AL Habib Asset Management Limited

Annual Report 2026



CONTENTS

VISION AND MISSION STATEMENT	02
DIRECTORS REPORT	03
AL HABIB CASH FUND	06
AL HABIB MONEY MARKET FUND	40
AL HABIB INCOME FUND	75
AL HABIB ASSET ALLOCATION FUND	109
AL HABIB STOCK FUND	142
AL HABIB ISLAMIC CASH FUND	177
AL HABIB ISLAMIC MONEY MARKET FUND	214
AL HABIB ISLAMIC INCOME FUND	246
AL HABIB ISLAMIC STOCK FUND	283
AL HABIB ISLAMIC SAVINGS FUND	320
AL HABIB FIXED RETURN FUND	357
AL HABIB ISLAMIC MUNAFA	432
AL HABIB GOVERNMENT SECURITIES FUND	471
AL HABIB SOVEREIGN INCOME FUND	505
AL HABIB PENSION FUND	549
AL HABIB ISLAMIC PENSION FUND	590
AL HABIB GOKP PENSION FUND	629
AL HABIB ISLAMIC GOKP PENSION FUND	663
AL HABIB PUNJAB PENSION FUND	700
AL HABIB PUNJAB ISLAMIC PENSION FUND	726
DISCLOSURE OF PROXY VOTING	755
ڈائریکٹرز رپورٹ:	760

Vision

We at AL Habib Asset Management Limited make it possible for everyone to invest in Mutual Funds by providing innovative products.

Mission

We aim to excel in Fund Management business by:

Understanding the customer needs through close interaction.

Focusing on offering our investors the best possible returns on a diverse range of porducts.

Attaining sustained growth in an ethical manner.

Providing a conducive working environment that stimulates talent.

DIRECTORS' REPORT

The Board of Directors of AL Habib Asset Management Limited is pleased to present the audited financial statements of the Funds under its management for the year ended June 30, 2026.

Pakistan's economy concluded FY26 on a strong footing, with provisional real GDP growth expected at 3.7% compared to 3.2% in FY25. Domestic production remained robust, as Large-Scale Manufacturing (LSM) expanded by 6.1% in FY26, compared to 0.7% contraction in the same period last year.

Inflation (CPI) has increased from 4.5% in FY25 to 7.1% FY26, stemming from the effect of Middle East conflict on international crude oil prices, freight costs and global supply chain disruptions. While regional diplomatic efforts successfully triggered a sharp reversal in international crude oil prices, any sustained downward trend depends entirely on an unpredictable peace process. Therefore, the Monetary Policy Committee (MPC) kept the policy rate unchanged at 11.5% in July 2026 to guide inflation back toward its 5.0% - 7.0% medium-term target.

The current account recorded a deficit of USD 139 million in FY26 compared with surplus of 1.8 billion in FY25. This was mainly due to increase in trade imbalance during FY26. However, increase in workers' remittances and IT exports negate the aforesaid adverse impact. Foreign exchange reserves of SBP have also strengthened from USD 14.5 billion in FY25 to USD 18.5 billion in FY26 mainly driven by receiving IMF's instalments and other borrowings.

Concurrently, strict expenditure management delivered a primary fiscal surplus of 2.9% of GDP in FY26. This external and fiscal stability prompted rating upgrades from international rating agencies leading to successful issuance of international bonds and unlocking further upside in the KSE-100 index.

The FY27 budget framework focuses on building business competitiveness through targeted tax relief and liquidity measures. The reduction in export tax to 1.25%, extension of 0.25% concessional tax rate for the IT sector until 2029 and removal of Super Tax for various business sectors shall act as key structural drivers of growth.

Going forward, government's focus towards maintaining strict fiscal discipline, advancing on the sovereign reform agenda and revenue mobilization shall help establish necessary runway for sustainable growth and create economic buffers to manage potential conflict spillovers. However, a sustained increase in oil prices could place pressure on inflation, current account, the rupee, and interest rates.

AL Habib Cash Fund (AHCF) generated net annualized return of 10.36% for the year ended June 30, 2026. The Fund's gross income was Rs. 8,210.36 million, which mainly comprises income of Rs. 6,347.14 million from government securities, Rs. 1,410.86 million from bank deposits, and Rs. 452.36 from term deposit receipts. During the year, the Fund has distributed dividend of Rs. 10.1502 per unit. VIS has reaffirmed the Fund's stability rating of AAA(f) on December 30, 2025.

AL Habib Money Market Fund (AHMMF) generated net annualized return of 10.46% for the year ended June 30, 2026. The Fund's gross income was Rs. 8,502.48 million, which mainly comprises income of Rs. 6,674.36 million from government securities, Rs. 1,510.56 million from bank deposits, and Rs. 317.56 from term deposit receipts. During the year, the Fund has distributed dividend of Rs. 9.7863 per unit. VIS has reaffirmed the Fund's stability rating of AAA(f) on January 01, 2026.

AL Habib Islamic Cash Fund (AHICF) generated net annualized return of 10.21% for the year ended June 30, 2026. The Fund's gross income was Rs. 3,048.73 million, which mainly comprises income of Rs. 1,330.42 million from government securities, Rs. 1,330.96 million from bank deposits, and Rs. 387.34 million from term deposit receipts and placements. During the year, the Fund has distributed dividend of Rs. 9.4587 per unit. PACRA has maintained stability rating of AA+(f) to the Fund on April 10, 2026.

AL Habib Islamic Money Market Fund (AHIMMF) generated net annualized return of 9.61% for the year ended June 30, 2026. The Fund's gross income was Rs. 58.43 million, which mainly comprises income of Rs. 8.86 million from government securities, and Rs. 49.57 million from bank deposits. During the year, the Fund has distributed dividend of Rs. 2.7989 per unit.

AL Habib Income Fund (AHIF) generated net annualized return of 10.56% for the year ended June 30, 2026. The Fund's gross income was Rs. 2,541.22 million, which mainly comprises income of Rs. 2,053.33 million from investment in government securities, TFCs and Sukuks, Rs. 480.06 million from bank deposits, and Rs. 7.81 from term deposit receipts. During the year, the Fund has distributed dividend of Rs. 9.797 per unit. PACRA has maintained the Fund's stability rating of AA(f) on April 10, 2026.

AL Habib Government Securities Fund (AHGSF) generated net annualized return of 10.29% for the year ended June 30, 2026. The Fund's gross income was Rs. 1,714.78 million, which mainly comprises income of Rs. 1,353.98 million from investment in government securities, and Rs. 360.80 million from bank deposits. During the year, the Fund has distributed dividend of Rs. 9.9063 per unit. PACRA has maintained the Fund's stability rating of AAA(f) on May 25, 2026.

AL Habib Sovereign Income Fund (AHSIF) The Fund's gross income was Rs. 299.84 million, which mainly comprises income of Rs. 240.67 million from investment in government securities, and Rs. 59.17 million from bank deposits. During the year, the Fund has distributed dividends of Rs. 10.55, Rs. 10.5865 and Rs. 10.7355 per unit for plans 1, 2 & 3 respectively.

AL Habib Fixed Return Fund (AHFRF) Plan 23, Plan 24, Plan 25, Plan 26, Plan 28, Plan 29, Plan 30, Plan 31, and Plan 32 were launched whereas, Plan 20, Plan 21, Plan 22, Plan 24, Plan 25, Plan 26, Plan 29, and Plan 30 were matured during the year. The Fund's gross income was Rs. 1,574.84 million, which mainly comprises income of Rs. 1,345.66 million from investment in government securities, and Rs. 229.17 million from bank deposits.

AL Habib Islamic Income Fund (AHIIF) generated net annualized return of 9.03% for the year ended June 30, 2026. The Fund's gross income was Rs. 1,652.49 million, which mainly comprises income of Rs. 769.43 million from investment in Sukuks, Rs. 813.36 million from bank deposits, and Rs. 69.69 million from term deposit receipts. During the year, the Fund has distributed dividend of Rs. 8.8353 per unit. PACRA has maintained stability rating of AA(f) of the Fund on April 10, 2026.

AL Habib Islamic Savings Fund (AHISAVF) generated net annualized return of 9.31% for the year ended June 30, 2026. The Fund's gross income was Rs. 2,021.04 million, which mainly comprises income of Rs. 942.15 million from investment in Sukuks, Rs. 949.19 million from bank deposits, and Rs. 129.69 million from term deposit receipts. During the year, the Fund has distributed dividend of Rs. 8.6087 per unit. PACRA has maintained stability rating of AA(f) to the Fund on April 10, 2026.

AL Habib Islamic Munafa Fund (AHIMF) Plan 5 and Plan 8 were launched whereas, Plan 5 was matured during the year. The Fund's gross income was Rs. 30.53 million which mainly comprises income of Rs. 30.37 million from bank deposits, and Rs. 0.16 million from investment in Sukuks. During the year, the Fund has distributed dividends of Rs. 1.0477, and Re. 0.2583 per unit for plans 5 & 8 respectively

AL Habib Asset Allocation Fund (AHAAF) generated net return of 32.91% for the year ended June 30, 2026. The Fund's gross income was Rs. 291.57 million, which mainly comprises income of Rs. 17.03 million from bank deposits, Rs. 48.28 million from dividends, and capital gain (realized and unrealized) of Rs. 226.26 million on investments. During the year, the Fund has distributed dividend of Rs. 27.2036 per unit.

AL Habib Stock Fund (AHSF) generated net return of 43.49% for the year ended June 30, 2026. The Fund's gross income was Rs. 4,708.95 million, which mainly comprises income of Rs. 590.22 million from dividends, Rs. 40.03 million from bank deposits, and capital gains (realized and unrealized) of Rs. 4,078.70 million on equity investments. During the year, the Fund has distributed dividend of Rs. 26.5011 per unit.

AL Habib Islamic Stock Fund (AHISF) generated net return of 28.29% for the year ended June 30, 2026. The Fund's gross income was Rs. 2,302.57 million, which mainly comprises income of Rs. 253.64 million from dividends, income of Rs. 2.56 million from bank deposits, and capital gains (realized and unrealized) of Rs. 2,046.37 million on equity investments. During the year, the Fund has distributed dividend of Rs. 16.6443 per unit.

AL Habib Pension Fund (AHPF) generated net annualized returns of 10.68% and 10.49% for Money Market and Debt Sub Fund respectively and Equity Sub Funds generated absolute return of 40.10% for the year ended June 30, 2026. The Money Market and Debt Sub Funds' gross income amounted to Rs. 50.06 million and Rs. 37.40 million, respectively, which comprise income from bank deposits and government securities. The Equity Sub Fund's gross income was Rs. 199.79 million, which mainly comprises income of Rs. 34.47 million from dividends, income of Rs. 2.74 million from bank deposits, and capital gains (realized and unrealized) of Rs. 162.58 million on equity investments.

AL Habib Islamic Pension Fund (AHIPF) generated net annualized returns of 8.45% and 7.48% for Money Market and Debt Sub Fund respectively and Equity Sub Funds generated absolute return of 22.41% for the year ended June 30, 2026. The Money Market and Debt Sub Funds' gross income amounted to Rs. 28.29 million and Rs. 20.04 million, respectively, which comprise income from bank deposits, debt instruments, and government securities. The Equity Sub Fund's gross income was Rs. 56.70 million, which mainly comprises income of Rs. 8.97 million from dividends, income of Rs. 1.23 million from bank deposits, and capital gains (realized and unrealized) of Rs. 46.50 million on equity investments.

AL Habib GoKP Pension Fund (AHGoKPPF) generated net annualized return of 10.33% for Money Market Sub Fund for the year ended June 30, 2026. The Money Market Sub Fund gross income amounted to Rs. 7.81 million, which comprise income from bank deposits and government securities.

AL Habib Islamic GoKP Pension Fund (AHIGoKPPF) generated net annualized return of 8.62% for Money Market Sub Fund for the year ended June 30, 2026. The Money Market Sub Fund gross income amounted to Rs. 5.86 million, which comprise income from bank deposits and government securities.

AL Habib Punjab Pension Funds and **AL Habib Punjab Islamic Pension Funds** were launched during the year. The Management Company had invested seed capital in both funds, however disbursement of contribution has not started yet.

We wish to thank our unit holders for their continued trust and support, Securities & Exchange Commission of Pakistan for their guidance, and Central Depository Company of Pakistan Limited for their cooperation. We also thank all our team members for their sincerity, dedication and hard work.

KASHIF RAFI
Chief Executive

ABBAS D. HABIB
Chairman

Dated: August 21, 2026

AL HABIB CASH FUND
Annual Report
For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AAA(f) Fund Stability Rating by VIS
AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB CASH FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Cash Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No. 1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB CASH FUND

Opinion

We have audited the financial statements of Al Habib Cash Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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 year. 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:

S. No	Key Audit Matter	How the matter was addressed in our audit
1.	Existence and valuation of investments As disclosed in note 6 to the accompanying financial statements of the Fund for the year June 30, 2026, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs.46,947.68 million representing 59.70% of the Net Assets Value of the Fund. As these investments represent a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund; • We performed substantive audit procedures on year-end balance of investment portfolio including review of custodian's statement and related reconciliations and re-performance of debt instruments valuations on the basis of prices the Mutual Fund Association of Pakistan (MUFAP) as at June 30, 2026 and matching the valuation of investment with

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S. No	Key Audit Matter	How the matter was addressed in our audit
	the valuation of investments is the main driver of movements in the performance of the Fund. In view of the significance of the above-mentioned balances in relation to the Fund's total assets and NAV, we considered the existence and valuation of investments as a key audit matter.	that appearing in the financial statements. • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

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

The Management Company ("AL Habib Asset Management Limited") 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 of the Management Company for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

From the matters communicated with the Board of Directors of the Management Company, 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166zwHr07CjG

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		------- (Rupees in '000) -------	
ASSETS			
Bank balance & Term deposit	5	33,657,649	12,236,496
Investments	6	46,947,683	38,783,299
Profit receivable	7	279,278	134,884
Advance tax, deposits, prepayments and other receivable	8	106,722	31,647
TOTAL ASSETS		80,991,332	51,186,326
LIABILITIES			
Payable to AL Habib Asset Management Limited - Management company	9	131,612	111,005
Provision for Federal Excise Duty on remuneration of the Management Company	10	13,417	13,417
Payable to Central Depository Company of Pakistan Limited - Trustee	11	4,547	3,753
Payable to Securities and Exchange Commission of Pakistan	12	4,585	3,645
Payable against redemption/purchase of units		1,754,794	74,847
Accrued expenses and other liabilities	13	447,982	606,376
TOTAL LIABILITIES		2,356,937	813,043
NET ASSETS		78,634,395	50,373,283
UNIT HOLDERS' FUND (AS PER THE STATEMENT ATTACHED)		78,634,395	50,373,283
Contingencies and commitments	14		
		(Number of units)	
Number of units in issue (face value of units is Rs. 100 each)		771,342,947	495,804,976
		(Rupees)	
Net assets value per unit		101.94	101.60

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		------- (Rupees in '000) -------	
Income			
(Loss) / gain on sale of investments - net		(7,553)	162,560
Income from government securities		6,356,972	10,557,944
Mark-up on bank deposits		1,410,859	202,522
Profit on term deposit receipts		452,364	-
		8,212,642	10,923,026
Unrealised (diminution) / appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net		(2,278)	5,813
Total income		8,210,364	10,928,839
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company	9.1	531,557	929,612
Sindh Sales tax on Management Company's remuneration	9.2	79,699	139,442
Expenses allocated by the Management company		-	49,372
Sindh Sales tax on Expenses allocated by the Management Company		-	7,406
Remuneration of Central Depository Company of Pakistan Limited - Trustee	11	41,826	42,311
Sindh Sales tax on Trustee's remuneration	11.2	6,274	6,345
Annual fee to Securities and Exchange Commission of Pakistan	12	57,035	57,696
Brokerage expense		758	1,958
Settlement and bank charges		822	135
Annual listing fee		25	25
Auditors' remuneration		626	596
Mutual fund rating fee		261	282
Printing and other expenses		203	120
		719,086	1,235,300
Net income for the year before taxation		7,491,278	9,693,539
Taxation	17	-	-
Net income for the year after taxation		7,491,278	9,693,539
Allocation of net income for the year after taxation			
Net income for the year		7,491,278	9,693,539
Income already paid on units redeemed		(4,890,588)	(6,857,117)
		2,600,690	2,836,422
Accounting income available for distribution:			
Relating to capital loss		(7,553)	-
Excluding capital gains		2,608,243	2,836,422
		2,600,690	2,836,422

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

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

	Note	2026	2025
		------- (Rupees in '000) -------	
Net income for the year after taxation		7,491,278	9,693,539
Other comprehensive income		-	-
Total comprehensive income for the year		7,491,278	9,693,539

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			2025		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
	(Rupees in '000)					
Net assets at beginning of the year	49,792,410	580,873	50,373,283	41,074,967	436,485	41,511,452
Issuance of 2,182,217,364 units (2025: 1,378,308,487 units)						
- Capital value	221,713,284	-	221,713,284	140,298,021	-	140,298,021
- Element of income	12,910,277	-	12,910,277	10,229,132	-	10,229,132
Amount received on issuance of units	234,623,561	-	234,623,561	150,527,153	-	150,527,153
Redemption of 1,906,679,393 units (2025: 1,290,332,567 units)						
- Capital value	(193,718,625)	-	(193,718,625)	(131,342,952)	-	(131,342,952)
- Element of loss	(10,695,793)	(4,890,588)	(15,586,381)	(7,830,458)	(6,857,117)	(14,687,575)
Amount paid on redemption of units	(204,414,418)	(4,890,588)	(209,305,006)	(139,173,410)	(6,857,117)	(146,030,527)
Total comprehensive income for the year	-	7,491,278	7,491,278	-	9,693,539	9,693,539
Distribution for the year ended June 30 2026 :						
Rs. 10.15 per units (2025: Rs. 14.95 per unit)	(2,184,847)	(2,363,874)	(4,548,721)	(2,636,300)	(2,692,034)	(5,328,334)
Net income for the year less distribution	(2,184,847)	5,127,404	2,942,557	(2,636,300)	7,001,505	4,365,205
Net assets at end of the year	77,816,706	817,689	78,634,395	49,792,410	580,873	50,373,283
Undistributed income brought forward						
- Realized income		580,873			436,485	
- Unrealized income		-			-	
		580,873			436,485	
Accounting income available for distribution						
- Relating to capital loss		(7,553)			-	
- Excluding capital gains		2,608,243			2,836,422	
		2,600,690			2,836,422	
Interim distribution for the year ended June 30, 2026 :						
Rs. 10.15 per units (2025: Rs. 14.95 per unit)		(2,363,874)			(2,692,034)	
Undistributed income carried forward		817,689			580,872	
Undistributed income carried forward comprises of:						
- Realized income		817,689			580,873	
- Unrealized loss		-			-	
		817,689			580,873	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		101.60			101.79	
Net assets value per unit at end of the year		101.94			101.60	

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	------- (Rupees in '000) -------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	7,491,278	9,693,539
Adjustments		
Net unrealized Gain/ (loss) on remeasurement of investments	2,278	(5,813)
Net cash generated from operations before working capital changes	7,493,556	9,687,726
Working capital changes		
(Increase) / decrease in assets		
Investments	(8,166,662)	(3,088,784)
Profit receivable	(144,394)	242,257
Advance tax, deposits and other receivables	(75,075)	188,029
	(8,386,131)	(2,658,498)
(Decrease) / increase in liabilities		
Payable to AL Habib Asset Management Limited - Management Company	20,607	21,706
Payable to Central Depository Company of Pakistan Limited - Trustee	794	1,692
Payable to Securities and Exchange Commission of Pakistan	940	1,134
Payable against redemption/purchase of units	1,679,947	67,743
Accrued expenses and other liabilities	(158,394)	507,068
	1,543,894	599,343
Net cash generated in operating activities	651,319	7,628,571
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of units	234,623,561	150,527,153
Payments on redemption of units	(209,305,006)	(146,030,527)
Dividend paid during the period	(4,548,721)	(5,328,334)
Net cash generated / (used in) from financing activities	20,769,834	(831,708)
Net increase in cash and cash equivalents	21,421,153	6,796,863
Cash and cash equivalents at beginning of the year	12,236,496	5,439,633
Cash and cash equivalents at end of the year	33,657,649	12,236,496

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Cash Fund (the "Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited as the (Management Company) and Central Depository Company of Pakistan Limited (CDC) as (the Trustee). The Trust Deed was executed on July 14, 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 13, 2010 under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules , 2003 (NBFC Rules).

1.2 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the management company is situated at 3rd Floor MacKinnon's Building, I.I Chundrigar Road Karachi, Pakistan.

1.3 The Fund is an open-end mutual fund categorized as 'Money Market Scheme' and is listed on the Pakistan Stock Exchange Limited (PSX). Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

1.4 The Fund, in line with its investment objective, invests primarily in Treasury bills, Government Securities and cash and near cash instruments.

1.5 The Management Company and the Fund has been assigned a rating of 'AM1' and AAA(f) by Pakistan Credit Rating Angency PACRA and VIS on August 12, 2025 respectively.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS accounting standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notification issued under the Companies Act, 2017 along with the part VIIIA of the repealed Companies Ordinance 1984; and

- The Non-Banking Financial Companies Rules 2003 (the NBFC rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations') and requirements of the Trust Deed.

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values.

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates judgements and associated assumptions are .based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year if the revision affects both current and future years.
The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets is as follow:

2.4.1 Classification and measurement of financial assets and financial liabilities
For details please refer to notes 4.2.3 and 6 to these financial statements.

2.4.2 Impairment of financial assets
For details please refer to notes 4.2.5 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial Instruments

4.2.1 Financial Assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.3 Classification

Debt Instruments

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

4.2.4 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognized in income statement.

4.2.5 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.6 Regular way contracts

Regular purchases and sales of financial assets are recognized on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.8 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

4.2.9 Financial liabilities

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

4.3 Unit holders' Fund

Unit holders' Fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

4.4 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges as processing fee.

4.5 Element of income

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

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed

on issue of units lying in Unit holders' Fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP), the refund of capital is made in the form of additional units at zero price.

4.6 Net asset value - per unit

The net asset value per unit disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.7 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.8 Revenue recognition

- Mark-up on deposits with banks and mark-up / return on investments in debt securities are recognized using effective yield method.

- Capital gains / (loss) arising on sale of investments are recognized when the risk and rewards are transferred.

- Unrealized gains / loss recognized on mark to market investments classified as ' financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.

4.9 Expenses

All expenses including Management's fee, Trustee's fee and annual fee of SECP are recognized in the Income Statement on an accrual basis.

4.10 Provisions

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

4.11 Distribution

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP), distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.12 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the Management, determination of weighted average units for calculating EPU is not practicable.

	Note	June 30, 2026	June 30, 2025
		--------- (Rupees in '000) ---------	
5. BANK BALANCES			
Bank balances	5.1 & 5.2	21,657,649	12,236,496
Term deposit receipt	5.3	12,000,000	-
		33,657,649	12,236,496

5.1 This represents saving accounts held with various commercial banks carrying profit rates ranging from 11.25% to 11.33% (2025: 10.00% to 11.05%) per annum.

5.2 This includes a balance of Rs. 4,896.00 million (2025: Rs.7,870.05 million) with Bank AL Habib Limited (Parent of the management company), a related party carrying profit at the rate of 11.25% (2025: 11.00%) per annum.

5.3 This represents term deposit receipts held with United Bank Limited carrying profit rate 12.40% (2025: Nil) per annum.

6. INVESTMENTS			
Government securities			
- Market Treasury Bills	6.1	45,045,213	28,105,003
- Pakistan Investment Bonds	6.2	1,902,470	10,678,296
		46,947,683	38,783,299

6.1 Government securities - Market Treasury Bills

Description	As at June 30, 2026								
	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	----------(Number of Units) ----------				----------(Rupees in '000) ----------			----------%----------	
Treasury Bills									
1 Months									
T - BILL 01 MONTHS (02-04-2026)	-	12,413,050	12,413,050	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (02-10-2025)	-	1,200,000	1,200,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (06-02-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (07-08-2025)	-	5,405,050	5,405,050	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (10-07-2025)	-	20,000,000	20,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (13-11-2025)	-	8,000,000	8,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-04-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-10-2025)	-	30,000,000	30,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (17-03-2026)	-	154,200,000	154,200,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (18-09-2025)	-	1,250,000	1,250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (21-08-2025)	-	3,960,000	3,960,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (24-07-2025)	-	1,250,000	1,250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (30-04-2026)	-	276,350,000	276,350,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (26-12-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (30-10-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
3 Months									
T - BILL 03 MONTHS (04-09-2025)	-	67,500,000	67,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (05-03-2026)	-	444,250	444,250	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (06-02-2026)	-	26,297,600	26,297,600	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (07-08-2025)	-	807,150	807,150	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (08-01-2026)	-	20,904,000	20,904,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (10-07-2025)	-	31,561,000	31,561,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (11-12-2025)	-	51,650,000	51,650,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (12-06-2025)	-	23,900,000	23,900,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (15-05-2025)	26,250,000	-	26,250,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (16-04-2026)	-	157,506,650	-	157,506,650	15,712,334	15,711,021	(1,313)	19.98%	34.88%
T - BILL 03 MONTHS (17-03-2026)	-	59,760,050	59,760,050	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (18-09-2025)	-	2,500,000	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (19-02-2026)	-	20,040,000	20,040,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (21-08-2025)	-	9,000,000	9,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (22-01-2026)	-	12,500,000	12,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (24-07-2025)	-	2,500,000	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (26-06-2025)	4,000,000	4,075,300	8,075,300	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (26-12-2025)	-	174,247,800	174,247,800	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (29-05-2025)	5,100,000	-	5,100,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (30-04-2026)	-	255,000,000	-	255,000,000	25,325,282	25,323,719	(1,563)	32.20%	56.22%
T - BILL 03 MONTHS (30-10-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%

Description	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at June 30, 2026								
	----------(Number of Units) ----------				----------(Rupees in '000) ----------			----------%----------	
6 Months									
T - BILL 06 MONTHS (02-10-2025)	-	10,000,000	10,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (04-09-2025)	-	30,500,000	30,500,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (08-01-2026)	-	30,250,000	-	30,250,000	3,018,639	3,017,386	(1,253)	3.84%	6.70%
T - BILL 06 MONTHS (10-07-2025)	-	32,208,800	32,208,800	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (11-12-2025)	-	19,092,000	19,092,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (15-05-2025)	290,000	-	290,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (22-01-2026)	-	39,000,000	29,000,000	10,000,000	994,305	993,087	(1,218)	1.26%	2.20%
T - BILL 06 MONTHS (24-07-2025)	-	2,500,000	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-06-2025)	2,000,000	30,000,000	32,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-12-2025)	-	12,500,000	12,500,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (29-05-2025)	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (30-10-2025)	-	24,500,000	24,500,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (06-02-2025)	10,000,000	-	10,000,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (06-03-2025)	-	10,070,000	10,070,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (17-04-2025)	15,164,300	10,000,000	25,164,300	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (20-03-2025)	-	900,000	900,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (23-01-2025)	12,500,000	-	12,500,000	-	-	-	-	0.00%	0.00%
12 Months									
T - BILL 12 MONTHS (02-05-2025)	-	178,129,600	178,129,600	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (12-06-2025)	-	2,702,000	2,702,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (15-05-2025)	-	85,000,000	85,000,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (26-06-2025)	-	410,000	410,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (03-04-2025)	-	87,019,000	87,019,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (03-10-2024)	28,500,000	25,000,000	53,500,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (05-09-2024)	-	939,500	939,500	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (08-08-2024)	58,250,000	15,500,000	73,750,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (09-01-2025)	-	50,947,500	50,947,500	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (12-12-2024)	40,959,200	71,830,000	112,789,200	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (14-11-2024)	-	26,313,800	26,313,800	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (17-04-2025)	-	197,800,000	197,800,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (17-10-2024)	1,538,200	-	1,538,200	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (20-03-2025)	-	60,000,000	60,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (22-08-2024)	27,348,000	-	27,348,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (25-07-2024)	41,641,000	10,000,000	51,641,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (26-12-2024)	-	49,880,000	49,880,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (28-11-2024)	8,425,700	15,000,000	23,425,700	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (31-10-2024)	-	45,000,000	45,000,000	-	-	-	-	0.00%	0.00%
Total Treasury Bills as at June 30, 2026					**45,050,560**	**45,045,213**	**(5,347)**		
Total Treasury Bills as at June 30, 2025					28,100,313	28,105,003	4,690		

6.2 Government securities - Pakistan Investment Bond

Description	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at June 30, 2026								
	----------(Number of Units) ----------				----------(Rupees in '000) ----------			----------%----------	
3 Years									
PIB 03 YEARS (21-09-2023) - FLOATER	-	19,000	-	19,000	1,899,400	1,902,470	3,070	2.42%	100.00%
PIB 3 YEARS (07-04-2022) - FLOATER	106,815	-	106,815	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (04-07-2023) - FIXED	-	77,230	77,230	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (09-02-2023) - FLOATER	-	94,180	94,180	-	-	-	-	0.00%	0.00%
5Years									
PIB 5 YEARS (06-05-2021) - FLOATER	-	177,000	177,000	-	-	-	-	0.00%	0.00%
PIB 05 YEARS (22-10-2020) - FLOATER	-	78,180	78,180	-	-	-	-	0.00%	0.00%
Total Pakistan Investment Bond as at June 30, 2026					**1,899,400**	**1,902,470**	**3,070**		
Total Pakistan Investment Bond as at June 30, 2025					10,677,173	10,678,296	1,123		

7. PROFIT RECEIVABLE	Note	2026	2025
		------- (Rupees in '000) -------	
On saving accounts	7.1	208,984	59,713
On debt securities		5,067	75,171
On term deposit receipt		65,227	-
		279,278	134,884

7.1 This represents profit receivable from Bank Al Habib Limited (a related party).

8. ADVANCE TAX, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Advance tax	8.1	2,036	1,301
Security deposit		100	100
Receivable against Conversion of units		104,494	30,246
Prepayment - Rating Fee		92	-
		106,722	31,647

8.1 As per clause 47(B) of part IV of the second schedule to the Income Tax Ordinance, 2001, payment made to the Collective Investement Schemes(CISs) are exempt from withholding tax under section 150 and 151. The amount of withholding tax deducted on profit on bank deposits has been shown as advance tax as at June 30, 2026, the management is of the view that, the amount of tax deducted at source will be refunded.

9. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2026	2025
		(Rupees in '000)	
Remuneration payable	9.1	89,418	44,942
Sales Tax Payable	9.2	13,566	6,930
Reimbursment expenses		28,628	59,133
		131,612	111,005

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the Management Fee caps for a Collective Investment Schemes shall be applicable, calculated on upto 1.25% per annum of the average daily net assets.

9.2 The Sindh Sales Tax at the rate 15% (2025: 15%) charged on the Management Company's remuneration during the year.

10. PROVISION FOR FEDERAL EXCISE DUTY ON REMUNERATION OF THE MANAGEMENT COMPANY

	Note	2026	2025
		(Rupees in '000)	
Provision for Federal Excise Duty on remuneration of the Management Company	10.1	13,417	13,417
		13,417	13,417

10.1 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sale load with effect from July 01, 2016. However, as a matter of abundant caution, the provision for FED made prior to this period has been maintained by the Fund which at June 30, 2026 aggregates to Rs. 13.42 (2025: Rs. 13.42) million. Had the provision for FED not been recorded in the financial statements of the Fund, the net assets value of the Fund as at June 30, 2026 would have been higher by Rs. 0.017 (2025: Rs.0.027) per unit.

	Notes	2026	2025
11. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE		(Rupees in '000)	
Payable to Central Depository Company of Pakistan Limited - Trustee	11.1	3,955	3,265
Sales Tax Payable	11.2	592	488
		4,547	3,753

11.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the trustee fee is 0.055% (2025: 0.055%) per annum of daily net assets of the Fund.

11.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on the Trustee's remuneration.

12. Payable to Securities and Exchange Commission of Pakistan (SECP)	12.1	4,585	3,645
		4,585	3,645

12.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan at 0.075% (2025: 0.075%) of net assets in accordance with regulation 62 of the NBFC Regulations.

13. ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditor's remuneration	476	412
Printing charges	9	51
Capital gain tax payable	399,692	597,438
Withholding tax payable	44,123	4,146
Settelment charges	6	14
Brokerage	3,274	3,504
Other payable	402	811
	447,982	606,376

14. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2026. (2025: Nil).

	2026	2025
15. NUMBER OF UNITS IN ISSUE	Number of Units	
Total units in issue at the beginning of the year	495,804,976	407,829,056
Add: Units issued during the year	2,182,217,364	1,378,308,487
Less: Units redeemed during the year	(1,906,679,393)	(1,290,332,567)
Total units in issue at the end of the year	771,342,947	495,804,976

16. AUDITORS' REMUNERATION		
Annual audit fee	433	412
Interim statement review fee	193	184
	626	596

17. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as

per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income earned by the Fund during the year to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these financial statements during the year.

18. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company, the determination of the cumulative weighted average number of outstanding units is not practicable.

19. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Related parties/ Connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	AL Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

19.1 Details of transactions with connected persons / related parties are as follows:	2026	2025
	---------- (Rupees in '000) ----------	
19.1.1 Bank AL Habib Limited - Parent of AL Habib Asset Management Limited		
Profit on bank deposits	302,863	108,335

	2026	2025
19.1.2 AL Habib Asset Management Limited - Management Company	---------- (Rupees in '000) ----------	
Remuneration	531,557	929,612
Sindh Sales Tax	79,699	139,442
Expenses allocated by management company	-	49,372
Sindh Sales Tax on Expenses allocated by Mgt Co.	-	7,406
19.1.3 Central Depository Company of Pakistan Limited - Trustee		
Remuneration	41,826	42,311
Sindh Sales Tax	6,274	6,345
CDC charges	119	7

19.2 Details of the balances with connected persons / related parties at the period end are as follows:

19.2.1 Bank AL Habib Limited - Parent of AL Habib Asset Management Limited		
Bank balance	4,896,085	7,870,051
19.2.2 Bank AL Habib Limited - Parent of AL Habib Asset Management Limited		
Profit receivable from Bank AL Habib Limited	51,454	59,713
19.2.3 AL Habib Asset Management Limited - Management Company		
Remuneration payable (inclusive of Sindh Sales Tax)	131,612	111,005
19.2.4 Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable (inclusive of Sindh Sales tax)	4,547	3,753

19.3 Sale / Redemption of units

	June 30, 2026		June 30, 2025	
Units sold to:	**(Units)**	**(Rupees in '000)**	**(Units)**	**(Rupees in '000)**
Management Company				
AL Habib Asset Management Limited	**59,138,319**	**6,544,614**	9,989,522	1,119,827
Other related party				
- Directors & their relatives of the management company	**23,669,174**	**2,617,121**	24,356,727	2,691,322
- Habib Sugar Mills Limited	**3,142,792**	**350,000**	37,422,527	4,000,891
-Hamid D. Habib Memorial Trust	**7,191,701**	**798,735**	-	-
- Habib Asset Management Limited Employees Provident Fund	**293,998**	**31,571**	-	-
- Atco Pharma International Private Limited	**595**	**85**	836	113
- Hussaini haematology and oncology trust	**141**	**21**	198	27
- Key Management Executives	**2**	**-**	20	2
- Yell Design	**1**	**-**	2	-
Connected Parties holding 10% or more of the units in issue:	**192,360,766**	**20,318,979**	455,102,876	49,235,022

Units redeemed by:	June 30, 2026 (Units)	June 30, 2026 (Rupees in '000)	June 30, 2025 (Units)	June 30, 2025 (Rupees in '000)
Management Company				
AL Habib Asset Management Limited	**53,722,084**	**5,714,115**	10,014,847	1,128,474
Other Related Parties				
- Directors & Their Relatives of the Management Company	**4,539,511**	**505,443**	73,221,668	8,301,268
- Key Management Executives	**-**	**-**	7,525	856
- The Health Foundation	**26,219**	**2,795**	-	-
- Habib Asset Management Limited Employees Provident Fund	**238,097**	**26,000**	-	-
- Habib insurance company limited Emp	**-**	**-**	-	-
- Habib Sugar Mills Limited	**3,142,792**	**350,580**	39,684,553	4,395,794

Units held by:	June 30, 2026 (Units)	June 30, 2026 (Rupees in '000)	June 30, 2025 (Units)	June 30, 2025 (Rupees in '000)
Management Company				
- AL-Habib Asset Mangement Company	**5,416,235**	**552,131**	-	-
Parent of AL Habib Asset Management Limited				
- Bank AL Habib Limited	**33,307,275**	**3,395,344**	33,307,275	3,384,019
Othert related parties				
- Directors & their relatives of the management company	**19,130,681**	**1,950,182**	2,352	240
- Key Management	**22**	**2**	20	2
- Atco Pharma International Private Limited	**8,983**	**916**	8,388	855
- Atco Laboratories Limited	**997**	**102**	997	101
- Hussaini haematology and oncology trust	**2,122**	**216**	1,982	201
- Habib Asset Management Limited Employees Provident Fund	**159,423**	**16,252**	103,522	10,518
- Habib Insurance Co. Ltd. Emp. Provident Fund	**65,544**	**6,682**	65,544	6,659
-Hamid D. Habib Memorial Trust	**3,765,747**	**-**	-	-
- Yell Design	**21**	**2**	20	2
- The Health Foundation	**-**	**-**	26,219	2,664
Connected Parties holding 10% or more of the units in issue:	**276,518,997**	**28,188,347**	325,030,938	33,023,143

20. 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. Consequently, differences can arise between carrying values and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

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

Particulars		2026						
		Carrying amount			Fair value			
		At fair value through profit or loss	Amortised	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments	**Note**							
Financial assets measured at fair value	**20**							
Market Treasury Bills		45,045,213	-	45,045,213	-	45,045,213	-	45,045,213
Pakistan Investment Bond		1,902,470	-	1,902,470	-	1,902,470	-	1,902,470
		46,947,683	-	46,947,683	-	**46,947,683**	-	**46,947,683**

Particulars		2025						
		Carrying amount			Fair value			
		At fair value through profit or loss	Amortised	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments	**Note**							
Financial assets measured at fair value	20							
Pakistan Investment Bonds		28,105,003	-	28,105,003	-	28,105,003	-	28,105,003
Market Treasury Bills		10,678,296	-	10,678,296	-	10,678,296	-	10,678,296
		38,783,299	-	38,783,299	-	**38,783,299**	-	**38,783,299**

21. TOTAL EXPENSE RATIO (TER)

The Total Expense Ratio (TER) of the Fund for the year ended June 30, 2026 is 0.95% (2025: 1.62%) which includes 0.19% (2025: 0.26%) representing Government levy and Securities and Exchange Commission of Pakistan fee.

22. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

22.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies, and investment guidelines approved by the Investment Committee and regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk; currency risk, interest rate risk and price risk.

22.2 Interest rate risk

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

a) Sensitivity analysis for variable rate instruments

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 11.25% to 11.33% per annum, and against investments in Pakistan Investment Bonds and Treasury Bills, the interest rate on which range between 7.5% to 12.00%.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs.686.053 million.

b) Sensitivity analysis for fixed rate instruments

The Fund's investment in Market Treasury Bills and Pakistan Investment Bonds exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026,with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 19.025 million.

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

c) Fair value interest rate risk

Yield / Interest rate sensitivity position for financial instrument is as follows:

Particulars	Effective yield / interest rate	2026				
		Al-Habib Cash fund				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	11.25%-11.33%	33,657,649	-	-	-	33,657,649
Pakistan Investment Bonds	7.5%-12%	-	-	1,902,470	-	1,902,470
Market Treasury Bills		41,034,740	4,010,473	-	-	45,045,213
Profit receivable		-	-	-	279,278	279,278
Advance tax, deposits and other receivable		-	-	-	106,722	106,722
		74,692,389	4,010,473	1,902,470	386,000	80,991,332
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management company		-	-	-	131,612	131,612
Provision for Federal Excise Duty on remuneration of the Management Company		-	-	-	13,417	13,417
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	4,547	4,547
Payable to Securities and Exchange Commission of Pakistan		-	-	-	4,585	4,585
Payable against redemption/Purchase of units		-	-	-	1,754,794	1,754,794
Accrued expenses and other liabilities		-	-	-	447,982	447,982
		-	-	-	2,356,937	2,356,937
On-balance sheet gap		74,692,389	4,010,473	1,902,470	(1,970,937)	78,634,395

Particulars	Effective yield / interest rate	2025				
		Al-Habib Cash fund				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and up to one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	10.00%-11.05%	12,236,496	-	-	-	12,236,496
Investments-net	7.00%-23.00%	3,488,451	24,616,552	10,678,296	-	38,783,299
Profit receivable		75,171	-	-	59,713	134,884
		15,800,118	24,616,552	10,678,296	59,713	51,154,679

Particulars	Effective yield / interest rate	2025				
		Al-Habib Cash fund				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and up to one year	More than one year		
	%	---------- Rupees in '000 ----------				
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	111,005	111,005
Provision for Federal Excise Duty on remuneration of the Management Company		-	-	-	13,417	13,417
Payable against redemption/Purchase of units		-	-	-	74,847	74,847
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	3,753	3,753
Payable to Securities and Exchange Commission of Pakistan		-	-	-	3,645	3,645
Accrued expenses and other liabilities		-	-	-	4,792	4,792
		-	-	-	211,459	211,459
On-balance sheet gap		15,800,118	24,616,552	10,678,296	(151,746)	50,943,220

d) Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed off.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarizes the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

	2026						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	---------- Rupees in '000 ----------						
Financial liabilities							
Payable to AL Habib Asset Management Limited - Management company	131,612	-	-	-	-	-	131,612
Provision for Federal Excise Duty on remuneration of the Management Company	13,417	-	-	-	-	-	13,417
Payable to Central Depository Company of Pakistan Limited - Trustee	4,547	-	-	-	-	-	4,547
Payable to Securities and Exchange Commission of Pakistan	4,585	-	-	-	-	-	4,585
Payable against redemption/Purchase of units	1,754,794	-	-	-	-	-	1,754,794
Accrued expenses and other liabilities	447,982	-	-	-	-	-	447,982
	2,356,937	-	-	-	-	-	2,356,937

	2025						
	Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
	Rupees in '000						
Financial liabilities							
Payable to AL Habib Asset Management Limited - Management company	111,005	-	-	-	-	-	111,005
Provision for Federal Excise Duty on remuneration of the Management Company	13,417	-	-	-	-	-	13,417
Payable to Central Depository Company of Pakistan Limited - Trustee	3,753	-	-	-	-	-	3,753
Payable to Securities and Exchange Commission of Pakistan	3,645	-	-	-	-	-	3,645
Payable against redemption/Purchase of units	74,847	-	-	-	-	-	74,847
Accrued expenses and other liabilities	606,376	-	-	-	-	-	606,376
	813,043	-	-	-	-	-	813,043

e) Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to bank balances (financial institutions) and profit receivables from banks.

Management of credit risk

The Fund keeps deposits with reputed financial institutions. The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2026.

Bank	Al-Habib Cashfund	Rating	Rating agency
	Rupees in '000		
Bank AL Habib Limited	4,896,085	AAA	PACRA
Habib Bank Limited	8,918,890	AAA	VIS
Bank AL Falah Limited	5,019,963	AA+	PACRA
Allied Bank Limited	2,764,460	AAA	PACRA
Muslim Commercial Bank Limited	884	A+	PACRA
United Bank Limited	2,786,970	AAA	VIS
Dubai Islamic Bank Limited	11	AA	VIS
Habib Metropolitan Bank Limited	34,556	AAA	PACRA
	21,657,649		

The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2025.

Bank	Al-Habib Cashfund	Rating	Rating agency
	Rupees in '000		
Bank AL Habib Limited	7,870,051	AAA	VIS
Habib Bank Limited	264,989	AAA	PACRA
Bank AL Falah Limited	691	AAA	PACRA
Allied Bank Limited	105	AAA	PACRA
Muslim Commercial Bank Limited	884	A+	PACRA
United Bank Limited	4,089,077	AAA	VIS
Dubai Islamic Bank Limited	10	AA	VIS
Habib Metropolitan Bank Limited	10,689	AA+	PACRA
	12,236,496		

The analysis below summarizes the credit quality of the Fund's credit exposure:

Ratings	2026	2025
	(Percentage)	
AAA	62.50%	99.86%
AA+	12.50%	0.13%
AA	12.50%	0.00%
A+	12.50%	0.01%
A	0.00%	0.00%
	100.00%	**100.00%**

As of the previous report date, the sovereign entity had never defaults on any of its securities. Therefore, the fund has determined that it is not exposed to credit risk.

f) Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Fund's major asset balances are held with multiple bank. The management believes that these banks are reputed institutions.

23. UNITHOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

24. FINANCIAL INSTRUMENTS BY CATEGORY

2026

Particulars	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000 ----------		
Financial assets			
Bank balances	-	33,657,649	33,657,649
Pakistan Investment Bonds	1,902,470	-	1,902,470
Market Treasury Bills	45,045,213	-	45,045,213
Profit receivable	-	279,278	279,278
Advance tax, deposits and other receivable	-	106,722	106,722
	46,947,683	34,043,649	80,991,332
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management company	-	131,612	131,612
Provision for Federal Excise Duty on remuneration of the Management Company		13,417	13,417
Payable to Central Depository Company of Pakistan Limited - Trustee	-	4,547	4,547
Payable to Securities and Exchange Commission of Pakistan	-	4,585	4,585
Payable against redemption/Purchase of units	-	1,754,794	1,754,794
Accrued expenses and other liabilities	-	447,982	447,982
	-	2,356,937	2,356,937

Particulars	At fair value through profit or loss	Amortised cost	Total
	2025		
	---------- Rupees in '000 ----------		
Financial assets			
Bank balances	-	12,236,496	12,236,496
Investments	38,783,299	-	38,783,299
Profit receivable	-	134,884	134,884
Advance tax, deposits, and other receivable	-	31,647	31,647
	38,783,299	12,403,027	51,186,326
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management company	-	104,075	104,075
Payable to Central Depository Company of Pakistan Limited - Trustee	-	3,265	3,265
Payable to Securities and Exchange Commission of Pakistan	-	74,847	74,847
Payable against redemption of units	-	4,792	4,792
Accrued expenses and other liabilities	-	606,376	606,376
	-	793,355	793,355

25. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

25.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

25.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Islamic GOKP Pension Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Government Securities Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Pension Fund
- Al Habib Gokp Pension Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic Money Market Fund
- Al Habib Islamic Income Fund
- Al Habib Islamic Savings Fund
- Al Habib Islamic Munafa Fund
- Al Habib Islamic Pension Fund

26. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025 and October 24, 2025 , February 04, 2026, April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

27. CORRESPONDING FIGURES

Corresponding figures have been arranged and reclassified, wherever necessary for the purpose of comparison and for better presentation.

28. GENERAL

28.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The investment objective of AHCF is to provide its unit holders optimum returns from a portfolio of low risk and short duration assets while maintaining high liquidity.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHCF maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with "AAA" rated Banks and short tenor T-bills.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 37 bps as it posted YTD return of 10.36% as against the benchmark of 10.73%.

Fund Description

Fund Type & Category	Open End - Money Market Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	March 10, 2011	**Management Fee**	0.70%
Benchmark	90% three (3) months PKRV rates + 10% three (3) months average of highest rates of saving accounts of three (3) AA rated scheduled banks as selected by MUFAP	**Sales Load**	3% (Management has the discretion to reduce or waive load on any transaction)
Annual Return	10.36%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	10.73%	**For Regular Transactions** **For same Day Redemption**	Monday to Thursday 4:00 pm | Friday 4:30 pm 9:30 am
Net Assets	Rs. 78,634 million (June 30, 2026)	**Fund Stability Rating**	AAA(f) by VIS (December 30, 2025)
NAV per unit	Rs. 101.9448 per unit (June 30, 2026)	**AMC Rating**	"AM1" by PACRA (August 12, 2025)
Pricing Mechanism	Backward Pricing	**Trustee**	Central Depository Company of Pakistan Limited.
Risk Profile	Very Low (Principal at very low risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's target range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	26.74%	23.91%
T-Bills	55.62%	54.91%
PIBs	2.35%	20.86%
TDR	14.82%	0.00%
Others	0.48%	0.32%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	908
1001-5000	130
5001-10000	53
10001-50000	94
50001-100000	47
100001-500000	90
500001-1000000	38
1000001-5000000	55
5000001 and above	26
Grand Total	**1441**

Income Distribution

AHCF made a total distribution of Rs. 10.1502 per unit during FY26 in the form of dividend, the detail of which is given below:

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 20, 2026	111.7492	101.5990	10.1502

During the period under question:

There has been no significant change in the state of affairs of the Fund. Al Habib Cash Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 801,485,161 units valued Rs. 85,346 million were sold, while 725,452,638 units valued Rs. 78,490 million were redeemed, resulting in to a net sale of 76,032,522 units valued Rs. 6,856 million.

AHCF Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in million)	78,634	50,373
NAV per unit as at June 30 (Rs.)	101.9448	101.5990
Distribution during the year ended June 30 (Rs.)	10.1502	14.9535
Annual Return	10.36%	14.55%

AL HABIB MONEY MARKET FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AAA(f) Fund Stability Rating by VIS
AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB MONEY MARKET FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Money Market Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS' OF AL HABIB MONEY MARKET FUND

Opinion

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

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2026, and its financial performance and its cash flows for the year ended June 30, 2026 in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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 year. 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 are the Key audit matters:

S.NO	Key audit matter(s)	How the matter was addressed in our audit
1.	**Existence and valuation of investments** As disclosed in note 6 to the accompanying financial statements of the Fund for the year June 30, 2026, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs. 41,973.141 million representing 58.57% of the Net Assets Value of the Fund.	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund;

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S.NO	Key audit matter(s)	How the matter was addressed in our audit
	As these investments represent a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as the valuation of investments is the main driver of movements in the performance of the Fund. In view of the significance of these investments in relation to the total assets and the NAV of the Fund, we have considered the existence and valuation of such investments as a key audit matter.	• Performed substantive audit procedures on the year-end balance of debt instruments, including review of custodian statements, related reconciliations, and re-performed valuation procedures to assess the reasonableness of the carrying values of investments. • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

Information other than the financial statements and auditor's report thereon

The Management Company 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 the Management Company and its Board of Directors

The Management Company ("AL Habib Asset Management Limited") of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and accounting and reporting standards as applicable in Pakistan and for such internal control as the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

We communicate with the Board of Directors of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

We also provide the Board of Directors of the Management Company 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 of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166k5uVXIGp6

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		---------(Rupees in '000)---------	
Assets			
Balances with bank	5	30,708,543	42,770,552
Investments	6	41,973,141	48,145,483
Profit receivable	7	178,715	120,838
Preliminary expenses and floatation costs	8	383	453
Receivable against issuance of units		1,099	200
Other receivable		106	105
Total assets		72,861,987	91,037,631
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	9	99,973	53,508
Payable to Central Depository Company of Pakistan Limited - Trustee	10	3,916	3,678
Payable to Securities and Exchange Commission of Pakistan	11	4,085	3,803
Payable against redemption of units		315,961	4,957,776
Accrued expenses and other liabilities	12	779,805	254,653
Total liabilities		1,203,740	5,273,418
Net Assets		71,658,247	85,764,213
Unit Holders' Fund (As Per The Statement Attached)		71,658,247	85,764,213
Contingencies and Commitments	13		
		(Number of Units)	
Number of units in issue	14	708,578,134	853,636,623
		(Rupees)	
Net asset value per unit		101.13	100.47

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------(Rupees in '000)---------	
Income			
Profit on bank deposits	15	1,510,557	171,616
Profit on term deposit receipts		317,566	-
Income from government securities		6,682,244	4,434,541
(Loss) / gain on sale of government securities		(6,374)	77,897
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss	6.1	(1,514)	12,560
Total income		8,502,479	4,696,614
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company		540,097	377,368
Sindh sales tax on Management Company's remuneration		81,015	56,605
Expenses allocated by the Management Company	16	-	21,579
Sindh sales tax on expenses allocated by the Management Company		-	2,952
Remuneration of Central Depository Company of Pakistan Limited - Trustee		43,465	19,033
Sindh sales tax on Trustee remuneration		6,520	2,853
Fee to Securities and Exchange Commission of Pakistan		59,270	25,740
Auditors' remuneration	17	341	333
Brokerage expenses		765	915
Annual listing fee		25	25
Other expenses		373	325
Settlement and bank charges		541	195
Amortization of preliminary expenses and floatation costs	8	70	70
Total expenses		732,482	507,993
Net income for the year before taxation		7,769,997	4,188,621
Taxation	18	-	-
Net income for the year after taxation		7,769,997	4,188,621
Allocation of net income for the year after taxation:			
Net income for the year after taxation		7,769,997	4,188,621
Income already paid on units redeemed		(6,222,027)	(2,476,185)
		1,547,970	1,712,436
Accounting income available for distribution:			
Relating to capital gain		-	90,457
Excluding capital gain		1,547,970	1,621,979
		1,547,970	1,712,436
Earning per share	19		

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026	2025
	----------(Rupees in '000)----------	
Net income for the year after taxation	7,769,997	4,188,621
Other comprehensive income for the year	-	-
Total comprehensive income for the year	7,769,997	4,188,621

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	Note	2026			2025		
		Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
		(Rupees in '000)			(Rupees in '000)		
Net assets at the beginning of the year		85,394,201	370,012	85,764,213	24,385,515	-	24,385,515
Issuance of 1,938,106,589 units (2025: 1,533,218,772 units)							
- Capital value		194,721,569	-	194,721,569	153,321,877	-	153,321,877
- Element of income		5,061,264	-	5,061,264	7,116,631	-	7,116,631
Amount received on issuance of units		199,782,833	-	199,782,833	160,438,508	-	160,438,508
Redemption of 2,083,165,078 units (2025: 923,437,297 units)							
- Capital value		(209,295,595)	-	(209,295,595)	(92,343,730)	-	(92,343,730)
- Element of loss		(4,466,810)	(6,222,027)	(10,688,837)	(3,979,233)	(2,476,185)	(6,455,418)
Amount paid on redemption of units		(213,762,405)	(6,222,027)	(219,984,432)	(96,322,963)	(2,476,185)	(98,799,148)
Total comprehensive income for the year		-	7,769,997	7,769,997	-	4,188,621	4,188,621
Distribution for the year :							
Rs. 9.7863 per unit (2025 : 13.85 per unit)		(458,224)	(1,216,140)	(1,674,364)	(3,106,859)	(1,342,424)	(4,449,283)
		(458,224)	6,553,857	6,095,633	(3,106,859)	2,846,197	(260,662)
Net assets at the end of the year		70,956,405	701,842	71,658,247	85,394,201	370,012	85,764,213
Undistributable income brough forward							
- Realized income			370,012			-	
- Un- realized income			-			-	
			370,012			-	
Accounting income available for distribution							
- Relating to capital gain			-			90,457	
- Excluding capital gain			1,547,970			1,621,979	
			1,547,970			1,712,436	
Distribution for the year :							
Rs. 9.7863 per unit (2025 : 13.85 per unit)			(1,216,140)			(1,342,424)	
Undistributed income carried forward			701,842			370,012	
			(Rupees)			(Rupees)	
Net assets value per unit at end of the year			101.13			100.47	
Net assets value per unit at beginning of the year			100.47			100.00	

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		7,769,997	4,188,621
Adjustments for non cash and other items			
Amortization of preliminary expenses and floatation costs	8	70	70
Unrealised diminution / (appreciation) on re-measurement of investments classified as financial assets at 'fair value through profit or loss		1,514	(12,560)
		-	-
		7,771,581	4,176,131
Decrease / (increase) in assets			
Investments	6	6,170,828	(26,313,981)
Profit receivable	15	(57,877)	230,386
Receivable against issuance of units		(899)	(200)
Other receivable		(1)	(59)
		6,112,051	(26,083,854)
(Decrease) / increase in liabilities			
Payable to AL Habib Asset Management Limited - Management Company	9	46,465	(1,777)
Payable to Central Depository Company of Pakistan Limited - Trustee	10	238	2,091
Payable to Securities and Exchange Commission of Pakistan	11	282	2,240
Payable against redemption of units		(4,641,815)	4,567,307
Accrued expenses and other liabilities	12	525,152	180,913
		(4,069,678)	4,750,774
Net cash generated from / (used in) operating activities		9,813,954	(17,156,949)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units		199,782,833	160,438,508
Payments against redemption of units		(219,984,432)	(98,799,148)
Dividend paid during the year		(1,674,364)	(4,449,283)
Net cash (used in) / generated from financing activities		(21,875,963)	57,190,077
Net (decrease) / increase in cash and cash equivalents during the year		(12,062,009)	40,033,128
Cash and cash equivalents at beginning of the year		42,770,552	2,737,424
Cash and cash equivalents at the end of the year		30,708,543	42,770,552

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Money Market Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) (the Management Company) and Central Depository Company of Pakistan Limited (CDC) (the Trustee). The Trust Deed was executed on September 27, 2021 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 31, 2021 under Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act.Accordingly, on October 15, 2021, the above mentioned Trust Deed has been registered under Sindh Trust Act.

1.3 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.

1.4 The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

1.5 The investment objective of AL Habib Money Market Fund is to provided its unit-holders optimum return from a portfolio of low risk and short duration assets while being highly liquid.

1.6 The Fund has been categorized as an Open-End Money Market Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).

1.7 Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.

1.8 The Management Company has been assigned a quality rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025. The Fund has been given a stability rating of AAA(f) by VIS Credit Rating Company Limited dated January 1, 2026.

1.9 As per the offering document of the Fund, an investor shall, at the time of opening an account, select the types of units in which the investor wishes to invest, i.e. Growth Unit. Furthermore, at the time of dividend distribution the unit holders receive additional units or cash dividend against Growth unit, respectively.

During the period all the units issued by the Fund are Growth units and dividend has been reinvested on yearly basis.

1.10 As per the offering document of the Fund, the Management Company may decide to distribute all net profit (after deducting all expenses of the Fund) on a periodic basis (that is Daily, Weekly, Monthly, Quarterly and Yearly) as dividend. Furthermore, as per Regulation 63 of NBFC Regulations, the Fund is required to distribute not less than 90% of its net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. During the year, the management has distributed all the net income earned by the Fund as dividend to the unit holders which has been reinvested on yearly basis.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani rupee ("Rupees" or "Rs."), which is the Fund's functional currency and presentation currency.

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assetsis as follow:

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.2.1 and 6 to these financial statements.

