**4.61%**	4.19%
A	**0.00%**	0.00%
A-	**7.18%**	6.52%
D	**0.42%**	0.38%
Unrated	**2.73%**	21.92%

TOP TEN DEBT SECURITIES

INVESTEE COMPANY	Type	% of Total Assets
Mughal Iron & Steel Industries Ltd Sukuk (05-08-2026)	SUKUK	13.74%
Thatta Cement Limited - (10-10-25)	SUKUK	7.72%
Liberty Daharki Power Limited Sukuk (16-6-2026)	SUKUK	6.87%
Pakistan Telecommunication Sukuk (09-10-26)	SUKUK	6.87%
Alliance Sugur Mills Ltd Sukuk - (29-10-2026)	SUKUK	6.87%
Mahmood Textile Mills Ltd-Sukuk (28-10-2026)	SUKUK	6.18%
Masood Spining Mills Ltd Sukuk - (27-8-2026)	SUKUK	4.81%
K-Electric Company Ltd. (23-11-22)	SUKUK	4.53%
Al- Karam Textile Pvt Ltd (9-7-2026)	SUKUK	3.09%
At-Tahur Limited (13-4-2026)	SUKUK	3.09%

Fund Returns

Periods	Returns	Benchmark
Oct 2026	**8.56%**	**9.87%**
FYTD 2027	**10.04%**	**9.46%**
Rolling 12 Months Oct 2026	**10.46%**	**9.42%**
FY 2026	9.62%	9.43%
FY 2025	14.57%	10.37%
FY 2024	22.72%	10.10%
FY 2023	18.84%	6.06%
FY 2022	10.81%	3.34%
FY 2021	5.49%	3.56%
FY 2020	10.90%	6.33%
FY 2019	11.12%	12.93%
FY 2018	11.86%	6.22%
FY 2017	16.32%	5.98%
last 10 years	14.52%	7.10%
Peer Group Average Return		10.37%
5 years Peer Group Average Return		9.76%

Returns are computed on the basis of NAV to NAV with dividend reinvested

The performance reported is net of management fee & all other expenses and based on dividend reinvestment gross of with-holding tax where applicable.

Investment Committee

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

Details of Non-Compliant Investment

Name of Investment	Type	Value before Provision	Provision (if any)	Value after Provision	% of Net Assets	% of Gross Assets
New Allied Electronics Industires Ltd.	TFC	32,655,939	32,655,939	-	0.00%	0.00%
New Allied Electronics Industires Ltd.	Sukuk	5,027,500	5,027,500	-	0.00%	0.00%
Amtex Ltd.	Sukuk	22,500,000	22,500,000	-	0.00%	0.00%
Eden Housing Ltd.	Sukuk	2,887,171	2,887,171	-	0.00%	0.00%
Agha Steel Industries Limited	Sukuk	44,000,000	6,120,000	37,880,000	2.63%	2.60%

Registered Address

786 Investments Limited

G3, BRR Tower, Hassan Ali Street, Off I. I. Chundrigar Road, Karachi 74000, Pakistan
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Email: info@786investments.com
URL: www.786investments.com

Cut-off Timings

Business / Dealing Days	Business Hours	Cut-off Timmings
Monday - Friday	09:00 am - 6:00 pm	9:00 am - 4:00 pm

Other Information

Before making any investment decision, investors are advised to review the latest Monthly Fund Manager Report and Financial Statements.

Dispute Resolution/Complaints Handling:

Investors may lodge their compliants to our Investor Services Department through any of the following options where our dedicated staff is available to provide assistance. Call at 92-21 111 329 663 , Email at info@786investments.com or submit our website https://www.786investments.com/investor-complaints/. In case your complaint has not been redressed by us, you may lodge your complaint with SECP at the link https://sdms.secp.gov.pk/. However, please note that SECP will entertain only those compliants which were at first directly requested to be redressed by the Company and the Company has failed to redress the same. Further, the complaints that are not relevant to SECP's regulatory domain/competence shall not be entertained by the SECP.

Disclaimer

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