



INVESTMENTS

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786 INVESTMENTS LIMITED

**ANNUAL REPORT
2025**



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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
Auditors	Riaz Ahmed & 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 (SMC-Pvt.) Ltd. Office# 1705, 17th Floor Saima Trade Tower. A, I.I. Chundrigar Road, Karachi-74000, Pakistan.	
Banker:	Habib Metropolitan Bank Limited JS Bank Limited	
Rating:	PACRA: AM3	



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.



NOTICE OF ANNUAL GENERAL MEETING (AGM XXXIII)

September 29, 2025

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road Karachi

Subject: Notice of Annual General Meeting

Dear Sir,

In accordance with Clause 5.6.9 (b) of the Rule Book of Pakistan Stock Exchange Limited, please find enclosed a copy of the Notice of Annual General Meeting of 786 Investments Limited to be held on October 21, 2025, at 08:30 at G-3, BRR Tower, Hasan Ali Street of I.I. Chundrigar Road, Karachi prior to its publication in the newspaper for circulation amongst the Certificate Holders of the Exchange.

Yours sincerely

for 786 Investments Limited

Noman Shakir
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING (AGM XXXIV)

Notice is hereby given that the 34th Annual General Meeting of the shareholders of the Company will be held on Tuesday, October 21, 2025, at 08:30 AM, at Registered Office: G3, BRR tower, Hassan Ali Street, Off I.I. Chundrigar Road, Karachi to transact the following business:

Ordinary Business

- 1- To confirm the Minutes of the 33rd Annual General Meeting.
- 2- To receive, consider and adopt the Audited Financial Statements of the Company for the year ended June 30, 2025 together with Directors and Auditors Reports thereon.
- 3- To appoint the Auditors and fix the remuneration for the financial year ending June 30, 2026.
- 4- To Consider and approve remaining payment of subordinated loan with financial charges.
- 5- To consider and approve the issuance of Right Shares to the existing shareholders of the Company in proportion to their shareholding, in accordance with Section 83 and other applicable provisions of the Companies Act, 2017, subject to necessary regulatory approvals.



Special Business:

- 6- To approve the circulation of Annual Report (including the Audited Financial Statements, Auditor's Report, Directors' Report, Chairman's Review Report) to the Members of the Company through QR enabled code and web link in accordance with Section 223(6) of the Companies Act, 2017 read with S.R.O. 389(1)/2023 dated March 21, 2023.
5. Any other Business with the permission of the Chair.

Statement under Section 134(3) of the Companies Act 2017 is annexed to the notice being sent to the members.

By Order of the Board

September 29, 2025
Karachi

Noman Shakir
Company Secretary

Notes:

1- Book Closure

The share transfer books of 786 Investments Ltd. will remain closed from October 14, 2025, to October 21, 2025 (both days inclusive). The transfers received in order by our share registrar, FD Registrar Services (Pvt) Ltd situated on the 17th floor, Saima Trade Tower A, I.I. Chundrigar Road, Kai'ac1ii by the close of business on October 13, 2024, will be considered in time to attend and vote at the meeting.

2- Appointment of Proxy

- a) A member entitled to attend the meeting may appoint any other member as his/her proxy to attend the meeting through video-link. A proxy form is enclosed.
- b) A member entitled to attend and vote at Annual General Meeting shall be entitled to appeal member, as a proxy to attend and vote on his/her behalf. The proxies in order to be effective must be
- c) received to FD Registrar Services (Pvt) Ltd situated on the 17th floor, Saima Trade Tower A, I.I. Chundrigar Road, Karachi not less than forty-eight (48) hours before the meeting.
- d) Members are requested to notify changes immediately, if any, in their registered addresses to FD Registrar.

3- For Appointment of Proxy

The shareholders will further have to follow the under Intentioned guidelines:

- a) In case of individuals having physical shareholding or the account holder or sub-account holder and/or the person whose securities are in group account and their registration details are uploaded as per the CDC Regulations, shall submit the proxy form accordingly.



- b) The proxy form shall be witnessed by two persons whose names, addresses and CNIC number shall be mentioned on the form.
- c) Notarized copies of CNIC or the passport of the beneficial owners and the proxy shall be furnished with the proxy form.
- d) In case of a corporate entity, the Board of Directors' resolution/power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.

4- Submission of copy of CNIC/NTN (Mandatory):

Individual members who have not yet submitted photocopy of their valid CNIC to the Company/Share Registrar, are once again requested to send their CNIC (copy) at the earliest directly to FD Registrar. Corporate Entities are requested to provide their National Tax Number (NTN). Please also give Folio Number with the copy of CNIC/NTN details.

5- Availability of Annual Audited Financial Statements on the Company's website:

In terms of Securities and Exchange Commission of Pakistan's (SECP) S.R.O. 634 (1)/ 2014, the Annual Report for the year ended 30 June 2024 will also be placed on 786 Investments Ltd. website: www.786investments.com and is readily accessible to the shareholders.

6- Deposit of Physical Certificates in CDC Account

As per Section 72 of the Companies Acts, 2017, every AMC shall be required to replace its physical certificate with book-entry form in a manner as may be specified and from the date notified by the Commission, within a period not exceeding four years from the commencement of this Act.

The AMC having physical shareholders are encouraged to open the CDC sub-account with any of the brokers or investor Account directly with CDC to place their physical certificate into scrip less form.

7- Un Claimed dividend

Shareholders who could not collect their bonus shares are advised to contact our share Registrar to collect / enquire about their unclaimed bonus shares, if any. In compliance with section 244 of the Companies Act 2017, after having the stipulated procedure, all such bonus shares outstanding for a period of three years or more from the date due shall be delivered to the SECP.

STATEMENT UNDER SECTION 134 (3) OF THE COMPANIES ACT, 2017

This statement set on the material facts pertaining to Special Business Agenda Item No, 4 on the notice to be transacted at the 34th Annual General Meeting.

"RESOLVED TOAT The Securities & Exchange Commission of Pakistan (SECP) through its Notification No. S.R.O. 389(1)/2023 dated March 21, 2023 has allowed the Companies to circulate the Audited Financial Statements to its Members/Shareholders through Quick Response (QR) enabled code and weblink instead through CD/DVD/USB. Considering the optimum use of advancement of technology and Members approval is sought for the circulation of Annual Report (including the Audited Financial Statements, Auditor's Report, Directors' Report, Chairman's Review Report) to the Members of the Company through QR enabled code and weblink in accordance with Section 223(6) of the Companies Act, 2017 read with S.R.O. 389(1)/2023 dated March 21, 2023.



FINANCIAL HIGHLIGHTS

	2025	2024	2023	2022	2021	2020
	Rupees In Million					
Authorized Capital	200.0000	200.0000	200.0000	200.0000	200.0000	200.0000
Paid-Up Capital	149.7375	149.7375	149.7375	149.7375	149.7375	149.7375
Shareholders' Equity	271.7596	236.3416	240.6827	230.6069	230.1301	210.3695
Total Assets	299.2635	260.5153	262.8287	255.4305	248.8764	229.6785
Short-Term Investment in Securities	271.0735	245.1858	241.4905	226.5300	215.2467	192.0067
Income From Investments	57.9297	45.1355	32.8254	2.0061	4.6185	7.6435
Management Fee	19.3107	18.8082	13.2533	13.1830	8.8368	9.5667
Advisory Fee	1.1111	1.1111	1.1111	1.1111	1.1111	1.1111
Dividend Income	0.0288	0.2484	0.4416	17.5517	9.5510	10.0074
Other Income	0.8273	1.3405	0.7176	1.1484	3.7407	2.8357
Net unrealized gain/(loss) on revaluation of investments	2.8661	(18.6037)	0.8503	-	-	-
Profit Before Taxation	38.9514	10.9400	13.5368	3.8205	5.1396	5.4481
Taxation	3.5334	5.2811	3.4610	3.0283	1.8708	1.5122
Profit After Taxation	35.4180	5.6588	10.0758	0.7923	3.2688	3.9359
Book Value Per Share	18.1491	15.7837	16.0736	15.4007	15.3689	14.0492
Earnings Per Share	2.37	0.38	0.67	0.05	0.22	0.26



CHAIRMAN'S REPORT

Throughout the year, the Directors of 786 Investments Limited have exemplified professionalism, expertise, and commitment in navigating the Company through a demanding phase of transformation. I extend my sincere gratitude to the Board Members for their invaluable efforts, which have been vital in supporting our turnaround journey.

The Company is undertaking a comprehensive strategic reassessment, encompassing an in-depth review of the economic environment and a thorough evaluation of available resources. This process involves significant adjustments to our financial and operational structures, necessitated by the challenges faced in the preceding year.

As part of our strategic initiatives, the Company has intended to issue the right shares in proportion of 1 Right Shares for every 3 ordinary shares held i.e. approximately 33.33 % and prioritized the repayment of its subordinated loan, a step aimed at strengthening profitability, achieving a debt-free position, and aligning resources with long-term growth objectives. This measure underscores our commitment to sustainable expansion and enhanced value creation for shareholders. Management remains fully engaged with all stakeholders to ensure the process is executed seamlessly and in strict compliance with regulatory requirements.

In parallel, we are implementing a cost optimization program to drive operational efficiency. A central focus for the coming year is the expansion of our Assets Under Management (AUM). As of June 30, 2025, the 786 Smart Fund reported an AUM of PKR 1.5 billion, while the newly launched 786 Islamic Money Market Fund has already achieved an AUM of PKR 437 million. Both funds are playing a pivotal role in strengthening the Company's growth trajectory and sustainability. By leveraging our resources with discipline and foresight, we are confident of enhancing profitability and delivering consistent returns to our investors.

On behalf of the Company, I wish to convey my deepest appreciation to the Securities and Exchange Commission of Pakistan and the management of the Pakistan Stock Exchange Limited for their unwavering support and cooperation. I also extend heartfelt thanks to our valued stakeholders, whose trust and contributions remain at the core of our continued success.

Ahmed Salman Munir
Chairperson

September 29, 2025
Karachi.



REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of 786 Investments Limited. ("786" or the "Company") is pleased to present the annual report and the audited financial statements of the Company for the year ended June 30, 2025.

Principle Business:

786 Investments Ltd is a public listed company incorporated in Pakistan. The Company is registered as NBFC under the NBFC Rules, 2003. The Company has obtained the license to carry out Asset Management Services and in process of obtaining the license of Investment Advisory Services and under the NBFC Rules, 2003, and NBFC Regulation, 2008.

Company Performance Review:

	June 30, 2025	June 30, 2024
	----- Rupees -----	
Management Fees	19,310,743	18,808,201
Advisory fee	1,111,111	1,111,111
Dividend income	28,793	248,382
Net realized gain on investments	39,640,107	42,922,832
Income on debt securities	18,289,552	2,212,633
Net unrealized gain/(loss) of investments	2,866,112	(18,603,724)
Other Operating Income	827,254	1,340,547
Operating Profit	38,923,052	11,021,406
Administration and Operating Expenses	(40,250,931)	(31,815,524)
Financial Charges	(2,072,436)	(3,862,506)
Total Expenses	(42,323,367)	(35,678,030)
Other operating charges	(798,867)	(1,421,995)
Profit Before Taxation	38,000,236	9,911,339
Profit After Taxation	35,418,029	5,658,848

The Company recorded a Profit After Taxation of PKR 35.418 million during the year ended June 30, 2025, as compared to PKR 5.659 million in the corresponding period last year. The significant growth in profitability is primarily attributable to an increase in Income on Debt Securities, which rose to PKR 18.290 million from PKR 2.213 million in 2024.

Management Fees also increased to PKR 19.311 million from PKR 18.808 million, reflecting steady growth in fund management operations. Furthermore, the Company recorded a Net Unrealized Gain on Investments of PKR 39.64 million as compared to a Net Unrealized Loss of PKR 42.92 million in the previous year.

On the expenses side, Administration and Operating Expenses rose to PKR 40.251 million from PKR 31.816 million in 2024, representing a 26.51% increase, mainly due to higher operational and compliance costs. Financial charges, however, reduced to PKR 2.072 million from PKR 3.863 million, contributing positively to the bottom line.



Overall, the Company delivered strong performance in FY2025, with improved investment income, reduced financial charges, and higher operating efficiency driving the substantial growth in profitability. The earnings per share (EPS) of the Company for the year ended June 30, 2025, was PKR 2.37 as compared to PKR 0.38 per share for the corresponding period last year, reflecting a substantial improvement in profitability.

The Board of Directors of the Company has a responsibility to ensure that the internal financial control system of the company is adequate and is operating effectively.

The Company remained focused on growing its Assets Under Management (AUMs). During the year, the Company successfully expanded its product base and is now managing two funds: (i) 786 Smart Fund (Shariah Compliant Income Scheme) and (ii) 786 Islamic Money Market Fund (Shariah Compliant Money Market Scheme).

- 786 Smart Fund reported AUMs of PKR 1,513.811 million as of June 30, 2025, compared to PKR 879.23 million as of June 30, 2024, reflecting strong growth during the year.
- 786 Islamic Money Market Fund was launched on October 22, 2024, and recorded net assets of PKR 437.28 million as of June 30, 2025.

This growth demonstrates the Company's strategy to diversify its product offerings and enhance its investor base by introducing Shariah-compliant investment solutions.

Future Plans:

The Company is undertaking a comprehensive reassessment of its strategy by carefully evaluating both the prevailing economic environment and its internal resources. To reinforce the capital base and align resources with long-term growth ambitions, the Board has approved a right shares issue of one right share for every three shares held. Proceeds from this issue will be utilized primarily for the repayment of subordinated loans, enabling the Company to achieve a debt-free balance sheet and improved profitability, as well as for the upgradation of technology-critical steps toward sustaining business growth and competitiveness.

To accelerate growth in AUMs, the Company is establishing a upgrading its technology, with disciplined resource allocation, strict regulatory compliance, and active stakeholder engagement, the Company is confident of strengthening its financial position, driving sustainable growth, and delivering enhanced long-term value to shareholders.

In parallel, the Company is implementing a cost optimization program to enhance operational efficiency and is pursuing organizational restructuring by streamlining processes and introducing effective cost-control measures.

Economic Review:

The global economy in mid-2025 is marked by rising uncertainty, with growth projected at 3.0% in 2025 before moderating to 2.6% in the second half, reflecting trade frictions, high borrowing costs, and supply chain disruptions. Inflation has eased but remains uneven, with the OECD forecasting U.S. inflation at 4.2%, above target levels. In North America, U.S. growth is expected to slow sharply to 1.6% in 2025 from 2.8% in 2024, while Canada is also forecast at 1.6%. The EU is projected to expand by just 1.0%, with Germany under pressure, though service-driven economies such as Spain and Greece show resilience. In Asia-Pacific, India remains strong with 7.4% growth in Q1 2025, contrasting with East Asian economies weakened by U.S. tariffs and Japan constrained by rising bond yields. China's growth is projected at 4.6%, weighed down by weak exports and a struggling property sector. The Middle East faces declining oil prices despite U.S.-Gulf investments, while Sub-Saharan Africa is



forecast to grow 3.6%, though high debt undermines stability. Overall, global risks remain tilted downward, requiring businesses to stay agile, diversify markets, and focus on cost management to navigate volatility.

Pakistan recorded a current account deficit of USD 103 million in May 2025; however, the cumulative current account balance for 11MFY25 remained in surplus at USD 1.81 billion, supported primarily by strong remittance inflows. As of June 20, 2025, the State Bank of Pakistan's foreign exchange reserves fell to an 11-month low of USD 9.06 billion on account of external debt repayments. Subsequently, reserves were replenished as the central bank secured USD 3.6 billion in commercial and multilateral inflows, lifting reserves above the FY25 target and strengthening the country's external position. Set Management)

Money Market Review:

The Monetary Policy Committee, in its meeting on June 16, 2025, maintained the policy rate at 11 percent, noting that headline inflation rose to 3.5 percent in May, broadly in line with expectations, while inflation expectations moderated. Provisional GDP growth for FY25 stood at 2.7 percent, with the government targeting 4.2 percent in FY26, supported by improving industrial and services activity. The current account posted a surplus of USD 1.9 billion during Jul-Apr FY25, backed by strong remittances, though rising imports widened the trade deficit. SBP reserves reached USD 11.7 billion in early June and are expected to increase to USD 14 billion by year-end on planned inflows. Fiscal indicators strengthened, with the primary surplus improving to 2.2 percent of GDP, while a target of 2.4 percent has been set for FY26. Inflation is projected to remain within the 5-7 percent target range, though risks persist from external sector pressures, volatile oil prices, and geopolitical tensions.

Asset Management Industry Overview

Mutual Funds (open-end funds) recorded Assets Under Management (AUMs) of PKR 3.612 billion as of June 30, 2025, reflecting a 58.14% increase from PKR 2.284 billion as of June 30, 2024.