Impairment of financial assets

For details please refer note 4.2.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the fund's operations or are not expected to have significant impact on the fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.2.1 Classification

Debt Instruments

Amortized cost

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at fair value through profit or loss.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI, at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.2.2.2 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method.The impairment are recognized in income statement. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, and impairment are recognized in income, statement.

4.2.2.3 Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financialassets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowancesfor such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;

- the time value of money; and

- reasonable and supportable information that is available without undue cost or effort at the reporting dateabout past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Impairment of financial assets on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "income statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial conditionof the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's Circular.

4.2.2.4 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.6 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.Any gain or loss on derecognition of financial liabilities is taken to the "income statement".

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

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

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

4.7 Element of income

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

4.8 Net assets value - per unit

The Net Assets Value (NAV) per unit as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.9 Revenue recognition

- Gains or losses arising on the sale of investments are recorded at the date at which the transaction take place;
- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.
- Income on government securities is recognised on a time proportionate basis using the effective yield method.
- Profit on bank balances is recognised on an accrual basis.

4.10 Expenses

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

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

		Note	2026	2025
5	**BALANCES WITH BANK**		------- Rupees in '000 -------	
	Saving accounts		30,708,543	42,770,552

5.1 These carries markup ranging from 11.25% to 12.75% (2025: 11.00% to 20.75%) per annum.

5.2 It includes balance of Rs. 517.90 million (2025: Rs 16,822.75 million) with Bank AL Habib Limited (ultimate parent), a related party carrying profit rate effective at year end is 11.25% (2025: 11.00%) per annum.

6 INVESTMENTS

Financial assets at fair value through profit or loss

Government securities			
Market Treasury Bills	6.1	41,973,141	45,147,883
Pakistan Investment Bonds	6.2	-	2,997,600
		41,973,141	48,145,483

6.1 Government Securities - Market Treasury Bills

Description	As at June 30, 2026								
	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation/ (diminution) on investment	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Number of Units)				(Rupees in '000)			%	
T - BILL 01 MONTHS (02-04-2026)	-	70,500,000	70,500,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (02-10-2025)	-	3,480,250	3,480,250	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (06-02-2026)	-	8,080,000	8,080,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (07-08-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (10-07-2025)	-	38,000,000	38,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-04-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-10-2025)	-	41,800,000	41,800,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (17-03-2026)	-	104,200,000	104,200,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (18-09-2025)	-	1,250,000	1,250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (24-07-2025)	-	1,250,000	1,250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (26-12-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (30-04-2026)	-	240,000,000	240,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (30-10-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (05-03-2026)	-	58,292,000	58,292,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (02-04-2026)	-	10,930,000	10,930,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (02-05-2025)	750,000	10,000,000	10,750,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (02-10-2025)	-	18,742,150	18,742,150	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (04-09-2025)	-	70,170,000	70,170,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (06-02-2026)	-	19,500,000	19,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (08-01-2026)	-	6,647,750	6,647,750	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (05-03-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (10-07-2025)	-	44,000,000	44,000,000		-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (11-06-2026)	-	37,140,000	-	37,140,000	3,634,806	3,640,073	5,267	5.08%	8.67%
T - BILL 03 MONTHS (11-12-2025)	-	50,870,000	50,870,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (12-06-2025)	79,250,000	20,000,000	99,250,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (13-11-2025)	-	30,000	30,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (15-05-2025)	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (16-04-2026)	-	140,000,000	-	140,000,000	13,966,297	13,964,762	(1,535)	19.49%	33.27%
T - BILL 03 MONTHS (16-10-2025)	-	7,450,000	7,450,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (17-03-2026)	-	19,200,000	19,200,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (18-09-2025)	-	22,500,000	22,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (19-02-2026)	-	20,000,000	20,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (21-08-2025)	-	8,000,000	8,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (22-01-2026)	-	12,500,000	12,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (24-07-2025)	-	2,500,000	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (26-06-2025)	4,000,000	-	4,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (26-12-2025)	-	172,500,000	172,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (29-05-2025)	6,000,000	15,000,000	21,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (30-04-2026)	-	195,000,000	-	195,000,000	19,366,550	19,365,197	(1,353)	27.02%	46.14%
T - BILL 03 MONTHS (30-10-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (02-05-2025)	20,000,000	-	20,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (02-10-2025)	-	10,185,850	10,185,850		-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (04-09-2025)	-	30,000,000	30,000,000		-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (08-01-2026)	-	26,350,000	-	26,350,000	2,629,455	2,628,367	(1,088)	3.67%	6.26%
T - BILL 06 MONTHS (10-07-2025)	-	10,000,000	10,000,000		-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (11-12-2025)	-	16,284,200	16,284,200		-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (12-06-2025)	-	14,951,500	14,951,500		-	-	-	0.00%	0.00%

Description	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation/ (diminution) on investment	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at June 30, 2026								
	(Number of Units)				(Rupees in '000)			%	
T - BILL 06 MONTHS (13-11-2025)	-	5,700,000	5,700,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (15-05-2025)	-	13,097,200	13,097,200		-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (16-10-2025)	-	50,000	50,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (22-01-2026)	-	39,000,000	16,320,000	22,680,000	2,255,074	2,252,321	(2,753)	3.14%	5.37%
T - BILL 06 MONTHS (24-07-2025)	-	2,500,000	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-06-2025)	2,000,000	27,285,600	29,285,600	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-12-2025)	-	12,500,000	12,500,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (29-05-2025)	5,000,000	5,196,750	10,196,750	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (30-10-2025)	-	7,042,250	7,042,250	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (03-04-2025)	-	15,863,800	15,863,800	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (06-02-2025)	10,000,000	-	10,000,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (06-03-2025)	63,646,050	-	63,646,050	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (20-03-2025)	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (23-01-2025)	12,500,000	-	12,500,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (02-05-2025)	-	116,820,100	116,820,100	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (10-07-2025)	-	1,227,300	-	1,227,300	122,473	122,421	(52)	0.17%	0.29%
T - BILL 12 MONTHS (12-06-2025)	-	18,800	18,800	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (15-05-2025)	-	20,000,000	20,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (03-04-2025)	-	61,000,000	61,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (03-10-2024)	22,100,000	42,225,850	64,325,850	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (05-09-2024)	52,270,000	-	52,270,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (08-08-2024)	18,750,000	23,000,000	41,750,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (09-01-2025)	-	60,300,000	60,300,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (12-12-2024)	-	83,500,000	83,500,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (14-11-2024)	2,757,850	14,953,000	17,710,850	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (17-04-2025)	-	210,240,100	210,240,100	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (17-10-2024)	89,750,000	3,000,000	92,750,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (20-02-2025)	-	220,050	220,050	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (20-03-2025)	-	75,000,000	75,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (22-08-2024)	33,340,000	-	33,340,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (25-07-2024)	-	112,100,000	112,100,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (26-12-2024)	-	70,043,000	70,043,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (28-11-2024)	-	5,837,300	5,837,300	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (31-10-2024)	30,000,000	34,000,000	64,000,000		-	-	-	0.00%	0.00%
Total as at June 30, 2026					**41,974,655**	**41,973,141**	**(1,514)**		
Total as at June 30, 2025					45,135,663	45,147,883	12,220		

6.2 Government securities - Pakistan Investment Bonds

Description	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation/ (diminution) on investment	Market value as a percentage of net assets	Market value as a percentage of total investments
					As at June 30, 2026			Market value	
	(Number of Units)				(Rupees in '000)			%	
PIB 3 YEARS (09-02-2023) - FLOATER	-	80,000	80,000	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (08-09-2022) - FLOATER	29,985	10,000	39,985	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (21-09-2023) - FLOATER	-	16,000	16,000	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (04-07-2023) - FIXED	-	127,205	127,205	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (22-10-2020) - FLOATER	-	-	-	-	-	-	-	0.00%	0.00%
PIB 5 YEARS (22-10-2020) - FLOATER	-	44,060	44,060	-	-	-	-	0.00%	0.00%
PIB 5 YEARS (06-05-2021) - FLOATER	-	176,000	176,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					2,997,260	2,997,600	340		

6.2.1 These carries markup ranging from 10.80% to 18.49% (2025: 11.70% to 22.90%) per annum.

7 PROFIT RECEIVABLE	Note	2026	2025
		Rupees in '000	
Recievable on debt securities		-	20,973
Bank deposits	7.1	178,715	99,865
		178,715	120,838

7.1 This includes profit receivable from Bank AL Habib Limited (ultimate parent), a related party, amounting to Rs. 29.067 million (2025: Rs. 45.369 million).

8 PRELIMINARY EXPENSES AND FLOATATION COSTS	Note	2026	2025
		---------- Rupees in '000 ----------	
Balance as at July, 01	8.1	453	523
Amortization for the period		(70)	(70)
Balance as at June, 30		383	453

8.1 This represents expenses incurred on the formation of the Fund. The costs are amortised over a period of ten years.

9 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management remuneration	9.1	69,731	24,380
Sindh sales tax	9.2	10,460	3,657
Formation cost		615	615
Allocation of expenses related to registrar services, accounting, operation and valuation services	16	19,167	24,856
		99,973	53,508

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the management fee caps for a Collective Investment Schemes shall be applicable, calculated on a per annum basis of the average daily net assets, effective from July 01, 2025, the rate is revised from 10% of the annual gross earning to a maximum of upto 1.25% per annum of average daily net assets.

9.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on the management company's remuneration.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration of the Trustee	10.1	3,410	3,203
Sindh sales tax payable on trustee remuneration	10.2	506	475
		3,916	3,678

10.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee is fixed at 0.055% (2025: 0.055%) per annum of net assets.

10.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on the Trustee's remuneration.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2026	2025
		---------- Rupees in '000 ----------	
Annual fee payable	11.1	4,085	3,803

11.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% (2025 : 0.075%) of net assets in accordance with regulation 62 of the NBFC Regulations.

12 ACCURED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration	294	279
Withholding tax	6,263	2,463
Capital gain tax	772,316	250,203
Brokerage	711	1,417
Listing fee	16	51
Rating fee	205	238
Payable against dividend	-	2
	779,805	254,653

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2026 (2025: nil)

14 NUMBER OF UNITS IN ISSUE	Note	2026	2025
		---------- Rupees in '000 ----------	
Total units in issue at the beginning of the year		853,636,623	243,855,148
Add: Units issued during the year		1,938,106,589	1,533,218,772
Less: units redeemed during the year		(2,083,165,078)	(923,437,297)
Total units in issue at the end of the year		708,578,134	853,636,623

15 PROFIT ON BANK DEPOSITS			
Saving accounts	15.1	1,510,557	171,616

15.1 This includes profit on bank deposits with Bank AL Habib Limited, (ultimate parent), a related party of Rs. 222.61 million (2025: Rs. 378.27 million).

16 EXPENSES ALLOCATED BY THE MANAGEMENT COMPANY

As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the SECP disallowed reimbursement of fee and expenses in relation to registrar services, accounting, operation and valuation services related to Collective Investment Scheme (CIS).

During the year, Management Company has charged Rs. Nil (2025: Rs. 21.579 million) to the Fund.

17 AUDITOR'S REMUNERATION	2026	2025
	---------- Rupees in '000 ----------	
Audit fee	202	200
Out of pocket expenses	25	24
Half yearly review fee	114	109
	341	333

18 TAXATION

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

19 EARNINGS PER UNIT

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

20 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026		
	Fair value through profit or loss	Amortised cost	Total
	---------- (Rupees in '000) ----------		
Financial Assets			
Bank balances	-	30,708,543	30,708,543
Investments			
- Pakistan Investment Bonds	-	-	-
- T-Bills	41,973,141	-	41,973,141
Receivable against issuance of units		1,099	1,099
Profit receivable	-	178,715	178,715
Other receivable	-	106	106
	41,973,141	30,888,463	72,861,604

Particulars	As at June 30, 2026		
	Fair value through profit or loss	Amortised cost	Total
	(Rupees in '000)		
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	99,973	99,973
Payable to Central Depository Company of Pakistan Limited - Trustee	-	3,916	3,916
Payable to Securities and Exchange Commission of Pakistan	-	4,085	4,085
Payable against redemption of units	-	315,961	315,961
Accrued expenses and other liabilities	-	773,542	773,542
	-	1,197,477	1,197,477

	As at June 30, 2025		
	Fair value through profit or loss	Amortised cost	Total
	(Rupees in '000)		
Financial Assets			
Bank balances	-	42,770,552	42,770,552
Investments			
Pakistan Investment Bonds	2,997,600	-	2,997,600
T-Bills	45,147,883	-	45,147,883
Profit receivable		120,838	120,838
Other receivable		105	105
Receivable against issuance of units		200	200
	48,145,483	42,891,695	91,037,178
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	53,508	53,508
Payable to Central Depository Company of Pakistan Limited - Trustee	-	3,678	3,678
Payable to Securities and Exchange Commission of Pakistan	-	3,803	3,803
Payable against redemption of units	-	4,957,776	4,957,776
Accrued expenses and other liabilities	-	1,985	1,985
	-	5,020,750	5,020,750

21 TRANSACTIONS AND BALANCES WITH RELATED/CONNECTED PERSONS

Related parties/ connected persons include AL Habib Asset Management Company Limited being the Management Company, Bank AL Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company

S.No	Company Name	Relationship
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Cash Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected person includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefits fund of the above companies.

21.1 Details of the transactions with connected persons / related parties are as follows:

	2026	2025
	---------- Rupees in '000 ----------	
21.1.1 AL Habib Asset Management Limited - Management Company		
- Management company remuneration	540,097	377,368
- Sindh sales tax	81,015	56,605
- Expenses allocated by the Management Company	-	21,579
- Dividend paid	-	10
21.1.2 Central Depository Company of Pakistan Limited - Trustee		
- Remuneration to the Trustee	43,465	19,033
- Sindh sales tax	6,520	2,853
21.1.3 Bank AL Habib Limited		
- Profit on Bank deposit	222,611	98,613
- Dividend paid	58,718	83,114

21.2 Details of balances with connected persons / related parties at year end are as follows:

21.2.3 AL Habib Asset Management Limited - Management Company		
- Management Company payable (inclusive of Sindh sales tax)	80,191	28,037
- Allocated Expenses payable (inclusive of Sindh sales tax)	19,167	24,856
- Formation cost payable	585	585
- Initial deposit payable	30	30
21.2.4 Central Depository Company of Pakistan Limited - Trustee		
- Remuneration payable (Inclusive of Sindh sales tax)	3,916	3,678
21.2.5 Bank AL Habib Limited		
- Bank Balance	517,590	16,822,746
- Bank Profit receivable	29,067	45,369

21.3 Sale / Redemption of units

Units sold to:	June 30, 2026 (Units)	June 30, 2026 (Rupees in '000)	June 30, 2025 (Units)	June 30, 2025 (Rupees in '000)
Management Company				
AL Habib Asset Management Limited	9,439,119	987,552	1,760,686	189,865
Parent of Al Habib Asset Management Limited				
- Bank Al Habib Limited	-	-	927,113	92,726
Other Related Party				
- Atco Pharma International Private Limited	337	48	459	61
- Habib Sugar Mills Limited	5,463,776	550,580	13,033,327	1,461,320
- Habib Asset Management Ltd - EMP P Fund	163,380	16,873	-	-
- Hamid D. Habib Memorial Trust	1,704,349	183,668	-	-
- Directors and their relatives	19,267,824	2,038,631	71,003,411	7,210,459
Units sold to Connected Party holding 10% or more of the units in issue:	11,179,697	1,123,215	210,755,232	22,564,255

Units redeemed by:	June 30, 2026 (Units)	June 30, 2026 (Rupees in '000)	June 30, 2025 (Units)	June 30, 2025 (Rupees in '000)
Management Company				
AL Habib Asset Management Limited	9,421,782	993,166	2,042,749	220,518
Parent of Al Habib Asset Management Limited				
- Bank Al Habib Limited	831,144	83,579	191,538	19,189
Other Related Party				
- Hamid D. Habib Memorial Trust	1,704,349	186,821	-	-
- Habib Sugar Mills Limited	13,033,327	1,342,849	-	-
- Directors and their relatives	56,194,484	5,917,487	848,790	84,994
Units redeemed to Connected Party holding 10% or more of the units in issue:	95,980,988	10,000,000	-	-

Units held by:				
Management Company				
AL Habib Asset Management Limited	17,336	1,753	-	-
Parent of Al Habib Asset Management Company				
- Bank AL Habib Limited	6,000,000	606,780	6,831,144	686,325
Other Related Party				
- Atco Pharma International Private Limited	5,212	527	4,874	490
- Habib Sugar Mills Limited	5,463,776	552,552	13,033,327	1,309,458
- Habib Asset Management Ltd - EMP P Fund	163,380	16,523	-	-
- Directors and their relatives	2,435,510	246,303	39,362,170	3,954,717
Units held by Connected Party holding e 10% or mor of the units in issue:	125,953,941	12,737,722	210,755,232	21,174,578

22 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of investments such as Government securities, spread transactions and in other money market instruments. These activities expose the Fund to a variety of financial risks, such as market risk, credit risk and liquidity risk.

22.1 Market risk

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

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

Market risk comprises of three types of risk; currency risk, interest rate risk and other price risk. The fund is exposed to interest rate risk only.

22.1.1 Interest rate risk

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

a) Sensitivity analysis for variable rate instruments

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 8.50% to 12.75% per annum, and against investments in Pakistan Investment Bonds and T-Bills, the interest rate on which range between 10.80% to 18.49%.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 726.817 million (2025: Rs. 909.160 million).

b) Sensitivity analysis for fixed rate instruments

The Fund's investment in Market Treasury Bills and Pakistan Investment Bonds exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. Nil. (2025: 29.976 million).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

Particulars	As at June 30, 2026					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	8.50 - 12.75	30,708,543	-	-	-	30,708,543
Investments						
Pakistan Investment Bonds - Floating	10.80 - 18.49	-	-	-	-	-
Market Treasury Bills		41,973,141	-	-	-	41,973,141
Receivable against issuance of Units		-	-	-	1,099	1,099
Profit receivable		-	-	-	178,715	178,715
Other receivable		-	-	-	106	106
Sub total		72,681,684	-	-	179,920	72,861,604
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	99,973	99,973
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	3,916	3,916
Payable to Securities and Exchange Commission of Pakistan		-	-	-	4,085	4,085
Payable against redemption of units		-	-	-	315,961	315,961
Accrued expenses and other liabilities		-	-	-	773,542	773,542
Sub total		-	-	-	425,161	425,161
On-balance sheet gap (a)		72,681,684	-	-	(245,241)	72,436,443
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		72,681,684	-	-	(245,241)	72,436,443
Cumulative interest rate sensitivity gap		72,681,684	-	-		

Particulars	As at June 30, 2025					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	11.0 - 20.75	42,770,552	-	-	-	42,770,552
Investments						
Pakistan Investment Bonds - Floating	11.70 - 22.90	-	-	2,997,600	-	2,997,600
Market Treasury Bills		9,322,171	11,558,313	45,147,883	-	66,028,367
Receivable against issuance of units		-	-	-	200	200
Profit receivable		-	-	-	120,838	120,838
Other receivable		-	-	-	105	105
Sub total		52,092,723	11,558,313	48,145,483	121,143	111,917,662
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	53,508	53,508
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	3,678	3,678
Payable to Securities and Exchange Commission of Pakistan		-	-	-	3,803	3,803
Payable against redemption of units		-	-	-	4,957,776	4,957,776
Accrued expenses and other liabilities		-	-	-	1,985	1,985
Sub total		-	-	-	5,020,750	5,020,750
On-balance sheet gap (a)		52,092,723	11,558,313	48,145,483	(4,899,607)	106,896,912
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		52,092,723	11,558,313	48,145,483	(4,899,607)	106,896,912
Cumulative interest rate sensitivity gap		52,092,723	11,558,313	48,145,483		

22.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in Bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

22.2.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2026 and June 30, 2025:

Name of Banks	Balances held as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Bank AL Habib Limited	517,590	AAA	PACRA
Allied Bank Limited	19,566	AAA	PACRA
Dubai Islamic Bank Limited	143	AA	VIS
Habib Bank Limited	1,043,180	AAA	VIS
Habib Metropolitan Bank Limited	1,452	AAA	PACRA
Bank AL Falah Limited	14,800,765	AA+	PACRA
United Bank Limited	14,325,847	AAA	VIS
	30,708,543		

Name of Banks	Balances held as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Bank Al Habib Limited	16,822,746	AAA	PACRA
Allied Bank Limited	1,654	AAA	PACRA
Dubai Islamic Bank Ltd	134	AA	VIS
Habib Bank Limited	486,650	AAA	VIS
Habib Metropolitan Bank Limited	5,580	AA+	PACRA
Bank Al Falah Limited	138	AAA	PACRA
United Bank Limited	25,453,652	AAA	VIS
	42,770,554		

22.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category	2026	2025
	---------- (Percentage) ----------	
AAA	51.80%	99.98%
AA+	48.20%	0.01%
AA	0.00%	0.00%
A-1+	0.00%	0.00%
	100.00%	**100.00%**

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in Government securities and bank balances, having satisfactory credit rating, therefore the fund is not exposed to any concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligation will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	99,973	-	-	99,973
Payable to Central Depository Company of Pakistan Limited - Trustee	3,916	-	-	3,916
Payable to Securities and Exchange Commission of Pakistan	4,085	-	-	4,085
Payable against redemption of units	315,961	-	-	315,961
Accrued expenses and other liabilities	779,805	-	-	779,805
	1,203,740	-	-	1,203,740

Particulars	As at June 30, 2025			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	53,508	-	-	53,508
Payable to Central Depository Company of Pakistan Limited - Trustee	3,678	-	-	3,678
Payable to Securities and Exchange Commission of Pakistan (SECP)	3,803	-	-	3,803
Payable against Redemption of Units	4,957,776	-	-	4,957,776
Accrued expenses and other liabilities	254,653	-	-	254,653
	5,273,418	-	-	5,273,418

23 UNITS HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

24 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities ;

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

- Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

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

Particulars	2026						
	Carrying amount			Fair value			
	At fair value through profit or loss	Amortised	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees in '000)					
On-balance sheet financial instruments							
Financial assets - measured at fair value	24.1						
Market Treasury Bills	41,973,141	-	41,973,141	-	41,973,141	-	-
Pakistan Investment Bonds	-	-	-	-	-	-	-
	41,973,141	-	41,973,141	-	41,973,141	-	-

Particulars	2025						
	Carrying amount			Fair value			
	At fair value through profit or loss	Amortised	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees in '000)					
On-balance sheet financial instruments							
Financial assets - measured at fair value	24.1						
Market Treasury Bills	45,147,883	-	45,147,883	-	45,147,883	-	-
Pakistan Investment Bonds	2,997,600	-	2,997,600	-	2,997,600	-	-
	48,145,483	-	48,145,483	-	48,145,483	-	-

24.1 Valuation techniques

For level 2 investments at fair value through profit or loss - investment in respect of Market Treasury Bills and Pakistan Investment Bonds. Fund uses the rates which are derived from PKRV, PKFRV and PKISRV rates at reporting date per certificate multiplied by the number of certificates held as at year end.

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

24.3 Transfers during the year

No transfers were made between various levels of fair value heriarchy during the year.

25 BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

Broker name	2026	2025
	(Percentage)	
Continental Exchange (Pvt.) Limited	21.00%	30.00%
Optimus Markets (Pvt) Limited	55.00%	4.00%
Invest One Markets Limited	3.00%	9.00%
C&M Management Limited	6.00%	10.00%
Icon Securities (Pvt) Limited	3.00%	7.00%
Akd Securities Limited	2.00%	18.00%
Js Global Capital Limited	0.00%	6.00%
Arif Habib Limited	7.00%	5.00%
Paramount Capital (Pvt) Ltd.	0.00%	2.00%
Magenta Capital (Pvt) Limited	1.00%	2.00%
Vector Capital (Pvt) Limited	0.00%	1.00%
Summit Capital (Pvt) Limited	0.00%	1.00%
BMA Capital Management Ltd	2.00%	5.00%
BIPL Securities Limited	0.00%	0.00%
AL Habib Capital Securities	0.00%	0.00%
First Credit And Investment Bank Limited	0.00%	1.00%
	100.00%	100.00%

26 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

26.1 Details of investment committee members of the Fund are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

26.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- AL Habib Cash Fund
- AL Habib Income Fund
- AL Habib Government Securities Fund
- AL Habib Fixed Return Fund
- AL Habib Sovereign Income Fund
- AL Habib Pension Fund
- AL Habib Gokp Pension Fund
- AL Habib Islamic Cash Fund
- AL Habib Islamic Money Market Fund
- AL Habib Islamic Income Fund
- AL Habib Islamic Savings Fund
- AL Habib Islamic Munafa Fund
- AL Habib Islamic Pension Fund
- AL Habib Islamic Gokp Pension Fund

27 PATTERN OF UNITHOLDING

Unit holding pattern of the Fund as at June 30, 2026 is as follows:

Category	Number of unit holders	Number of units	Investment amount (Rupees in '000)	Percentage of total investment
Individuals	815	201,183,746	20,345,712	28.39%
Associated Companies and Directors	2	6,017,336	608,533	0.85%
Insurance Companies	7	18,703,835	1,891,519	2.64%
Retirement Funds	10	6,995,175	707,422	0.99%
Others	117	475,678,042	48,105,061	67.14%
	951	708,578,134	71,658,247	100.00%

Unit holding pattern of the Fund as at June 30, 2025 is as follows:

Category	Number of unit holders	Number of units	Investment amount (Rupees in '000)	Percentage of total investment
Individuals	466	311,673,872	31,313,874	36.51%
Associated Companies and Directors	5	28,543,755	2,867,791	3.34%
Retirement Funds	9	8,041,925	807,972	0.94%
Others	84	505,377,071	50,774,576	59.20%
	564	853,636,623	85,764,213	100.00%

28 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 04, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

29 TOTAL EXPENSE RATIO

Total Expenses Ratio of the Fund is 0.93% as on June 30, 2026 (June 30, 2025: 1.48%) and this includes 0.19% (June 30, 2025: 0.26%) representing Government Levy and Securities Exchange Commission of Pakistan fee.

30 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified in these financial statements, wherever necessary to facilitate comparison and to conform with the changes in presentation in the current year. No material rearrangements or reclassifications have been made in these financial statements during the year.

31 GENERAL

31.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

32 DATE OF AUTHORIZATION FOR ISSUE

32.1 These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The investment objective of AHMMF is to provide its unit-holders optimum returns from a portfolio of low risk and short duration assets while being highly liquid.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHMMF maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with "AAA" rated Banks and short tenor T-bills.

Performance of the fund with benchmark

The Fund underperfromed it's benchmark by 27 bps as it posted YTD return of 10.46% as against the benchmark of 10.73%.

Fund Description

Fund Type & Category	Open End - Money Market Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	December 20, 2021	**Management Fee**	0.68%
Benchmark	90% three (3) months PKRV rates + 10% three (3) months average of highest rates of saving accounts of three (3) AA rated scheduled banks as selected by MUFAP	**Sales Load**	3% (Management has the discretion to reduce or waive load on any transaction)
Annual Return	10.46%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	10.73%	**For Regular Transactions** **For same Day Redemption**	Monday to Thursday 4:00 pm | Friday 4:30 pm 9:30 am
Net Assets	Rs. 71,658 million (June 30, 2026)	**Fund Stability Rating**	AAA(f) by VIS (January 01, 2026)
NAV per unit	Rs. 101.1296 per unit (June 30, 2026)	**AMC Rating**	"AM1" by PACRA (August 12, 2025)
Pricing Mechanism	Backward Pricing	**Trustee**	Central Depository Company of Pakistan Limited.
Risk Profile	Very Low (Principal at very low risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's target range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	42.15%	46.98%
T-Bills	57.61%	49.59%
PIBs	0.00%	3.29%
Others	0.25%	0.13%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	237
1001-5000	73
5001-10000	61
10001-50000	171
50001-100000	76
100001-500000	166
500001-1000000	66
1000001-5000000	77
5000001 and above	24
Grand Total	**951**

Income Distribution

AHMMF made a total distribution of Rs. 9.7863 during FY26 in the form of dividend, the details of which is as follows;

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 14, 2026	110.2555	100.4692	9.7863

During the period under question:

There has been no significant change in the state of affairs of the Fund. AL Habib Money Market Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year 704,767,457 units valued of Rs. 73,807 million were sold, while 947,334,579 units valued Rs. 99,410 million were redeemed, resulting in to a net sale of 242,567,122 units valued Rs. 25,604 million.

AHMMF Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in million)	71,658	85,764
NAV per unit as at June 30 (Rs.)	101.1296	100.4692
Distribution during the year ended June 30 (Rs.)	9.7863	13.8524
Annual Return	10.46%	14.39%

AL HABIB INCOME FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.
Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.
Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AA (f) Fund Stability Rating Rating by PACRA
AM1 Management Company Quality Rating
Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
JS bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB INCOME FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Income Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities & Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 21, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB INCOME FUND

Opinion

We have audited the financial statements of AL Habib Income Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, statement of comprehensive income, statement of cash flows and statement of movement in unit holders' fund for the year ended June 30, 2026, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2026, and its financial performance and its cash flows for the year ended June 30, 2026 in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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 year. 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 are the Key audit matters:

S.NO	Key audit matter(s)	How the matter was addressed in our audit
1.	**Existence and valuation of investments** As disclosed in note 6 to the accompanying financial statements of the Fund for the year June 30, 2026, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs. 13,575.02 million representing 41.60% of the Net Assets Value of the Fund.	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund;

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S.NO	Key audit matter(s)	How the matter was addressed in our audit
	As these investments represent a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as the valuation of investments is the main driver of movements in the performance of the Fund. In view of the significance of these investments in relation to the total assets and the NAV of the Fund, we have considered the existence and valuation of such investments as a key audit matter.	• Performed substantive audit procedures on the year-end balance of debt instruments, including review of custodian statements, related reconciliations, and re-performed valuation procedures to assess the reasonableness of the carrying values of investments. sss • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

Information other than the financial statements and auditor's report thereon

The Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Responsibilities of the Management Company and its Board of Directors

The Management Company ("Al Habib Asset Management Limited") of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and accounting and reporting standards as applicable in Pakistan and for such internal control as the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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 of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166ZvbCOePgw

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
Assets			
Bank balances	5	9,519,706	8,675,112
Investments	6	13,575,020	16,220,458
Profit receivable	7	145,134	237,540
Advances, deposits and other receivables	8	6,210	6,696
Total assets		23,246,070	25,139,806
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	9	34,140	19,881
Provision for Federal Excise Duty on remuneration of the Management Company	10	8,746	8,746
Payable to Central Depository Company of Pakistan Limited - Trustee	11	1,461	1,311
Payable to Securities and Exchange Commission of Pakistan	12	2,678	1,042
Payable against redemption of units		810	21,103
Accrued expenses and other liabilities	13	341,314	209,696
Total liabilities		389,149	261,779
Net assets		22,856,921	24,878,027
Unit holders' Fund (as per statement attached)		22,856,921	24,878,027
Contingencies and commitments	14		
		(Number of Units)	
Number of units in issue	15	221,567,197	243,306,622
		(Rupees)	
Net asset value per unit		103.16	102.25

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
Income			
Profit on bank deposits	16	480,058	60,793
Profit on investments		2,102,642	1,649,178
Profit on term deposit receipt		7,808	-
Realised (loss) / gain on sale of investments - net		(45,618)	141,337
Unrealised diminution on re-measurement of investments classified at 'fair value through profit or loss' - net		(3,692)	24,472
		(49,310)	165,809
Total income		2,541,198	1,875,780
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company		159,166	147,933
Sindh Sales Tax on Management Company's remuneration		23,805	22,190
Expense allocated by the Management Company	17	-	9,083
Remuneration of Central Depository Company of Pakistan Limited - Trustee		17,786	9,198
Sindh Sales tax on Trustee's remuneration		2,668	1,380
Annual fee to Securities and Exchange Commission of Pakistan		17,786	9,198
Brokerage expense		222	579
Settlement and bank charges		369	373
Annual listing fee		25	25
Auditor's remuneration	18	645	530
Mutual fund rating fee		551	557
Printing charges		-	58
Fees and subscription		282	287
Other expense		-	90
Total expenses		223,305	201,481
Net income for the period before taxation		2,317,893	1,674,299
Taxation	19	-	-
Net income for the year after taxation		2,317,893	1,674,299
Allocation of net income for the year after taxation			
Net income for the year after taxation		2,317,893	1,674,299
Income already paid on units redeemed		(2,233,862)	(1,427,304)
		84,031	246,995
Accounting Income available for distribution:			
- Relating to capital (loss) / gain		(49,310)	165,809
- Excluding capital gain		133,341	81,186
		84,031	246,995

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026	2025
	(Rupees in '000)	
Net income for the year after taxation	2,317,893	1,674,299
Other comprehensive income for the year	-	-
Total comprehensive income for the year	2,317,893	1,674,299

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			2025		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the year	24,628,440	249,587	24,878,027	6,769,762	70,418	6,840,180
Issuance of 454,792,490 units (2025: 556,030,403)						
- Capital value	46,916,393	-	46,916,393	56,570,533	-	56,570,533
- Element of income	872,219	-	872,219	2,938,871	-	2,938,871
Total proceeds on issuance of units	47,788,612	-	47,788,612	59,509,404	-	59,509,404
Redemption of 476,531,915 units (2025: 379,957,991)						
- Capital value	(49,159,032)	-	(49,159,032)	(38,656,926)	-	(38,656,926)
- Element of loss	(310,748)	(2,233,862)	(2,544,610)	(1,858,901)	(1,427,304)	(3,286,205)
Total payments on redemption of units	(49,469,780)	(2,233,862)	(51,703,642)	(40,515,827)	(1,427,304)	(41,943,131)
Total comprehensive income for the year	-	2,317,893	2,317,893	-	1,674,299	1,674,299
interim distribution for the year ended June 30, 2026:						
Rs. 9.7970/- per units (2025: Rs. 15.1060/- per unit declared)	(357,200)	(66,769)	(423,969)	(1,134,899)	(67,826)	(1,202,725)
Net income for the year less distribution	(357,200)	2,251,124	1,893,924	(1,134,899)	1,606,473	471,574
Net assets at end of the year	22,590,072	266,849	22,856,921	24,628,440	249,587	24,878,027
Undistributed income brought forward						
- Realised gain		225,115			74,029	
- Unrealised gain / (loss)		24,472			(3,611)	
		249,587			70,418	
Accounting income available for distribution						
- Relating to capital gains		(49,310)			165,809	
- Excluding capital gains		133,341			81,186	
		84,031			246,995	
interim distribution for the year ended June 30, 2026:						
Rs. 9.7970/- per units (2025: Rs. 15.1060/- per unit declared)		(66,769)			(67,826)	
Undistributed income carried forward		266,849			249,587	
Undistributed income carried forward comprises of						
- Realised gain		270,541			225,115	
- Unrealised (loss) / gain		(3,692)			24,472	
		266,849			249,587	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		102.25			101.74	
Net assets value per unit at end of the year		103.16			102.25	

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	2,317,893	1,674,299
Adjustments for:		
Unrealised diminution / (appreciation) on re-measurement of investments classified at 'fair value through profit or loss' - net	3,692	(24,472)
	2,321,585	1,649,827
(Increase) / decrease in assets		
Investments - net	2,641,746	(9,621,079)
Profit receivable	92,406	(97,262)
Advances, deposits and other receivables	486	(3,251)
	2,734,638	(9,721,592)
Increase / (decrease) in liabilities		
Payable to AL Habib Asset Management Limited - Management Company	14,259	2,899
Payable to Central Depository Company of Pakistan Limited - Trustee	150	862
Payable to Securities and Exchange Commission of Pakistan	1,636	645
Payable against redemption of units	(20,293)	(140,539)
Accrued expenses and other liabilities	131,618	145,516
	127,370	9,383
Net cash generated / (used in) operating activities	5,183,593	(8,062,382)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	47,788,612	59,509,404
Payment on redemption of units	(51,703,642)	(41,943,131)
Dividend paid during the year	(423,969)	(1,202,725)
Net cash (used in) / generated from financing activities	(4,338,999)	16,363,548
Net increase in cash and cash equivalents	844,594	8,301,166
Cash and cash equivalents at beginning of the year	8,675,112	373,946
Cash and cash equivalents at end of the year	9,519,706	8,675,112

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Income Fund (the Fund) was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on 6 September 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on 3 August 2006 under Regulation 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act.Accordingly, on October 15, 2021, the above mentioned Trust Deed has been registered under Sindh Trust Act.

1.3 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd Floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.

1.4 The Fund is an open-end mutual fund and is listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

1.5 The investment objective of AL Habib Income Fund is to provided its unit-holders optimum return from a portfolio of low risk and short duration assets while being highly liquid.

1.6 The Fund has been categorized as an Open-End Money Market Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).

1.7 Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.

1.8 The Management Company has been assigned a quality rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025. The Fund has been given a stability rating of AAA(f) by VIS Credit Rating Company Limited dated January 1, 2026.

1.9 As per the offering document of the Fund, an investor shall, at the time of opening an account, select the types of units in which the investor wishes to invest, i.e. Growth Unit. Furthermore, at the time of dividend distribution the unit holders receive additional units or cash dividend against Growth unit, respectively.

During the period all the units issued by the Fund are Growth units and dividend has been reinvested on daily basis.

1.10 As per the offering document of the Fund, the Management Company may decide to distribute all net profit (after deducting all expenses of the Fund) on a periodic basis (that is Daily, Weekly, Monthly, Quarterly and Yearly) as dividend. Furthermore, as per Regulation 63 of NBFC Regulations, the Fund is required to distribute not less than 90% of its net accounting income available for distribution for the year derived from sources other than capital gains, to the unitholders. During the year, the management has distributed all the net income earned by the Fund as dividend to the unit holders which has been reinvested on daily basis.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees, which is the functional and presentation currency.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future years.

The estimates and judegments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets is as follows:

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.2.1 and 6 to these financial statements.

Impairment of financial assets

For details please refer note 4.2.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.2.1 Classification

Debt Instruments

Amortized cost

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at Fair value through profit or loss

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.2.2.2 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in income statement. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognized in income statement.

4.2.2.3 Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financialassets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowancesfor such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;

- the time value of money; and

- reasonable and supportable information that is available without undue cost or effort at the reporting dateabout past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Impairment of financial assets on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "income statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and abovethe minimum provision requirement prescribed by the SECP, considering the specific credit and financial conditionof the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's Circular No.13 of 2009.

4.2.2.4 Regular way contracts

Regular purchases and sales of financial assets are recognized on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.6 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Assets and Liabilities when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

4.2.3 Financial liabilities

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.Any gain or loss on derecognition of financial liabilities is taken to the "income statement".

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

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

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price applicable to units for which the Management Company receives redemption application during business hours of that day. The redemption price shall be equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges as processing fee.

4.7 Element of income

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

4.8 Net asset value - per unit

The net asset value per unit disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.9 Revenue recognition

- Gains or (losses) arising on the sale of investments are recorded at the date at which the transaction take place;
- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.
- Income on government securities is recognised on a time proportionate basis using the effective yield method.
- Profit on bank balances is recognised on an accrual basis.

4.10 Expenses

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

		Note	2026	2025
5	**BANK BALANCES**		**(Rupees in '000)**	
	In current accounts	5.1 &	62,267	590
	In savings accounts	5.2	9,457,439	8,674,522
			9,519,706	8,675,112

5.1 These carries profit ranging from 11.00% to 13.00% (30 June 2025: 6.1% to 11.05%) per annum.

5.2 It includes balance of Rs 3.985 billion (June 30, 2025: Rs 1.350 million) with Bank Al Habib Limited, a related party.

6 INVESTMENTS

At fair value through profit or loss

Government securities			
- Market Treasury Bills	6.1	8,785,315	11,162,420
- Pakistan Investment Bonds	6.2	4,732,957	4,950,109
- GOP Ijarah Sukuks	6.3	56,748	57,472
Term Finance Certificates	6.4	-	50,457
		13,575,020	16,220,458

6.1 Government securities - Market Treasury Bills

Name of the security	Issue date	Maturity date	Face value					Balance as at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
			As at July 01 2025	Purchased during the year	Sold during the year	Matured during the year	As at June 30 2026	Carrying value	Market value	Unrealised appreciation / (diminution)		
			(Number of units)					(Rupees in '000)			%	
T- BILL 12 MONTHS (03-04-2025)	3-Apr-25	3-Apr-25	35,336,000	-	-	35,336,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (06-03-2025)	6-Mar-25	6-Mar-25	27,000,000	745,000	-	27,745,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (26-12-2024)	26-Dec-24	26-Dec-24	25,595,100	-	-	25,595,100	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (05-09-2024)	5-Sep-24	5-Sep-24	7,200,000	26,000,000	-	33,200,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (15-05-2025)	15-May-25	15-May-25	5,000,000	-	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (29-05-2025)	29-May-25	29-May-25	5,000,000	-	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (12-06-2025)	12-Jun-25	12-Jun-25	5,000,000	-	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (26-06-2025)	26-Jun-25	26-Jun-25	4,000,000	-	-	4,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-06-2025)	26-Jun-25	26-Jun-25	2,000,000	-	-	2,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (09-01-2025)	9-Jan-25	9-Jan-25	2,000,000	20,000,000	-	22,000,000	-	-	-	-	0.00%	0.00%
PIB 02 YEARS (16-01-2025) - ZERO COUPON	16-Mar-25	16-Mar-2027	-	10,000,000	-	-	10,000,000	938,798	940,373	1,575	3.78%	5.80%
T - BILL 01 MONTHS (02-04-2026)	2-Apr-26	2-May-26	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (06-02-2026)	6-Feb-26	6-Mar-26	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (07-08-2025)	7-Aug-25	7-Sep-25	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (14-05-2026)	14-May-26	14-Jun-26	-	4,800,000	-	4,800,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-04-2026)	16-Apr-26	16-May-26	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (17-03-2026)	17-Mar-26	17-Apr-26	-	20,000,000	-	20,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (18-09-2025)	18-Sep-25	18-Oct-25	-	1,250,000	-	1,250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (30-04-2026)	30-Apr-26	30-May-26	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (02-04-2026)	2-Apr-26	2-Jul-26	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (04-09-2025)	4-Sep-25	4-Dec-25	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (06-02-2026)	6-Feb-26	6-May-26	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (08-01-2026)	8-Jan-26	8-Apr-26	-	8,400,000	-	8,400,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (16-04-2026)	16-Apr-26	16-Jul-26	-	17,000,000	-	-	17,000,000	1,695,942	1,695,721	(221)	6.82%	10.45%
T - BILL 03 MONTHS (18-09-2025)	18-Sep-25	18-Dec-25	-	2,500,000	-	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (22-01-2026)	22-Jan-26	22-Apr-26	-	5,000,000	5,000,000	-	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (24-07-2025)	24-Jul-25	24-Oct-25	-	2,500,000	-	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (26-12-2025)	26-Dec-25	26-Mar-26	-	20,000,000	-	20,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (30-04-2026)	30-Apr-26	30-Jul-26	-	7,500,000	-	-	7,500,000	744,836	744,815	(21)	2.99%	4.59%
T - BILL 06 MONTHS (04-09-2025)	4-Sep-25	4-Mar-26	-	7,769,650	-	7,769,650	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (08-01-2026)	8-Jan-26	8-Jul-26	-	5,000,000	-	-	5,000,000	498,948	498,742	(206)	2.00%	3.07%
T - BILL 06 MONTHS (22-01-2026)	22-Jan-26	22-Jul-26	-	5,000,000	5,000,000	-	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (24-07-2025)	24-Jul-25	24-Jan-26	-	2,500,000	-	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (02-05-2025)	2-May-25	2-May-26	-	2,039,150	-	2,039,150	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (04-09-2025)	4-Sep-25	4-Sep-26	-	900,000	-	-	900,000	88,507	88,208	(299)	0.35%	0.54%
T - BILL 12 MONTHS (08-01-2026)	8-Jan-26	8-Jan-27	-	11,100,000	-	-	11,100,000	1,057,042	1,046,637	(10,405)	4.21%	6.45%
T - BILL 12 MONTHS (15-05-2025)	15-May-25	15-May-26	-	11,315,700	-	11,315,700	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (21-08-2025)	21-Aug-25	21-Aug-26	-	17,621,000	-	-	17,621,000	1,738,591	1,734,601	(3,990)	6.97%	10.69%
T - BILL 12 MONTHS (22-01-2026)	22-Jan-26	22-Jan-27	-	10,000,000	-	-	10,000,000	949,235	938,967	(10,268)	3.77%	5.79%
T - BILL 12 MONTHS (24-06-2026)	24-Jun-26	24-Jun-27	-	5,000,000	2,200,000	-	2,800,000	251,104	251,392	288	1.01%	1.55%
T - BILL 12 MONTHS (24-07-2025)	24-Jul-25	24-Jul-26	-	3,750,000	-	-	3,750,000	372,820	372,408	(412)	1.50%	2.30%
T - BILL 12 MONTHS (26-12-2025)	26-Dec-25	26-Dec-26	-	5,000,000	-	-	5,000,000	477,187	473,451	(3,736)	1.90%	2.92%
T - BILL 12 MONTHS (29-05-2025)	29-May-25	29-May-26	-	1,218,000	-	1,218,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (03-04-2025)	3-Apr-25	3-Oct-25	-	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (08-08-2024)	8-Aug-24	8-Aug-25	-	12,500,000	-	12,500,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (23-01-2025)	23-Jan-25	23-Jan-26	-	310,000	-	310,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (25-07-2024)	25-Jul-24	25-Jul-25	-	29,900,000	-	29,900,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (31-10-2024)	31-Oct-24	31-Oct-25	-	27,000,000	-	27,000,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026			**118,131,100**	**348,618,500**	**12,200,000**	**363,878,600**	**90,671,000**	**8,813,010**	**8,785,315**	**(27,695)**		
Total as at June 30, 2025								11,152,380	11,162,420	10,042		

6.2 Government securities - Pakistan Investment Bonds

Name of the security	Issue date	Maturity date	Face value				Balance as at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
			As at July 01 2025	Purchased during the year	Sold during the year	As at June 30 2026	Carrying value	Market value	Unrealised appreciation / (diminution)		
			(Number of units)				(Rupees in '000)			%	
PIB 05 YEARS (17-11-2022)	17-Nov-22	17-Nov-27	44,860	-	-	44,860	4,465,585	4,491,832	26,247	18.06%	27.69%
PIB 3 YEARS (09-02-2023) - FLOATER	9-Feb-23	9-Feb-26	5,000	-	5,000	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (08-09-2022) - FLOATER	8-Sep-22	8-Sep-25	-	-	-	-	-	-	-	0.00%	0.00%
PIB 2 YEARS (06-04-2023) - FLOATER	6-Apr-23	6-Apr-25	-	-	-	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (04-07-2023) - FIXED	4-Jul-23	4-Jul-26	-	38,030	38,030	-	-	-	-	0.00%	0.00%
PIB 05 YEARS (18-04-2024) - FLOATER	18-Apr-24	18-Apr-29	-	-	-	-	-	-	-	0.00%	0.00%
PIB 02 YEARS (20-09-2024) - ZERO COUPON	20-Sep-24	20-Sep-26	-	-	-	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (16-01-2025) - FIXED	16-Jan-25	16-Jan-28	-	-	-	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (20-09-2024) - FIXED	20-Sep-24	20-Sep-27	-	-	-	-	-	-	-	0.00%	0.00%
PIB 05 YEARS (16-01-2025) - FIXED	16-Jan-25	16-Jan-30	-	-	-	-	-	-	-	0.00%	0.00%
PIB 05 YEARS (17-01-2024) - FIXED	17-Jan-24	17-Jan-29	-	-	-	-	-	-	-	0.00%	0.00%
PIB 05 YEARS (20-09-2024) - FIXED	20-Sep-24	20-Sep-29	-	-	-	-	-	-	-	0.00%	0.00%
PIB 10 YEARS (20-09-2024) - FIXED	20-Sep-24	20-Sep-34	-	-	-	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (07-10-2021) - FLOATER	7-Oct-21	7-Oct-24	-	-	-	-	-	-	-	0.00%	0.00%
PIB 10 YEARS (08-01-2026) - FLOATER	8-Jan-26	8-Jan-36	-	2,500	-	2,500	243,183	241,125	-	0.97%	1.49%
PIB 05 YEARS (17-07-2025) - FIXED	17-Jul-25	17-Jul-30	-	1,500	1,500	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026			**49,860**	**42,030**	**44,530**	**47,360**	**4,708,768**	**4,732,957**	**26,247**		
Total as at June 30, 2025							4,937,003	4,950,109	13,106		

6.2.1 These carries markup ranging from 10.80% - 18.49% (2025 10.00% - 23.39%)

6.3 GOP Ijarah Sukkuks

Name of the security	Issue date	Maturity date	Face value: As at July 01 2025	Face value: Purchased during the year	Face value: Sold during the year	Face value: As at June 30 2026	Balance as at June 30, 2026: Carrying value	Balance as at June 30, 2026: Market value	Balance as at June 30, 2026: Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
			(Number of units)				(Rupees in '000)				
GOP IJARA SUKUK 3 YEAR VVR (24-01-2024)	24-Jan-25	24-Jan-28	10,938	-	-	10,938	54,918	54,772	(146)	0.22%	**0.34%**
GOP IJARA SUKUK 5 YEAR VRR (21-10-2024)	21-Oct-24	21-Oct-29	200	-	-	200	1,014	989	(25)	0.00%	0.01%
GOP IJARA SUKUK 3 YEAR VRR (21-10-2024)	21-Oct-24	21-Oct-27	199	-	-	199	1,000	987	(13)	0.00%	0.01%
GOP IJARA SUKUK - VRR (26-10-2022)	26-Oct-22	26-Oct-27	-	-	-	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 03 YEAR VRR (09-01-2025)	9-Jan-25	9-Jan-28	-	-	-	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 05 YEAR VRR (09-01-2025)	9-Jan-25	9-Jan-30	-	-	-	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 3 YEAR VRR (18-09-2024)	18-Sep-24	18-Sep-27	-	-	-	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 05 YEAR FRR (30-05-2025)	30-May-25	30-May-30	-	25,000	25,000	-	-	-	-		
Total as at June 30, 2026			**11,337**	**25,000**	**25,000**	**11,337**	**56,932**	**56,748**	**(184)**		
Total as at June 30, 2025							56,825	57,472	647		

6.3.1 These carries markup ranging from 9.6% - 12.01% (2025 11.19% - 14.15%)

6.4 Term Finance Certificates

Askari Bank Limited-TFC VII (17-03-2020) (certificates of Rs. 100,000 each)	17-Mar-20	17-Mar-30	50	-	50	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026			**50**	**-**	**50**	**-**	**-**	**-**	**-**		
Total as at June 30, 2025							49,780	50,457	677		

6.4.1 These carries markup ranging from 18.18% - 22.52% (2025 18.18% - 22.52%)

7 PROFIT RECEIVABLE	Note	2026 (Rupees in '000)	2025
Receivable on debt securities		82,371	212,711
Bank deposits	7.1	62,763	24,829
		145,134	237,540

7.1 This includes Rs. 14.870 million (2025 Rs. 5.55 million) receivable from Bank AL Habib Limited a ultimate parent (related party).

8 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Advance tax	8.1	4,762	4,761
Deposits with:			
Central Depository Company of Pakistan Limited		100	100
NCCPL against Margin Trading System		250	250
National Clearing Company of Pakistan Limited		1,000	1,000
Other receivables		98	585
		6,210	6,696

8.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the ITO 2001 from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated 12 May 2015 made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 150A and 151 of ITO 2001.

9 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Remuneration payable to the Management	9.1	24,212	9,480
Sindh Sales Tax on Management Company's	9.2	3,458	1,318
Re-imbursement to CIS maximum upto 0.1%	9.3	6,470	9,083
		34,140	19,881

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated 10 April 2025, the Management Fee caps for a Collective Investment Schemes shall be applicable, calculated on a per annum basis of the average daily net assets, effective from July 01, 2025: Money Market up to 1.25%.

9.2 Sindh Sales Tax has been charged at 15% (2025: 15%) on the management company's remuneration charged during the year.

10 PROVISION FOR FEDERAL EXCISE DUTY ON REMUNERATION OF THE MANAGEMENT COMPANY

As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan with the Sindh High Court (SHC) on 4 September 2013.

While disposing the above petition through order dated 16 July 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provincial sales tax. Therefore, in the current year, provision for FED has not been recorded.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from 13 June 2013 to 30 June 2016 aggregating to Rs. 8.746 million. Had the provision not been made, NAV per unit of the Fund as at 30 June 2026 would have been higher by Rs. 0.04 (2026: Rs. 0.14) per unit.

11	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2026 (Rupees in '000)	2025
	Trustee fee payable	11.1	1,175	1043
	Sindh Sales Tax on remuneration of the Trustee	11.2	286	268
			1461	1311

11.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee during the year 0.075% (2025: 0.075%) of net assets per annum.

11.2 Sindh Sales Tax has been charged at 15% (2025: 15%) on the Trustee's remuneration charged during the year.

12	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN - (SECP)	Note	2026 (Rupees in '000)	2025
	Annual fee payable	12.1	2,678	1042

12.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) in accordance with regulation 62 of the NBFC Regulations. The fee of the SECP Charged during the year at 0.075% (2025: 0.075%) of net assets.

13 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	508	452
Others	340,806	209,244
	341,314	209,696

14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2026 (2025: Nil).

15 NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the year	243,306,622	67,234,210
Add: Units issued during the year	454,792,490	556,030,403
Less: Units redeemed during the year	(476,531,915)	(379,957,991)
Total units in issue at the end of the year	221,567,197	243,306,622

16 PROFIT ON BANK DEPOSITS

Savings accounts	16.1	480,058	60,793

16.1 This includes profit on bank deposits with Bank AL Habib Limited (ultimate parent), a related party of Rs.81.258 million (2025: Rs. 37.370 million).

17 EXPENSES ALLOCATED BY THE MANAGEMENT COMPANY

As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the SECP disallowed reimbursement of fee and expenses in relation to registrar services, accounting, operation and valuation services related to Collective Investment Scheme (CIS).

18 AUDITOR'S REMUNERATION	2026 (Rupees in '000)	2025
Annual audit fee	336	332
Half yearly review fee	172	163
Out of pocket expenses	37	35
	545	530

19 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current year as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2026 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

20 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the Management, determination of weighted average units for calculating EPU is not practicable.

21 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026		
	Fair value through profit	Amortised cost	Total
	Rupees in '000		
Financial assets			
Bank balances	-	9,519,706	9,519,706
Investments			
Market Treasury Bills	8,785,315	-	8,785,315
Pakistan Investment Bonds	4,732,957	-	4,732,957
GOP Ijarah Sukuks	56,748	-	56,748
Profit receivable	-	145,134	145,134
Advance and deposits	-	6,210	6,209
	13,575,020	**9,671,050**	**23,246,069**
Financial Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	34,140	34,140
Payable to Central Depository Company of Pakistan Limited - Trustee	-	1,461	1,461
Payable to Securities and Exchange Commission of Pakistan (SECP)	-	2,678	2,678
Payable against redemption of units	-	810	810
Accrued expenses and other liabilities	-	341,314	341,314
	-	**380,403**	**380,403**

Particulars	As at June 30, 2025		
	Fair value through profit	Amortised cost	Total
	Rupees in '000		
Financial assets			
Bank balances	-	8,675,112	8,675,112
Investments			
Market Treasury Bills	11,162,420	-	11,162,420
Pakistan Investment Bonds	4,950,109	-	4,950,109
GOP Ijarah Sukkuks	57,472	-	57,472
Term Finance Certificates	50,457	-	50,457
Profit receivable	-	237,540	237,540
Advance, deposits and other receivable	-	6,696	6,696
	16,220,458	8,919,348	25,139,806
Financial Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	19,881	19,881
Payable to Central Depository Company of Pakistan Limited - Trustee	-	1,311	1,311
Payable to Securities and Exchange Commission of Pakistan (SECP)	-	1,042	1,042
Payable against redemption of units	-	21,103	21,103
Accrued expenses and other liabilities	-	209,696	209,696
	-	253,033	253,033

22 TRANSACTIONS AND BALANCES WITH RELATED/ CONNECTED PERSONS

22.1 Related party / connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other Collective Investment Schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and of?cers of the Management Company and the Trustee and unit holders holding Ten percent or more units of the Fund.

22.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

22.3 Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

22.4 The details of signi?cant transactions carried out by the Fund with connected persons and balances with them at the end of reporting year are as follows:

Connected persons / related parties include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Details of transactions with connected persons / related parties are as follows:

	2026	2025
	(Rupees in '000)	
AL Habib Asset Management Limited - Management Company		
- Management fee	159,166	147,933
- Sales tax	23,805	22,190
- Allocated Expenses	-	9,083
- Dividend paid	3	3
Bank AL Habib Limited		
- Profit on bank deposits	81,258	37,370
- Dividend paid	58,086	58,086
Central Depository Company of Pakistan Limited - Trustee		
- Remuneration to the Trustee	17,786	9,198
- Sales tax	2,668	1,380

Details of the balances with connected persons as at year end are as follows:

	2026	2025
	(Rupees in '000)	
Bank AL Habib Limited		
- Bank balance	3,984,706	1,350,181
- Profit receivable	2,543	5,550
AL Habib Asset Management Limited - Management Company		
- Management Company fee payable	34,140	19,881
- Federal Excise duty payable	8,746	8,746
Central Depository Company of Pakistan Limited - Trustee		
- Remuneration payable	1,461	1,311
- Security deposit - Non interest bearing	100	100

22.5 Sale / Redemption of units during the year

Units sold to:	**June 30, 2026**		**June 30, 2025**	
	(Units)	**(Rupees in '000)**	**(Units)**	**(Rupees in '000)**
Management Company				
AL Habib Asset Management Limited	13,989,582	1,540,733	1,767,403	197,012
Other Related Parties				
- Directors and their relatives of the Management Company	18,549,156	1,952,567	54,661,073	5,564,476
Connected Parties holding 10% or more of the units in issue:	8,445,063	866,853	34,551,697	3,731,511
Units redeemed by:				
Management Company				
AL Habib Asset Management Limited	13,979,885	1,474,434	1,800,685	202,235
Other Related Parties				
- Directors and their relatives of the Management Company	27,991,191	4,692,276	125,788	14,561
Connected Parties holding 10% or more of the units in issue:	3,120,313	147,969	6,890,818	804,834
Units held by:				
Management Company				
AL Habib Asset Management Limited	9,697	66,299	-	-
Parent of Al Habib Asset Management Company				
- Bank AL Habib Limited	3,845,202	393,172	3,845,202	393,172
Other Related Parties				
- Directors and their relatives of the Management Company	22,226,093	498,356	31,668,128	3,238,066
- Habib Insurance Company Limited Pakistan-Employee Provident Fund	65,422	6,689	65,422	6,689
Connected Parties holding 10% or more of the units in issue:	39,876,447	4,251,795	34,551,697	3,532,911

23 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of investments such as Government securities, spread transactions and in other money market instruments. These activities expose the Fund to a variety of financial risks, such as market risk, credit risk and liquidity risk.