The Company's Assets Under Management (AUM) stood at PKR 1,951.09 million as of June 30, 2025, showing a 50.93% growth compared to PKR 1,292.63 million of June 30, 2024.

Corporate Social Responsibility and Impact on Environment

In June 2025, the Company, in partnership with Dawood Global Foundation and with the support of Bank Al Baraka, successfully completed a three-day water infrastructure project across six sites in Skardu. The initiative included borehole drilling, installation of submersible pumps, solar-powered systems with shade protection, pipelines, and final reinforcements, greatly enhancing community access to clean water. 786 Investments Limited played an active on-ground role, ensuring smooth and timely execution.

Likewise, under the Climate Promise: Green Skills Training Program, implemented with UNDP support, over 600 beneficiaries-equally split between men and women-in Mirpurkhas, Tando Allahyar, Larkana and Dadu were trained in e-commerce, water harvesting, organic farming, beekeeping, fuel-efficient cooking, and food dehydration. The program emphasized gender balance, practical learning, and community engagement, directly benefiting 600 individuals and indirectly reaching about 3,000 community members. Sustainability measures include job placement facilitation, microfinance linkages, and the planned distribution of 200 solar stoves. 786 Investments Limited actively participated on the ground, working alongside Dawood Global Foundation to ensure effective and impactful delivery.

These initiatives reaffirm our long-term commitment to fostering an inclusive, sustainable, and equitable future for Pakistan. We deeply appreciate the dedication of our team and the invaluable support of our partners, which



were instrumental in achieving these milestones. Looking ahead, 786 Investments Limited remains steadfast in its mission to create lasting value for clients, shareholders, employees, and the wider community, while continuing to drive initiatives that promote resilience, opportunity, and sustainable growth.

Principle Risk & Uncertainties

The company currently manages the "786 Smart Fund," and "786 Islamic Money Market Fund" are Islamic Income Fund primarily invested in Sukuk. Sukuk investments offer attractive returns due to the rise in KIBOR by the Monetary Policy Committee (MPC). In the near future, we are evaluating the allocation of an A+/A1+ rated Sukuk, aiming to yield substantial returns.

The Company's risk management policies and procedures ensure that risks are effectively identified, evaluated, monitored, and managed. Risk management is a dynamic function and management must continuously monitor its internal risk procedures and practices to reduce earnings variability.

Board Evaluation

In compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019, an evaluation of the Board of Directors and its Committees was carried out. A comprehensive self-evaluation survey was conducted to assess the performance of the Board and its Committees. Feedback was obtained from all Board members covering areas such as strategic clarity, business direction, effectiveness of the business plan, and adequacy of the Board's functional role.

Corporate Governance and Financial Reporting Framework

The Directors are pleased to state as follows:

- The financial statements, prepared by the company, present its state of affairs fairly, the result of its operations, cash flows and changes in equity.
- Proper books of account have been maintained by the company.
- Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- 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.
- The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further.
- There are no significant doubts upon the company's ability to continue as a going concern.
- 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.
- There has been no trading during the year in the units of the Fund carried out by the Directors, Chief Executive Officer, Company Secretary and their spouses and their minor children except as disclosed in the relevant notes to the financial statement.



- There is no statutory payment on account of taxes, duties, levies and charges outstanding.

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

The total number of directors are seven (7) as per the following:

- Male: 6
- Female: 1

The Composition of board is as follows:

Category	Names	Designation
Independent Directors	Mr. Ahmed Salman Munir Mr. Nadeem Akhtar Mr. Ahmer Zia Sarwar	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

Board of Directors Meetings

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

Names	No of Meetings held	No of Meetings attended	Leave granted
Ms. Tara Uzra Dawood	4	4	-
Mr. Iqbal Shafiq	4	4	-
Syed Musharaf Ali	4	4	-
Mr. Nadeem Akhtar	4	3	-
Mr. Ahmed Salman Munir	4	4	-
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:

Names	No of Meetings held	No of Meetings attended	Leave granted
Mr. 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 the Chief Executive Officer for attending meetings of the Board and its Committees is approved by the Company in the General Meeting. The remuneration is determined considering prevailing industry trends and best business practices. Detailed disclosures of remuneration paid to the Chief Executive Officer and Directors are provided in Note 33 to the financial statements.

Auditors' Appointment

The Auditors, M/s Riaz Ahmed & Co., Chartered Accountants, have given their consent to continue as auditors of the Company. The Board Audit Committee has recommended their re-appointment for the year ending June 30, 2026, for 786 Investments Limited, which has been duly approved by the Board along with a 10% increase in their audit fee.

Auditors' Report

The Auditors have given their unmodified opinion on the financial statements of the Company for the year ended June 30, 2025.

Statement of Ethics and Business Practices

The Board of Directors of Company has adopted a Statement of Ethics and Business Practices. All employees are informed of this statement and are required to observe these rules of conduct in relation to business and regulations.

Dividend

Based on the above, the Board of Directors of the Company has decided not to distribute any dividend to the shareholders for the year.

Credit Rating

The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of "AM3", to the Company.



Trading in shares of the Company

No transactions were recorded during the year 2024-25.

Transaction with Connected Persons/Related Parties

Transactions between the Fund and its connected persons as disclosed in notes to the financial statements are carried out on an arm's length basis.

Pattern of Share Holding as on June 30, 2025

The pattern of shareholding holding as on June 30, 2025 is annexed to these financial statements.

Key Financial Highlights

Key financial highlights are summarized and annexed to these financial statements.

Staff Retirement Benefits

786 operates a provident fund scheme for all permanent employees' details are included in these financial statements.

Events after the Balance Sheet Date

As part of our strategic initiatives, the Company has intended to issue the right shares in proportion of 1 Right Shares for every 3 ordinary shares held i.e. approximately 33.33 % and prioritized the repayment of its subordinated loan, a step aimed at strengthening profitability, achieving a debt-free position, and aligning resources with long-term growth objectives

The Company shall issue 4,990,751 (Four Million Nine Hundred Ninety Thousand Seven Hundred Fifty-One) ordinary shares, at a price of PKR 10/- (Pak Rupees Ten) per share, aggregating to PKR 49,907,509/- (Pak Rupees Forty-Nine Million Nine Hundred Seven Thousand Five Hundred Nine Only).

Further, there was no other subsequent event after the Balance sheet date.

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 put in by the employees of the Company for their commitment and dedication and shareholders for their confidence in the Company.

Ahmed Salman Munir
Chairperson
September 29, 2025
Karachi.

Director

اخلاقیات اور کاروباری طریقوں کا بیان

کمپنی کے بورڈ آف ڈائریکٹرز نے اخلاقیات اور کاروباری طریقوں پر عمل کیا ہے۔ تمام ملازمین کو اس بیان بارے میں مطلع کیا گیا ہے اور کاروباری قواعد و ضوابط کے سلسلے میں ان اصولوں پر عمل کرنا ضروری قرار دیا گیا ہے۔

ڈیویڈنڈ

مذکورہ بالا کی بنیاد پر، کمپنی کے بورڈ آف ڈائریکٹرز نے سال کے لئے شیئرز ہولڈرز کو کوئی ڈیویڈنڈ آمدنی تقسیم نہ کرنے کا فیصلہ کیا ہے۔

کریڈٹ ریٹنگ

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے کمپنی کو "AM3" کی ایسٹ میچر ریٹنگ تفویض کی ہے۔

کمپنی کے حصص میں تجارت

سال 2024-25 کے دوران حصص کی کوئی تجارت نہیں کی گئی ہے۔

منسلک افراد متعلقہ پارٹیوں کے ساتھ لین دین

فنڈ اور اس سے متعلقہ افراد کے درمیان لین دین جیسا کہ مالی گوشواروں میں انکشاف کیا گیا، قابل رسائی بنیاد پر کیا جاتا ہے۔

30 جون 2025 کو شیئرز ہولڈنگ کا نمونہ

30 جون 2025 کو شیئرز ہولڈنگ کا نمونہ ان مالی گوشواروں سے منسلک کر دیا گیا ہے۔

اہم مالیاتی جھلکیاں

کلیدی مالیاتی جھلکیوں کا خلاصہ ان مالیاتی گوشواروں کے ساتھ منسلک کر دیا گیا ہے۔

اسٹاف کوریٹرمٹ کے فوائد

786 تمام مستقل ملازمین کے لئے ایک پراویڈنٹ فنڈ اسکیم چلا رہی ہے جس کی تفصیلات ان مالیاتی گوشواروں میں شامل ہے۔

بعد از بیلنس شیٹ واقعات

ہمارے اسٹریٹجک اقدامات کے حصہ کے طور پر، کمپنی نے ہر 3 عام حصص کے لیے 1 رائٹ حصص کے تناسب سے یعنی تقریباً 33.33% رائٹ حصص جاری کرنے کا ارادہ کیا ہے اور اپنے ماتحت قرض کی ادائیگی کو ترجیح دی ہے، اس اقدام کا مقصد منافع کو مستحکم، قرض سے پاک پوزیشن کا حصول اور وسائل کو طویل مدتی نمو کے مقاصد کے ساتھ ہم آہنگ کرنا ہے۔

کمپنی - 10 روپے (دس روپے پاکستانی) فی حصص کی قیمت پر 4,990,751 (چار ملین نو سو نوے ہزار سات سو ایکاون) عام حصص جاری کرے گی، جن کی مجموعی مالیت -/49,907,509 روپے (انچاس ملین نو سو سات ہزار پانچ سو نو روپے پاکستانی) ہے۔

اس کے علاوہ، بیلنس شیٹ کی تاریخ کے بعد کوئی دیگر واقعہ نہیں ہوا۔

اظہار تشکر

منجمنٹ کمپنی کے بورڈ آف ڈائریکٹرز قابل قدر معاونت، مدد اور رہنمائی پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور پاکستان اسٹاک ایکسچینج لمیٹڈ کی انتظامیہ کے شکرگزار ہیں۔ ڈائریکٹرز عزم، لگن اور محنت پر کمپنی کے ملازمین اور انتظامیہ کا اور کمپنی میں اعتماد پر شیئرز ہولڈرز کا بھی شکریہ ادا کرتے ہیں۔

ڈائریکٹر

احمد سلمان میسر

چیئر پرسن

29 ستمبر 2025ء

کراچی

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	تعطیل
محترمہ تارا عزیز اداؤد	4	4	-
جناب اقبال شفیق	4	4	-
سید شرف علی	4	4	-
جناب ندیم اختر	4	3	-
جناب احمد سلمان منیر	4	4	-
جناب نوید احمد	4	4	-
جناب احمد ضیاء سرور	4	4	-

آڈٹ کمیٹی کا اجلاس

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

نام	منعقدہ اجلاسوں کی تعداد	تعداد حاضری اجلاس	تعطیل
جناب احمد ضیاء سرور	4	4	-
سید شرف علی	4	4	-
جناب نوید احمد	4	4	-

ڈائریکٹرز 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 کمپنی اجلاس عام میں کرتی ہے۔ ڈائریکٹرز کا مشاہرہ موجودہ انڈسٹری رجحانات اور کاروباری پریکٹس کی بنیاد پر معین کیا جاتا ہے۔ چیف ایگزیکٹو آفیسر اور ڈائریکٹرز کو ادا کئے جانے والے مشاہرہ کی تفصیلات مالی حسابات کے نوٹ 33 میں دستیاب ہیں۔

محاسب کا تقرر

"آڈیٹر میسرز ریاض احمد اینڈ کو، چارٹرڈ اکاؤنٹنٹس نے کمپنی کے آڈیٹر کے طور پر کام کرنے پر رضامندی ظاہر کی ہے۔ بورڈ آڈٹ کمیٹی نے 30 جون 2026 کو ختم ہونے والے سال کے لیے 786 انوینٹس لمیٹڈ کے لیے ان کی دوبارہ تقرری کی سفارش کی اور بورڈ نے انکی آڈٹ فیس میں 10% اضافہ کے ساتھ اس کیونیکیشن کی توثیق کی ہے۔"

آڈیٹرز کی رپورٹ

آڈیٹر نے 30 جون 2025 کو ختم ہونے والے سال کے لئے کمپنی کے مالی گوشواروں پر اپنی غیر نظر ثانی شدہ رائے دی ہے۔

کارپوریٹ گورننس اور مالیاتی رپورٹنگ کا دائرہ کار

ڈائریکٹر بخوشی بیان کرتے ہیں کہ:

- کمپنی کی انتظامیہ کی طرف سے تیار کردہ، مالیاتی حسابات، اس کے امور آپریشنز کے نتائج، نقدی بہاؤ اور یکونئی میں تبدیلیوں کو منصفانہ طور پر ظاہر کرتے ہیں۔
- کمپنی کے کھاتہ جات بالکل صحیح طور سے بنائے گئے ہیں۔
- 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۔
- 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۔
- اندرونی کنٹرول کے نظام کا ڈیزائن مستحکم ہے اور اسکی مؤثر طریقے سے عملدرآمد اور نگرانی کی جاتی ہے۔
- کمپنی کے گونگ کنسرن ہونے کی صلاحیت پر کوئی قابل ذکر شکوک و شبہات نہیں ہیں۔
- کارپوریٹ گورننس کے بہترین عمل سے کوئی مادی انحراف نہیں کیا گیا ہے سوائے جن مالی گوشواروں کے ساتھ منسلک تعمیلی بیان میں انکشاف کیا گیا۔
- فنڈ کے پونٹ میں کسی ڈائریکٹر، چیف ایگزیکٹو آفیسر، کمپنی سیکرٹری اور ان کے زوج اور ان کے نابالغ بچوں کی طرف سے سال کے دوران کوئی تجارت نہیں کی گئی سوائے جن کا مالی گوشواروں سے متعلقہ نوٹس میں انکشاف کیا گیا۔

- ٹیکسز، ڈیوٹیز، لیویز اور بقایا چارجز کی مد میں کوئی قانونی ادائیگی نہیں ہے۔
- کمپنی نے درج ذیل انداز میں لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 اور ریگولیشن 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:

کننگری	نام	عہدہ
آزاد ڈائریکٹر	جناب احمد سلمان منیر	چیر پرسن
	سید ندیم اختر	ڈائریکٹر
	جناب احمد ضیاء سرور	ڈائریکٹر
ایگزیکٹو ڈائریکٹر	محترمہ متارا اعز راد اود	چیف ایگزیکٹو آفیسر
نان ایگزیکٹو ڈائریکٹر	سید شرف علی	ڈائریکٹر
	جناب نوید احمد	ڈائریکٹر
	جناب اقبال شفیق	ڈائریکٹر
خاتون ڈائریکٹر	محترمہ متارا اعز راد اود	چیف ایگزیکٹو آفیسر



ایٹاٹھ منجمنٹ صنعت کا جائزہ

30 جون 2025 کو میڈیچل فنڈز (اوپن اینڈ فنڈز) کے ایٹاٹھ منجمنٹ (AUM) کی مالیت 30 جون 2024 کو 2.284 بلین روپے کے مقابلے 30 جون 2025 کو 3.612 بلین روپے ہو گئی
یعنی 58.14 فیصد کا اضافہ ہوا۔
30 جون 2025 کو کمپنی کے ایٹاٹھ منجمنٹ (AUM) کی مالیت 30 جون 2024 کو 1,292.63 بلین روپے کے مقابلے 30 جون 2025 کو 1,951.09 بلین روپے ہو گئی یعنی 50.93 فیصد
کا اضافہ ہوا۔

کارپوریٹ سماجی ذمہ داری اور ماحول پر اثرات

جون 2025 میں، کمپنی نے داؤد گلوبل فاؤنڈیشن کے ساتھ شراکت داری اور بینک البر کا تعاون سے، اسکردو میں چھ مقامات پر تین روزہ پانی کے بنیادی ڈھانچے کے منصوبے کو کامیابی سے مکمل کیا۔ اس
پہل میں بورہول ڈرائنگ، آبدوز پمپس کی تنصیب، سایہ دار تحفظ کے ساتھ شیشی توانائی سے چلنے والے نظام، پائپ لائنز، اور حتیٰ مک شامل ہیں، جس سے صاف پانی تک کمیونٹی کی رسائی میں بہت اضافہ ہوتا
ہے۔ 786 انویسٹمنٹ لمیٹڈ نے ہموار اور بروقت عملدرآمد کو یقینی بناتے ہوئے زمین پر ایک فعال کردار ادا کیا۔

اسی طرح، موسمیاتی وعدے کے تحت: گرین سکورٹریٹنگ پروگرام، جو UNDP کے تعاون سے نافذ کیا گیا، میرپور خاص، ٹنڈوالہ یار، لاڑکانہ اور دادو میں 600 سے زائد مستفیدین کو۔ مردوں اور عورتوں کے
درمیان یکساں طور پر تقسیم کیا گیا۔ کوای کامرس، واٹر ہارویسٹنگ، آرکینک فارمنگ، شہد کی کھویوں کی حفاظت، کھانے کی ہائیڈریشن، ڈی ہائیڈریشن کی تربیت دی گئی۔ پروگرام نے صفائی توازن، عملی تعلیم، اور
کمیونٹی کی شمولیت پر زور دیا، جس سے 600 افراد کو براہ راست فائدہ پہنچا اور بالواسطہ طور پر تقریباً 3,000 کمیونٹی ممبران تک رسائی حاصل ہوئی۔ پائیداری کے اقدامات میں ملازمت کی جگہ کی سہولت،
مائیکرو فنانس لکچر، اور 200 شیشی چولہے کی منصوبہ بند تقسیم شامل ہے۔ 786 انویسٹمنٹ لمیٹڈ نے فعال اور موثر ترزیل کو یقینی بنانے کے لیے داؤد گلوبل فاؤنڈیشن کے ساتھ مل کر زمین پر فعال طور پر حصہ لیا۔
یہ اقدامات پاکستان کے لیے ایک جامع، پائیدار اور مساوی مستقبل کو فروغ دینے کے لیے ہمارے طویل مدتی عزم کی تصدیق کرتے ہیں۔ ہم اپنی ٹیم کی لگن اور اپنے شراکت داروں کے انمول تعاون کی دل کی
گہرائیوں سے تعریف کرتے ہیں، جنہوں نے ان سنگ میلوں کو حاصل کرنے میں اہم کردار ادا کیا۔ آگے دیکھتے ہوئے، 786 انویسٹمنٹ لمیٹڈ اپنے مؤکلوں، حصص یافتگان، ملازمین اور وسیع تر کمیونٹی کے لیے
پائیدار قدر پیدا کرنے کے اپنے مشن میں ثابت قدم ہے، جبکہ چلک، مواقع اور پائیدار ترقی کو فروغ دینے والے اقدامات کو جاری رکھے ہوئے ہے۔

اصل خطرہ اور غیر یقینی صورتحال

کمپنی فی الحال "786 سمارٹ فنڈ" اور "786 اسلامک مینی مارکیٹ فنڈ" ایک اسلامی انکم فنڈ کا انتظام کرتی ہے جو بنیادی طور پر سکوک میں سرمایہ کاری کرتے ہیں۔ مانیٹری پالیسی کمیٹی (MPC) کی طرف
سے KIBOR میں اضافے کی وجہ سے سکوک کی سرمایہ کاری پر کٹکٹ منافع کی پیشکش کرتی ہے۔ مستقبل قریب میں، ہم ایک +A1/A+ ریٹڈ سکوک کی ایلوکیشن کا جائزہ لے رہے ہیں، جس کا مقصد خاطر
خواہ منافع حاصل کرنا ہے۔

کمپنی کی رسک منجمنٹ پالیسیاں اور طریقہ کار اس بات کو یقینی بناتے ہیں کہ خطرات کی مؤثر طریقے سے شناخت، تشخیص، نگرانی اور انتظام کیا جائے۔ رسک منجمنٹ ایک متحرک فنکشن اور انتظامیہ کو کمائی کے تغیر کو
کم کرنے کے لیے اپنے اندرونی خطرہ کے طریقہ کار اور پریکٹسز کی مسلسل نگرانی کرنی چاہیے۔

بورڈ کی تشخیص

لکسمینیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز، 2019 کی تعمیل میں، بورڈ آف ڈائریکٹرز اور اس کی کمیٹیوں کا جائزہ لیا گیا۔ بورڈ اور اس کی کمیٹیوں کی کارکردگی کا جائزہ لینے کے لیے ایک جامع
خود تشخیصی سروے کیا گیا۔ سٹریٹجک وضاحت، کاروباری سمت، کاروباری منصوبے کی تاثیر، اور بورڈ کے فعال کردار کی مناسبت جیسے شعبوں کا احاطہ کرنے والے بورڈ کے تمام اراکین سے تاثرات حاصل کیے
گئے۔



786 سمارٹ فنڈ نے 30 جون 2025 تک 1,513.811 ملین روپے کے AUMs درج کرائے، جو کہ 30 جون 2024 تک 879.23 ملین روپے تھے، جو سال کے دوران مضبوط نمو کی عکاسی کرتے ہیں۔

786 اسلامک منی مارکیٹ فنڈ 22 اکتوبر 2024 کو شروع کیا گیا، اور 30 جون 2025 تک 437.28 ملین کے خالص اثاثے ریکارڈ کیے گئے۔

یہ کمپنی کی اپنی مصنوعات کی پیشکش کو متنوع بنانے اور شریعت کے مطابق سرمایہ کاری کے کل متعارف کروا کر اپنے سرمایہ کاری بنیاد کو وسعت دینے کی حکمت عملی کو نفاذ کرتی ہے۔

مستقبل کے منصوبے:

کمپنی موجودہ اقتصادی ماحول اور اس کے اندرونی وسائل دونوں کا بغور جائزہ لے کر اپنی حکمت عملی کا ایک جامع از سر نو جائزہ لے رہی ہے۔ کمپنیل ہیں کو تقویت دینے اور وسائل کو طویل مدتی ترقی کے عزائم کے ساتھ ہم آہنگ کرنے کے لیے، بورڈ نے ہر تین حصص کے لیے ایک رائٹ شیئر کے رائٹ حصص جاری کرنے کی منظوری دی ہے۔ اس اجراء سے حاصل ہونے والی آمدنی کو بنیادی طور پر ماتحت قرضوں کی ادائیگی کے لیے استعمال کیا جائے گا، کمپنی کو قرض سے پاک بیلنس شیٹ اور بہتر منافع کے حصول کے ساتھ ساتھ ٹیکنالوجی کی اپ گریڈیشن کے لیے استعمال کیا جائے گا۔

AUMs میں نمو کو تیز کرنے کے لیے، کمپنی نظم و ضبط کے ساتھ وسائل کی تقسیم، سخت ریگولیٹری تعمیل، اور اسٹیک ہولڈرز کی فعال مصروفیت کے ساتھ، اپنی ٹیکنالوجی کو اپ گریڈ کر رہی ہے، کمپنی اپنی مالی پوزیشن کو مضبوط بنانے، پائیدار نمو کو آگے بڑھانے، اور حصص یافتگان کو طویل مدتی قدر کی فراہمی میں پُر اعتماد ہے۔

متوازی طور پر، کمپنی آپریشنل کارکردگی کو بڑھانے کے لیے لاگت کا اصلاحی پروگرام نافذ کر رہی ہے اور عمل کو ہموار کرنے اور لاگت پر قابو پانے کے مؤثر اقدامات متعارف کروا کر تنظیم نو کی پیروی کر رہی ہے۔

اقتصادی جائزہ:

2025 کے وسط میں عالمی معیشت میں بڑھتی ہوئی غیر یقینی صورتحال پائی گئی، دوسری ششماہی میں 2.6 فیصد تک اعتدال پسند ہونے سے قبل 2025 میں نمو 3.0 فیصد رہنے کا تخمینہ تھا، جو تجارتی فریکشن، قرض کے زیادہ اخراجات اور پلائی چین میں کارڈوں کی عکاسی کرتی ہے۔ افراط زر میں کمی آئی لیکن ناہمواری رہی ہے، OECD نے امریکی افراط زر 4.2% مدف کی سطح سے زیادہ پیش گوئی کی ہے۔ شمالی امریکہ میں، امریکی نمو 2024 میں 2.8 فیصد سے 2025 میں تیزی سے 1.6 فیصد رہنے کی توقع ہے، جبکہ کینیڈا میں بھی 1.6 فیصد کی پیش گوئی کی گئی ہے۔ جرمنی زبردباؤ ہونے کے ساتھ، یورپی یونین کے صرف 1.0 فیصد تک پھیلنے کا امکان ہے، حالانکہ سروس سے چلنے والی معیشتیں جیسے کہ اسپین اور یونان چلک کا مظاہرہ کرتی ہیں۔ ایٹلیا پیسیفک میں، ہندوستان 2025 Q1 میں 7.4% نمو کے ساتھ مضبوط رہا ہے، اس کے برعکس مشرقی ایشیائی معیشتیں امریکی ٹیرف اور جاپان کی بڑھتی ہوئی بانڈ کے شرح منافع کی وجہ سے کمزور ہیں۔ چین کی نمو کا تخمینہ 4.6 فیصد ہے، جو کمزور برآمدات اور جائیداد کے شعبے میں مشکلات کا شکار ہے۔ مشرق وسطیٰ کو امریکی - خلیج سرمایہ کاری کے باوجود تیل کی گرتی ہوئی قیمتوں کا سامنا ہے، جبکہ سب صحاراں افریقہ میں 3.6 فیصد نمو کی پیش گوئی کی گئی ہے، حالانکہ زیادہ ڈیٹ استحکام کو نقصان پہنچاتا ہے۔ مجموعی طور پر، عالمی خطرات کا رجحان نیچے کی طرف ہے، جس سے کاروباروں کو فعال رہنے، مارکیٹوں کو متنوع بنانے، اور اتار چڑھاؤ کو کم کرنے کے لیے لاگت کے انتظام پر توجہ دینے کی ضرورت ہے۔

مئی 2025 میں پاکستان کا کرنٹ اکاؤنٹ خسارہ 103 ملین امریکی ڈالر درج کیا گیا۔ تاہم، 11MFY25 کے لیے مجموعی کرنٹ اکاؤنٹ بیلنس بنیادی طور پر مضبوط ترسیلات زر کی بدولت 1.81 بلین امریکی ڈالر سرپلس رہا۔ 20 جون 2025 تک، بیرونی قرضوں کی ادائیگی کی وجہ سے اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر 9.06 بلین امریکی ڈالر تک 11 ماہ کی کم ترین سطح پر آ گئے۔ بعد ازاں، ذخائر کو دوبارہ بھردیا گیا کیونکہ مرکزی بینک نے تجارتی اور کثیرالطرفہ رقوم کی مدد میں 3.6 بلین امریکی ڈالر حاصل کیے، ذخائر کو مالی سال 25 کے ہدف سے زیادہ اور ملک کی بیرونی پوزیشن کو مضبوط کیا گیا۔

منی مارکیٹ کا جائزہ:

مانیٹری پالیسی کمیٹی نے 16 جون 2025 کو اپنے اجلاس میں پالیسی شرح کو، مئی میں ہیڈ لائن افراط زر بڑھ کر 3.5 فیصد تک پہنچ جانے کی وجہ سے وسیع طور پر توقعات کے مطابق 11 فیصد پر برقرار رکھا، جبکہ افراط زر کی توقعات معتدل تھیں۔ مالی سال 25 کے لیے عارضی جی ڈی پی کی نمو 2.7 فیصد رہی، حکومت نے مالی سال 26 میں 4.2 فیصد کا ہدف رکھا، جس کی مدد سے صنعتی اور خدمات کی سرگرمیوں میں بہتری آئی۔ کرنٹ اکاؤنٹ نے جولائی تا اپریل مالی سال 25 کے دوران 1.9 بلین امریکی ڈالر کا سرپلس درج کیا، جو کہ مضبوط ترسیلات زر کی حمایت سے ممکن ہوا، اگرچہ بڑھتی ہوئی درآمدات نے تجارتی خسارہ بڑھا دیا۔ جون کے اوائل میں اسٹیٹ بینک کے ذخائر 1.1 بلین امریکی ڈالر تک پہنچ گئے اور توقع ہے کہ منصوبہ بند رقوم کی آمد پر سال کے آخر تک بڑھ کر 14 بلین امریکی ڈالر ہو جائیں گے۔ بنیادی سرپلس جی ڈی پی کے 2.2 فیصد تک بہتر ہونے کے ساتھ، مالیاتی اشاریے مضبوط ہوئے، جبکہ مالی سال 26 کے لیے 2.4 فیصد کا ہدف مقرر کیا گیا ہے۔ افراط زر کے 5-7 فیصد ہدف کی حد کے اندر رہنے کا امکان ہے، حالانکہ بیرونی شعبے کے دباؤ، تیل کی غیر مستحکم قیمتوں اور جغرافیائی سیاسی تناؤ سے خطرات برقرار ہیں۔



میجمنٹ کمپنی کے ڈائریکٹرز کی رپورٹ

786 انویسٹمنٹ لمیٹڈ (786 پادی کمپنی) کے بورڈ آف ڈائریکٹرز 30 جون 2025 کو ختم ہونے والے سال کی سالانہ رپورٹ اور نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

اصل کاروبار

786 انویسٹمنٹ لمیٹڈ ایک پبلک لسٹڈ کمپنی جو پاکستان میں قائم ہے۔ کمپنی این بی ایف سی قواعد، 2003 کے تحت این بی ایف کے طور پر رجسٹرڈ ہے۔ کمپنی نے این بی ایف سی قواعد، 2003 اور این بی ایف سی ریگولیشن، 2008 کے تحت سرمایہ کاری مشاورتی خدمات اور ایسٹ میجمنٹ سروسز سرانجام دینے کا لائسنس حاصل کر رکھا ہے۔

کمپنی کی کارکردگی کا جائزہ

30 جون 2024	30 جون 2025	
18,808,201	19,310,743	میجمنٹ فیس
1,111,111	1,111,111	ایڈوائزری فیس
248,382	28,793	ڈیویڈنڈ آمدنی
42,922,832	39,640,107	سرمایہ کاری کی فروخت پر خالص منافع حاصل ہوا۔
2,212,633	18,289,552	ڈیٹ سیکورٹیز پر آمدنی
(18,603,724)	2,866,112	سرمایہ کاری کی فروخت پر غیر حاصل خالص منافع / (نقصان)۔
1,340,547	827,254	دیگر آپریٹنگ آمدنی
11,021,406	38,923,052	آپریٹنگ منافع
(31,815,524)	(40,250,931)	انتظامی اور آپریٹنگ اخراجات
(3,862,506)	(2,072,436)	مالیاتی چارجز
(35,678,030)	(42,323,367)	کل اخراجات
(1,421,995)	(798,867)	دیگر آپریٹنگ چارجز
9,911,339	38,000,236	ٹیکس سے قبل نفع
5,658,848	35,418,029	ٹیکس کے بعد نفع

کمپنی نے 30 جون 2025 کو ختم ہونے والی مدت کے دوران 35.418 ملین روپے کا بعد از ٹیکس منافع جبکہ گزشتہ سال کی اسی مدت میں 5.659 ملین روپے درج کر لیا تھا۔ منافع میں نمایاں نمو بنیادی طور پر ڈیٹ سیکورٹیز پر آمدنی میں اضافہ کی وجہ سے ہوئی ہے، جو سال 2024 کی 2.213 ملین روپے سے بڑھ کر 18.290 ملین روپے ہوئی۔

میجمنٹ فیس بھی 18.808 ملین روپے سے بڑھ کر 19.311 ملین روپے ہوئی جو فنڈ میجمنٹ آپریشنز میں مستحکم نمو کو ظاہر کر رہی ہے۔ مزید برآں، کمپنی نے گزشتہ سال میں سرمایہ کاری پر غیر حاصل خالص نقصان 42.92 ملین روپے کے مقابلے 39.64 ملین روپے سرمایہ کاری پر غیر حاصل خالص منافع درج کیا۔

اخراجات کی مد میں، بنیادی طور پر زیادہ آپریشنل اور کمپلائنس اخراجات کی وجہ سے، انتظامی اور آپریٹنگ اخراجات سال 2024 کے 31.816 ملین روپے سے بڑھ کر 40.251 ملین روپے ہو گئے، جو انتظامی اور آپریٹنگ اخراجات میں 26.51 فیصد کا اضافہ ظاہر کر رہے ہیں۔ مالی چارجز، تاہم، زیریں لائن میں مثبت شراکت کے بعد 3.863 ملین روپے سے کم ہو کر 2.072 ملین روپے ہو گئے۔

مجموعی طور پر، کمپنی نے مالی سال 2025 میں مضبوط کارکردگی پیش کی، سرمایہ کاری کی بہتر آمدنی، مالیاتی چارجز میں کمی، اور اعلیٰ آپریٹنگ کارکردگی نے منافع میں خاطر خواہ اضافہ کیا۔ 30 جون 2025 کو ختم ہونے والی مدت کے لئے کمپنی کی فی شیئر آمدنی (ای پی ایس) گزشتہ سال کی اسی مدت کے لئے 0.38 روپے فی شیئر کے مقابلے 2.37 روپے فی شیئر رہی، جو منافع میں نمایاں بہتری کو ظاہر کرتی ہے۔

کمپنی کے بورڈ آف ڈائریکٹرز کی یہ ذمہ داری ہے کہ اس بات کو یقینی بنائیں کہ کمپنی کا داخلی مالی کنٹرول سسٹم کافی اور موثر طریقے سے کام کر رہا ہے۔

کمپنی اپنے زمرانظام اثاثوں (AUMs) کو بڑھانے پر توجہ مرکوز رہی۔ سال کے دوران، کمپنی نے کامیابی کے ساتھ اپنی پروڈکٹ بنیاد کو بڑھایا اور اب دو فنڈز کا انتظام کر رہی ہے: (i) 786 سارٹ فنڈ (شرعیہ کمپلائنس) اور (ii) 786 اسلامک منی مارکیٹ فنڈ (شرعیہ کمپلائنس منی مارکیٹ سکیم)۔

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of 786 Investments Limited

Review Report on the Statement of Compliance contained in Listed Companies (Code of Corporate Governance) Regulations, 2019

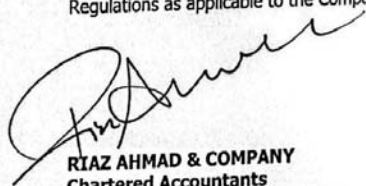
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of 786 Investments Limited (the Company) for the year ended 30 June 2025 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the Regulations as applicable to the Company for the year ended 30 June 2025.



RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 30 SEPTEMBER 2025
UDIN: CR202510045gAGF9ji2k



**SATATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF
CORPORATE GOVERNANANCE) REGULATIONS, 2019
FOR THE YEAR ENDED JUNE 30, 2025**

The Company has complied with the requirement of the Regulation in the following manner:

1. The total number of directors are seven (7) as per the following:

- a) Male: 6
- b) Female: 1

2. The Composition of board is as follows:

Category	Names	Designation
Independent Directors	Mr. Ahmed Salman Munir Syed Shabahat Hussain Mr. Ahmer Zia Sarwar	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

3. The Directors have confirmed that none of them is serving as a director in more than seven listed companies, including this company.
4. The Management Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
5. The board has developed a Vision/Mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.
6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the board/shareholders as empowered by the relevant provisions of the Act and these Regulations.
7. The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the Board for this purpose. The Board has complied with the requirement of the Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.



8. The Board of Directors have a formal policy and transparent procedures for remuneration of Directors in accordance with the Act and these Regulations.
9. The directors of the Company are experienced and seasoned corporate professionals and are well-conversant with the relevant laws applicable to the Company, its policies and procedures and provisions of memorandum and articles of association and are aware of their duties and responsibilities. The Chief Executive Officer as a Director in the Board is exempted from the Directors Training Program in accordance with the criteria specified in Clause (xi) of the Code, The remaining directors will acquire the required director's training certification subsequent to renewal of business license.
10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.
11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.
12. The Board has formed following committees comprising of members given below:

Category	Names	Committees	Designation
Independent Directors Non-Executive Director Non-Executive Director	Syed Shabhat Hussain Syed Musharaf Ali Mr. Naveed Ahmed	Audit Committee	Chairman Audit Committee Member Member
Independent Directors Executive Director Non-Executive Director	Mr. Ahmed Salman Munir Ms. Tara Uzra Dawood Mr. Naveed Ahmed	Human Resource & Remuneration Committee	Chairperson HR&RC Member Member

13. The terms of reference of the aforesaid committees have committee have been formed, documented and advised to the committee for compliance.
14. The frequency of meetings of the committee were as per following:
 - a) Audit Committee : 04 meeting were held during the FY 2024-2025
15. The Board has set up an effective internal audit function who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.
16. The statutory auditors of the company have confirmed that they have been given a satisfactory rating under the Quality Control Review program of the Institute of Chartered Accountants of Pakistan and registered



with Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied.
19. Explanations for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are below:

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation No.
1	Responsibilities of the Board and its members The Board is responsible for adoption of corporate governance practices by the Company.	Non-mandatory provisions of the Regulations are partially complied. The Company is deliberating on full compliance with all the provisions of the Regulations.	10(1) and 10(3)
2	Significant policies The Board is required to approve anti-harassment policy to safeguard the rights and well-being of employees.	During the year, Securities and Exchange Commission of Pakistan (SECP) amended regulation 10 of the Regulations on 12 June 2024. Currently, the management is assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.	10(4)(xvi)
3	Role of the Board and its members to address Sustainability Risks and Opportunities The board is responsible for governance and oversight of sustainability risks and opportunities within the Company by setting the Company's sustainability strategies, priorities and targets to create long term corporate value.	During the year, Securities and Exchange Commission of Pakistan (SECP) amended regulation 10 of the Regulations on 12 June 2024. Currently, the management is assessing this amendment and compliance thereof, as applicable, will be performed in due course of time.	10A
4	Formal Policy The Board shall have in place a formal policy and transparent procedure for attending meetings of the Board and its committees.	Currently, a formal policy is being prepared and will be finalized by the next year.	16

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation No.
5	Directors' Orientation Program All companies shall make appropriate arrangements to carry out orientation for their directors to acquaint them with these Regulations, applicable laws, their duties and responsibilities to enable them to effectively govern the affairs of the listed company for and on behalf of shareholders.	All the directors are already highly qualified and experienced.	18
6	Directors' Training: (1) It is encouraged that: (a) by June 30, 2020 at least half of the directors on their Boards; (b) by June 30, 2021 at least 75% of the directors on their boards; (c) by June 30, 2022 all the directors on their Boards have acquired the prescribed certification under any director training program offered by the institutions, local or foreign, that meet the criteria specified by the Commission and approved by it.	Ms. Tara Uzra Dawood, CEO & Director, has already completed the Director Training Program. Additionally, three directors-Syed Shabhat Hussain, Mr. Salman Munir, and Iqbal Shafique-have been exempted and have applied for grandfathering certificates. The remaining directors will obtain their training certifications from an SECP-approved institute by September 30, 2025.	19(1)
7	Directors' Training: Companies are also encouraged to arrange training for at least one head of department every year under the Directors' Training Program from July 2022.	The Company has planned to arrange Directors' Training Program certification for head of department in the next few years.	19(3)(ii)

Sr. No.	Requirement	Explanation of Non-Compliance	Regulation No.
8	Qualification of Company Secretary: No person shall be appointed as the company secretary unless he holds the qualification as specified under the relevant Regulations by the Commission: Provided, the same person shall not simultaneously hold the office of Chief Financial Officer and the Company Secretary of a listed company.	The same individual holds the positions of Chief Financial Officer and Company Secretary at a listed company, primarily due to the company's status as a small Asset Management Company (AMC) managing only one mutual fund. The individual in question possesses the relevant knowledge, skills, and qualifications as specified under the applicable regulations set forth by the Commission.	24
9	Nomination Committee The Board may constitute a separate committee, designated as the nomination committee, of such number and class of directors, as it may deem appropriate in its circumstances.	Currently, the board has not constituted a separate Nomination Committee, and the functions are being performed by the Human Resource and Remuneration Committee.	29
10	Risk Management Committee The Board may constitute the risk management committee, of such number and class of directors, as it may deem appropriate in its circumstances, to carry out a review of effectiveness of risk management procedures and present a report to the board.	Currently, the board has not established a Risk Management Committee. The company's Head of the Risk Department performs the necessary functions and keeps the board informed. Since the company is not engaged in equity trading and manages only one income fund, this structure is deemed sufficient.	30(1)
11	Disclosure of significant policies on website The company may post key elements of its significant policies, brief synopsis of terms of reference of the board's committees on its website and key elements of the director's remuneration policy.	Yes, the company will post key elements of its significant policies on its website in near future.	35

Ahmed Salman Munir
Chairperson

Karachi.

INDEPENDENT AUDITOR'S REPORT

To the members of 786 Investments Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of 786 Investments Limited ("the Company"), which comprise the statement of financial position as at 30 June 2025 and the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows for the year then ended, and notes to the financial statements, including a material accounting policy information and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and statement of cash flows together with the notes forming part thereof conform with accounting and reporting standards as applicable in Pakistan and Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give true and fair view of the state of Company's affairs as at 30 June 2025 and of the profit, the other comprehensive income, the changes in equity and its cash flows for the year then ended.

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 *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.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following is the Key audit matter:

Sr. No.	Key audit matter	How the matter was addressed in our audit
1.	Investments: Refer to Notes 2.8 and 9 of the financial statements.	Our audit procedures included the following: Reviewing the Company's accounting policies and procedures related to the valuation of equity and debt instruments to ensure these are appropriate and consistently applied.

Riaz Ahmad & Company

Chartered Accountants

Sr. No.	Key audit matter	How the matter was addressed in our audit
	As of 30 June 2025, the Company's investment portfolio includes equity and debt instruments carried at 'fair value through profit or loss', with an aggregate fair value of Rupees 271.073 million. These investments represent approximately 91% of the Company's total assets. Due to the significance of these investments to the financial statements and the inherent complexity in determining their fair value at year-end, we have identified this matter to be communicated as a key audit matter.	- Assessing the design and operating effectiveness of the controls established over valuation process by the Company. - Analyzing the Fund's statement and Investor Portfolio Securities (IPS) to confirm the existence of the investment portfolio as of 30 June 2025 and reconciling these with the Company's accounting records. - Comparing and recalculating the fair value of the investments by referencing externally quoted market prices (MUFAP), and credit ratings to ensure the accuracy of the carrying amounts. - Assessing the appropriateness and adequacy of the disclosures as required by approved accounting and reporting standards.

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 annual report but 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.

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 accounting and reporting standards as applicable in Pakistan and 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.

Riaz Ahmad & Company

Chartered Accountants

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 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 a part of an audit in accordance with ISAs, 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 reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of 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 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.

Riaz Ahmad & Company

Chartered Accountants

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.

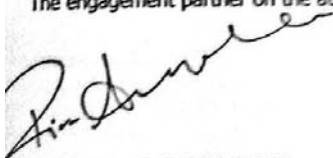
From the matters communicated with the board of directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes 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

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity and the statement of cash flows together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Junaid Ashraf.



RIAZ AHMAD & COMPANY
Chartered Accountants

KARACHI

DATE: 30 SEPTEMBER 2025
UDIN: AR202510045UPwdaWmnS



STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2025

		2025 Rupees	2024 Rupees
ASSETS	Notes		
NON-CURRENT ASSETS			
Property and equipment	4	13,439,638	639,190
Right-of-use asset	5	102,662	1,334,605
Intangible asset	6	415,530	554,040
Long-term security deposits and receivable	7	586,325	586,325
		<u>14,544,155</u>	<u>3,114,160</u>
CURRENT ASSETS			
Trade receivables	8	10,472,584	10,014,665
Investments	9	271,073,496	245,185,756
Loans and advances	10	636,750	280,000
Prepayments	11	332,122	630,505
Accrued markup	12	719,128	801,042
Bank balances	14	1,485,277	489,215
		<u>284,719,357</u>	<u>257,401,183</u>
TOTAL ASSETS		<u><u>299,263,512</u></u>	<u><u>260,515,343</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
20,000,000 (2024: 20,000,000) Ordinary shares of Rupees 10 each		<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid-up share capital			
Ordinary shares 14,973,750 (30 June 2024: 14,973,750) of Rupees 10 each	15	149,737,500	149,737,500
Capital reserves			
General reserve		33,630,264	33,630,264
Subordinated loan from director	16	12,000,000	12,000,000
Revenue reserve			
Un-appropriated profit		<u>76,391,831</u>	<u>40,973,802</u>
TOTAL EQUITY		<u>271,759,595</u>	<u>236,341,566</u>
LIABILITIES			
NON CURRENT LIABILITIES			
Deferred taxation	17	-	-
CURRENT LIABILITIES			
Accrued and other liabilities	18	25,556,822	22,979,182
Provision for taxation and levy payable- net	13	948,353	195,853
Unclaimed dividend	19	998,742	998,742
		<u>27,503,917</u>	<u>24,173,777</u>
TOTAL LIABILITIES		<u>27,503,917</u>	<u>24,173,777</u>
CONTINGENCIES AND COMMITMENTS	20		
TOTAL EQUITIES AND LIABILITIES		<u><u>299,263,512</u></u>	<u><u>260,515,343</u></u>

The annexed notes from 1 to 40 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

----SD----
Chief Executive Officer

----SD----
Chief Financial Officer

----SD----
Director



STATEMENT OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Income			
Remuneration from funds under management - net	21	19,310,743	18,808,201
Advisory fee - net	22	1,111,112	1,111,112
Dividend income		28,793	248,382
Net realized gain on investments	23	39,640,107	42,922,832
Income on debt securities	24	18,289,552	2,212,633
		<u>78,380,307</u>	<u>65,303,160</u>
Net unrealized gain/(loss) on revaluation of investments at fair value through profit or loss	25	2,866,112	(18,603,724)
		<u>81,246,419</u>	<u>46,699,436</u>
Expenses			
Administrative and operating expenses	26	(40,250,931)	(31,815,524)
Financial charges	27	(2,072,436)	(3,862,506)
		<u>(42,323,367)</u>	<u>(35,678,030)</u>
Operating profit		38,923,052	11,021,406
Other operating income	28	827,254	1,340,547
Other operating charges	29	(798,867)	(1,421,995)
Profit before levy and income tax		38,951,439	10,939,958
Levy	30	(951,203)	(1,028,619)
Profit before income tax		38,000,236	9,911,339
Income tax expense	31	(2,582,207)	(4,252,491)
Profit for the year		<u>35,418,029</u>	<u>5,658,848</u>
Earnings per share - basic and diluted	32	<u>2.37</u>	<u>0.38</u>

The annexed notes from 1 to 40 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

----SD----
Chief Executive Officer

----SD----
Chief Financial Officer

----SD----
Director



STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2025

	2025 Rupees	2024 Rupees
Profit for the year	35,418,029	5,658,848
OTHER COMPREHENSIVE INCOME		
Items that may subsequently be reclassified to profit and loss	-	-
Items that will not subsequently be reclassified to profit and loss	-	-
	-	-
Total comprehensive income for the year	35,418,029	5,658,848

The annexed notes from 1 to 40 form an integral part of these financial statements.

----SD-----
Chief Executive Officer

For 786 Investments Limited
(Management Company)

----SD-----
Chief Financial Officer

----SD-----
Director



CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 Rupees	2024 Rupees
Profit before levy and income tax		38,951,439	10,939,958
Adjustments for non-cash items:			
Depreciation on property and equipment	4	2,837,713	439,070
Depreciation on right-of-use assets	5	1,231,943	1,154,422
Amortization on intangible asset	6	138,510	138,510
Financial charges	27	2,072,436	3,862,506
Advance tax written off	29	-	1,198,731
Revaluation (gain) / loss on investments at fair value through profit or loss	25	(2,866,112)	18,603,724
Mark-up earned on savings accounts	28	(350,013)	(445,672)
Income on debt securities		(18,289,552)	(2,212,633)
Gain on disposal of property and equipment	28	(432,797)	-
Dividend income		(28,793)	(248,382)
Net realized gain on investments	23	(39,640,107)	(42,922,832)
Net cash used in operating activities before working capital changes		(16,375,333)	(9,492,598)
WORKING CAPITAL CHANGES			
(Increase) / decrease in current assets:			
Loans and advances		(356,750)	(280,000)
Prepayments		298,383	(71,688)
Trade receivable		(457,919)	(327,071)
		(516,286)	(678,759)
Increase in current liabilities:			
Accrued and other liabilities		529,013	804,723
Net cash used in operations		(16,362,606)	(9,366,634)
Taxes paid		(2,781,967)	(1,510,699)
Finance cost paid	27	(23,809)	(13,491)
Net cash used in operating activities		(19,168,382)	(10,890,824)
CASH FLOWS FROM INVESTING ACTIVITIES			
Units of mutual fund redeemed		382,056,465	253,386,618
Units of mutual fund purchased		(377,666,452)	(232,762,794)
Receipt of principal amount of TFCs		12,497,500	-
Receipt of mark-up on savings accounts		432,760	358,254
Receipt of mark-up on debt securities		18,049,535	2,212,633
Dividend received		-	248,382
Long term deposit and other receivable		-	(550,025)
Proceeds from disposal of fixed assets		432,797	-
Capital expenditure incurred	4	(15,638,161)	(95,800)
Net cash generated from investing activities		20,164,444	22,797,268
CASH FLOWS FROM FINANCING ACTIVITIES			
Subordinated loan from director repaid		-	(10,000,000)
Lease rental paid		-	(2,905,766)
Net cash used in financing activities		-	(12,905,766)
Net increase / (decrease) in cash and cash equivalents		996,062	(999,322)
Cash and cash equivalents at beginning of the year		489,215	1,488,537
Cash and cash equivalents at end of the year	14	1,485,277	489,215

The annexed notes from 1 to 40 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

----SD-----
Chief Executive Officer

----SD-----
Chief Financial Officer

----SD-----
Director



STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED JUNE 30, 2025

	Issued, subscribed and paid-up share capital	Capital Reserves		Revenue Reserve	Total
		General reserve	Subordinated loan from director	Un-appropriated profit	
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 30 June 2023	149,737,500	33,630,264	22,000,000	35,314,954	240,682,718
Total comprehensive income for the year ended 30 June 2024					
Profit for the year	-	-	-	5,658,848	5,658,848
Other comprehensive income for the year	-	-	-	-	-
	-	-	-	5,658,848	5,658,848
Transaction with owners of the Company:					
Repayment of subordinated loan from director	-	-	(10,000,000)	-	(10,000,000)
Balance as at 30 June 2024	149,737,500	33,630,264	12,000,000	40,973,802	236,341,566
Total comprehensive income for the year ended 30 June 2025					
Profit for the year	-	-	-	35,418,029	35,418,029
Other comprehensive income for the year	-	-	-	-	-
	-	-	-	35,418,029	35,418,029
Transaction with owners of the Company:					
Repayment of subordinated loan from director	-	-	-	-	-
Balance as at 30 June 2025	149,737,500	33,630,264	12,000,000	76,391,831	271,759,595

The annexed notes from 1 to 40 form an integral part of these financial statements.