23.1 Market risk

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

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

Market risk comprises of three types of risk; currency risk, interest rate risk and other price risk, the fund is exposed to interest rate risk only.

23.1.1 Interest rate risk

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

a) Sensitivity analysis of variable rate

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 8.50% to 12.75% per annum, and against investments in Pakistan Investment Bonds and T-Bills, the interest rate on which range between 10.80% to 18.49%.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 230.94 million (2025: Rs. 248.38 million).

b) Sensitivity analysis of fixed rate

The Fund's investment in Pakistan Investment Bonds exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. Nil (2025: 111.62 million).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

Particulars	As at June 30, 2026					
		Exposed to yield / interest rate risk				
	Effective yield / interest rate	Upto three months	More than three months and upto one year	More than one year	Not exposed to yield / interest rate risk	Total
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.00 - 11.33	9,519,706	-	-	-	9,519,706
Investments						
Pakistan Investment Bonds - Floating	10.80 - 18.49	-	-	241,125	-	241,125
Pakistan Investment Bonds - Non Floating				4,491,832	-	4,491,832
T-Bills		2,440,536	5,404,406	940,373	-	8,785,315
GOP Ijara Sukuk		-	-	56,748	-	56,748
Receivable against issuance of Units		-	-	-	-	-
Profit receivable		-	-	-	145,134	145,134
Other receivable		-	-	-	6,210	6,210
Sub total		11,960,242	5,404,406	5,730,078	151,344	23,246,070

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	34,140	34,140
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	1,461	1,461
Payable to Securities and Exchange Commission of Pakistan		-	-	-	2,678	2,678
Payable against redemption of units		-	-	-	810	810
Accrued expenses and other liabilities		-	-	-	341,314	341,314
Sub total		-	-	-	380,403	380,403
On-balance sheet gap (a)		11,960,242	5,404,406	5,730,078	(229,059)	22,865,667
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		11,960,242	5,404,406	5,730,078	(229,059)	22,865,667
Cumulative interest rate sensitivity gap		11,960,242	5,404,406	5,730,078		

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.25-20.75	8,675,112	-	-	-	8,675,112
Investments						
Pakistan Investment Bonds - Floating	11.70 - 22.90	-	-	499,100	-	499,100
Pakistan Investment Bonds - Non Floating				4,451,009		
T-Bills	18.85-22.89	2,763,746	8,398,674	-	-	11,162,420
Term Finance Certificate	18.18-22.52	-	-	50,457	-	
GOP Ijara Sukuk	11.19-14.15	-	-	57,472	-	
Receivable against issuance of units		-	-	-	-	-
Profit receivable		-	-	-	237,540	237,540
Other receivable		-	-	-	1,935	1,935
Sub total		11,438,858	8,398,674	5,058,038	239,475	20,576,107
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	19,881	19,881
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	1,311	1,311
Payable to Securities and Exchange Commission of Pakistan		-	-	-	1,042	1,042
Payable against redemption of units		-	-	-	21,103	21,103
Accrued expenses and other liabilities		-	-	-	209,696	209,696
Sub total		-	-	-	253,033	253,033
On-balance sheet gap (a)		11,438,858	8,398,674	5,058,038	(13,558)	20,323,074
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		11,438,858	8,398,674	5,058,038	(13,558)	24,882,012
Cumulative interest rate sensitivity gap		11,438,858	8,398,674	5,058,038		

23.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in debt securities such as Term finance certificates, Sukuks and Bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

23.2.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2026 and June 30, 2025:

Name of Banks	Balances held as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Bank Al Falah Limited	208	AAA	PACRA
Bank Al Habib Limited	4,284,706	AAA	PACRA
Mcb Bank Limited	3	AAA	PACRA
United Bank Limited	5,215,950	AAA	VIS
Allied Bank Limted	4,238	AAA	PACRA
Habib Bank Limited	14,180	AAA	VIS
Habib Metropolitan Bank Limited	10	AA+	PACRA
JS Bank Limited	36	AA	PACRA
Dubai Islamic Bank Limited	22	AA	VIS
Bank Islami Pakistan Limited	4	AA-	PACRA
	9,519,357		

Name of Banks	Balances held as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Bank AL Falah Limited	1,542	AAA	PACRA
Bank AL Habib Limited	1,350,181	AAA	PACRA
MCB Bank Limited	447	AAA	PACRA
United Bank Limited	7,018,207	AAA	VIS
Allied Bank Limted	918	AAA	PACRA
Habib Bank Limited	303,661	AAA	VIS
Habib Metropolitan Bank Limited	9	AA+	PACRA
JS Bank Limited	34	AA	PACRA
Dubai Islamic Bank Limited	21	AA	VIS
Bank Islami Pakistan Limited	4	AA-	PACRA
Summit Bank Limited	39	N/A	VIS
U Micro Finance Bank	49	A+	VIS
	8,675,112		

23.3.1 The maturity profile of the Fund's financial liabilities based on contractual maturities is given below:

	2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- (Rupees in '000) ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	34,140	-	-	**34,140**
Provision for Federal Excise Duty on remuneration of the management company	8,746	-	-	**8,746**
Payable to Central Depository Company of Pakistan Limited - Trustee	1,461	-	-	**1,461**
Payable to Securities Exchange Commission of Pakistan	2,678	-	-	**2,678**
Payable against redemption of units	810	-	-	**810**
Accrued expenses and other liabilities	341,314	-	-	**341,314**
	389,149	**-**	**-**	**389,149**

	2025			
	Upto three months	More than three months and upto one year	More than one year	Total
Financial liabilities	(Rupees in '000)			
Payable to AL Habib Asset Management Limited - Management Company	19,881	-	-	**19,881**
Provision for Federal Excise Duty on remuneration of the management company	8,746	-	-	**8,746**
Payable to Central Depository Company of Pakistan Limited - Trustee	1,311	-	-	**1,311**
Payable to Securities Exchange Commission of Pakistan	1,042	-	-	**1,042**
Payable against redemption of units	21,103	-	-	**21,103**
Accrued expenses and other liabilities	209,696	-	-	**209,696**
	261,779	**-**	**-**	**261,779**

24 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by the net assets attributable to unit holders / redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund. Unit holders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

25 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities traded.

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

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

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

		Carrying amount				Fair value			
		At fair value through profit and loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
June 30, 2026	**Note**	(Rupees in '000)							
Financial assets - measured at fair value									
Market Treasury Bills	6.1	8,785,315	-	-	8,785,315	-	8,785,315	-	8,785,315
Pakistan Investment Bonds	6.2	4,732,957	-	-	4,732,957	-	4,732,957	-	4,732,957
GOP Ijarah Sukuk	6.3	56,748	-	-	56,748	-	56,748	-	56,748
Sukuk Certificates	6.4	-	-	-	-	-	-	-	-
Term Finance Certificates	6.5	-	-	-	-	-	-	-	-
		13,575,020	-	-	**13,575,020**	-	**13,575,020**	-	**13,575,020**

		Carrying amount				Fair value			
		At fair value through profit and loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
June 30, 2025	**Note**	(Rupees in '000)							
Financial assets - measured at fair value									
Market Treasury Bills	6.1	11,162,420	-	-	11,162,420	-	11,162,420	-	11,162,420
Pakistan Investment Bonds	6.2	4,950,109	-	-	4,950,109	-	4,950,109	-	4,950,109
GOP Ijarah Sukuk	6.3	57,472	-	-	57,472	-	57,472	-	57,472
Sukuk Certificates	6.4	-	-	-	-	-	-	-	-
Term Finance Certificates	6.5	50,457	-	-	50,457	-	50,457	-	50,457
		16,220,458	-	-	16,220,458	-	16,220,458	-	16,220,458

25.1 Valuation techniques

For level 2 investments at fair value through profit or loss - investment in respect of GOP Ijarah Sukuks, Fund uses the rates which are derived from PKRV, PKFRV and PKISRV rates at reporting date per certificate multiplied by the number of certificates held as at year end.

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

25.3 Transfers during the year

No transfers were made between various levels of fair value heriarchy during the year.

26 PATTERN OF UNIT HOLDING

Unit holding pattern of the fund as at June 30, 2026 is as follows:

Category	Number of unit holders	Number of units	Investment amount (Rupees in '000)	Percentage of total investment
Individuals	18,167	176,106,987	18,167,273	79.48%
Associated companies and directors	6	60,917	6,284	0.03%
Insurance companies	398	3,854,899	397,671	1.74%
Banks and DFIs	5	44,875	4,629	0.02%
Retirement funds	223	2,158,158	222,636	0.97%
Others	4,058	39,341,102	4,058,428	17.76%
	22,857	221,566,938	22,856,921	100.00%

Unit holding pattern of the fund as at June 30, 2025 is as follows:

Category	Number of unit holders	Number of units	Investment amount (Rupees in '000)	Percentage of total investment
Individuals	745	135,788,804	13,884,331	55.81%
Associated companies and directors	4	47,047,246	4,810,581	19.34%
Insurance companies	4	6,187,296	632,651	2.54%
Banks and DFIs	1	40,951	4,187	0.02%
Retirement funds	16	4,516,288	461,790	1.86%
Others	37	49,726,037	5,084,487	20.44%
	807	243,306,622	24,878,027	100.01%

27 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

Broker name	2026	2025
	(Percentage)	
Invest One Market(Pvt)Ltd.	44.07%	27.92%
C&M Management (Pvt) Ltd	17.86%	19.45%
Continental Exchange (Pvt)Ltd	14.46%	18.45%
AKD Securities Ltd	13.00%	7.46%
ICON Capital(Pvt)Ltd	9.65%	6.45%
Arif Habib Ltd	0.96%	4.76%
JS Global Capital Ltd	0.00%	3.52%
BMA Capital Management Limited	0.00%	2.75%
Optimus Capital Management (Pvt) Ltd	0.00%	1.61%
Others	0.00%	7.63%
	100%	100%

28 PARTICULAR OF INVESTMENT COMMITTEE & FUND MANAGER

Details of Investment Committee members of the Fund / Fund Manager are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

28.1 Mr. Ahmed Abbas is also Fund Manager of AL Habib Cash Fund, AL Islamic Cash Fund, AL Habib Income Fund, AL Habib Islamic Savings Funds, AL Habib Islamic Income Fund, AL Habib Fixed Return Fund & AL Habib Islamic Munafa Fund.

29 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025 and October 24, 2025 , February 04, 2026, April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

30 TOTAL EXPENSE RATIO

In accordance with SRO 1068 dated August 23, 2021 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the year ended June 30, 2026 is 0.94% (2025: 1.68%) which includes 0.11% (June 30, 2025: 0.28%) representing Government levy and SECP fee.

31 CORRESPONDING FIGURES

Corresponding figures have been re-classified and re-arranged in these financial statements, whenever necessary to facilitate comparison and to conform with changes in presentation in the current year. No Significant rearrangements or reclassifications have been made in these financial statements during the current year.

32 GENERAL

32.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

33 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The investment objective of the AHIF and Allocation Plan(s) is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium- and short-term debt instruments while taking into account liquidity considerations.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHIF maintained strategy to get exposure in broadly diversified portfolio of high quality fixed and floating rate instruments with focus to maintain high liquidity in the fund while taking minimum risk.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 5 bps as it posted YTD return of 10.56% as against the benchmark of 10.61%.

Fund Description

Fund Type & Category	Open Ended - Income Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	June 2, 2007	**Management Fee**	0.67%
Benchmark	75% six (6) months KIBOR + 25% six (6) months average of the highest rates on savings account of three (3) AA rated Commercial Banks as selected by MUFAP	**Sales Load**	3.00% (Management has the discretion to reduce or waive load on any transaction)
Annual Return	10.56%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	10.61%	**Dealing Days/ Timings**	Monday to Thursday 4:00 pm | Friday 9:30 am to 4:30 pm
Net Assets	Rs. 22,857 million (June 30, 2026)	**Fund Stability Rating**	"AA (f)" by PACRA (April 10, 2026)
NAV per unit	Rs. 103.1603 (June 30, 2026)	**AMC Rating**	"AM1" by PACRA (August 12, 2025)
Pricing Mechanism	Forward Pricing	**Trustee**	Central Depository Company of Pakistan Limited.
Risk Profile	Medium (Principal at medium risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher

trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	40.95%	34.51%
T-Bills	33.75%	44.40%
PIBs	24.41%	19.69%
TFC	0.00%	0.20%
GoP Ijarah Sukuk	0.24%	0.23%
Others	0.65%	0.97%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	553
1001-5000	56
5001-10000	35
10001-50000	112
50001-100000	58
100001-500000	127
500001-1000000	32
1000001-5000000	42
5000001 and above	9
Grand Total	**1024**

Income Distribution

AHIF made a total distribution of Rs. 9.797 per unit during FY26 in the form of dividend, the details of which is as follows;

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 13, 2026	112.0468	102.2498	9.7970

During the period under question:

There has been no significant change in the state of affairs of the Fund. AL Habib Income Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year 76,190,290 units valued Rs. 8,086 million were sold, while 82,558,480 units valued Rs. 8,725 million were redeemed resulting in to a net redemption of 6,368,190 units valued Rs. 639 million during the year.

AHIF Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in million)	22,857	24,878
NAV per unit as at June 30 (Rs.)	103.1603	102.2498
Distribution during the year ended June 30 (Rs.)	9.7970	15.1060
Annual Return	10.56%	15.43%

AL HABIB ASSET ALLOCATION FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AAA(f) Fund Stability Rating by VIS
AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ASSET ALLOCATION FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Asset Allocation Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS' OF AL HABIB ASSET ALLOCATION FUND

Opinion

We have audited the financial statements of **AL Habib Asset Allocation Fund** ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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:

S.No	Key Audit Matter	How the matter was addressed in our audit
1.	**Existence and valuation of investments** As disclosed in note 6 to the financial statements of the Fund for the year June 30, 2026, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs. 1,153.36 million representing 88.87% of the net assets value of the Fund. As these investments represent a significant element of the statement of assets and liabilities, any discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated.	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund; • We performed substantive audit procedures on year-end balance of equity instruments including review of custodian's statement, and related reconciliations and re-performance of valuations based on share price from the Pakistan Stock Exchange (PSX).

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S.No	Key Audit Matter	How the matter was addressed in our audit
	In view of the significance of the above-mentioned balances in relation to the Fund's total assets and NAV, we considered the existence and valuation of investments as a key audit matter.	• We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

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

The Management Company 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 the Management and Board of Directors for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Trust Deed, the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and accounting and reporting standards as applicable in Pakistan and for such internal control as the Management Company determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

From the matters communicated with the Board of Directors of the Management Company, 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

UDIN: AR2026101664hVkcwx3M

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		----------Rupees in '000----------	
Assets			
Balances with banks	5	147,970	36,652
Investments	6	1,153,358	124,156
Profit and dividend receivable	7	194	188
Receivable against sale of investment		6,950	4,362
Receivable against issuance of units		2,316	150,100
Advances and deposits	8	3,810	6,151
Total assets		1,314,598	321,609
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	9	2,809	613
Payable to Central Depository Company of Pakistan Limited- Trustee	10	221	32
Payable to Securities and Exchange Commission of Pakistan	11	103	13
Payable against redemption of units		-	553
Accrued expenses and other liabilities	12	13,594	16,281
Total liabilities		16,727	17,492
Net Assets		1,297,871	304,117
Unit holders' fund (as per the statement attached)		1,297,871	304,117
Contingencies and Commitments	13		
		--------- (Number of Units) ---------	
Number of units in issue	14	12,230,035	3,033,067
		---------- (Rupees)----------	
Net asset value per unit		106.12	100.27

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------- (Rupees in '000) ----------	
Income			
Profit on bank deposits	15	17,032	6,300
Profit on investments		-	-
Dividend income		48,283	23,217
Realised gain on sale of investments - net		137,547	86,268
Unrealised appreciation on re-measurement of investments classified as financial at 'fair value through profit or loss' - net	6.1	88,708	25,504
Total income		291,570	141,289
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company		25,529	4,568
Sindh Sales Tax on management fee		3,829	684
Remuneration of Central Depository Company of Pakistan Limited - Trustee		2,123	457
Sindh Sales Tax on trustee remuneration of Trustee		318	68
Fee to Securities and Exchange Commission of Pakistan		1,176	217
Brokerage expense		5,680	1,905
Settlement and bank charges		410	396
Annual listing fee		25	25
Auditors' remuneration	16	337	337
Printing charges		-	44
Total expenses		39,427	8,701
Net income for the year before taxation		252,143	132,588
Taxation	17	-	-
Net income for the year after taxation		252,143	132,588
Allocation of net income for the year:			
Net income for the year after taxation		252,143	132,588
Income already paid on units redeemed		(138,234)	(109,214)
		113,909	23,374
Accounting income available for distribution:			
- Relating to capital gain		226,255	111,772
- Excluding capital loss		(112,346)	(88,398)
		113,909	23,374
Earning per share	18		

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026	2025
	---------- (Rupees in '000) ----------	
Net income for the year after taxation	252,143	132,588
Other comprehensive income for the year	-	-
Total comprehensive income for the year	252,143	132,588

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

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

	2026			2025		
	Capital Value	Undistributed Income	Net Asset	Capital Value	Undistributed Income	Net Asset
	----------(Rupees in '000)----------					
Net assets at the beginning of the year	310,768	(6,651)	304,117	108,837	(7,196)	101,641
Issuance of 22,837,414 units (2025: 11,870,245 units)						
- Capital value	2,289,908	-	2,289,908	1,179,428	-	1,179,428
- Element of income	442,539	-	442,539	234,209	-	234,209
Total proceeds on issuance of units	2,732,447	-	2,732,447	1,413,637	-	1,413,637
Redemption of 13,640,446 Units (2025: 9,860,157 units)						
- Capital value	(1,367,728)	-	(1,367,728)	(979,705)	-	(979,705)
- Element of loss	(218,345)	(138,234)	(356,579)	(186,433)	(109,214)	(295,647)
Total payments on redemption of units	(1,586,073)	(138,234)	(1,724,307)	(1,166,138)	(109,214)	(1,275,352)
Total comprehensive income for the year	-	252,143	252,143	-	132,588	132,588
Distribution during the year :						
Rs 27.2036 per unit (2025: Rs. 67.8608 per unit)	(206,297)	(60,232)	(266,529)	(45,568)	(22,829)	(68,397)
Net income / (loss) for the year less distribution	(206,297)	191,911	(14,386)	(45,568)	109,759	64,191
Net assets at end of the year	1,250,845	47,026	1,297,871	310,768	(6,651)	304,117
Undistributed loss brought forward						
- Realised loss		(32,155)			(32,739)	
- Unrealised gain		25,504			25,543	
		(6,651)			(7,196)	
Accounting income available for distribution						
- Relating to capital gain		226,255			111,772	
- Excluding capital gain		(112,346)			(88,398)	
		113,909			23,374	
Distribution during the year :						
Rs 27.2036 per unit (2025: Rs. 67.8608 per unit)		(60,232)			(22,829)	
Undistributed income carried forward		47,026			(6,651)	
Undistributed income carried forward comprises of:						
- Realised loss		(41,682)			(32,155)	
- Unrealised gain		88,708			25,504	
		47,026			(6,651)	
		(Rupees)			**(Rupees)**	
Net assets value per unit at beginning of the year		100.27			99.36	
Net assets value per unit at end of the year		106.12			100.27	

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	---------- (Rupees in '000) ----------	
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the year before taxation	252,143	132,588
Adjustments for non cash and other items:		
Unrealised appreciation on re-measurement of investments classified as financial at 'fair value through profit or loss' - net	(88,708)	(25,504)
	163,435	107,084
(Increase) / decrease in assets		
Investments	(940,494)	(15,349)
Profit and dividend receivable	(6)	464
Receivable against sale of investment	(2,588)	(4,362)
Receivable against issuance of investment	147,784	(150,100)
Advances and deposits	2,341	(3,839)
	(792,963)	(173,186)
(Decrease) / increase in liabilities		
Payable to AL Habib Asset Management Limited - Management Company	2,196	(99)
Payable to Central Depository Company of Pakistan Limited - Trustee	189	(10)
Payable to Securities and Exchange Commission of Pakistan	90	(5)
Payable against redemption of units	(553)	553
Accrued expenses and other liabilities	(2,687)	9,339
	(765)	9,778
Net cash used in from operating activities	(630,293)	(56,324)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(60,232)	(22,829)
Amount received on issuance of units	2,526,150	1,368,069
Amount paid on redemption of units	(1,724,307)	(1,275,352)
Net cash generated from financing activities	741,611	69,888
Net increase in cash and cash equivalents	111,318	13,564
Cash and cash equivalents at beginning of the year	36,652	23,088
Cash and cash equivalents at the end of the year	147,970	36,652

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Asset Allocation Fund (the Fund) was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited as Trustee. The Trust Deed was executed on August 06, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 26, 2017 under Rule 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on October 15, 2021, the above mentioned Trust Deed has been registered under Sindh Trust Act.

1.3 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.

1.4 The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange (PSX). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

1.5 The objective of the Fund is to provide risk adjusted competitive returns to its investors by investing in a blend of investments based on market outlook.

1.6 The Fund has been categorized as an Open-End Equity Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorization of Collective Investment Schemes and is listed on Pakistan Stock Exchange Limited . Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

1.7 The Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a Trustee of the Fund.

1.8 The Management Company has been assigned a quality rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis except for certain investments which are required to be measured at fair value.

2.3 Functional and presentation currency

These financial statement is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

2.3 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation (notes 4.2.2.1, 6)

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorization and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4. MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit or loss. The management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.2.1 Classification

Fair value through profit or loss

Financial assets not classified as measured at amortized cost are measured at FVTPL. A financial asset at FVTPL is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent, the financial asset measured at:

Equity investments at FVTPL

These assets are subsequently measured at fair value.

4.2.2.4 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognized on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.2.5 Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.6 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2.3 Financial liabilities

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the "income statement".

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realized or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety (90%) percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

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

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges, provision for transaction cost if applicable. The sales load is payable to the Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company/Distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load (if applicable), any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.7 Element of income

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

4.8 Net assets value per unit

The Net Assets Value (NAV) per unit as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.9 Revenue recognition

- Gains or losses arising on sale of investments are included in the income statement on the date at which the transaction takes place.

- Mark-up / return / income on government securities bank profits and investment in equity securities are recognized using the effective interest method.

- Unrealised gains or losses arising on investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.

- Dividend income from equity securities is recognised when the right to receive the dividend is established.

4.10 Expenses

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

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

		Note	2026	2025
			------- Rupees in '000 -------	
5.	**BALANCES WITH BANKS**			
	Saving accounts	5.1	147,970	36,652

5.1 These carry profit rates ranging from 7.75% to 9.75% (2025: 7.75% to 11.05%) per annum.

5.2 It includes balance of Rs. 130.85 million (2025: Rs 30.91 million) with Bank AL Habib Limited, (ultimate parent), a related party carrying profit rate effective at year end is 9.75% (2025: 9.25%) per annum.

6. INVESTMENTS

At fair value through profit or loss

Listed equity securities	6.1	1,153,358	124,156

6.1 Listed equity securities

Name of the Investee	As at July 01, 2025	Purchased during the period	Bonus /Right	Sold during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized gain / (loss)	Market Value as a Percentage of:	
									Net Assets	Total Investments
Automobiles Assembler										
Ghandhara Automobiles Limited	5,870	55,000	-	10,870	50,000	26,826	28,101	1,275	2.17%	2.44%
Ghandhara Industries Limited		50,000	-	33,000	17,000	14,700	16,466	1,766	1.27%	1.43%
Sazgar Engineering Works Limited	-	23,800	-	18,000	5,800	12,631	11,968	(663)	0.92%	1.04%
	5,870	**128,800**	**-**	**61,870**	**72,800**	**54,157**	**56,535**	**2,378**		
Automobile Parts and Accessories										
Baluchistan Wheels Limited	4,095	-	-	4,095	-	-	-	-	-	-
Service Long March Tyres Limited	-	1,143,601	-	-	1,143,601	26,093	29,025	2,932	2.24%	2.52%
Exide Pakistan Limited	2,180	-	-	2,180	-	-	-	-	-	-
Treet Battery Limited	-	-	-	-	-	-	-	-	-	-
	6,275	**1,143,601**	**-**	**6,275**	**1,143,601**	**26,093**	**29,025**	**2,932**		
Banks										
Askari Bank Limited	-	625,000	-	525,000	100,000	8,530	11,023	2,493	0.85%	0.96%
Bank Alfalah Limited	90,000	575,000	-	115,000	550,000	28,283	31,169	2,886	2.40%	2.70%
Bank of Punjab	-	-	-	-	-	-	-	-	-	-
Bank Islami Pakistan Limited	-	-	-	-	-	-	-	-	-	-
Faysal Bank Limited	-	-	-	-	-	-	-	-	-	-
Habib Bank Limited	-	250,000	-	50,000	200,000	60,447	58,442	(2,005)	4.50%	5.07%
Habib Metro Bank Limited	-	-	-	-	-	-	-	-	-	-
MCB Bank	-	155,500	-	55,500	100,000	35,510	40,551	5,041	3.12%	3.52%
Meezan Bank Limited	6,815	193,185	-	70,000	130,000	58,870	67,140	8,270	5.17%	5.82%
National Bank of Pakistan	30,000	530,000	-	440,000	120,000	22,636	23,820	1,184	1.84%	2.07%
United Bank Limited	50,714	318,000	-	293,714	75,000	26,421	33,575	7,154	2.59%	2.91%
	177,529	**2,646,685**	**-**	**1,549,214**	**1,275,000**	**240,697**	**265,720**	**25,023**		
Investment Banks/Companies/Securities										
Engro Holdings Limited	25,700	395,000	-	265,700	155,000	38,473	44,597	6,124	3.44%	3.87%
	25,700	**395,000**	**-**	**265,700**	**155,000**	**38,473**	**44,597**	**6,124**		
Fertilizer										
Engro Corporation Limited	-	-	-	-	-	-	-	-	-	-
Fatima Fertilizer Limited	-	-	-	-	-	-	-	-	-	-
Engro Fertilizer Limited	10,000	50,000	-	60,000	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited	-	-	-	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	19,310	188,000	-	157,310	50,000	23,851	28,674	4,823	2.21%	2.49%
	29,310	**238,000**	**-**	**217,310**	**50,000**	**23,851**	**28,674**	**4,823**		

Name of the Investee	As at July 01, 2025	Purchased during the period	Bonus /Right	Sold during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized gain / (loss)	Market Value as a Percentage of:	
									Net Assets	Total Investments
Cable And Electrical Goods										
Fast Cables Limited	-	500,000	-	500,000	-	-	-	-	-	-
	-	**500,000**	**-**	**500,000**	**-**	**-**	**-**	**-**		
Cement										
Attock Cement Pakistan Limited	-	-	-	-	-	-	-	-	-	-
Bestway Cement Limited	14,601	-	-	14,601	-	-	-	-	-	-
Cherat Cement Company Limited	5,000	55,000	-	-	60,000	20,521	20,756	235	1.60%	1.80%
D.G. Khan Cement Company Limited	17,000	215,000	-	92,000	140,000	25,426	31,258	5,832	2.41%	2.71%
Fauji Cement Company Ltd	41,380	970,000	-	511,380	500,000	26,227	28,775	2,548	2.22%	2.49%
Kohat Cement Company Limited	-	-	-	-	-	-	-	-	-	-
Lucky Cement	24,500	206,500	-	131,000	100,000	43,076	46,952	3,876	3.62%	4.07%
Maple Leaf Cement Company Limited	-	520,000	-	390,000	130,000	13,482	13,898	416	1.07%	1.21%
Pioneer Cement Limited	7,985	-	-	7,985	-	-	-	-	-	-
Thatta Cement Company Limited	-	350,000	-	350,000	-	-	-	-	-	-
	110,466	**2,316,500**	**-**	**1,496,966**	**930,000**	**128,732**	**141,639**	**12,907**		
Food and Personal Care Product										
The Organic Mear Company Limited	-	-	-	-	-	-	-	-	-	-
Barkat Frisian Agro Limited	-	-	-	-	-	-	-	-	-	-
Ghani Dairies Limited	-	2,300,000	-	275,000	2,025,000	66,825	40,399	(26,426)	3.11%	3.50%
National Foods Limited	11,965	30,000	-	22,000	19,965	6,638	7,735	1,097	0.60%	0.67%
Wahdat Poultry Farm Limited	-	513,956	-	256,978	256,978	4,626	4,777	151	0.37%	0.41%
	11,965	**2,843,956**	**-**	**553,978**	**2,301,943**	**78,089**	**52,911**	**(25,178)**		
Leather And Tanneries										
Service GlobalFootwear Limited	-	170,000	-	40,000	130,000	16,811	15,850	(961)	1.22%	1.37%
Service Industries Limited	-	5,000	-	-	5,000	7,256	11,704	4,448	0.90%	1.01%
	-	**175,000**	**-**	**40,000**	**135,000**	**24,067**	**27,554**	**3,487**		
Miscellaneous										
Shifa International Hospitals Limited	5,700	1,700	-	-	7,400	3,652	3,741	89	0.29%	0.32%
The Pakistan Credit Rating Agency Ltd	-	229,533	-	-	229,533	3,454	11,247	7,793	0.87%	0.98%
Pakistan Hotels Developers Limited	-	-	-	-	-	-	-	-	-	-
Pakistan Aluminium Beverage Cans Limited	-	-	-	-	-	-	-	-	-	-
	5,700	**231,233**	**-**	**-**	**236,933**	**7,106**	**14,988**	**7,882**		
Oil and Gas Exploration Companies										
Mari Petroleum	2,880	63,940	-	36,380	30,440	21,433	20,525	(908)	1.58%	1.78%
Oil and Gas Development Company Limited	50,000	542,500	-	232,500	360,000	97,396	120,553	23,157	9.29%	10.45%
Pakistan Oilfield Limited	-	60,000	-	28,000	32,000	21,388	22,013	625	1.70%	1.91%
Pakistan Petroleum Limited	39,500	639,000	-	168,500	510,000	106,780	123,736	16,956	9.53%	10.73%
	92,380	**1,305,440**	**-**	**465,380**	**932,440**	**246,997**	**286,827**	**39,830**		
Oil And Gas Mktg. Companies										
Pakistan State Oil Company Limited	11,000	109,000	-	120,000	-	-	-	-	-	-
Sui Northern Gas Pipelines Limited	25,000	25,000	-	50,000	-	-	-	-	-	-
	36,000	**134,000**	**-**	**170,000**	**-**	**-**	**-**	**-**		
Paper and Boards										
Security Papers Limited	-	98,255	-	-	98,255	19,841	14,680	(5,161)	1.13%	1.27%
	-	**98,255**	**-**	**-**	**98,255**	**19,841**	**14,680**	**(5,161)**		
Power Generation & Distribution										
Hub Power Company Limited	22,500	288,000	-	210,500	100,000	18,533	23,345	4,812	1.80%	2.02%
Nishat Chunian Power Limited	-	500,000	-	500,000	-	-	-	-	-	-
	22,500	**788,000**	**-**	**710,500**	**100,000**	**18,533**	**23,345**	**4,812**		
Pharmaceutical										
Abbott Laboratories (Pakistan) Limited	1,400	7,600	-	1,470	7,530	8,684	7,412	(1,272)	0.57%	0.64%
BF Biosciences Limited	-	-	-	-	-	-	-	-	-	-
Citi Pharma Ltd	-	-	-	-	-	-	-	-	-	-
Ferozsons Laboratories Limited		20,000	-	-	20,000	8,431	8,064	(367)	0.62%	0.70%
GlaxoSmithKline Pakistan Limited	17,754	19,000	-	5,000	31,754	13,174	11,757	(1,417)	0.91%	1.02%
Haleon Pakistan Limited	9,000	6,000	-	-	15,000	11,987	12,078	91	0.93%	1.05%
	28,154	**52,600**	**-**	**6,470**	**74,284**	**42,276**	**39,311**	**(2,965)**		
Technology And Communications										
Pakistan Telecommunication Company Ltd	60,000	990,000	-	780,000	270,000	8,836	17,690	8,854	1.36%	1.53%
Hum Network Limited	-	1,000,000	-	400,000	600,000	9,222	6,702	(2,520)	0.52%	0.58%
	60,000	**1,990,000**	**-**	**1,180,000**	**870,000**	**18,058**	**24,392**	**6,334**		
Textile Composite										
Nishat Chunian Limited	35,000	100,000	-	135,000	-	-	-	-	-	-
Interloop Limited	-	100,000	-	-	100,000	7,718	10,754	3,036	0.83%	0.93%
Nishat Mills Limited	-	235,000	-	40,000	195,000	29,839	30,783	944	2.37%	2.67%
Gadoon Textile Mills Limited	-	5,000	-	5,000	-	-	-	-	-	-
Gul Ahmed Textile Mills Limited	-	50,000	-	50,000	-	-	-	-	-	-
	35,000	**490,000**	**-**	**230,000**	**295,000**	**37,557**	**41,537**	**3,980**		
Glass And Ceramics										
Tariq Glass Industries Limited	7,327	9,000	-	16,327	-	-	-	-	-	-
	7,327	**9,000**	**-**	**16,327**	**-**	**-**	**-**	**-**		
Engineering										
Aisha Steel Mills Limited		885,282	-	885,282	-	-	-	-	-	-
International Industries Limited	-	40,000	-	40,000	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited		250,000	-	250,000	-	-	-	-	-	-
	-	**1,175,282**	**-**	**1,175,282**	**-**	**-**	**-**	**-**		
Insurance										
Adamjee Insurance Company Limited	-	500,000	-	420,000	80,000	6,269	6,404	135	0.49%	0.56%
	-	**500,000**	**-**	**420,000**	**80,000**	**6,269**	**6,404**	**135**		
Refinery										
Attock Refinery Limited	-	60,000	-	20,000	40,000	31,153	34,027	2,874	2.62%	2.95%
	-	**60,000**	**-**	**20,000**	**40,000**	**31,153**	**34,027**	**2,874**		

Name of the Investee	As at July 01, 2025	Purchased during the period	Bonus /Right	Sold during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized gain / (loss)	Market Value as a Percentage of:	
									Net Assets	Total Investments
Transport										
Pakistan National Shipping Corporation		25,000	-	5,000	20,000	9,980	12,987	3,007	1.00%	1.13%
Secure Logistics-Trax Group Limited	-	500,000	-	-	500,000	12,721	8,205	(4,516)	0.63%	0.71%
	-	525,000	-	5,000	520,000	22,701	21,192	(1,509)		
Total as at June 30, 2026	654,176	17,746,352		9,090,272	9,310,256	1,064,650	1,153,358	88,708		
Total as at June 30, 2025						98,653	124,156	25,504		

5.1.1 Following shares were pledged with National Clearing Company Pakistan Limited (NCCPL) as collateral against exposure margin and mark to market losses:

	June 30 2026	June 30 2025
GlaxoSmithKline Pakistan Limited	5,000	-
Hub Power Company Limited	100,000	-
Lucky Cement	50,000	-
National Bank of Pakistan	100,000	
Pakistan Petroleum Limited	10,000	10,000
Oil and Gas Development Company Limited	50,000	50,000
United Bank Limited	5,000	-
	320,000	60,000

6.1.2 As per the new Finance Act, 2023 tax on bonus shares has been re-introduced. Earlier such tax was introduced through Finance Act, 2014 and omitted through Finance Act, 2018. Finance Act, 2023 reintroduces the above taxation measure by amending the definition of ""income"" expanding from other sources and introducing a withholding tax provision @ 10% of payment of tax on Bonus shares (i.e. section 236Z) which is effect from July 01, 2023.

There is no change in the status of bonus shares of the funds withheld by company as reported in the annual financial statements of the Fund for the year ended June 30, 2026.

	June 30, 2026		
	No. of shares with held	Rate	Market Value
			-- Rupees in '000 --
Mari Energies Limited	1,440	674.29	971
Total as at June 30, 2025	1,440	626.89	903

	Note	2026	2025
		------- Rupees in '000 -------	
7. PROFIT AND DIVIDEND RECEIVABLE			
Profit receivable on bank deposit	7.1	121	188
Dividend receivable		73	-
		194	188

7.1 This includes profit receivable from Bank AL Habib Limited (ultimate parent), a related party, amounting to Rs. nil (2025: Rs. 0.18 million)

8. ADVANCES AND DEPOSITS

Deposits with			
National Clearing Company of Pakistan Limited		2,500	1,000
Central Depository Company of Pakistan Limited - Trustee		100	100
		2,600	1,100
Advance tax	8.1	1,210	4,664
Others		-	387
		3,810	6,151

8.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (the ordinance). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the Income Tax Ordinance, 2001 (the ordinance) from withholding of tax under section 150, 150A, 151 and 233 of the ordinance. The Federal Board of Revenue through a circular “C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R” dated 12 May 2015 made it mandatory to obtain exemption

certificates under section 159 (1) of the Income Tax Ordinance, 2001 (the ordinance) from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 150A and 151 of Income Tax Ordinance, 2001 (the ordinance).

9. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	2026	2025
		------- Rupees in '000 -------	
Management remuneration	9.1	2,187	278
Sindh sales tax	9.2	327	40
Allocation of expenses related to registrar services.accounting, operation and valuation services		295	295
		2,809	613

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the management fee caps for a Collective Investment Schemes shall be applicable, calculated on a per annum basis of the average daily net assets, effective from July 01, 2025, the rate is revised from 2% per annum of average daily net assets to a maximum of up to 3% per annum of average daily net assets.

9.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on the management company's remuneration.

10. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Trustee remuneration	10.1	192	28
Sales tax payable on trustee remuneration	10.2	29	4
		221	32

10.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee is fixed at 0.075% (2025: 0.075%) per annum of net assets.

10.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on the Trustee's remuneration.

11. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Annual fee payable	11.1	103	13

11.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan at 0.095% (2025: 0.095%) of net assets in accordance with regulation 62 of the NBFC Regulations.

12. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	228	246
Settlement charges	119	337
Withholding tax	12,696	1,874
Brokerage	489	-
Payable against dividend	-	13,582
Others	62	242
	13,594	16,281

13. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2026 (2025 :Nil).

14. NUMBER OF UNITS IN ISSUE

	2026	2025
	----------Number of units ----------	
Total units in issue at the beginning of the year	3,033,067	1,022,979
Add: Units issued during the year	22,837,414	11,870,245
Less: Units redeemed during the year	(13,640,446)	(9,860,157)
Total units in issue at the end of the year	12,230,035	3,033,067

15. PROFIT ON BANK DEPOSITS

	Note	2026	2025
		(Rupees in '000)	
Saving accounts	15.1	17,032	6,300

15.1 This includes profit on bank deposits with Bank AL Habib Limited, (ultimate parent), a related party of Rs. 16.22 million (2025: Rs. 5.77 million).

16. AUDITORS' REMUNERATION

	2026	2025
	(Rupees in '000)	
Annual audit fee	236	236
Fee for half yearly review	101	101
Other certifications and out of pocket expenses	-	-
	337	337

17. TAXATION

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

18. EARNINGS PER UNIT

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

19. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026		
	Fair value through profit or loss	Amortized cost	Total
	Rupees in '000		
Financial assets			
Balances with banks	-	147,970	147,970
Investments	1,153,358	-	1,153,358
Profit and dividend receivable	-	194	194
Advances and deposits	-	2,600	2,600
Receivable against issuance of units	-	2,316	2,316
Receivable against sale of units	-	6,950	6,950
	1,153,358	160,030	1,313,388
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	2,809	2,809
Payable to Central Depository Company of Pakistan Limited- Trustee	-	221	221
Payable to Securities and Exchange Commission of Pakistan	-	103	103
Payable against redemption of units	-	-	-
Accrued expenses and other liabilities	-	898	898
	-	4,031	4,031

Particulars	As at June 30, 2025		
	Fair value through profit or loss	Amortized cost	Total
	Rupees in '000		
Financial assets			
Balances with banks	-	36,652	36,652
Investments	124,156	-	124,156
Profit and dividend receivable	-	188	188
Advances and deposits	-	1,100	1,100
Receivable against issuance of units	-	150,100	-
Receivable against sale of units	-	4,362	-
	124,156	192,402	162,096
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	573	573
Payable to Central Depository Company of Pakistan Limited- Trustee	-	28	28
Payable to Securities and Exchange Commission of Pakistan	-	13	13
Payable against redemption of units	-	553	553
Accrued expenses and other liabilities	-	14,407	14,407
	-	15,574	15,574

20. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

20.1 Related parties/ connected persons include AL Habib Fund Managers Limited being the Management Company, Bank AL Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

20.2 Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

20.3 Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above companies.

Details of transactions with connected persons are as follows:

	2026	2025
	----------(Rupees in '000)--------	
AL Habib Asset Management Limited - Management Company		
- Management Remuneration	25,529	4,568
- Sindh Sales Tax on Management Company's remuneration	3,829	684
- Expense Allocated	-	-
- Dividend Paid	-	-
AL Habib Capital Markets (Private) Limited- Brokerage House		
- Brokerage	1,054	326
Central Depository Company of Pakistan Limited - Trustee		
-Trustee Remuneration	2,123	457
- Sindh Sales Tax on Trustee Remuneration	318	68

Details of balances with connected persons at year end are as follows:

Bank AL Habib Limited		
- Bank balance	130,848	34,369
- Dividend paid	-	13,582
- Profit receivable	-	177

	2026	2025
	----------(Rupees in '000)--------	
AL Habib Asset Management Limited - Management Company		
- Management Company fee payable	2,809	613
Central Depository Company of Pakistan Limited - Trustee		
-Remuneration payable	221	32
-Security deposit - Non interest bearing	100	100

Sale / redemption of units during the year	**2026**		**2025**	
	(Units)	**(Rupees in '000)**	**(Units)**	**(Rupees in '000)**
Units sold to:				
Management Company				
AL Habib Asset Management Limited	1,434,268	179,960	4,274,688	520,229
Other related parties				
- Key executive of the Management Company	451	58	2,347	319
- Habib Asset Management Ltd. Emp. Provident Fund	118,578	14,000	-	-
Connected party holding 10% or more of the units issue	-	-	4,274,688	520,229
Directors	10,152,449	1,210,671	-	-
Units redeemed by:				
Management Company				
AL Habib Asset Management Limited	3,736,100	455,656	2,627,025	36,563
Parent Companies				
- Bank AL Habib Limited	200,149	23,685	-	-
Other related parties				
- Key executive of the Management Company	847	96	-	-
- Habib Asset Management Ltd. Emp. Provident Fund	118,578	15,486	-	-

Sale / redemption of units during the year	**2026**		**2025**	
	(Units)	**(Rupees in '000)**	**(Units)**	**(Rupees in '000)**
Connected party holding 10% or more of the units issue	-	-	2,627,025	336,563
Units held by:				
Management Company				
AL Habib Asset Management Limited	140	15	2,301,972	230,819
Parent Companies				
- Bank AL Habib Limited	-	-	200,149	20,069
Other related parties				
- Key executive of the Management Company	2,488	264	2,884	289
- Habib Asset Management Ltd. Emp. Provident Fund	-	-	-	-
Connected party holding 10% or more of the units issue	-	-	-	-
Directors	10,152,449	1,077,378	2,301,972	230,819

21. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of equity instruments and deposit current account balances.These activities expose the Fund to a variety of financial risks, such as market risk, credit risk and liquidity risk.

21.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk; currency risk, interest rate risk and other price risk. The fund is exposed to interest rate and provision only.

21.1.1 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.

a) Sensitivity analysis of variable rate

The Fund is exposed to cash flow interest rate risk for balances in certain savings account, the interest rates on which range between 5.00% to 9.75% per annum.

In case of 100 basis points increase / (decrease) in interest rates on June 30, 2026 with all other variable held constant, the net income for the year and the net assets would have been higher / lower by Rs. 1.480 million (2025: Rs. 0.400 million).

b) Sensitivity analysis of fixed rate

Since the Fund currently does not have any fixed rate instruments that are impacted by market interest rates, therefore, it is not exposed to fair value interest rate risk. Yield / Interest rate sensitivity position for financial instrument is as follows:

		As at June 30, 2026				
		Exposed to yield / interest rate risk				
Particulars	Effective yield / interest rate	Upto three months	More than three months and upto one year	More than one year	Not exposed to yield / interest rate risk	Total
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	5.00 - 9.75	147,970	-	-	-	147,970
Investments		-	-	-	1,153,358	1,153,358
Profit and dividend receivable		-	-	-	194	194
Advances and deposits		-	-	-	2,600	2,600
Sub total		147,970	-	-	1,156,152	1,304,122
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company					2,809	2,809
Payable to Central Depository Company of Pakistan Limited- Trustee		-	-	-	221	221
Payable to Securities and Exchange Commission of Pakistan		-	-	-	103	103
Accrued expenses and other liabilities		-	-	-	898	898
Sub total		-	-	-	4,031	4,031
On-balance sheet gap (a)		147,970	-	-	1,152,121	1,300,091
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		147,970	-	-	1,152,121	1,300,091
Cumulative interest rate sensitivity gap		147,970	-	-		

Particulars	Effective yield / interest rate	As at June 30, 2025				
		Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
		Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	7.75 - 11.05	36,652	-	-	-	36,652
Investments		-	-	-	124,156	124,156
Profit and dividend receivable		-	-	-	188	188
Advances and deposits		-	-	-	1,100	1,100
Sub total		36,652	-	-	125,444	162,096
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	573	573
Payable to Central Depository Company of Pakistan Limited- Trustee		-	-	-	28	28
Payable to Securities and Exchange Commission of Pakistan		-	-	-	13	13
Accrued expenses and other liabilities		-	-	-	14,407	14,407
Sub total		-	-	-	15,021	15,021
On-balance sheet gap (a)		36,652	-	-	110,423	147,075
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		36,652	-	-	110,423	147,075
Cumulative interest rate sensitivity gap		36,652	-	-		

21.1.2 Price risk

Price risk is 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 instruments traded in the market.

The Fund is exposed to equity price risk because of investments held by the Fund in listed equity securities classified as financial assets at 'fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within eligible stocks. The Fund's constitutive document and NBFC Regulations also limit investment in individual equity securities to no more than 15% of net assets of the Fund, or issued capital of the investee company respectively.

In case of 5% increase / decrease in price of all shares held by Fund at the year end, net income for the year would increase / decrease by Rs 57.668 million (2025: Rs 6.163 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

21.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in Bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

21.2.1 The analysis below summarises the credit quality of the Fund's bank balances as at June 30, 2026 and June 30, 2025:

Bank	Balances held by the Fund as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	(Rupees in '000')		
Balances with banks by rating category			
JS Bank Limited	48	AA	PACRA
Dubai Islamic Bank Limited	123	AA	VIS
MCB Bank Limited	16,951	AAA	PACRA
Bank Al Habib Limited	129,645	AAA	PACRA
Bank Al Habib Limited	1,203	AAA	PACRA
	147,970		

Bank	Balances held by the Fund as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
	(Rupees in '000')		
Balances with banks by rating category			
JS Bank Limited	384	AA	PACRA
Dubai Islamic Bank Limited	116	AA	VIS
MCB Bank Limited	5,237	AAA	PACRA
Bank Al Habib Limited	34,179	AAA	PACRA
Bank Al Habib Limited	190	AAA	PACRA
	40,106		

21.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

	2026	2025
Rating by rating category	---------- (Percentage) ----------	
AA	0.08%	1.25%
AAA	99.92%	98.75%
	100.00%	100.00%

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in Government securities and bank balances, having satisfactory credit rating, therefore the fund is not exposed to any concentration of credit risk.

21.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligation will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	2,089	-	-	2,089
Payable to Central Depository Company of Pakistan Limited- Trustee	221	-	-	221
Payable to Securities and Exchange Commission of Pakistan	103			103
Accrued expenses and other liabilities	898	-	-	898
	4,031	-	-	4,031

Particulars	As at June 30, 2025			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	573	-	-	573
Payable to Central Depository Company of Pakistan Limited- Trustee	28	-	-	28
Payable to Securities and Exchange Commission of Pakistan	13			13
Accrued expenses and other liabilities	14,407	-	-	14,407
	15,021	-	-	15,021

22. UNITS HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

23. 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 - Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities ;

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

Level 3 - Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

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

Particulars	2026						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note ---------- Rupees in '000' ----------						
Financial assets measured at fair value							
Listed equity securities	1,153,358	-	1,153,358	1,153,358	-	-	1,153,358
Financial assets not measured at fair value							
Balances with banks	-	147,970	147,970				
Profit and dividend receivable	-	194	194				
Advances and deposits	-	2,600	2,600				
	-	150,764	150,764				
Financial liabilities not measured at fair value							
Payable to AL Habib Asset Management Limited - Management Company	-	2,809	2,809				
Payable to Central Depository Company of Pakistan Limited- Trustee		221	221				
Payable to Securities and Exchange Commission of Pakistan	-	103	103				
Accrued expenses and other liabilities	-	898	898				
	-	4,031	4,031				

Particulars	2025						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note ---------- Rupees in '000' ----------						
Financial assets measured at fair value							
Listed equity securities	124,156	-	124,156	124,156	-	-	124,156
Financial assets not measured at fair value							
Bank balances	-	36,652	36,652				
Profit and dividend receivable	-	188	188				
Advances and deposits	-	1,100	1,100				
	-	37,940	37,940				
Financial liabilities not measured at fair value							
Payable to AL Habib Asset Management Limited - Management Company	-	573	573				
Payable to Central Depository Company of Pakistan Limited- Trustee	-	28	28				
Payable to Securities and Exchange Commission of Pakistan	-	13	13				
Accrued expenses and other liabilities	-	14,407	14,407				
	-	15,021	15,021				

23.1 Valuation techniques

For level 1 investments at fair value through profit or loss - investment in respect of equity securities, the Fund uses daily quotation rates which are taken from Pakistan Stock Exchange Limited at the reporting date.

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

23.3 No transfer were made between various levels of fair value hierarchy during the year.

24. PATTERN OF UNITHOLDING

Pattern of unit holding at June 30, 2026 is as follows:

Category	----------As at June 30, 2026----------			
	No. of unit holders	Number of units held	Investment amount	Percentage of total
Individuals	331	12,159,503	1,290,366	99.42%
Associated Comapanies and Directors	1	140	15	0.00%
Retirement Funds	1	25,448	2,701	0.21%
Others	1	44,944	4,789	0.37%
	334	12,230,035	1,297,871	100%

Pattern of unit holding at June 30, 2025 is as follows:

Category	----------As at June 30, 2025----------			
	No. of unit holders	Number of units held	Investment amount	Percentage of total
Individuals	169	473,530	50,251	15.61%
Associated Comapanies and Directors	2	2,502,121	265,525	82.50%
Retirement Funds	1	20,231	2,147	0.67%
Others	1	37,185	3,937	1.22%
	173	3,033,067	321,860	100%

25. BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

Broker name	2026	2025
	(Percentage)	
Al-Habib Capital Market (Pvt) Limited	20.73%	19.69%
DJM Securities Limited	4.77%	7.62%
Habib Metropolitan Financial Services Limited	5.03%	7.23%
Arif Habib Limited	6.79%	8.07%
Optimus Market Private Limited	8.73%	7.37%
Topline Securities (Pvt) Limited	10.20%	6.54%
BMA Capital Management Limited	0.60%	11.25%
Ismail Iqbal Securities (Pvt) Limited	4.91%	5.34%
Adam Securities Limited	5.64%	0.00%
JS Global Capital Limited	5.10%	11.13%
K Trade	0.00%	11.24%
AKD Securities Limited	8.19%	0.00%
Intermarket Securities Limited	6.66%	0.00%

26. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

26.1 Details of investment committee members of the Fund are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

26.2 Other funds managed by the fund manager

Mr. Hamza Abdul Rehman Siddiqui is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- AL Habib Stock Fund
- AL Habib Islamic Stock Fund

27. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 04, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

28. TOTAL EXPENSE RATIO (TER)

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the year ended June 30, 2026 is 3.18% (June 30, 2025: 3.79%) which includes 0.49% (June 30, 2025: 0.53%) representing Government levy and SECP fee.

29. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the year.

30. GENERAL

30.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

31. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective:

The objective of AHAAF is to provide risk adjusted competitive returns to its investor by investing in multiple asset classes based on market outlook.

Fund Objective Achieved:

The fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHAAF maintained its strategy of reaping maximum benefits emanating from volatility experienced in both equity and debt markets. The selection criterion for equity securities is based upon hybrid investment approach with companies having sound financial history backed by strong fundamentals. The exposure in debt portion was also in line with the investment objectives with preference given to highly rated and liquid debt securities.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 27 bps as it posted YTD return of 32.91% as against the benchmark of 33.18%.

Fund Description

Fund Type & Category	Open Ended - Asset Allocation Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	November 08, 2017	**Management Fee**	2.06%
Benchmark	Weighted average of daily return of KSE 100 Index, plus 75% six (6) months KIBOR + 25% six (6) months average of the highest ratees on savings account of three (3) AA rated Commercial Banks, plus 90% three (3) months PKRV rates + 10% three (3) months average of highest rates of saving accounts of three (3) AA rated scheduled banks as selected by MUFAP, based on the actual allocation of the Fund.	**Sales Load**	2% front-end-load (Management has the discretion to reduce or waive load on any transaction)
Annual Return	32.91%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	33.18%	**Dealing Days/ Timings**	Monday to Thursday 9:00 am to 3:30 pm Friday 9:00 am to 4:30 pm
Net Assets	Rs. 1,297 million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 106.1215 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Risk Profile**	High (Principal at High Risk)

Market Review:

Pakistan's economy sustained its recovery momentum, with GDP growth accelerating to 3.7% YoY, supported by growth of 3.5% in industry, 4.1% in services and 2.9% in agriculture. Average CPI inflation increased to 7.05% in FY26 from 4.49% in FY25, reflecting higher price pressures during the latter part of the year, partly due to elevated energy prices and geopolitical tensions. The SBP maintained policy rate at 11% for most of 1H of FY26 and later closed the fiscal year at 11.5% after making adjustments during the 2H of FY26. The current account recorded a marginal deficit of USD 139 million in FY26, compared to a surplus of USD 1.84 billion in FY25. Meanwhile, workers' remittances rose by 8.58% YoY to a record USD 41.58 billion, compared to USD 38.3 billion in FY25.

On the equity front, the KSE-100 Index surged by 43.49% in FY26 to close at 180,302 points taking support from improved corporate profitability and progress under the IMF program. Geopolitical tensions and resultant increase in oil prices moderated KSE-100 gains in the 2H of FY26.

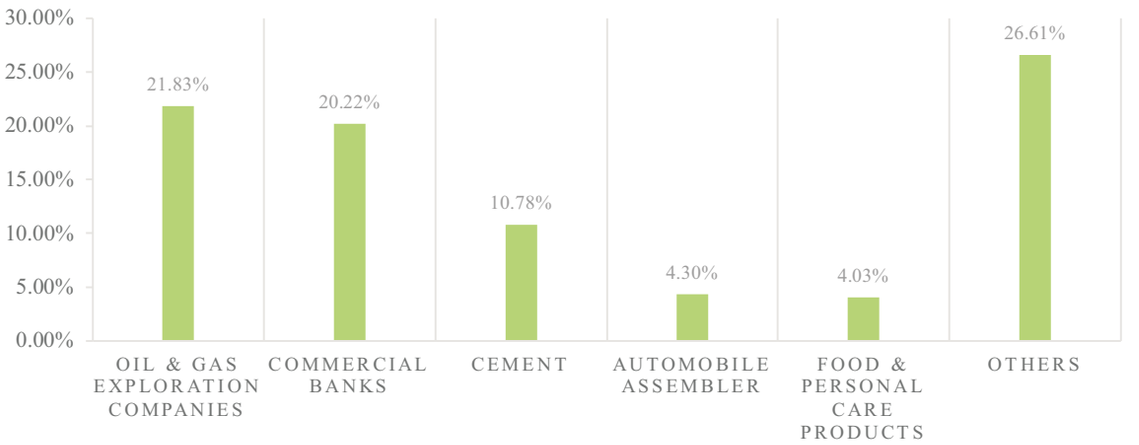
The KSE-100 index is currently trading at a forward price-to-earnings ratio of 7.5x offering a dividend yield of approximately 6.5%. The market remains attractive on current valuation when compared to its medium-long term historical multiples. While external risk factors persist, any possible stabilization in geopolitical dynamics and continued progress on government's economic reform agenda shall likely unlock value and derive favorable returns for equity investors.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Asset Allocation of Fund (as a % of total assets)

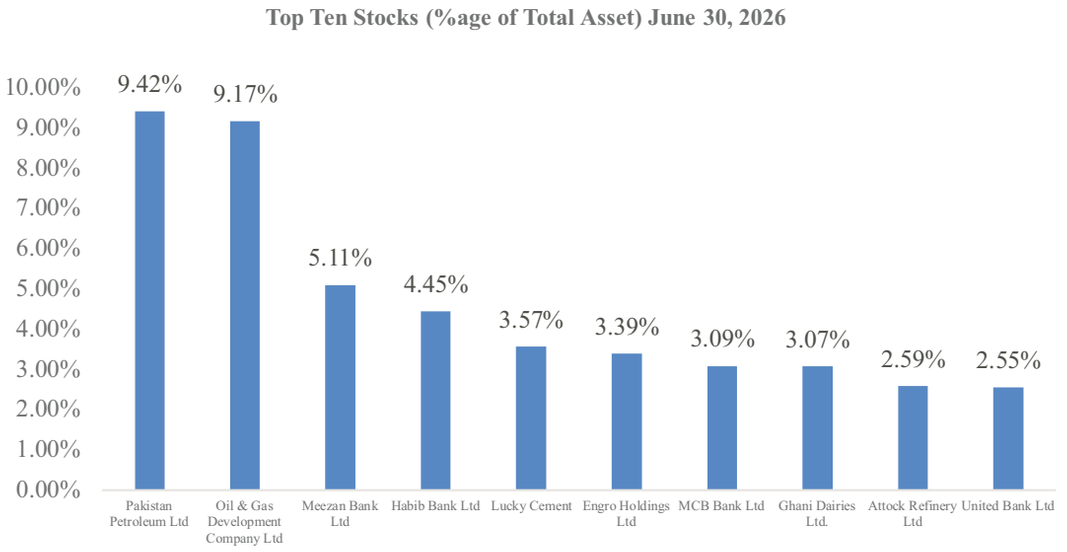
Particulars	30-Jun-26	30-Jun-25
Cash	11.26%	12.47%
Equity	87.77%	38.32%
Others	0.97%	49.21%

SECTOR ALLOCATION (%AGE OF TOTAL ASSETS) JUNE 30, 2026



Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	208
1001-5000	44
5001-10000	20
10001-50000	15
50001-100000	3
100001-500000	2
500001-1000000	1
10000001-100000000	1
Grand Total	**294**



Income Distribution

AHAAF made a total distribution of Rs.27.2036 per unit during FY26 in the form of dividend, the details of which is as follows:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun-26	133.5639	106.3603	27.2036

During the period under question:

There has been no significant change in the state of affairs of the Fund. Al Habib Asset Allocation Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year ended FY26, 782,526 units valued Rs. 100 million were sold while 221,209 units valued of Rs 25 million were redeemed resulting in a net sale of 561,317 units valued Rs. 75 million.