For 786 Investments Limited
(Management Company)

----SD----
Chief Executive Officer

----SD----
Chief Financial Officer

----SD----
Director



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

1. THE COMPANY AND ITS OPERATIONS

- 1.1 786 Investments Limited ("the Company") was incorporated on 18 September 1990 as a public limited Company in Pakistan, with its registered office at G3, BRR Tower, Hassan Ali Street, Off I.I. Chundrigar Road, Karachi 74000. The Company is listed on the Pakistan Stock Exchange Limited. The Company has changed its name to 786 Investments Limited from Dawood Capital Management Limited with effect from 20 January 2017 after completing regulatory formalities.

The Company is registered as a Non Banking Finance Company under the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Company has obtained the licenses to carry out investment advisory services and asset management services under the NBFC Rules and the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

- 1.2 The license to carry out "Asset Management Service" has been successfully renewed vide its letter No. SECP/LRD/LD/17/AMCW/786IL/2022 dated 3 July 2025 with effect from 26 May 2025 to 25 May 2028 under Rule 5 of the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 amended through S.R.O 1131(1) 2007, S.R.O 271(1) 2010, S.R.O 570(1)/2012 and S.R.O 1002(1)/2015 respectively. License shall be renewable by the Commission for next three years, subject to the compliance with NBFC Rules and NBFC Regulations.
- 1.3 The license to carry out "Investment Advisory Services" has been successfully renewed vide its letter No. SECP/LRD/LD/17/AMCW/786IL/2022 dated 3 July 2025 with effect from 26 May 2025 and valid till 25 May 2028. License shall further be renewable by the Commission for next three years, subject to the compliance of the NBFC Rules and the NBFC Regulations.
- 1.4 The Pakistan Credit Agency (PACRA) has assigned Asset Manager rating of "AM3" to the Management Company dated 20 December 2024.
- 1.5 In compliance of the NBFC Rules read with SRO 1002(1)/2015 dated October 15, 2015 of SECP, the management would like to report that the Company has sufficient insurance coverage from an insurance company, rated AA++ by the Pakistan Credit Rating Agency limited (PACRA), against financial losses that may be caused as a result of gross negligence of its employees.
- 1.6 The Company currently manages the following collective investment schemes:

Open - end Collective Investment Schemes (CISs)

786 Smart Fund

786 Islamic Money Market Fund

Net asset value as at	
30 June 2025	30 June 2024
-----Rupees -----	
1,513,991,384	879,229,924
437,276,897	-
<u>1,951,268,281</u>	<u>879,229,924</u>

2. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

a) Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the international Accounting Standard Boards (IASB) as notified under the Companies Act, 2017;
- Provision of and directives issued under the Companies Act, 2017;
- The Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (The NBFC Rules), and the Non Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations); and



- Directives issued by the SECP.

Where provisions of and directives issued under the Companies Act, 2017, The NBFC Rules, The NBFC Regulations and by the SECP differ with the requirements of IFRS the provisions of and directives issued under the Companies Act, 2017, The NBFC Rules, The NBFC Regulations and SECP have been followed.

b) Consolidation of mutual fund by the asset management company

The Securities and Exchange Commission of Pakistan (SECP) vide SRO 2016/(1) 56 dated 28 January 2016 has notified that the requirements of IFRS 10 (Consolidated Financial Statements) and Section 237 of the repealed Companies Ordinance, 1984 (Section 228 of Companies Act, 2017) are not applicable in case of investments made by companies in mutual funds established under Trust structure. Accordingly, the Company has not consolidated the financial position and result of operations of mutual funds managed by it in their financial statements.

c) Accounting convention

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

d) Critical accounting estimates and judgements

The preparation of these financial statements in accordance with the approved accounting standards applicable in Pakistan requires management to apply judgment in the process of implementing the Company's accounting policies and determining the reported amounts of assets, liabilities, income, and expenses.

These estimates and judgments are continuously reviewed, drawing on historical experience and other relevant factors, including expectations of future events that are considered reasonable in the circumstances. These factors form the basis for making judgments about the carrying values of assets and liabilities that may not be immediately evident from other sources. However, actual outcomes may differ from these estimates.

The areas where various assumptions and estimates are significant to the Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

i) Useful lives, residual values and depreciation method of property and equipment	Note 2.2 and 4
ii) Useful lives, residual values and amortization method of intangible assets	Note 2.4 and 6
iii) Classification and valuation of investments	Note 2.8 and 9
iv) Impairment of financial assets	Note 2.12 and 9.3
v) Recognition of deferred tax and estimation of income tax provisions	Note 2.18, 13, and 17
vi) Provisions	Note 2.21
vii) Contingencies	Note 2.24

e) Amendments to published approved accounting standards that are effective in current year and are relevant to the Company

Following amendments to published approved accounting standards are mandatory for the Company's accounting periods beginning on or after 01 July 2024:

- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current.
- Amendments to IFRS 16 'Leases' - Lease Liability in a Sale and Leaseback.
- Amendments to IAS 1 'Presentation of Financial Statements' - Non-current Liabilities with Covenants.
- Amendments to IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements.

The above-mentioned amendments to approved accounting standards did not have any impact on the amounts recognized in prior period and are not expected to significantly affect the current or future periods.

f) Amendments to published approved accounting standards that are effective in current year but not relevant to the Company

There are amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2024 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.



g) Amendments to published approved accounting standards that are not yet effective but relevant to the Company

Following standards, amendments and improvements to existing standards have been published and are mandatory for the Company's accounting periods beginning on or after 01 July 2025 or later periods:

Amendments to IFRS 10 'Consolidated Financial Statements' and IAS 28 'Investments in Associates and Joint Ventures' (deferred indefinitely) to clarify the treatment of the sale or contribution of assets from an investor to its associates or joint venture, as follows: require full recognition in the investor's financial statements of gains and losses arising on the sale or contribution of assets that constitute a business (as defined in IFRS 3 'Business Combinations'); require the partial recognition of gains and losses where the assets do not constitute a business, i.e. a gain or loss is recognized only to the extent of the unrelated investors' interests in that associate or joint venture. These requirements apply regardless of the legal form of the transaction, e.g. whether the sale or contribution of assets occur by an investor transferring shares in a subsidiary that holds the assets (resulting in loss of control of the subsidiary), or by the direct sale of the assets themselves.

IFRS 18 'Presentation and Disclosure in Financial Statements' (effective for annual periods beginning on or after 01 January 2027) with a focus on updates to the statement of profit or loss. The objective of IFRS 18 is to set out requirements for the presentation and disclosure of information in general purpose financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general. IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'.

IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'. IFRS S1 sets out overall requirements for sustainability-related financial disclosures with the objective to require an entity to disclose information about its sustainability-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

IFRS S2 'Climate-related Disclosures'. IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

The implementation of IFRS S1 and IFRS S2 will be phased as per the SECP's order dated 31 December 2024, with different effective dates based on annual turnover, number of employees, and total assets (Criteria). Phase I will apply to listed companies having specific Criteria for annual reporting periods beginning on or after 1 July 2025. Phase II will apply to other listed companies having specific Criteria for annual reporting periods beginning on or after 1 July 2026. Phase III will cover non-listed public interest companies and remaining listed companies for annual reporting periods beginning on or after 1 July 2027.

Lack of Exchangeability (Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates'). The amendments contain guidance to specify when a currency is exchangeable and how to determine the exchange rate when it is not. The amendments are effective for annual reporting periods beginning on or after 01 January 2025.

Amendments to IFRS 9 'Financial Instruments' and IFRS 7 'Financial Instruments: Disclosures' regarding the classification and measurement of financial instruments (effective for annual periods beginning on or after 01 January 2026). The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9.

The International Accounting Standards Board (IASB) has published 'Annual Improvements to IFRS Accounting Standards - Volume 11'. The amendments are effective for annual reporting periods beginning on or after 01 January 2026. It contains amendments to following five standards as result of the IASB's annual improvements project.

- IFRS 1 First-time Adoption of International Financial Reporting Standards;
- IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;
- IFRS 9 Financial Instruments;
- IFRS 10 Consolidated Financial Statements; and
- IAS 7 Statement of Cash flows.

The above standards, amendments and improvements are likely to have no significant impact on the financial statements.



h) Amendments to published approved accounting standards that are not yet effective and not considered relevant to the Company

There are other standards and amendments to published standards that are mandatory for accounting periods beginning on or after 01 July 2025 but are considered not to be relevant or do not have any significant impact on the Company's financial statements and are therefore not detailed in these financial statements.

2.2 Property and equipment

Initial recognition and measurement

The cost of an asset is recognized as an asset if and only if the future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repair and maintenance costs are charged to statement of profit or loss during the period in which they are incurred.

De-recognition

An item of property and equipment is de-recognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset is included in the statement of profit or loss in the year the asset is de-recognized.

Depreciation

Depreciation on property and equipment is charged on the straight-line method so as to write off the depreciable amount of an asset over its estimated useful life at the rates specified in Note 4. Depreciation on additions is charged from the month in which the asset is available for use up to the month preceding the disposal.

Useful lives are determined by the management based on expected usage of asset, expected physical wear and tear, technical and commercial obsolescence, legal and similar limits on the use of assets and other similar factors. The assets' residual values, useful lives and methods are reviewed, and adjusted if appropriate, at each reporting date.

2.3 Right-of-use assets

A right-of-use asset is recognized at the commencement date of a lease. The right-of-use asset is measured at cost, which comprises the initial amount of the lease liability, adjusted for, as applicable, any lease payments made at or before the commencement date net of any lease incentives received, any initial direct costs incurred, and, except where included in the cost of inventories, an estimate of costs expected to be incurred for dismantling and removing the underlying asset, and restoring the site or asset.

Right-of-use assets are depreciated on a straight-line basis over the unexpired period of the lease or the estimated useful life of the asset, whichever is the shorter. Where the Company expects to obtain ownership of the leased asset at the end of the lease term, the depreciation is over its estimated useful life. Right-of use assets are subject to impairment or adjusted for any re-measurement of lease liabilities.

2.4 Intangible assets

Intangible assets, which are non-monetary assets without physical substance, are recognized at cost, which comprise purchase price, non-refundable purchase taxes and other directly attributable expenditures relating to their implementation and customization. After initial recognition, an intangible asset is carried at cost less accumulated amortization and impairment losses, if any. Intangible assets are amortized from the month, when these assets are available for use, using the straight line method, whereby the cost of the intangible asset is amortized over its estimated useful life at the rate specified in Note 6. The useful life and amortization method are reviewed and adjusted, if appropriate, at each reporting date.

2.5 Trade receivables

Trade debts are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for expected credit losses.

Deposits, prepayments and other receivables are recognized at amortized cost, less any allowance for expected credit losses.



2.6 Loans and advances

Loans to employees have been granted for personal use under mutually agreed terms. These interest-free loans are repayable in monthly installments over a period of 1 to 12 months. Advances are recognized at nominal amount which is the fair value of considerations to be received in future.

2.7 Prepayments

Prepayments represent amounts paid in advance for goods and services to be received in future periods and are recognized as assets, expensed systematically over the period to which they relate in accordance with the matching principle.

2.8 Investments and other financial assets

a) Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), if any, and
- those to be measured at amortized cost

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. The Company reclassifies debt investments when and only when its business model for managing those assets changes.

b) Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments, if any:

Amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in other income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other income / (other expenses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the statement of profit or loss.

Fair value through other comprehensive income (FVTOCI)

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVTOCI. Movements in the carrying amount are taken through other comprehensive income, except for the recognition of impairment losses (and reversal of impairment losses), interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in other income / (other expenses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other income/ (other expenses) and impairment losses are presented as separate line item in the statement of profit or loss.



Fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortized cost or FVTOCI are measured at FVTPL. A gain or loss on a debt instrument that is subsequently measured at FVTPL is recognized in profit or loss and presented net within other income / (other expenses) in the period in which it arises.

Equity instruments

The Company subsequently measures all equity investments, if any, at fair value for financial instruments quoted in an active market, the fair value corresponds to a market price (level 1). For financial instruments that are not quoted in an active market, the fair value is determined using valuation techniques including reference to recent arm's length market transactions or transactions involving financial instruments which are substantially the same (level 2), or discounted cash flow analysis including, to the greatest possible extent, assumptions consistent with observable market data (level 3).

Fair value through other comprehensive income (FVTOCI)

Where the Company's management has elected to present fair value gains and losses on equity investments, if any, in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVTOCI are not reported separately from other changes in fair value.

Fair value through profit or loss (FVTPL)

Changes in the fair value of equity investments, if any, at fair value through profit or loss are recognized in other income/ (other expenses) in the statement of profit or loss as applicable.

Dividends from such investments will continue to be recognized in statement of profit or loss as other income when the Company's right to receive payments is established.

2.9 Regular way contracts

All regular way purchases and sales of financial assets are recognized on the trade date i.e. the date on which the Company commits to purchase or sell the asset. Regular way purchases/sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

2.10 Financial liabilities - classification and measurement

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit or loss. Any gain or loss on de-recognition is also included in statement of profit or loss.

2.11 De-recognition of financial assets and financial liabilities

a) Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such derecognized financial assets that is created or retained by the Company is recognized as a separate asset or liability.

b) Financial liabilities

The Company derecognizes a financial liability (or a part of financial liability) from its statement of financial position when the obligation specified in the contract is discharged or cancelled or expires.

2.12 Impairment of financial assets

The Company recognizes Expected Credit Losses (ECLs) on financial assets measured at amortized cost. Generally, ECLs are measured at lifetime ECLs, except for:



- Debt securities with low credit risk at the reporting date.
- Debt securities and bank balances where credit risk has not significantly increased since initial recognition.

Trade receivables always carry a lifetime ECL.

In assessing significant increases in credit risk and estimating ECLs, the Company uses both quantitative and qualitative data, including historical experience and forward-looking information. Credit risk is presumed to have increased significantly if a financial asset is past due for a reasonable period.

Lifetime ECLs cover all possible defaults over the asset's expected life, while 12-month ECLs consider defaults possible within the next 12 months. Loss allowances are deducted from the asset's gross carrying amount.

A financial asset is written off when recovery is no longer expected. This assessment is made individually, and although recoveries are unlikely, written-off assets may still undergo recovery efforts.

Based on management's assessment, no ECL was recognized, as the Company's financial assets are with low-risk related parties or counterparties. Additionally, the ECL on trade receivables was deemed immaterial to these financial statements.

2.13 Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If such indication exists, the asset's recoverable amount, being higher of value in use and fair value less costs to sell, is estimated. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. Impairment losses are recognized in the statement of profit or loss.

2.14 Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, cash at banks on current, saving and deposit accounts and other short term highly liquid instruments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in values.

2.15 Subordinated loan from director

Subordinated loans are classified based on the terms and conditions outlined in the loan agreements, in alignment with the classification criteria established under the NBFC Rules and TR-32 issued by the Institute of Chartered Accountants of Pakistan (ICAP).

2.16 Trade and other payables

Liabilities for trade and other amounts payable are initially recognized at fair value, which is normally the transaction cost and subsequently measured at amortized cost using the effective interest method.

2.17 Staff retirement benefits - defined contribution plan

The Company operates recognized provident fund scheme for all its eligible employees. Equal monthly contributions are made, both by the Company and its employees, to the fund at the rate of 10 percent of basic salary.

2.18 Taxation and levy

a) Current

Provision for current tax and levy is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates. Final taxes levied under the Income Tax Ordinance, 2001 and any excess over the amount designated as provision for current tax are charged as levy in statement of profit or loss and other comprehensive income. The charge for current tax also includes adjustments, where considered necessary, to provision for tax and levy made in previous years arising from assessments framed during the year for such years.



b) Deferred

Deferred tax is recognized using the balance sheet liability method on all major temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the tax base used in computation of the taxable profit.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in statement of the profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

c) Levy

Tax charged under Income Tax Ordinance, 2001 which is not based on taxable income or any amount paid / payable in excess of the calculation based on taxable income or any minimum tax which is not adjustable against future income tax liability is classified as levy in the statement of profit or loss and other comprehensive income as these levies fall under the scope of IFRIC 12/IAS 37.