AHAAF Performance at a Glance

	2025	2024
Net Assets as at June 30 (Rs. in billion)	1,297	304
NAV per unit as at June 30 (Rs.)	106.1215	100.2669
Distribution during the year ended June 30 (Rs.)	27.2036	67.8608
Annual Return	32.91%	69.40%

AL HABIB STOCK FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AAA(f) Fund Stability Rating by VIS
AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB STOCK FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Stock Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITORS' REPORT ON THE AUDIT FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB STOCK FUND

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **AL Habib Stock Fund** ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true & fair view of the financial position of the Fund as at JUNE 30, 2026, and its financial performance and its cash flows for the year ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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 year. 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Following are the key audit matters:

S.NO	Key audit matter	How the matter was addressed in our audit
1.	**Existence and valuation of investments** As Disclosed in note 6 to the accompanying financial statements, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs.17,597.53 million representing 95.87% of the net assets value of the Fund. As these investments represents a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as the valuation of investments in the main driver of movements in the performance of the Fund. In view of the significance of these investments in relation to the total assets and the NAV of the Fund, we have considered the existence and valuation of such investments as a key audit matter.	**Our audit procedures included the following:** • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund; • Performed substantive audit procedures on the year-end balance of equity instruments including review of custodian's statement, and related reconciliations and re-performance of valuations based on share price from the Pakistan Stock Exchange (PSX). • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

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

The Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Responsibilities of the Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

- Conclude on the appropriateness of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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 Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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 of the Management Company, 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

KARACHI

DATED: 25 SEP 2026

UDIN: AR2026101666aEf4duUY

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		----------(Rupees in '000)---------	
Assets			
Balances with banks	5	1,778,850	487,636
Investments	6	17,597,530	4,989,666
Dividend and profit receivable	7	7,115	6,602
Receivable against sale of units		25,431	13,899
Advances and deposits	8	1,318	1,318
Total assets		19,410,244	5,499,121
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	9	43,160	8,242
Provision for Federal Excise Duty on remuneration of the Management Company	10	2,043	2,043
Payable to Central Depository Company of Pakistan Limited - Trustee	11	1,945	919
Payable to Securities and Exchange Commission of Pakistan	12	1,175	328
Payable against purchase of investment		830,705	455,393
Payable against redemption of units		21,723	32,279
Accrued expenses and other liabilities	13	152,947	55,073
Total liabilities		1,053,698	554,277
Net Assets		18,356,546	4,944,844
Unit Holders' Fund (As Per The Statement Attached)		18,356,546	4,944,844
Contingencies and Commitments	14		
		--------(Number of units)--------	
Number of units in issue	15	115,744,315	38,335,523
		(Rupees)	
Net assets value per unit		158.60	128.99

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------- (Rupees in '000) ----------	
Income			
Profit on saving accounts with banks	16	40,029	21,795
Dividend income		590,220	241,473
Net gain on investments designated at fair value through profit or loss			
- Capital gain on sale of investments		3,093,342	935,814
- Unrealised appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net	6.1	985,361	567,192
		4,078,703	1,503,006
Total income		4,708,952	1,766,274
Expense			
Remuneration of AL Habib Asset Management Limited - Management Company		414,273	60,293
Sindh Sales Tax on Management Company's remuneration		62,141	9,035
Remuneration of Central Depository Company of Pakistan Limited - Trustee		14,809	4,008
Sindh Sales Tax on remuneration of the Trustee		2,221	601
Fee to the Securities and Exchange Commission of Pakistan		13,118	2,864
Brokerage expense		117,298	28,010
Settlement and bank charges		6,542	824
Annual listing fee		13	1
Auditors' remuneration	17	425	425
Printing charges		-	1
Total expenses		630,840	106,062
Net income for the year before taxation		4,078,112	1,660,212
Taxation	18	-	-
Net income for the year after taxation		4,078,112	1,660,212
Allocation of net income for the year after taxation			
Net income for the year after taxation		4,078,112	1,660,212
Income already paid on units redeemed		(2,623,286)	(982,104)
		1,454,826	678,108
Accounting income available for distribution:			
- Relating to capital gain		4,078,703	1,503,006
- Excluding capital loss		(2,623,877)	(824,898)
		1,454,826	678,108
Earnings per unit	19		

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026	2025
	--------- (Rupees in '000) ---------	
Net income for the year after taxation	4,078,112	1,660,212
Other comprehensive income for the year	-	-
Total comprehensive income for the year	4,078,112	1,660,212

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			2025		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	(Rupees in '000)					
Net assets at beginning of the year	4,537,380	407,464	4,944,844	1,427,572	(32,713)	1,394,859
Issuance of 262,296,577 units (2025: 103,185,400 units)						
- Capital value	33,833,635	-	33,833,635	10,319,572	-	10,319,572
- Element of income	10,889,961	-	10,889,961	4,473,428	-	4,473,428
Amount recievd on issuance of units	44,723,596	-	44,723,596	14,793,000	-	14,793,000
Redemption of 184,887,785 units (2025: 78,797,069 units)						
- Capital value	(23,848,675)	-	(23,848,675)	(7,880,495)	-	(7,880,495)
- Element of loss	(6,473,022)	(2,623,286)	(9,096,308)	(2,607,901)	(982,104)	(3,590,005)
Amount paid on redemption on units	(30,321,697)	(2,623,286)	(32,944,983)	(10,488,396)	(982,104)	(11,470,500)
Total comprehensive income for the year -		4,078,112	4,078,112	-	1,660,212	1,660,212
Distribution during the year:	(1,895,019)	(550,004)	(2,445,023)	(1,194,796)	(237,931)	(1,432,727)
Rs.26.5011 per unit (2025: 52.00 per unit)						
Net assets at end of the year	17,044,260	1,312,286	18,356,546	4,537,380	407,464	4,944,844
Accumulated loss brought forward						
- Realized loss		(159,728)			(132,204)	
- Unrealised income		567,192			99,491	
		407,464			(32,713)	
Accounting income available for distribution						
- Relating to capital gain		4,078,703			1,503,006	
- Excluding capital loss		(2,623,877)			(824,898)	
		1,454,826			678,108	
Distribution during the year:						
Rs.26.5011 per unit(2025: 52.00 per unit)		(550,004)			(237,931)	
Accumulated loss carried forward		1,312,286			407,464	
Accumulated loss carried forward comprises of:						
- Realised gain / (loss)		326,925			(159,728)	
- Unrealised gain		985,361			567,192	
		1,312,286			407,464	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		128.99			100.01	
Net assets value per unit at end of the year		158.60			128.99	

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES		--------- (Rupees in '000) ---------	
Net income for the year before taxation		4,078,112	1,660,212
Adjustments for:			
Unrealised appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net		(985,361)	(567,192)
		3,092,751	1,093,020
(Increase) / decrease in assets			
Investments		(11,622,503)	(3,234,194)
Dividend and profit receivable		(513)	(2,747)
Receivable against sale of units		(11,532)	319,746
Receivable against sale of investment		-	-
Advances and deposits		-	2,375
		(11,634,548)	(2,914,820)
Increase/ (decrease) in liabilities			
Payable to AL Habib Asset Management Limited - Management Company		34,918	6,402
Payable to Central Depository Company of Pakistan Limited - Trustee		1,026	746
Payable to Securities and Exchange Commission of Pakistan		847	217
Payable against purchase of investment		375,312	318,053
Payable against redemption of units		(10,556)	32,279
Accrued expenses and other liabilities		97,874	38,215
		499,421	395,912
Net cash used in operating activities		(8,042,376)	(1,425,888)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units		42,828,577	13,598,204
Payment against redemption of units		(32,944,983)	(11,470,500)
Dividend paid during the year		(550,004)	(237,931)
Net cash generated from financing activities		9,333,590	1,889,773
Net increase in cash and cash equivalents during the year		1,291,214	463,885
Cash and cash equivalents at beginning of the year		487,636	23,751
Cash and cash equivalents at end of the year	5	1,778,850	487,636

The annexed notes 1 to 33 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Stock Fund (the "Fund") was established under a Trust Deed between AL Habib Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was executed on August 21, 2008 and was approved by the Securities and Exchange Commission of Pakistan on August 11, 2008 under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act.Accordingly, on October 15, 2021, the above mentioned Trust Deed has been registered under Sindh Trust Act.

1.3 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd Floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.

1.4 The Fund has been categorized as an Open-End Equity Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes and is listed on Pakistan Stock Exchange Limited . Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a Trustee of the Fund.

1.5 The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio invested primarily in diversified pool of listed equities and related instruments. The Fund will primarily focus on investment in undervalued shares listed on Stock Exchanges. From time to time the Fund may invest in money and debt markets, Continuous Funding System, ready future spread transactions, fixed income securities or low risk assets when it has a bearish view on stock market.

1.6 The Management Company has been assigned a quality rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025.

1.7 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.2 Statement of compliance

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

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

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

2.3 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.4 Functional and presentation currency

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

2.5 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation (notes 4.2.2.1, 6).

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is an contract that gives rise to a financial asset of an entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financials assets are classified into appropriate categories at amortized cost and at fair value through profit or loss.The management determines the classification of financial assets into categories based on fund’s business model for managing the financial and the contractual terms of the cash flows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.2.1 Classification

Fair value through profit or loss

Financial assets not classified as measured at amortized cost are measured at FVTPL. A financial asset at FVTPL is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition

Subsequent, the financial asset measured at:

Equity investments at FVTPL

These assets are subsequently measured at fair value.

4.2.2.3 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the income statement.

4.2.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent (90%) of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent (90%) of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability has been recognised in these financial statements.

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

4.5 Proposed distributions

Distribution to unit holders are recognized upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are subject to the approval of the Board of Directors of the Manangement Company and considered as non-adjusting events and are recognised before the reporing date.

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.7 Element of income

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

4.8 Net asset value per unit

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

4.9 Revenue recognition

- Gains or losses arising on the sale of investments are recorded at the date at which the transaction take place;
- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.
- Income on government securities is recognised on a time proportionate basis using the effective yield method.
- Profit on bank balances is recognised on an accrual basis.

4.10 Expenses

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

		2026	2025
5. BALANCES WITH BANKS	**Note**	**------- Rupees in '000 -------**	
Savings accounts	5.1 & 5.2	1,778,850	487,636

5.1 These carries profit rates ranging from 5% to 11.40% (2025: 10% to 11.05%) per annum.

5.2 It includes a balance of Rs. 1,768.53 million (2025: Rs. 483.34 million) with Bank AL Habib Limited (ultimate parent), a related party.

6. INVESTMENTS

Financial assets at fair value through profit or loss			
Listed equity securities	6.1	17,597,530	4,989,666

6.1 Investment in Listed equity Sequrities:

Name of the Investee	As at July 01, 2025	Purchased during the period	Sold during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized / Gain loss	Market value as a percentage of:	
								Net Assets	Total Investments
	----------Number of shares----------				----------(Rupees in '000)----------				
Commercial Banks									
Askari Bank Limited	1,255,000	11,708,629	8,517,498	4,446,131	460,809	490,097	29,288	2.67%	2.79%
Bank Alfalah Limited	2,955,521	10,900,000	6,205,521	7,650,000	421,348	433,526	12,178	2.36%	2.46%
Habib Bank Limited	-	4,261,193	1,873,693	2,387,500	716,034	697,651	(18,383)	3.80%	3.96%
Habib Metropolitan Bank Limited	-	3,000,000	1,273,118	1,726,882	198,591	200,456	1,865	1.09%	1.14%
MCB Bank Limited	440,000	1,757,999	1,318,999	879,000	324,524	356,443	31,919	1.94%	2.03%
Meezan Bank Limited	195,000	4,189,739	2,717,239	1,667,500	798,797	861,197	62,400	4.69%	4.89%
National Bank of Pakistan	1,227,901	9,134,500	8,467,401	1,895,000	372,543	376,158	3,615	2.05%	2.14%
Soneri Bank Limited	-	-	-	-	-	-	-	0.00%	0.00%
United Bank Limited	1,709,782	4,720,000	4,744,782	1,685,000	669,003	754,324	85,321	4.11%	4.29%
	7,783,204	**49,672,060**	**35,118,251**	**22,337,013**	**3,961,649**	**4,169,852**	**208,203**		
Oil And Gas Marketing Companies									
Sui Northern Gas Pipeline Limited	785,000	3,125,000	2,104,000	1,806,000	187,732	218,400	30,668	1.19%	1.24%
Pakistan State Oil	385,000	2,030,000	2,415,000	-	-	-	-	-	-
Attock Petroleum Limited	63,000	739,302	74,635	727,667	392,942	391,659	(1,283)	2.13%	2.23%
	1,233,000	**5,894,302**	**4,593,635**	**2,533,667**	**580,674**	**610,059**	**29,385**		
Chemical									
Biafo Industries Limited	140,000	-	140,000	-	-	-	-	-	-
Ghani Chemical Industries Limited	-	-	-	-	-	-	-	-	-
	140,000	-	**140,000**	-	-	-	-		
Fertilizers									
Engro Fertilizers Limited	350,000	495,000	845,000	-	-	-	-	-	-
Engro Corporation Limited	-	-	-	-	-	-	-	0.00%	0.00%
Fatima Fertilizer Company Limited	-	3,629,426	2,187,047	1,442,379	229,502	238,425	8,923	1.30%	1.35%
Fauji Fertilizer Bin Qasim Limited	-	-	-	-	-	-	-	0.00%	0.00%
Fauji Fertilizer Company Limited	925,000	4,584,970	4,514,970	995,000	535,029	570,613	35,584	3.11%	3.24%
	1,275,000	**8,709,396**	**7,547,017**	**2,437,379**	**764,531**	**809,038**	**44,507**		

Name of the Investee	As at July 01, 2025	Purchased during the period	Sold during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized / Gain loss	Market value as a percentage of:	
								Net Assets	Total Investments
	----------Number of shares----------				----------(Rupees in '000)----------				
Oil And Gas Exploration Companies									
Mari Energies Company Limited	43,800	1,362,279	831,679	574,400	388,242	387,312	(930)	2.11%	2.20%
Oil and Gas Development Company Limited	1,919,925	10,220,000	7,209,425	4,930,500	1,467,331	1,651,077	183,746	8.99%	9.38%
Pakistan Oilfeilds Limited	125,000	1,035,000	735,000	425,000	285,703	292,362	6,659	1.59%	1.66%
Pakistan Petroleum Limited	1,701,500	13,503,116	8,251,616	6,953,000	1,581,792	1,686,937	105,145	9.19%	9.59%
	3,790,225	**26,120,395**	**17,027,720**	**12,882,900**	**3,723,068**	**4,017,688**	**294,620**		
Miscellaneous									
Pakistan Aluminium Beverage Cans Limited	-	-	-	-	-	-	-	-	-
Shifa International Hospitals Limited	145,219	72,352	87,571	130,000	64,675	65,714	1,039	0.36%	0.37%
Pakistan Hotels Developers Limited	-	-	-	-	-	-	-	-	-
	145,219	**72,352**	**87,571**	**130,000**	**64,675**	**65,714**	**1,039**		
Cement									
Attock Cement Pakistan Limited	-	-	-	-	-	-	-	-	-
Bestway Cement Limited	100,000	-	100,000	-	-	-	-	-	-
Cherat Cement Pakistan Limited	255,000	1,684,025	1,089,025	850,000	280,028	294,041	14,013	1.60%	1.67%
D.G. Khan Cement Company Limited	670,188	1,516,000	1,061,188	1,125,000	215,387	251,179	35,792	1.37%	1.43%
Fauji Cement Co Limited	1,700,000	15,144,777	8,640,537	8,204,240	456,412	472,154	15,742	2.57%	2.68%
Kohat Cement Company Limited	-	1,786,842	416,842	1,370,000	161,121	150,864	(10,257)	0.82%	0.86%
Lucky Cement Limited	755,000	3,447,564	2,406,564	1,796,000	797,355	843,258	45,903	4.59%	4.79%
Maple Leaf Cement Factory Limited	1,911,900	5,900,000	5,191,900	2,620,000	257,381	280,104	22,723	1.53%	1.59%
Pioneer Cement Limited	370,000	-	370,000	-	-	-	-	-	-
Thatta Cement Company Limited	-	2,650,000	2,650,000	-	-	-	-	-	-
	5,762,088	**32,129,208**	**21,926,056**	**15,965,240**	**2,167,684**	**2,291,600**	**123,916**		
Automobiles Assemblers Parts And Accessories									
Atlas Battery Limited	-	-	-	-	-	-	-	-	-
Balochistan Wheels Limited	-	-	-	-	-	-	-	-	-
Exide Pakistan Limited	60,085	-	60,085	-	-	-	-	-	-
Ghandhara Automobiles Limited	160,000	1,072,627	379,676	852,951	440,548	479,376	38,828	2.61%	2.72%
Ghandhara Industries Limited	57,000	584,782	418,000	223,782	199,123	216,749	17,626	1.18%	1.23%
Panther Tyres Limited.	-	-	-	-	-	-	-	0.00%	0.00%
Sazgar Engineering Works Limited	-	339,107	260,922	78,185	172,206	161,334	(10,872)	0.88%	0.92%
ServiceLongMarchTyresLimited	-	9,531,389	206,182	9,325,207	220,165	236,674	16,509	1.29%	1.34%
Thal Limited	-	163,039	61,432	101,607	48,940	65,561	16,621	0.36%	0.37%
	277,085	**11,690,944**	**1,386,297**	**10,581,732**	**1,080,982**	**1,159,694**	**78,712**		
Pharmaceutical									
Abbott Lab (Pakistan) Limied	108,110	48,965	82,535	74,540	74,967	73,376	(1,591)	0.40%	0.42%
Ferozsons Laboratories Limited	-	97,940	9,384	88,556	38,073	35,704	(2,369)	0.19%	0.20%
GlaxoSmithKline Pakistan Limited	375,000	910,000	636,311	648,689	262,541	240,177	(22,364)	1.31%	1.36%
Haleon Pakistan Limited	203,304	17,319	114,050	106,573	78,967	85,813	6,846	0.47%	0.49%
Highnoon Laboratories Limited	528	86,500	87,028	-	-	-	-	-	-
	686,942	**1,160,724**	**929,308**	**918,358**	**454,548**	**435,070**	**19,478**		
Power Generation And Distribution									
The Hub Power Company Limited	1,100,000	7,278,418	6,747,418	1,631,000	355,078	380,757	25,679	2.07%	2.16%
Kot Addu Power Company Limited	1,500,000	-	1,500,000	-	-	-	-	-	-
Nishat Chunian Power Limited	-	7,707,565	7,707,565	-	-	-	-	-	-
Nishat Power Limited	-	500,000	500,000	-	-	-	-	-	-
	2,600,000	**15,485,983**	**16,454,983**	**1,631,000**	**355,078**	**380,757**	**25,679**		
Techonology And Communnications									
Hum Network Limited	-	10,672,559	200,000	10,472,559	158,305	116,978	(41,327)	0.64%	0.66%
Pakistan Telecommunication Company Limited	2,450,000	24,898,500	23,721,920	3,626,580	162,315	237,614	75,299	1.29%	1.35%
Systems Limited	-	1,100,000	1,100,000	-	-	-	-	-	-
	2,450,000	**36,671,059**	**25,021,920**	**14,099,139**	**320,620**	**354,592**	**33,972**		
Leather And Tennaries									
Service GlobalFootwear Limited	-	1,350,000	181,000	1,169,000	143,965	142,524	(1,441)	0.78%	0.81%
Service Industries Limited	-	97,264	2,264	95,000	147,930	222,372	74,442	1.21%	1.26%
	-	**1,447,264**	**183,264**	**1,264,000**	**291,895**	**364,896**	**73,001**		

Name of the Investee	As at July 01, 2025	Purchased during the period	Sold during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized / Gain loss	Market value as a percentage of:	
								Net Assets	Total Investments
	----------Number of shares----------				----------(Rupees in '000)----------				
Investment Banks / Companies / Securities									
Engro Holdings Limited	1,353,000	7,464,464	5,717,464	3,100,000	836,431	891,932	55,501	4.86%	5.07%
	1,353,000	**7,464,464**	**5,717,464**	**3,100,000**	**836,431**	**891,932**	**55,501**		
Insurance									
Adamjee Insurance Company Limited	-	7,781,707	6,281,707	1,500,000	110,628	120,075	9,447	0.65%	0.68%
Pakistan Reinsurance Company Limited	-	7,562,163	7,562,163	-	-	-	-	-	-
	-	**15,343,870**	**13,843,870**	**1,500,000**	**110,628**	**120,075**	**9,447**		
Food And Personal Goods									
BarkatFrisianAgroLimited	-	3,200,000	-	3,200,000	111,781	116,576	4,795	0.64%	0.66%
Ghani Dairies Limited	-	6,600,000	-	6,600,000	211,050	131,670	(79,380)	0.72%	0.75%
National Foods Limited	371,600	995,051	896,600	470,051	171,919	182,112	10,193	0.99%	1.03%
	371,600	**10,795,051**	**896,600**	**10,270,051**	**494,750**	**430,358**	**(64,392)**		
Transport									
Pakistan National Shipping Corporation	**-**	410,018	94,911	315,107	142,804	204,621	61,817	1.11%	1.16%
Secure Logistics-Trax Group Limited	-	6,000,000	1,000,000	5,000,000	124,539	82,050	(42,489)	0.45%	0.47%
	-	**6,410,018**	**1,094,911**	**5,315,107**	**267,343**	**286,671**	**19,328**		
Glass And Ceramics									
Tariq Glass Industries Limited	218,488	43,477	261,965	-	-	-	-	-	-
	218,488	**43,477**	**261,965**	**-**	**-**	**-**	**-**		
Textile Composite									
Interloop Limited	950,000	3,203,973	1,253,231	2,900,742	238,197	311,946	73,749	1.70%	1.77%
Gul Ahmed Textile Mills Limited	650,000	1,470,411	2,120,411	-	-	-	-	-	-
Gadoon Textile Mills Limited	-	181,040	181,040	-	-	-	-	-	-
Nishat Chunian Limited	1,420,413	900,000	990,413	1,330,000	56,041	54,796	(1,245)	0.30%	0.31%
Nishat Mills Limited	341,250	4,114,074	2,056,250	2,399,074	388,469	378,718	(9,751)	2.06%	2.15%
	3,361,663	**9,869,498**	**6,601,345**	**6,629,816**	**682,707**	**745,460**	**62,753**		
Cable & Electrical Goods									
Fast Cables Limited	-	194,304	194,304	-	-	-	-	-	-
Pak Elektron Limited	-	1,000,000	1,000,000	-	-	-	-	-	-
	-	**1,194,304**	**1,194,304**	**-**	**-**	**-**	**-**		
Refinery									
Attock Refinery Limited	65,000	1,145,000	698,000	512,000	413,635	435,543	21,911	2.39%	2.52%
Pakistan Refinery Limited	-	2,000,000	2,000,000	-	-	-	-	-	-
	65,000	**3,145,000**	**2,698,000**	**512,000**	**413,635**	**435,543**	**21,911**		
Engineering									
Aisha Steel Mills Limited	-	2,800,000	2,800,000	-	-	-	-	-	-
International Industries Limited	40,000	682,586	722,586	-	-	-	-	-	-
International Steels Limited	38,292	-	38,292	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited	-	2,615,000	2,615,000	-	-	-	-	-	-
	78,292	**6,097,586**	**6,175,878**	**-**	**-**	**-**	**-**		
Paper, Board & Packaging									
Security Papers Limited	-	300,000	109,025	190,975	41,274	28,531	(12,743)	0.16%	0.16%
	-	**300,000**	**109,025**	**190,975**	**41,274**	**28,531**	**12,743**		
Total as at June 30, 2026	**31,590,806**	**249,716,955**	**169,009,384**	**112,298,377**	**16,612,172**	**17,597,530**	**985,361**		
Total as at June 30, 2025	11,092,344	73,259,951	52,905,489	31,590,806	4,422,474	4,989,666	567,192		

6.1.1 Following Shares were pledged with National Clearing Company Pakistan Limited (NCCPL) as colleteral agaisnt exposure margin mark to market losses .

	June 30, 2026 (Audited)	June 30, 2025 (Audited)
Oil & Gas Development Company Limited	3,000,000	569,000
Pakistan Petroleum Limited	4,050,036	50,036
Pakistan Telecommunication Company Limited	3,000,000	-
	10,050,036	**629,036**

6.1.2 As per the new Finance Act, 2023 tax on bonus shares has been re-introduced. Earlier such tax was introduced through Finance Act, 2014 and omitted through Finance Act, 2018. Finance Act, 2023 reintroduces the above taxation measure by amending the definition of ""income"" expanding from other sources and introducing a withholding tax provision @ 10% of payment of tax on Bonus shares (i.e. section 236Z) which is effect from July 01, 2023.

There is no change in the status of bonus shares of the funds withheld by company as reported in the annual financial statements of the Fund for the year ended June 30, 2026.

	June 30 , 2026		
	No. Of shares withheld	Rate	Market value
	---------- Rupees in '000 ----------		
Mari Energies Company	14,400	674.29	9,710
As at 'June 30 , 2025	14,400	626.89	9,027

7. DIVIDEND AND PROFIT RECEIVABLE	Note	2026	2025
		---------- Rupees in '000 ----------	
Dividend receivable		502	5,067
Profit receivable on saving accounts	7.1	6,613	1,535
		7,115	6,602

7.1 This represents an amount receivable from Bank AL Habib Limited (ultimate parent) , a related party amounting to Rs. 6.508 million (2025: 1.535 million).

8. ADVANCES AND DEPOSITS	Note	2026	2025
		---------- Rupees in '000 ----------	
Advance tax	8.1	218	218
Advance against IPO		-	-
Security deposit with:			
National Clearing Company of Pakistan Limited		1,000	1,000
Central Depository Company of Pakistan Limited		100	100
		1,100	1,100
		1,318	1,318

8.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (the ordinance). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the Income Tax Ordinance, 2001 (the ordinance) from withholding of tax under section 150, 150A, 151 and 233 of the ordinance. The Federal Board of Revenue through a circular “C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R” dated May 12, 2015 made it mandatory to obtain exemption certificates under section 159 (1) of the Income Tax Ordinance, 2001 (the ordinance) from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 150A and 151 of Income Tax Ordinance, 2001 (the ordinance).

9 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	2026	2025
		---------- Rupees in '000 ----------	
Management remuneration	9.1	37,567	7,203
Sindh sales tax	9.2	5,593	1,039
		43,160	8,242

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the management fee caps for a Collective Investment Schemes shall be applicable, calculated on a per annum basis of the average daily net assets, effective from July 01, 2025, the rate is revised from 2% per annum of average daily net assets to a maximum of up to 3% per annum of average daily net assets.

9.2 The Sindh Sales Tax has been charged at 15% (2025: 15%) on the Management Company's remuneration during the period.

10. PROVISION FOR FEDERAL EXCISE DUTY ON REMUNERATION OF THE MANAGEMENT COMPANY

As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 percent on the remuneration of the Management Company has been applied effective from 13 June 2013. The Management Company is of the view that since the

remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan (MUFAP) with the Honorable Sindh High Court (SHC) on September 04, 2013.

While disposing the above petition through order dated July 16, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from 01 July 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan (SCP), which is pending for decision.

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provincial sales tax. Therefore, in the current year, provision for FED has not been recorded.

However, since the appeal is pending in the SCP, the Fund, as a matter of abundant caution, is carrying provision for FED for the years from June 13, 2013 to June 30, 2016 aggregating to Rs. 2.043 million. Had the provision not been made, NAV per unit of the Fund as at June 30, 2026 would have been higher by Rs. 0.02 (2025: Rs. 0.05) per unit.

11. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	Note	2026	2025
		---------- Rupees in '000 ----------	
Trustee remuneration	11.1	1,691	799
Sales tax payable on trustee remuneration	11.2	254	120
		1,945	919

11.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the trust deed based on the daily net asset value of the Fund. The remuneration of the Trustee has been calculated as per following applicable tariff :

Average net assets (Rs. In millions)	Tariff per annum
Upto Rs. 1,000	0.2% per annum of net asset value.
Rs. 1,000 and above	Rs. 2 million plus 0.10% per annum of net assets on amount exceeding Rs. 1,000 million.