2.19 Lease liabilities

A lease liability is recognized at the commencement date of a lease. The lease liability is initially recognized at the present value of the lease payments to be made over the term of the lease, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Lease payments comprise of fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, amounts expected to be paid under residual value guarantees, exercise price of a purchase option when the exercise of the option is reasonably certain to occur, and any anticipated termination penalties. The variable lease payments that do not depend on an index or a rate are expensed in the period in which they are incurred.

Lease liabilities are measured at amortized cost using the effective interest method. The carrying amounts are re-measured if there is a change in the following: future lease payments arising from a change in an index or a rate used; residual guarantee; lease term; certainty of a purchase option and termination penalties. When a lease liability is re-measured, an adjustment is made to the corresponding right-of-use asset, or to statement of profit or loss if the carrying amount of the right-of-use asset is fully written down.

2.20 Unclaimed dividend

The Company recognizes unclaimed dividend which was declared and remained unclaimed by the shareholder from the date it was due and payable.

2.21 Provisions

A provision is recognized in the statement of financial position when the Company has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of obligation. Provisions is reviewed at each reporting date and adjusted to reflect current best estimate.

2.22 Revenue recognition

- Remuneration for fund management services and investment advisory services are recognized on an accrual basis by applying pre-defined remuneration percentage on daily net asset value of the fund and as per the agreements respectively.
- Realized gains / losses on sale of investments is recognized in the statement of profit or loss at the time of sale.
- Dividend income is recorded when the right to receive the dividend is established.
- Return on bank deposits, mark-up on term finance certificate, income on investments are recognized on time proportionate basis by using effective rate of interest.

2.23 Segment reporting

An operating segment is a component of the Company that engages in business activities, generating revenues and incurring expenses. The Board of Directors, identified as the chief operating decision-maker, is responsible for evaluating performance, allocating resources, and assessing results.



2.24 Contingent liabilities

Contingent liability is disclosed when the Company has a possible obligation as a result of past events whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are not recognized, only disclosed, unless the possibility of a future outflow of resources is considered remote. In the event that the outflow of resources associated with a contingent liability is assessed as probable, and if the size of the outflow can be reliably estimated, a provision is recognized in the financial statements.

3. SUMMARY OF OTHER ACCOUNTING POLICIES

3.1 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the functional currency). The financial statements are presented in Pak Rupees, which is the Company's functional and presentation currency. Figures are rounded off to the nearest thousand of Pak Rupees.

3.2 Offsetting of financial instruments

Financial assets and financial liabilities are set off and the net amount is reported in the financial statements when there is a legal enforceable right to set off and the Company intends either to settle on a net basis or to realize the assets and to settle the liabilities simultaneously.

3.3 Related party transactions

All related party transactions are made on terms equivalent to those that prevail in arm's length transactions.

3.4 Contingent assets

Contingent assets are disclosed when the Company has a possible asset that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent assets are not recognized until their realization becomes certain.

3.5 Share capital

Ordinary shares are classified as equity and are recognized at the face value. Incremental costs directly attributable to the issue of new shares or options, net of any tax effects, are recognized as a deduction from equity.

3.6 Earnings per share - basic and diluted

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

3.7 Dividend distribution and other appropriation to reserves

Dividends declared and transfers between reserves subsequent to the reporting date, except for those mandated by law, are considered non-adjusting events and are recognized in the financial statements in the year they are declared or made.

4. PROPERTY AND EQUIPMENT

	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
As at 01 July 2024					
Cost	1,487,514	5,593,370	1,797,652	6,246,765	15,125,301
Accumulated depreciation	(1,314,970)	(5,593,365)	(1,652,323)	(5,925,453)	(14,486,111)
Net book value	172,544	5	145,329	321,312	639,190
Year ended 30 June 2025					
Opening net book value	172,544	5	145,329	321,312	639,190
Additions - at cost	100,000	14,728,500	-	809,661	15,638,161
Disposal:					
Cost	-	4,327,970	-	-	4,327,970
Accumulated depreciation	-	(4,327,970)	-	-	(4,327,970)
Depreciation charged	(60,121)	(2,300,067)	(89,046)	(388,479)	(2,837,713)
Closing net book value	212,423	12,428,438	56,283	742,494	13,439,638



	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
As at 30 June 2025					
Cost	1,587,514	15,993,900	1,797,652	7,056,426	26,435,492
Accumulated depreciation	(1,375,091)	(3,565,462)	(1,741,369)	(6,313,932)	(12,995,854)
Net book value	212,423	12,428,438	56,283	742,494	13,439,638
As at 01 July 2023					
Cost	1,487,514	5,593,370	1,701,852	6,246,765	15,029,501
Accumulated depreciation	(1,262,466)	(5,593,365)	(1,575,361)	(5,615,849)	(14,047,041)
Net book value	225,048	5	126,491	630,916	982,460
Year ended 30 June 2024					
Opening net book value	225,048	5	126,491	630,916	982,460
Additions - at cost	-	-	95,800	-	95,800
Depreciation charged	(52,504)	-	(76,962)	(309,604)	(439,070)
Closing net book value	172,544	5	145,329	321,312	639,190
As at 30 June 2024					
Cost	1,487,514	5,593,370	1,797,652	6,246,765	15,125,301
Accumulated depreciation	(1,314,970)	(5,593,365)	(1,652,323)	(5,925,453)	(14,486,111)
Net book value	172,544	5	145,329	321,312	639,190
Depreciation rate (%)	10%	20%	20%	33%	

4.1 The cost of fully depreciated assets as at 30 June 2025 is Rupees 9.441 million (2024: 13.589 million) and are still in active use of the Company.

5. RIGHT-OF-USE ASSET

	Note	2025 Rupees	2024 Rupees
Reconciliation of carrying amount of right-of-use asset:			
Balance at the beginning of the year		1,334,605	2,405,045
Depreciation charged during the year		(1,231,943)	(1,154,422)
Impact of reassessment		-	83,982
Balance at the end of the year	5.1	102,662	1,334,605
Annual rate of depreciation (%)		20%	20%

5.1 The Company obtained building on lease for head office. There is no impairment against right-of-use asset. The principal terms and conditions of this lease arrangement are as follows:

Office Premises	Lessor Name	Lease start date	Lease tenure
1 G3 BRR Tower Hassan Ali Street Off I.I. Chundrigar Road, Karachi	BRR Guardian Limited	1-Aug-20	5 Years

The lease liability relating to this building was fully settled during the year ended 30 June 2024 and, accordingly, no lease liability is outstanding as at 30 June 2025. The right-of-use asset continues to be depreciated over the remaining lease term.

	Note	2025 Rupees	2024 Rupees
6. INTANGIBLE ASSET			
Computer software	6.1 & 6.2	415,530	554,040



6.1 Computer software

At 01 July

	2025 Rupees	2024 Rupees
Cost	1,385,100	1,385,100
Accumulated amortization	(831,060)	(692,550)
Net book value	<u>554,040</u>	<u>692,550</u>

Year ended 30 June

Opening net book value	554,040	692,550
Amortization charged during the year	(138,510)	(138,510)
Closing net book value	<u>415,530</u>	<u>554,040</u>

At 30 June

Cost	1,385,100	1,385,100
Accumulated amortization	(969,570)	(831,060)
Net book value	<u>415,530</u>	<u>554,040</u>
Amortization rate	<u>10%</u>	<u>10%</u>

6.2 Intangible asset relates to software developed for business operations having remaining useful life of 5 years (2024: 4 years).

7. LONG-TERM SECURITY DEPOSITS AND RECEIVABLE

Security deposits:

Security deposit with Central Depository Company of Pakistan Limited		25,000	25,000
Security deposit against utilities		11,300	11,300
	7.1	<u>36,300</u>	<u>36,300</u>

Receivable:

786 Islamic Money Market Fund - Fund Under Management	7.2	<u>550,025</u>	<u>550,025</u>
		<u>586,325</u>	<u>586,325</u>

7.1 These long-term security deposits are non-interest bearing.

7.2 This represents the preliminary and floatation expenses, including expenses incurred in connection with the establishment and authorization of the 786 Islamic Money Market Fund (the Fund). The Fund has commenced operations during the current year; however, it has not yet completed one full year of operations. In accordance with the provisions of the offering document of the Fund, these expenses will be reimbursed by the Fund over a period of five years from the date it becomes operational. Amortization of these expenses will commence from the next financial year.

7.2.1 The maximum aggregate amount receivable under this head at the end of any month during the year was as follows:

786 Islamic Money Market Fund - Fund Under Management	<u>550,025</u>	<u>550,025</u>
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8. TRADE RECEIVABLES

Considered good - unsecured

Balance due from fund under management:

-786 Smart Fund	8.1	9,774,347	9,414,665
-786 Islamic Money Market Fund	8.1	98,237	-
Balance due against advisory services:			
-Dawood Family Takaful Limited	8.2	<u>600,000</u>	<u>600,000</u>
	8.3	<u>10,472,584</u>	<u>10,014,665</u>



- 8.1 Balance due from fund under management primarily represent receivable on account of management fee, Sindh Sales Tax on management fee and allocated expenses charged to the fund under management. This also includes Federal Excise Duty receivable from the fund under management as more fully disclosed in Note 18.2 to these financial statements.
- 8.2 This represents receivable on account of investment advisory services and Sindh Sales Tax on investment advisory services.
- 8.3 The maximum aggregate amount receivable from related parties under this head at the end of any month during the year was as follows:

	Note	2025 Rupees	2024 Rupees
Funds under management:			
-786 Smart Fund		9,947,684	9,526,064
-786 Islamic Money Market Fund		98,237	-
		<u>10,045,921</u>	<u>9,526,064</u>
Dawood Family Takaful Limited - Common Directorship		<u>1,200,000</u>	<u>1,500,000</u>

8.4 As at the reporting date, the aging analysis of these trade debts is as follows:

Not yet due	1,724,043	1,724,043
Upto 2 months	1,634,864	1,176,945
Upto 3 months	600,000	600,000
Upto 6 months	-	-
6 months to 1 year	-	-
More than 1 year	6,513,677	6,513,677
	<u>10,472,584</u>	<u>10,014,665</u>

9. INVESTMENTS

At fair value through profit or loss

Pakistan investment bond	9.1	19,090,145	16,271,898
Units of mutual funds- related party	9.2	251,983,351	228,913,858
Term finance certificates - unlisted	9.3	-	-
		<u>271,073,496</u>	<u>245,185,756</u>

- 9.1 This Government security - Pakistan investment bond having face value of Rupees 20 million (2024: 20 million) will mature by 19 September 2029 and carries effective interest at rate of 12.15% (2024: 12.15%).

9.2 Units of mutual funds- related party

2025 Units	2024 Units	Fund under management	2025 Carrying value Rupees	2025 Fair value Rupees	2024 Fair value Rupees
1,451,985	2,739,190	786 Smart Fund	122,000,000	122,060,693	228,913,858
1,294,047	-	786 Money Market Fund	134,829,874	129,922,658	-
<u>2,746,032</u>	<u>2,739,190</u>		<u>256,829,874</u>	<u>251,983,351</u>	<u>228,913,858</u>

9.3 Term Finance Certificates - Unlisted

	Note		
Silk Bank Limited - cost	9.3.1	22,457,095	22,457,095
Fair value loss against investment	9.3.2	(9,959,595)	(22,457,095)
Redemption during the year	9.3.1	(12,497,500)	-
		<u>-</u>	<u>-</u>

- 9.3.1 This represents investments in 5,000 (2024: 5,000) B rated, unsecured and subordinated Term Finance Certificates (TFCs) carrying profit equal to 6 months KIBOR plus 1.85% (2024: 6 months KIBOR plus 1.85%) receivable half yearly in arrears and maturing in August 2025. The instrument is structured to redeem 0.14% of the issue amount during the first 7 years and the remaining 99.86% in the last two (2) equal semi-annual installments of 49.93%.



During the year ended 30 June 2022, Silk Bank Limited (the issuer) did not make its payment of principal and mark-up due on 10 February 2022, as the issuer informed investors of its status regarding the minimum capital requirement and invoked the lock-in clause under the Terms and Conditions of the Trust Deed. This did not constitute a breach of redemption obligations pursuant to the Trust Deed, as per the legal opinion obtained by the issuer. As no observable market inputs were available to determine the fair value of these TFCs, the management recorded a fair value loss of 100% on the investment during the year ended 30 June 2024, with accrual of mark-up suspended in prior years.

During the current year, subsequent to the amalgamation of Silk Bank Limited with United Bank Limited (UBL), UBL settled all outstanding interest and principal due as per the schedule. Accordingly, the Company has recognized the receipt of interest as income in these financial statements and has recorded a fair value gain to the extent of the principal amount recovered.

9.3.2 Movement in fair value loss against investment	Note	2025 Rupees	2024 Rupees
Balance at the beginning of the year		22,457,095	2,245,710
Loss recognized during the year		-	20,211,385
Reversal made during the year		(12,497,500)	-
Balance at the end of the year		<u>9,959,595</u>	<u>22,457,095</u>
10. LOANS AND ADVANCES			
Secured - considered good			
Advance to employees	10.1 & 10.2	<u>636,750</u>	<u>280,000</u>
10.1	This represents the interest free loan provided to the Company's staff on monthly installment basis. The loan will be repaid through monthly deductions from the salary and is secured against the recognized contributory provident fund.		
10.2	The maximum aggregate amount receivable at the end of any month during the year was Rupees 0.756 million (2024: 0.637 million).		
11. PREPAYMENTS			
Insurance		332,122	235,005
Others		-	395,500
		<u>332,122</u>	<u>630,505</u>
12. ACCRUED MARKUP			
On savings accounts		153,911	236,658
On Pakistan investment bond		565,217	564,384
		<u>719,128</u>	<u>801,042</u>
13. PROVISION FOR TAXATION AND LEVY PAYABLE - NET			
Advance income tax - net			
Advance income tax		9,066,841	6,293,129
Less: Provision for taxation		(9,027,830)	(6,438,425)
		<u>39,011</u>	<u>(145,296)</u>
Prepaid levy - net			
Prepaid levy		985,260	978,062
Less: Levy payable		(1,972,624)	(1,028,619)
		<u>(987,364)</u>	<u>(50,557)</u>
		<u>(948,353)</u>	<u>(195,853)</u>
14. BANK BALANCES			
Cash at bank- savings accounts	14.1	<u>1,485,277</u>	<u>489,215</u>

14.1 The balance in savings accounts carries profit at rates ranging from 9.5% to 19% per annum (2024: 20.5% per annum).



15. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

2025	2024		2025	2024
Number of shares		Issued for cash	Rupees	Rupees
10,000,000	10,000,000	Ordinary shares of Rupees 10 each fully paid in cash	100,000,000	100,000,000
4,973,750	4,973,750	Ordinary shares of Rupees 10 each fully paid as bonus shares	49,737,500	49,737,500
14,973,750	14,973,750		149,737,500	149,737,500

15.1 All ordinary shares rank equally with regards to the Company's residual assets. Holders of these shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Company.

15.2 Reconciliation of number of ordinary shares outstanding

Balance of the beginning of the year	14,973,750	14,973,750
Shares issued during the year	-	-
Balance at the end of the Year	14,973,750	14,973,750

15.3 The following shares are held by the related parties with whom the Company has entered into transactions or has arrangements in place.

Name of related parties	2025	2024
-----Number of shares-----		
First Dawood Properties Limited	2,246,070	2,246,070
BRR Guardian Limited	1,935,505	1,935,505
Tara Uzra Dawood - Chief Executive Officer	2,769,485	2,769,485

16. SUBORDINATED LOAN FROM DIRECTOR

The subordinated loan carries mark-up at the rate of 3-Month KIBOR plus 2% (2024: 3-Month KIBOR plus 2%). The repayment of this loan is subject to the discretion of the Company and requires prior approval from the Securities and Exchange Commission of Pakistan (SECP).

In accordance with the NBFC Rules and ATR-32 issued by the Institute of Chartered Accountants of Pakistan (ICAP), this loan has been classified as part of equity.

17. DEFERRED TAXATION

Deferred tax asset comprises of:

(Deductible) temporary differences on:

Property and equipment	(974,047)	(472,009)
Investments	(6,635,870)	(4,598,806)
Unused tax losses	(2,780,079)	(2,035,057)
	(10,389,995)	(7,105,871)

Deferred tax liability comprises of:

Taxable temporary differences on:

Right-of-use asset	25,401	260,310
Intangible asset	102,813	108,063
	128,214	368,373
	(10,261,781)	(6,737,498)
	10,261,781	6,737,498
	-	-

Less: unrecognized deferred tax asset

17.1 Deferred tax asset as at 30 June 2025 of Rupees 10.262 million (2024: Rupees 6.737 million) has not been recognized in these financial statements as the Company is uncertain about the timing and extent of future taxable profits against which such benefits can be utilized.



18. ACCRUED AND OTHER LIABILITIES	Note	2025 Rupees	2024 Rupees
Accrued expenses		2,645,234	3,447,201
Accrued mark-up on director loan	16	14,181,846	12,133,219
Payable to fund under management	18.1	701,689	200,000
FED payable	18.2	6,513,677	6,513,677
Workers' Welfare Fund payable		1,294,373	495,506
Sales tax payable		-	189,579
Withholding tax payable		220,003	-
		25,556,822	22,979,182

18.1 This represents amount received from NCCPL being refund of tax amount with respect to funds under management. This amount will be disbursed to unit holders of the fund under management.

18.2 This represents amount payable against Federal Excise Duty (FED) on management fees received/receivable from the Fund under management. The amount is being held for payment to Federal Board of Revenue on the basis of stay order of the Honorable High Court of Sindh dated 04 September 2013. The stay order was granted as a result of petition filed by asset management companies on the forum of MUFAP against the amendment in Finance Act, 2013 which levied FED on the fees received by asset management companies from funds under management.

The Honorable Sindh High Court in its decision dated 16 July 2016 maintained the previous order passed against other constitutional petition whereby levy of FED is declared to be 'Ultra Vires' the Constitution. On 23 September 2016, the Federal Government has filed an appeal against the said order in the Honorable Supreme Court of Pakistan (SCP) and thus, the previous balance of FED has not been reversed.

Further, the Federal Government vide Finance Act, 2016 has excluded asset management companies and other non-banking finance companies from charge of FED on their services. Accordingly, no provision for FED is made from 01 July 2016 onwards.

19. UNCLAIMED DIVIDEND

In compliance of section 244 of the Companies Act, 2017, the Company is in the process of opening a separate bank account for unclaimed dividend.

20. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at reporting date (30 June 2024: Nil).

21. REMUNERATION FROM FUNDS UNDER MANAGEMENT - NET

Management fee from collective investments schemes - related parties

	Note	2025 Rupees	2024 Rupees
786 Smart Fund	21.1	22,207,354	21,253,262
Less: Sindh sales tax	21.2	(2,896,611)	(2,445,061)
		19,310,743	18,808,201

21.1 The management fee is charged by the Management Company on the average annual net assets of the respective funds, determined on a daily basis, in accordance with the provisions of the Non-Banking Finance

Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). The fee is charged at the rate of 1.5% (2024: 1.5%) per annum for 786 Smart Fund.

No management fee is charged from 786 Islamic Money Market Fund in order to ensure compliance with the prescribed expense ratio limits under the NBFC Regulations.

21.2 This pertains to Sindh Sales Tax levied by Provincial Government of Sindh at the rate of 15% (2024: 13%) through the Sindh Sales Tax on Services Act, 2011.



		2025 Rupees	2024 Rupees
22. ADVISORY FEE - NET	Note		
Advisory fee		1,307,191	1,200,000
Less: Sindh sales tax		(196,079)	(88,888)
	22.1	<u>1,111,112</u>	<u>1,111,112</u>
22.1 This represents the advisory fee from the Dawood Family Takaful Fund, a related party, as agreed under an agreement dated 30 November 2018.			
23. NET REALIZED GAIN ON INVESTMENTS			
Gain on redemption of units in mutual funds		27,142,607	42,922,832
Fair value gain on Term Finance Certificate -unlisted	9.3.1	<u>12,497,500</u>	<u>-</u>
		<u>39,640,107</u>	<u>42,922,832</u>
24. INCOME ON DEBT SECURITIES			
-TFCs	24.1	16,049,535	-
-PIBs		<u>2,240,017</u>	<u>2,212,633</u>
		<u>18,289,552</u>	<u>2,212,633</u>
24.1 This represents mark-up recovered during the year from Term Finance Certificates (TFCs) of Silkbank Limited, as more fully disclosed in Note 9.3.1 to these financial statements.			
25. NET UNREALIZED GAIN/(LOSS) ON REVALUATION OF INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS			
Debt investment			
-TFCs		-	(20,211,385)
-PIBs		<u>2,579,063</u>	<u>633,047</u>
		<u>2,579,063</u>	<u>(19,578,338)</u>
Equity investment			
-Units of mutual funds		<u>287,049</u>	<u>974,614</u>
		<u>2,866,112</u>	<u>(18,603,724)</u>
26. ADMINISTRATIVE AND OPERATING EXPENSES	Note	2025 Rupees	2024 Rupees
Salaries and allowances	26.1	19,923,503	16,477,330
Rent, rates and taxes		63,000	52,634
Postage and telephones		248,143	423,784
Legal and professional charges		455,500	420,500
Printing and stationery		319,684	354,949
Travelling and conveyance		73,850	-
Vehicles running		3,828,312	3,290,882
Advertisement expense		132,000	68,000
Electricity		5,060,880	3,982,656
Repairs and maintenance		492,841	292,904
Auditors' remuneration	26.2	639,960	558,000
Entertainment		371,834	254,353
Insurance		1,359,671	733,796
Depreciation		4,069,656	1,593,492
Amortization		138,510	138,510
Fee and subscriptions		3,955,043	3,897,857
Directors' meeting fee		300,700	326,000
Others expenses		<u>203,456</u>	<u>203,766</u>
		<u>41,636,543</u>	<u>33,069,413</u>
Less: Reimbursement of fees and expenses	26.3	<u>(1,385,612)</u>	<u>(1,253,889)</u>
		<u>40,250,931</u>	<u>31,815,524</u>



26.1 This includes an amount of Rupees 0.994 million (2024: Rupees 0.838 million) in respect of the Company's contribution to employees provident fund trust.

26.2 Auditors' remuneration	2025 Rupees	2024 Rupees
Annual audit fee	336,000	280,000
Certification fee	56,000	56,000
Half yearly review	145,000	145,000
Out of pocket expenses	60,000	43,200
	<u>597,000</u>	<u>524,200</u>
Sindh sales tax	42,960	34,000
	<u>639,960</u>	<u>558,200</u>

26.3 This represents the reimbursement of salaries and admin expenses from fund under management at the rate of 0.1% of average annual net assets of the Fund.

26.3.1 In accordance with Regulation 60 of the NBFC Regulations, the Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a collective investment scheme (CIS).

Therefore, the Company is charging the allocated expenses variably keeping in view the overall return of the Fund and subject to the total expense ratio of the funds as defined under the NBFC Regulations.

	Note	2025 Rupees	2024 Rupees
27. FINANCIAL CHARGES			
Mark-up on director loan	16	2,048,627	3,642,141
Financial charges on lease liabilities		-	206,874
Bank charges		23,809	13,491
		<u>2,072,436</u>	<u>3,862,506</u>
28. OTHER OPERATING INCOME			
Income from financial assets			
Mark-up earned on savings accounts		350,013	445,672
Participation fee		44,444	894,875
		<u>394,457</u>	<u>1,340,547</u>
Income from non-financial asset			
Gain on disposal of property and equipment		432,797	-
		<u>827,254</u>	<u>1,340,547</u>
29. OTHER OPERATING CHARGES			
Workers' Welfare Fund		798,867	223,264
Advance tax written off		-	1,198,731
		<u>798,867</u>	<u>1,421,995</u>
30. LEVY			
Minimum tax		944,005	991,362
Final tax	30.1	7,198	37,257
		<u>951,203</u>	<u>1,028,619</u>

30.1 This represents final taxes paid under section 150 & 154 of the Income Tax Ordinance 2001, representing levies in terms of requirements of IFRIC 21 / IAS 37.



31. INCOME TAX EXPENSE

	2025 Rupees	2024 Rupees
Current tax	6,785,652	6,438,425
Prior year tax	(4,203,445)	(2,185,934)
Deferred tax	-	-
	2,582,207	4,252,491

31.1 Relationship between tax expense and accounting profit

Profit before income tax	38,000,236	9,911,339
Applicable tax rate	29%	29%
Tax at the applicable rate	11,020,068	2,874,288
Effect of prior year charge	(4,203,445)	(2,185,934)
Effect of adjustments not allowed	(4,231,038)	3,573,746
Others	(3,378)	(9,609)
	2,582,207	4,252,491

31.2 The Company computes tax provisions based on the generally accepted interpretations of the tax laws to ensure that sufficient provisions for the purpose of taxation is available. Accordingly, the management of the Company has assessed the sufficiency of the tax provisions and believes that the tax provisions are sufficient to reflect the actual tax liability of the Company.

32. EARNINGS PER SHARE - BASIC AND DILUTED

Profit for the year (Rupees)	35,418,029	5,658,848
Weighted average number of ordinary shares at year end (Number)	14,973,750	14,973,750
Earnings per share - basic and diluted (Rupees)	2.37	0.38

32.1 Diluted earnings per share has not been presented as the Company does not have any potential dilutive instrument in issue as at 30 June 2025 (2024: Nil), which would have any effect on earnings per share.

33. REMUNERATION OF CHIEF EXECUTIVE OFFICER, DIRECTORS AND EXECUTIVES

The aggregate amount charged in these financial statements for remuneration including all benefits to Chief Executive Officer, Directors and Executives of the Company is as follows:

	2025		2024	
	Chief Executive Officer	Directors	Chief Executive Officer	Directors
	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	6,259,200	-	5,216,000	-
House rent	2,503,680	-	2,086,400	-
Medical	932,672	-	700,000	-
Utilities	625,920	-	521,600	-
Provident fund contribution	625,921	-	521,604	-
Bonus	782,400	-	652,000	-
Meeting Fee	-	300,700	-	326,000
Total	11,729,793	300,700	9,697,604	326,000
No. of persons	1	6	1	6

33.1 The Chief Executive Officer of the Company is also provided with Company maintained vehicles in accordance with the Company's policy.



34. PROVIDENT FUND RELATED DISCLOSURES

The Company operates recognized contributory provident fund in the name of First Dawood Investment Bank Limited and Others - Employees Provident Fund Trust which is continued for the benefits of the permanent employees of the Company and the employees of its associated companies / undertakings at group level. Based upon the un-audited financial statements of the Fund as at 30 June 2025 and as per Trustees, Investments out of Provident Fund have been made in accordance with the provisions of Section 218 of the Companies Act, 2017 and the Rules formulated for this purpose. The details of the Fund are as below:

	2025 Rupees	2024 Rupees
Size of the Fund - Rupees	497,160,645	364,800,789
Cost of investments made - Rupees	352,119,381	305,156,355
Percentage of investments made - (%)	70.83%	83.65%
Fair value of investments - Rupees	352,119,381	305,156,355
Breakup of Investments		
Defence saving certificates	18,000,000	38,000,000
Term finance certificates	8,660,000	8,660,000
Sukuks	26,048,370	24,947,259
T-bills / Commercial papers	9,961,623	8,460,248
Pakistan investment bonds	4,791,247	4,731,975
Listed securities	187,631,144	110,255,018
Mutual funds	95,237,044	60,191,769
Bank balances	1,789,953	49,910,086
	352,119,381	305,156,355
Breakup of Investments (Percentage as size of the Fund)		
Defence saving certificates	5%	12%
Term finance certificates	2%	3%
Sukuks	7%	8%
T-bills / Commercial papers	3%	3%
Pakistan investment bonds	1%	2%
Listed securities	53%	36%
Mutual funds	27%	20%
Bank balances	1%	16%
	100%	100%

35. TRANSACTIONS AND OUTSTANDING BALANCES WITH RELATED PARTIES

The related parties comprise of related group companies, directors, their close family members, senior executives, retirement benefit plans, major shareholders of the Company and funds under management. Transactions with the related parties other than those disclosed elsewhere in these financial statements during the year are as follows:

35.1 Transactions during the year	2025 Rupees	2024 Rupees
Subordinated loan from director		
Repayment of loan	-	10,000,000
Interest expense charged for subordinated loan	2,048,627	3,642,141
786 Smart Fund - Fund under Management		
Remuneration from funds under management - net	19,310,743	18,808,201
Accounting and operational charges	1,287,375	1,253,889
Investment of 1,463,422 (2024: 2,309,610) units	123,000,000	232,762,794
Redemption of 2,750,627 (2024: 2,528,378) units	252,390,021	253,386,618
Re-invest of Nil (2024: 2,533) units	-	211,125
Refund of capital of Nil (2024: 477,998) Units	-	39,833,361
Dividend income	-	248,382



	2025 Rupees	2024 Rupees
786 Islamic Money Market Fund - Fund under Management		
Accounting and operational charges	98,237	-
Investment of 2,485,050 units	254,666,452	-
Redemption of 1,242,525 units	129,666,444	-
Re-invest of 215 units	21,595	-
Refund of capital of 51,306 Units	5,141,826	-
Dividend income	28,793	-
Other Related Parties		
First Dawood Investment Bank Limited & Others Employees' Provident Fund		
Provident fund contribution	993,675	838,069
B.R.R. Guardian Limited		
Lease rentals paid	-	2,905,766
Dawood Family Takaful Limited		
Insurance expense	91,796	77,860
Advisory fee - net	1,111,112	1,111,112
35.2 Balance outstanding with related parties		
786 Smart Fund - Fund under Management		
Units Held: 786 Smart Fund 1,451,985 (2024: 2,739,190) Units	122,060,693	228,913,858
786 Islamic Money Market Fund - Fund under Management		
Units Held: 786 Smart Fund 1,294,047 Units	129,922,658	-
Receivable balances		
Balance due from fund under management - 786 Smart Fund	9,774,347	9,414,665
Balance due from fund under management - 786 Islamic Money Market Fund	98,237	-
Receivable against preliminary expense - 786 Islamic Money Market Fund	550,025	550,025
Balance due against advisory services - Dawood Family Takaful Fund	600,000	600,000
Payable balances:		
Chief Executive Officer		
Subordinated loan:		
Principal	12,000,000	12,000,000
Accrued Mark-up	14,181,846	12,133,219

35.3 Following are the related parties with whom the Company had entered into transactions or have arrangements / agreements in place:

Name of related party	Basis of relationship	Percentage of shareholding (%)
786 Smart Fund	Fund under Management	8.06%
786 Islamic Money Market Fund	Fund under Management	29.71%
B.R.R. Guardian Limited	Shareholding	12.93%
Dawood Family Takaful Limited	Common directorship	N/A

The Company has not entered into any transaction with director and executives other than those provided under the Company's policies and terms of employment.

36. OPERATING SEGMENTS

These financial statements have been prepared on the basis of single reportable segment as the Company's asset allocation decision are based on single, integrated business strategy and the Company's business performance is evaluated on an overall basis.

Income derived from the management fee of open end collective investment scheme and that derived from investment advisory fee represents 25% and 1% (2024: 29% and 2%) of the total income of the Company respectively.



37. FINANCIAL RISK MANAGEMENT

The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Company's financial performance.

The Company is exposed to a variety of financial risks: market risk (comprising currency risk, interest rate risk, and other price risk), liquidity risk and credit risk that could result in a reduction in the Company's net assets or a reduction in the profits available for dividends. Risks of the Company are being managed by the Company's management in accordance with the approved policies approved by the Board.

The Company's financial assets primarily comprise of investments, trade receivables and bank balances. The Company also has long-security deposits, loans and advances, other receivables and accrued markup. The Company's principal financial liabilities primarily comprise of lease liability, accrued and other liabilities and unclaimed dividend.

37.1 Market risk

Market risk is the risk that the value of the financial instrument will fluctuate as a result of changes in market interest rates or the market price of securities due to a change in credit rating of the issuer or the instrument, change in market sentiments, speculative activities, supply and demand of securities and liquidity in the market.

The Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and regulations laid down by the Securities and Exchange Commission of Pakistan (SECP), the NBFC Regulations and the NBFC Rules.

Market risk comprises of three types of risks: currency risk, interest rate risk and other price risk.

a) Currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities which mainly include payables to foreign suppliers of goods in foreign currency. The Company, at present is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pak Rupees.

b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the following:

	2025 Rupees	2024 Rupees
Fixed rate instruments Financial assets		
Pakistan investment bond	<u>19,090,145</u>	<u>16,271,898</u>
Floating rate instruments Financial assets		
Term finance certificates - unlisted	-	-
Bank balances	<u>1,485,277</u>	<u>489,215</u>
	<u>1,485,277</u>	<u>489,215</u>

Fair value sensitivity analysis for fixed rate instruments:

The Company does not account for any fixed rate financial assets and liabilities at fair values through profit and loss except for investment in Pakistan investment bonds. A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by the amounts shown below. The following information summarizes the estimated effects of hypothetical increases and decreases in interest rates on fair values from financial assets and liabilities that are subject to interest rate risk:

	2025		2024	
	Increase Rupees	Decrease Rupees	Increase Rupees	Decrease Rupees
Fair value sensitivity:				
- fixed rate financial assets Net effect	<u>190,901</u>	<u>(190,901)</u>	<u>162,719</u>	<u>(162,719)</u>
	<u>190,901</u>	<u>(190,901)</u>	<u>162,719</u>	<u>(162,719)</u>



Cash flow sensitivity analysis for floating rate instruments

A change of 100 basis points in interest rates at the reporting date would have increased / (decreased) profit for the year by the amounts shown below. This analysis assumes that all other variables remain constant. The following information summarizes the estimated effects of hypothetical increases and decreases in interest rates on cash flows from financial assets and liabilities that are subject to interest rate risk.

	2025		2024	
	Increase Rupees	Decrease Rupees	Increase Rupees	Decrease Rupees
Cash flows sensitivity:	14,853	(14,853)	4,892	(4,892)
- floating rate financial assets Net effect	14,853	(14,853)	4,892	(4,892)

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.

Profit rate risk	2025					
	Yield / effective interest rate	Exposed to yield / interest rate risk			Not exposed to yield/ profit rate risk	Total
		Upto three month	More than three months and upto one year	More than one year		
On-balance sheet financial instruments	%	Rupees	Rupees	Rupees	Rupees	Rupees
Financial assets						
Bank balances	9.5 to 19	1,485,277	-	-	-	1,485,277
Investments	12.15	-	-	19,090,145	251,983,351	271,073,496
Long-term security deposits and receivable		-	-	-	586,325	586,325
Loans and advances		-	-	-	636,750	636,750
Accrued markup		-	-	-	719,128	719,128
Trade receivables		-	-	-	10,472,584	10,472,584
Total financial assets		1,485,277	-	19,090,145	264,398,138	284,973,560
Financial liabilities						
Accrued and other liabilities		-	-	-	17,528,769	17,528,769
Unclaimed dividend		-	-	-	998,742	998,742
Total financial liabilities		-	-	-	18,527,511	18,527,511
On balance sheet gap		1,485,277	-	19,090,145	245,870,627	266,446,049

Profit rate risk	2024					
	Yield / effective interest rate	Exposed to yield / interest rate risk			Not exposed to yield/ profit rate risk	Total
		Upto three month	More than three months and upto one year	More than one year		
On-balance sheet financial instruments	%	Rupees	Rupees	Rupees	Rupees	Rupees
Financial assets						
Bank balances	20.5	489,215	-	-	-	489,215
Investments	12.15	-	-	16,271,898	228,913,858	245,185,756
Long-term security deposits and receivable		-	-	-	586,325	586,325
Accrued markup		-	-	-	801,042	801,042
Trade receivables		-	-	-	10,014,665	10,014,665
Total financial assets		489,215	-	16,271,898	240,315,890	257,077,003



Profit rate risk	2024					Total
	Yield / effective interest rate	Exposed to yield / interest rate risk			Not exposed to yield/ profit rate risk	
		Upto three month	More than three months and upto one year	More than one year		
On-balance sheet financial instruments	%	Rupees	Rupees	Rupees	Rupees	Rupees
Financial liabilities						
Accrued and other liabilities		-	-	-	15,780,420	15,780,420
Unclaimed dividend		-	-	-	998,742	998,742
Total financial liabilities		-	-	-	16,779,162	16,779,162
On balance sheet gap		489,215	-	16,271,898	223,536,728	240,297,841

c) **Other price risk**

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because 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 instrument traded in the market. As at 30 June 2025, the Company is exposed to the other price risk of changes in the fair value of investment in mutual funds as a result of changes in the levels of net asset value of units held by the Company.

Sensitivity analysis

The analysis below summarizes the impact of increase / (decrease) in the rates determined by the Mutual Funds Association of Pakistan (MUFAP) on the Company's equity. The analysis is based on the assumption that the rates on the MUFAP had increased / (decreased) by 5% with all other variables held constant and the Company's equity instrument moved according to the historical correlation with the MUFAP:

	2025		2024	
	Increase Rupees	Decrease Rupees	Increase Rupees	Decrease Rupees
Other price sensitivity				
- Units of mutual funds- related party Net effect	12,599,168	(12,599,168)	11,445,693	(11,445,693)
	12,599,168	(12,599,168)	11,445,693	(11,445,693)

37.2 Credit risk

Credit risk arises from the inability of the issuers of the instruments, the relevant financial institutions or counter parties to fulfil their obligations. There is a possibility of default of issuers of the instrument, financial institutions or counter parties.

Management of credit risk

The Company's policy is to enter into financial contracts with reputable counterparties in accordance with the internal risk management policies and investment guidelines approved by the Board of Directors. The Investment Committee closely monitors the creditworthiness of the Company's counterparties (e.g. issuer of the instruments, brokers, banks, etc.) by reviewing their credit ratings, financial statements and press releases on a regular basis. In addition the credit risk is also minimized due to the fact that the Company only invests in liquid equity and money market based collective investment schemes (CIS).

Credit risk and concentration of credit risk

	2025		2024	
	Financial Assets	Maximum Exposure	Financial Assets	Maximum Exposure
	Rupees	Rupees	Rupees	Rupees
Long-term security deposits and receivable	586,325	586,325	586,325	586,325
Trade receivables	10,472,584	10,472,584	10,014,665	10,014,665
Investments	293,530,591	271,073,496	267,642,851	245,185,756
Loans and advances	636,750	636,750	-	-
Accrued markup	719,128	719,128	801,042	801,042
Bank balances	1,485,277	1,485,277	489,215	489,215
	307,430,655	284,973,560	279,534,098	257,077,003



To minimize its exposure to credit risk, the Company maintains its bank balances only with banks with high quality credit worthiness. As of the reporting date, the external credit ratings of the Company's major bankers were as follows:

Bank Name	Rating Agency	Credit rating		2025	2024
		Short-term	Long-term	Rupees	Rupees
Habib Metropolitan Bank	PACRA	A1+	AA+	1,465,075	471,017
JS Bank Limited	PACRA	A1+	AA	20,202	18,198
				<u>1,485,277</u>	<u>489,215</u>

37.3 Liquidity risk

Liquidity risk is the risk that the Company may encounter difficulty in raising funds to meet its obligations and commitments associated with financial instruments. The Company is not materially exposed to the liquidity risk as all obligations/commitments of the Company are short-term in nature and restricted to the extent of available liquidity and all assets of the Company are readily disposable in the market.

The table below analyses the Company's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date.

30 June 2025	Carrying value	Contractual cashflows	6-12 months	1 - 5 years	More than 5 years
Accrued and other liabilities	17,528,769	17,528,769	17,528,769	-	-
Unclaimed dividend	998,742	998,742	998,742	-	-
	<u>18,527,511</u>	<u>18,527,511</u>	<u>18,527,511</u>	<u>-</u>	<u>-</u>
30 June 2024	Carrying value	Contractual cashflows	6-12 months	1 - 5 years	More than 5 years
Accrued and other liabilities	15,780,420	15,780,420	15,780,420	-	-
Unclaimed dividend	998,742	998,742	998,742	-	-
	<u>16,779,162</u>	<u>16,779,162</u>	<u>16,779,162</u>	<u>-</u>	<u>-</u>

37.4 Determination of fair values

37.4.1 Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values.

i) Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.



The table shown below analyses the financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorised:

	2025		
	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees
Financial assets fair value through profit or loss			
Pakistan investments bonds	-	19,090,145	-
Units of mutual funds	251,983,351	-	-
Terms finance certificate	-	-	-
	251,983,351	19,090,145	-

	2024		
	Level 1 Rupees	Level 2 Rupees	Level 3 Rupees
Financial assets fair value through profit or loss			
Pakistan investments bonds	-	16,271,898	-
Units of mutual funds	228,913,858	-	-
Terms finance certificate	-	-	-
	228,913,858	16,271,898	-

ii) Valuation techniques

For Level 1

Investment in mutual funds are valued on the basis of the closing net assets at the reporting date announced by the Mutual Funds Association of Pakistan (MUFAP) based on the closing net assets of the mutual funds.

For Level 2

Investment in Pakistan investment bonds are valued on the basis of PKRV rates announced by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed.

iii) Transfers during the year

During the year ended 30 June 2025, there were no transfers between Level 1 and Level 2 fair value measurements.

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

37.5 Financial instruments by category

	2025 Rupees	2024 Rupees
Financial assets		
At fair value through profit or loss		
Investments	271,073,496	245,185,756
At Amortized cost		
Long-term security deposits and receivable	586,325	586,325
Trade receivables	10,472,584	10,014,665
Loans and advances	636,750	-
Accrued markup	719,128	801,042
Bank balances	1,485,277	489,215
	13,900,064	11,891,247
	284,973,560	257,077,003



Financial Liabilities

At Amortized cost

Accrued and other liabilities
Unclaimed dividend

2025 Rupees	2024 Rupees
16,827,080	15,580,420
998,742	998,742
17,825,822	16,579,162

37.5.1 Reconciliation to the line items presented in the statement of financial position is as follows:

Assets

Property and equipment
Right-of-use asset
Intangible asset
Long-term security deposits and receivable
Trade receivables
Investments
Loans and advances
Prepayments
Accrued markup
Bank balances

2025		
Financial assets	Non-financial assets	Assets as per statement of financial position
-	13,439,638	13,439,638
-	102,662	102,662
-	415,530	415,530
586,325	-	586,325
10,472,584	-	10,472,584
271,073,496	-	271,073,496
636,750	-	636,750
-	332,122	332,122
719,128	-	719,128
1,485,277	-	1,485,277
284,973,560	14,289,952	299,263,512

Liabilities

Accrued and other liabilities
Provision for taxation and levy payable- net
Unclaimed dividend

Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position
17,528,769	8,028,053	25,556,822
-	948,353	948,353
998,742	-	998,742
18,527,511	8,976,406	27,503,917

Assets

Property and equipment
Right-of-use asset
Intangible asset
Long-term security deposits and receivable
Trade receivables
Investments
Loans and advances
Prepayments
Accrued markup
Bank balances

2024		
Financial assets	Non-financial assets	Assets as per statement of financial position
-	639,190	639,190
-	1,334,605	1,334,605
-	554,040	554,040
586,325	-	586,325
10,014,665	-	10,014,665
245,185,756	-	245,185,756
-	280,000	280,000
-	630,505	630,505
801,042	-	801,042
489,215	-	489,215
257,077,003	3,438,340	260,515,343



	Financial liabilities	Non-financial liabilities	Liabilities as per statement of financial position
Liabilities			
Accrued and other liabilities	15,780,420	7,198,762	22,979,182
Provision for taxation and levy payable- net	-	195,853	195,853
Unclaimed dividend	998,742	-	998,742
	<u>16,779,162</u>	<u>7,394,615</u>	<u>24,173,777</u>

37.6 Operational risk

Operational risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's operations either internally within the Company or externally at the Company's service providers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behavior. Operational risks arise from all of the Company's activities.

The Company's objective is to manage operational risk so as to balance limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns for investors.

The primary responsibility for the development and implementation of controls over operational risk rests with the board of directors. This responsibility encompasses the controls in the following areas:

- requirements for appropriate segregation of duties between various functions, roles and responsibility;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified;
- ethical and business standards; and
- risk mitigation, including insurance where this is effective.

37.7 Capital Risk Management

The primary objective of the Company's capital management is to maintain healthy capital ratios, strong credit rating and optimal capital structures in order to ensure ample availability of finance for its existing and potential investment projects, to maximize shareholder value and reduce the cost of capital.

The Company manages its capital structure and makes adjustment to it, in light of changes in economic conditions. In order to maintain or adjust the capital structure the Company may adjust the amount of dividend, return on capital to shareholders or issue new shares. Currently the Company has an equity of Rupees 271.760 million (30 June 2024: Rupees 236.342 million) against the minimum equity requirement of Rupees 230 Million set by the Securities and Exchange Commission of Pakistan for the Non Banking Finance Company providing Asset Management Services and Advisory Services.

38. NUMBER OF EMPLOYEES

	2025	2024
	Numbers	
Total number of employees as at the reporting date	<u>10</u>	<u>10</u>
Average number of employees during the year	<u>10</u>	<u>9</u>



39. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved and authorised for issue on **Septmber 29, 2025** by the Board of Directors of the Company.

40. GENERAL

40.1 No significant reclassification and rearrangement of the corresponding figures have been made during the year in these financial statements.

40.2 Figures have been rounded off to the nearest rupee.

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

----SD----

Chief Executive Officer

----SD----

Chief Financial Officer

----SD----

Director



**Pattern of Shareholding
As on June 30, 2025**

Number of Share Holders	From	Share Holding	To	Total Shares Held
338	1	-	100	7,241
188	101	-	500	51,611
170	501	-	1000	134,487
122	1001	-	5000	329,684
37	5001	-	10000	259,010
10	10001	-	15000	125,017
10	15001	-	20000	175,725
2	20001	-	25000	44,500
2	25001	-	30000	59,266
3	30001	-	35000	96,100
1	35001	-	40000	37,000
1	40001	-	45000	41,991
4	45001	-	50000	194,500
1	50001	-	55000	53,500
1	55001	-	60000	55,199
2	60001	-	65000	122,048
1	75001	-	80000	80,000
1	95001	-	100000	100,000
3	115001	-	120000	352,779
1	180001	-	185000	184,253
1	190001	-	195000	194,000
1	200001	-	205000	204,762
1	230001	-	235000	230,792
1	270001	-	275000	273,500
1	640001	-	645000	643,825
1	645001	-	650000	648,845
1	1075001	-	1080000	1,077,000
1	1375001	-	1380000	1,376,006
1	1390001	-	1395000	1,393,479
1	1935001	-	1940000	1,935,505
2	2245001	-	2250000	4,492,125
910				14,973,750



**Additional Information
as at June 30, 2025**

S. No.	Categories of Share holders	Numbers	Shares Held	% Age
1	NIT & ICP Investment Corporation of Pakistan	1	500 500	0.00
2	Directors, CEO their Spouses and Minor Children Miss Tara Uzra Dawood Mr. Iqbal Shafiq Mr. Ahmer Zia Sarwar Mr. Ahmed Salman Munir Mr. Nadeem Akhter Syed Musharaf Ali Mr. Naveed Ahmed	7	2,784,485 2,769,485 2,500 2,500 2,500 2,500 2,500	18.60
3	Banks, DFIs, NBFIs, Insurance Companies, Takaful, Modarabas, Pension Funds and Others	20	7,563,881	50.51
4	General Public	882	4,624,884	30.89
	Total	910	14,973,750	100.00

Shareholders holding ten percent or more shares in the Company

14,973,750

Miss Tara Uzra Dawood	2,769,485	18.50
First Dawood Investment Bank Limited	2,246,070	15.00
The Bank of Khyber	2,246,055	15.00
B.R.R. Guardian Modaraba	1,935,505	12.93



FORM OF PROXY
34th Annual GENERAL MEETING

I/We _____ of
_____ (full address)

being a member of 786 Investments Limited Folio # _____ do hereby appoint

Mr./Ms _____ Folio # _____

of _____ (full address) (or failing him)

Mr./Ms _____ Folio# _____

of _____ (full address)

being another member of the Company as my/our proxy to attend and vote for me/us on my/our behalf, at the **Annual General Meeting** of the Company to be held on October 21, 2025 at 08:30 hours and to every adjournment thereof.

And witness my/our hand/seal this _____ day of _____ 2025, signed by the said

_____ in the presence of

Mr./Ms. _____

of _____ (full address)

REVENUE
STAMP
Rs. 5/-

Signature of Witness

Signature(s) and or Seal

Important Notes :

1. The share transfer books of the Company will remain closed from October 14, 2025 to October 21, 2025 (both days inclusive).
2. A member entitled to attend and vote at the General Meeting is entitled to appoint a proxy to attend and vote instead of him/her.
3. An instrument appointing a proxy and the power of attorney or other Authority (if any) under which it is signed or a notarially certified copy of the Power or Authority, in order to be valid, must be deposited at the Registered office of the Company, 48 hours before the meeting and must be duly stamped, signed and witnessed.
4. If more than one instrument of proxy appointing more than one person is deposited with the Company, all such instruments of proxy shall be rendered invalid.
5. This signature on the Instrument of Proxy must conform to the specimen signature recorded with the Company.
6. CDC account holders will in addition have to follow the guidelines as laid down in Circular No. 1 dated January 26, 2000 of the Securities & Exchange Commission of Pakistan for attending the meeting



Gender Pay Gap Statement
Under SECP's Circular 10 Of 2024

Following is gender pay gap calculated for the year ended June 30, 2025:

1. Mean Gender Pay Gap: -1,059%
2. Median Gender Pay Gap: -1,015%

The above percentages reflect the gender pay gap of relevant male versus female employees across the organization.

Tara Uzra Dawood
Chief Executive Officer

Date: September 23, 2025



BOOK POST



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



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786 Investments Limited

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Website: www.786investments.com