11.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on the Trustee's remuneration.

12. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Note	2026	2025
		---------- Rupees in '000 ----------	
Annual fee payable	12.1	1,175	328

12.1 This represents annual fee is payable to Securities and Exchange Commission of Pakistan (SECP) is in arears at 0.095% (2025 : 0.095%) of net assets Value in accordance with regulation 62 of the NBFC Regulations.

13. ACCRUED EXPENSES AND OTHER LIABILITIES

	2026	2025
	---------- Rupees in '000 ----------	
Auditors' remuneration	300	330
Printing charges	-	137
Withholding & capital gain tax payable	138,287	20,784
Brokerage payable	9,934	19,778
Dividend payable	-	7,021
Annual listing fee	38	25
Settlement charges	664	608
Others	3,724	6,390
	152,947	55,073

14. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30,2026. (June 30,2025:Nil)

15. NUMBER OF UNITS IN ISSUE	2026	2025
	----------Number of units ----------	
Total units in issue at the beginning of the year	38,335,524	13,947,193
Add: Units issued during the year	262,296,577	103,185,400
Less: Units redeemed during the year	(184,887,786)	(78,797,070)
Total units in issue at the end of the year	115,744,315	38,335,524

16. PROFIT ON BANK DEPOSITS	Note	2026	2025
		----------Rupees in 000----------	
Saving accounts	16.1	40,029	21,795

16.1 This includes a balance of Rs. 38.85 million (2025: Rs. 21.72 million) with Bank AL Habib Limited, a related party,carrying profit rate of 9.75% (2025: 9.25%) per annum.

17 AUDITORS' REMUNERATION

Annual audit fee	282	282
Fee for half yearly review	143	143
Other certifications	-	-
	425	425

18. TAXATION

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

19 EARNINGS PER UNIT

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

20. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026		
	Fair value through profit or loss	Amortized cost	Total
	---------- Rupees in '000 ----------		
Financial assets			
Bank balances	-	1,778,850	1,778,850
Investments	17,597,530	-	17,597,530
Dividend and profit receivable	-	7,115	7,115
Receivable against sale of units	-	25,431	25,431
Advances and deposits	-	1,318	1,318
	17,597,530	1,812,714	19,410,244
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	43,160	43,160
Payable against purchase of investment	-	830,705	830,705
Payable against redemption of units	-	21,723	21,723
Payable to Central Depository Company of Pakistan Limited - Trustee	-	1,945	1,945
Payable to Securities and Exchange Commission of Pakistan	-	1,175	1,175
Accrued expenses and other liabilities	-	14,660	14,660
	-	913,368	913,368

Particulars	As at June 30, 2025		
	Fair value through profit or loss	Amortized cost	Total
	---------- Rupees in '000 ----------		
Financial assets			
Bank balances	-	487,636	487,636
Investments	4,989,666	-	4,989,666
Dividend and profit receivable	-	6,602	6,602
Receivable against sale of investments - net	-	13,899	13,899
Advances and deposits		1,318	1,318
	4,989,666	509,455	5,499,121
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	8,242	8,242
Payable against purchase of investment	-	455,393	455,393
Payable against redemption of units	-	32,279	32,279
Payable to Central Depository Company of Pakistan Limited - Trustee	-	919	919
Payable to Securities and Exchange Commission of Pakistan	-	328	328
Accrued expenses and other liabilities	-	55,073	55,073
	-	552,234	552,234

21. TRANSACTIONS AND BALANCES WITH RELATED/CONNECTED PERSONS

Related parties/ Connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Money Market Fund	Managed by Management Company
8	AL Habib Cash Fund	Managed by Management Company
9	AL Habib Islamic Savings Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Income Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above companies.

Related parties include directors and officers of the above entities as at June 30, 2025 and staff retirement benefit funds of the above related parties.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requiremnets and as agreed between the parties.

21.1 Details of the transactions with connected persons / related parties are as follows:

	2,026	2,025
AL Habib Asset Management Limited	----------(Rupees in '000)----------	
Management Company's Remuneration	414,273	60,293
Sindh Sales Tax on Management Company's remuneration	62,141	9,035
AL Habib Capital Markets (Private) Limited		
Brokerage	23,117	4,921
Central Depository Company of Pakistan Limited		
Remuneration of Trustee	14,809	4,008
Sindh Sales Tax on Trustee's remuneration	2,221	601
Bank AL Habib Limited - Parent Company of AL Habib Asset Management Company		
Profit on bank balances	38,852	20,784
Dividend Income	-	5,200

Details of the balances with connected persons / related parties as at year end are as follows:

Bank AL Habib Limited - Parent Company of AL Habib Asset Management Company

Bank balance	1,768,529	483,345
Equity Securities	-	-
Bank Profit receivable	6,508	1,464

	2026	2025
AL Habib Asset Management Limited	----------(Rupees in '000)----------	
Payable to Management Company (inclusive of Sindh Sales tax)	43,160	8,242
Federal excise duty on Management Fee payable	2,043	2,043
Central Depository Company of Pakistan Limited		
Remuneration payable (inclusive of Sindh Sales Tax)	1,945	919
Security deposit - non interest bearing	100	100
AL Habib Capital Markets (Private) Limited		
Brokerage payable	1,442	135

21.2 Sale / redemption of units during the year

	2026		2025	
Units sold to:	**(Units)**	**(Rupees in '000)**	**(Units)**	**(Rupees in '000)**
Management Company				
- AL Habib Asset Management Limited	10,045,872	1,811,453	4,683,417	657,102
Key Management Executives & their relatives	2,967,294	519,960	-	-
Directors & Their Relatives of the Management Company				
- Directors of the Management Company	6,023,689	999,160.000	7	1.000
- Bank Al Habib - Parent				
- Bank Al Habib - Parent	51,518,278	8,724,281.000	-	-

	2026		2025	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Other connected person				
- Other Connected Person	457,327	73,456.000	-	-
Unit sold to Connected Persons holding 10% or more of the unit in issue	29,849,430	4,734,120	10,865,736	1,479,576
Units redeemed by:				
Management Company				
- AL Habib Asset Management Limited	8,776,678	1,629,615	4,683,417	678,314
Directors & their relatives of the Management Company	6,016,790	985,748	80	13
- Bank Al Habib - Parent				
- Bank Al Habib - Parent	35,659,969	6,681,486	-	-
Other connected person				
- Other Connected Person	1,310,102	218,327	-	-
Key Management Executives & their relatives	1,125,299	195,260	-	-
Unit sold to Connected Persons holding 10% or more of the unit in issue	35,659,969	6,681,486	2,852,776	439,221
21.3 Units held by:				
Management Company				
- AL Habib Asset Management Limited	1,269,194	201,289	100,000	15,860
Directors & their relative of the Management Company	6,925	1,098	26	4
Key Management Executives & their relatives	2,332,187	369,875	-	-
- Bank Al Habib - Parent				
- Bank Al Habib - Parent	12,682,947	2,011,461	-	-
Other connected person				
- Other Connected Person	2,469,299	391,620	-	-
Connected party holding 10% or more of the units in issue):	29,849,430	4,734,120	8,012,960	1,270,855

22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of equity instrument and deposit balance with banks. These activities are exposed to a variety of financial risks: market risks, credit risks and liquidity risks.

22.1. Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, interest rate risk and price risk.The Fund is exposed to interest rate risk and price risk.

22.1.1 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.

a) Sensitivity analysis for variable rate instruments

The Fund is exposed to cash flow interest rate risk for balances in certain savings account, the interest rates on which range between 5% to 11.40% per annum.

In case of 100 basis points increase / (decrease) in interest rates on June 30, 2026 with all other variable held constant, the net income for the year and the net assets would have been higher / lower by Re. 17788.5 million (2025: Re. 4.876 million).

b) Sensitivity analysis of fixed rate

Since the Fund currently does not have any fixed rate instruments that are impacted by market interest rates, therefore, it is not exposed to fair value interest rate risk. Yield / Interest rate sensitivity position for financial instrument is as follows:

		As at June 30, 2026				
		Exposed to yield / interest rate risk				
Particulars	Effective yield / interest rate	Upto three months	More than three months and upto one year	More than one year	Not exposed to yield / interest rate risk	Total
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	5 to 11.40	1,778,850	-	-	-	1,778,850
Investments						
Listed equity securities		-	-	-	17,597,530	17,597,530
Dividend and profit receivable		-	-	-	7,115	7,115
Receivable against sale of units		-	-	-	25,431	25,431
Advances and deposits		-	-	-	1,318	1,318
Sub total		1,778,850	-	-	17,631,394	19,410,244
Financial liabilities						
Payable to the Management Company		-	-	-	43,160	43,160
Payable to the Trustee		-	-	-	1,945	1,945
Payable against purchase of investment		-	-	-	830,705	830,705
Payable against redemption of units		-	-	-	21,723	21,723
Provision for Federal Excise Duty		-	-	-	2,043	2,043
Payable to the SECP		-	-	-	1,175	1,175
Accrued expenses and other liabilities		-	-	-	14,660	14,660
Sub total		-	-	-	915,411	915,411
On-balance sheet gap (a)		1,778,850	-	-	16,715,983	18,494,833
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		1,778,850	-	-	16,715,983	18,494,833
Cumulative interest rate sensitivity gap		1,778,850	-	-		

Particulars	Effective yield / interest rate	As at June 30, 2025				
		Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
On-balance sheet financial instruments	**%**	**Rupees in '000**				
Financial assets						
Bank balances	20.50 - 21.00	487,636	-	-	-	487,636
Investments						
Listed equity securities		-	-	-	4,989,666	4,989,666
Dividend and profit receivable		-	-	-	6,602	6,602
Receivable against sale of investments - net		-	-	-	13,899	13,899
Advances and deposits		-	-	-	3,475	3,475
Sub total		487,636	-	-	5,013,642	5,501,278
Financial liabilities						
Payable to the Management Company		-	-	-	1,840	1,840
Payable to the Trustee		-	-	-	173	173
Payable to the SECP		-	-	-	328	328
Accrued expenses and other liabilities		-	-	-	34,289	34,289
Sub total		-	-	-	36,630	36,630
On-balance sheet gap (a)		487,636	-	-	4,977,012	5,464,648
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		487,636	-	-	4,977,012	5,464,648
Cumulative interest rate sensitivity gap		487,636	-	-		

22.1.3 Price risk

Price risk is 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 instruments traded in the market.

The Fund has exposure to equity price risk arising from its investments in equity securities.The Fund manages its price risk arising from investment in equity investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's constitutive documents, the NBFC Regulations and circulars issued by SECP from time to time. The Fund's equity investments and their fair values exposed to price risk as at the year end are concentrated in the sectors given in note 6.1.

In case of 5% increase / decrease in price of all shares held by Fund at the year end, net income for the year would increase / decrease by Rs. 879.877million (2025: Rs. 249.483 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

22.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in Bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

22.2.1 The analysis below summarises the credit quality of the Fund's bank balances as at June 30, 2026 and June 30, 2025:

Bank	Balances held by the Fund as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	(Rupees in '000')		
Balances with banks by rating category			
Bank Al Habib Limited	1,768,529	AAA	PACRA
MCB Bank Limited	10,250	AAA	PACRA
Dubai Islamic Bank Limited	71	AA	VIS
	1,778,850		

Bank	Balances held by the Fund as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
	(Rupees in '000')		
Balances with banks by rating category			
Bank Al Habib Limited	495,345	AAA	PACRA
MCB Bank Limited	4,222	AAA	PACRA
Dubai Islamic Bank Limited	69	AA	VIS
	499,636		

The analysis below summarizes the credit quality of the Fund's credit exposure:

	2026	2025
22.2.2 Rating by rating category	---- (Percentage) ----	
AAA	99.996%	99.99%
AA	0.004%	0.01%
	100.00%	100.00%

Concentration of credit risk

Concentration of credit risk exists when change in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in bank balances while the remaining transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk to counterparties.The Fund is not exposed to a concentration of credit risk.

22.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligation will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	Rupees in '000			
Financial liabilities				
Payable to Management Company	43,160	-	-	43,160
Provision for Federal Excise Duty	2,043	-	-	2,043
Payable to Trustee	1,945	-	-	1,945
Payable to Securities and Exchange Commission of Pakistan	1,175	-	-	- 1,175
Payable against purchase of investment	830,705	-	-	830,705
Payable against redemption of units	21,723	-	-	21,723
Accrued expenses and other liabilities	152,947	-	-	152,947
	1,053,698	-	-	1,053,698

Particulars	As at June 30, 2025			
	Upto three months	More than three months and upto one year	More than one year	Total
	Rupees in '000			
Financial liabilities				
Provision for Federal Excise Duty	2,043	-	-	2,043
Payable to Management Company	8,242			8,242
Payable to Trustee	919	-	-	919
Payable to Securities and Exchange Commission of Pakistan	328	-	-	328
Payable against purchase of investment	455,393	-	-	455,393
Payable against redemption of units	32,279	-	-	32,279
Accrued expenses and other liabilities	55,073	-	-	55,073
	554,277	-	-	554,277

23 UNITS HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

24 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities ;

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

- Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

As at June 30, 2026 and June 30, 2025, the Fund held the following financial instruments measured at fair values:

Particulars		Fair value			
		Level 1	Level 2	Level 3	Total
	Note				
Financial assets measured at fair value					
Listed equity securities	25	17,597,530	-	-	17,597,530

Particulars		Fair value			
		Level 1	Level 2	Level 3	Total
	Note				
Financial assets measured at fair value					
Listed equity securities	25	4,989,666	-	-	4,989,666

25 Valuation techniques

25.1 For level 1 investments at fair value through profit or loss - Investment in respect of equity securities, the Fund uses daily quotation rates which are taken from Pakistan Stock Exchange Limited at the reporting date.

25.2 The Fair value of all other financial assets and financial liabilities are approximately to its carrying amount.

25.3 Transfers during the year

No transfer were made between various levels of fair value hierarchy during the year.

26 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of Broker	2026	2025
	(Percentage)	
AKD Securities Limited	6.32%	10.78%
AL Habib Capital Markets (Private) Limited	22.64%	20.20%
Arif Habib Limited	4.68%	7.89%
Adam Securities Limited	4.48%	0.00%
BMA Capital (Pvt.) Limited	4.78%	3.21%
DJM Securities Limited	4.76%	6.34%
Finex Securities Limited	1.44%	0.00%
Habib Metropolitan Financial Services Limited	3.69%	0.00%
Ismail Iqbal Securities (Pvt.) Limited	3.77%	2.11%
Insight Securities (Private) Limited	5.19%	0.00%
JS Global Capital Limited	7.11%	12.87%
KTrade Securities Limited	5.93%	5.62%
Next Capital Limited	2.27%	0.00%
Optimus Capital Management (Pvt.) Limited	6.65%	8.32%
Summit Capital (Private) Limited	0.78%	0.00%
Topline Securities (Pvt.) Limited	8.57%	7.84%
Trust Securities & Brokerage Limited	6.50%	0.00%

27 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of investment committee members of the fund are as follow :

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

27.1 Other funds managed by the fund manager

Mr. Hamza Abdur Rehman Siddqui is the Manager of the Fund as at year end. Other funds being managed by him are as follows:

- AL Habib Islamic Stock Fund
- AL Habib Asset Allocation Fund

28 PATTERN OF UNITHOLDING

Pattern of unit holding at June 30, 2026 is as follows:

Category	----------As at June 30, 2026----------			
	No. of unit holders	Number of units held	Investment amount	Percentage of total
Associated Companies and Directors	2	13,952,140	2,212,809,404	12.05%
Retirement Funds	9	11,329,014	1,796,781,620	9.79%
Insurance companies	4	4,273,326	677,749,504	3.69%
Other Corporate	22	30,140,030	4,780,208,758	26.04%
Other	1,506	56,049,805	8,888,996,714	48.42%
	1,543	115,744,315	18,356,546,000	100%

Pattern of unit holding at June 30, 2025 is as follows:

Category	----------As at June 30, 2025----------			
	No. of unit holders	Number of units held	Investment amount	Percentage of total
Associated Companies and Directors	2	146,712	18,924,148	0.72%
Retirement Funds	6	3,402,003	438,819,558	6.92%
Insurance companies	3	4,898,308	631,825,827	10.15%
Other Corporate	9	13,150,284	1,696,236,743	16.81%
Other	511	16,738,213	2,159,038,638	65.40%
	531	38,335,520	4,944,844,914	100%

29 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 04, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

30. TOTAL EXPENSE RATIO

Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016, requires that collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the yearic financial statements of CIS/ the fund.TER of the Fund for the year ended June 30, 2026 is 4.57% (2025: 3.53%) which includes 0.67% (2025: 0.55%) representing Government levy and SECP fee.

31. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the year.

32. GENERAL

32.1 Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

33. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective:

The objective of AHSF is to provide investors with long term capital growth from an actively managed portfolio invested primarily in diversified pool of listed equities and other approved instruments.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

AHSF primarily invests in equity securities listed on Pakistan Stock Exchange. The selection criterion for these securities is based upon hybrid investment approach with companies having sound financial history backed by strong fundamentals. The residual funds are placed with Commercial Banks in order to maintain liquidity requirements of the fund.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 589 bps as it posted YTD return of 43.49% as against the benchmark of 49.38%.

Fund Description

Fund Type & Category	Open Ended - Equity Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	October 10, 2009	**Management Fee**	3%
Benchmark	KSE - 30 Index (Total Return)	**Sales Load**	2% front-end-load (Management has the discretion to reduce or waive load on any transaction)
Annual Return	43.49%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	49.38%	**Dealing Days/Timings**	Monday to Thursday 2:30 pm | Friday 3:30 pm
Net Assets	Rs. 18,356 million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 158.5957 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Risk Profile**	High (Principal at High Risk)

Market Review:

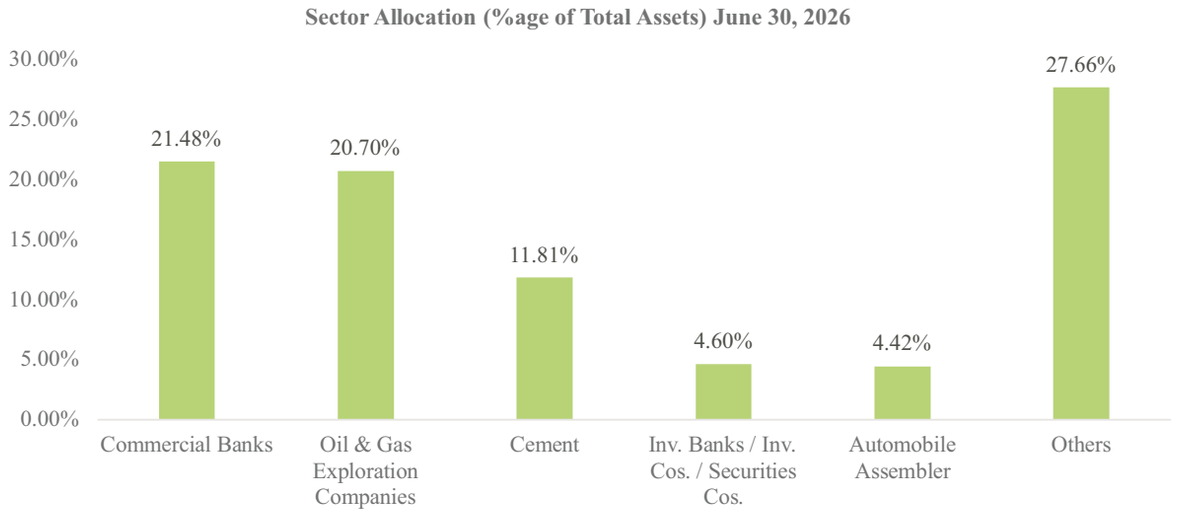
Pakistan's economy sustained its recovery momentum, with GDP growth accelerating to 3.7% YoY, supported by growth of 3.5% in industry, 4.1% in services and 2.9% in agriculture. Average CPI inflation increased to 7.05% in FY26 from 4.49% in FY25, reflecting higher price pressures during the latter part of the year, partly due to elevated energy prices and geopolitical tensions. The SBP maintained policy rate at 11% for most of 1H of FY26 and later closed the fiscal year at 11.5% after making adjustments during the 2H of FY26. The current account recorded a marginal deficit of USD 139 million in FY26, compared to a surplus of USD 1.84 billion in FY25. Meanwhile, workers' remittances rose by 8.58% YoY to a record USD 41.58 billion, compared to USD 38.3 billion in FY25.

On the equity front, the KSE-100 Index surged by 43.49% in FY26 to close at 180,302 points taking support from improved corporate profitability and progress under the IMF program. Geopolitical tensions and resultant increase in oil prices moderated KSE-100 gains in the 2H of FY26.

The KSE-100 index is currently trading at a forward price-to-earnings ratio of 7.5x offering a dividend yield of approximately 6.5%. The market remains attractive on current valuation when compared to its medium-long term historical multiples. While external risk factors persist, any possible stabilization in geopolitical dynamics and continued progress on government's economic reform agenda shall likely unlock value and derive favorable returns for equity investors.

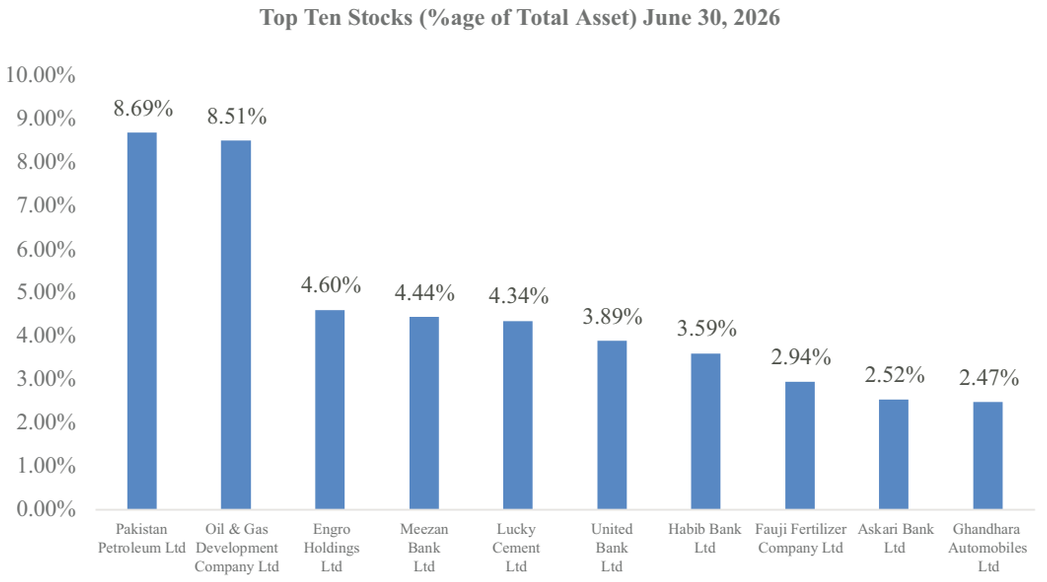
Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	9.16%	8.87%
Equity	90.66%	90.57%
Others	0.17%	0.56%



Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	737
1001-5000	257
5001-10000	120
10001-50000	176
50001-100000	39
100001-500000	57
500001-1000000	12
1000001-5000000	15
5000001 and above	6
Grand Total	**1419**



Income Distribution

AHSF made a total distribution of Rs.26.5011 during FY26 in the form of dividend, the details of which is as follows;

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun-26	185.1351	158.6340	26.5011

During the period under question:

There has been no significant change in the state of affairs of the Fund. Al Habib Stock Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During FY26, 103,626,725 units of the value of Rs. 17,566 million were sold, while 64,540,850 units of value of Rs. 11,663 million were redeemed, resulting in to a net sale of 39,085,876 units valued Rs. 5,903 million.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in million)	18,356	4,940
NAV per unit as at June 30 (Rs.)	158.5957	128.9886
Distribution during the year ended June 30 (Rs.)	26.5011	52.0000
Annual Return	43.49%	81.17%

AL HABIB ISLAMIC CASH FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.
Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.
Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AA+(f) Fund Stability Rating Rating by PACRA
AM1 Management Company Quality Rating
Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
JS bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC CASH FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Islamic Cash Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of the **AL Habib Islamic Cash Fund**, I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah
Shariah Advisor

Date: June 30, 2026



BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. Introduction

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

2. Applicable Criteria

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. Management's Responsibility for Shariah Compliance

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

6. Conclusion

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

BDO EBRAHIM & CO.
CHARTERED Accountants

Engagement Partner
Tariq Feroz Khan

Date: 25 SEP 2026
Place: Karachi

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No. 1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB ISLAMIC CASH FUND

Opinion

We have audited the financial statements of Al Habib Islamic Cash Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including principal accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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 year. 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:

S. No	Key Audit Matter	How the matter was addressed in our audit
1.	Existence and valuation of investments As disclosed in note 6 to the accompanying financial statements of the Fund for the year June 30, 2026, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs.12,431.92 million representing 35.67% of the Net Assets Value of the Fund. As these investments represent a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund; • We performed substantive audit procedures on year-end balance of investment portfolio including review of custodian's statement and related reconciliations and re-performance of debt instruments valuations on the basis of prices the Mutual Fund Association of Pakistan (MUFAP) as at June 30, 2026 and matching the valuation of investment with

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S. No	Key Audit Matter	How the matter was addressed in our audit
	the valuation of investments is the main driver of movements in the performance of the Fund. In view of the significance of the above-mentioned balances in relation to the Fund's total assets and NAV, we considered the existence and valuation of investments as a key audit matter.	that appearing in the financial statements. • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

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

The Management Company ("AL Habib Asset Management Limited") 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 of the Management Company for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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 of the Management Company, 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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166Ip7HaV3Gk

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		------- Rupees in '000' -------	
ASSETS			
Balances with bank	5	22,755,436	15,890,804
Investments	6	12,431,918	10,430,791
Profit receivable	7	186,120	455,440
Advances, deposits and other receivables	8	251	3,914,293
Preliminary expenses and floatation costs	9	1,651	1,721
TOTAL ASSETS		35,375,376	30,691,328
LIABILITIES			
Payable to AL Habib Asset Management Limited - Management company	10	49,557	25,901
Payable to Central Depository Company of Pakistan Limited - Trustee	11	1,709	1,543
Payable to Securities and Exchange Commission of Pakistan	12	2,002	1,805
Payable against redemption of units		4,539	199,250
Accrued expenses and other liabilities	13	466,465	262,164
TOTAL LIABILITIES		524,272	490,663
NET ASSETS		34,851,104	30,200,665
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		34,851,104	30,200,665
CONTINGENCIES AND COMMITMENTS	14		
		----------Number of units ----------	
Number of units in issue	15	345,131,673	301,235,613
		---------- Rupees ----------	
Net assets value per unit		100.98	100.26

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		------- Rupees in '000' -------	
Income			
Income from government securities		1,378,027	1,119,748
Profit on bank deposits		1,330,957	1,183,430
Profit on term deposit receipts		387,345	246,672
		3,096,329	2,549,850
(Loss) / Gain on investments classified at fair value through profit or loss - net			
- Realised (loss) / gain on sale of investment - net		(30,420)	45,199
- Unrealised (diminution) / appreciation on re-measurement of investments - net	6.1 & 6.2	(17,181)	4,475
		(47,601)	49,674
Total Income		3,048,728	2,599,524
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company	10.1	135,415	171,015
Sindh Sales tax on Management Company's remuneration	10.2	20,312	25,607
Expenses allocated by the Management company		-	4,794
Sindh Sales tax on Expenses allocated by the Management Company		-	719
Remuneration of Central Depository Company of Pakistan Limited - Trustee	11	16,546	10,204
Sindh Sales tax on remuneration of Trustee	11.3	2,482	1,506
Annual fee to Securities and Exchange Commission of Pakistan	12.1	22,563	13,996
Settlement and bank charges		114	17
Brokerage expense		736	1,058
Annual listing fee		25	25
Auditors' remuneration	16	803	359
Amortization of preliminary expenses and floatation costs		70	72
Mutual Fund rating fee		150	149
Printing and other expenses		203	57
Total Expenses		199,419	229,578
Net income for the year before taxation		2,849,309	2,369,946
Taxation	17	-	-
Net income for the year after taxation		2,849,309	2,369,946
Allocation of net income for the year			
Net income for the year		2,849,309	2,369,946
Income already paid on redemption of units		(2,667,050)	(2,185,265)
		182,259	184,681
Accounting income available for distribution:			
- Relating to capital gains		(17,181)	4,475
- Excluding capital gains		199,439	180,206
		182,258	184,681
Earnings per unit	18		

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026	2025
	------- Rupees in '000' -------	
Net income for the year	2,849,309	2,369,946
Other comprehensive income	-	-
Total comprehensive income for the year	2,849,309	2,369,946

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			2025		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	----------Rupees in '000'----------					
Net assets at beginning of the year	30,140,517	60,148	30,200,665	17,984,099	-	17,984,099
Issuance of 900,936,949 units (2025: 908,806,535 units) including additional units **4,443,961** units (2025: 21,501,502) units issued at nil value						
- Capital value	90,324,297	-	90,324,297	90,880,653	-	90,880,653
- Element of income	2,965,166	-	2,965,166	5,965,463	-	5,965,463
Total proceeds on issuance of units	93,289,463	-	93,289,463	96,846,116	-	96,846,116
Redemption of 857,040,889 units (2025: 787,411,094 units)						
- Capital value	(85,923,456)	-	(85,923,456)	(78,741,109)	-	(78,741,109)
- Element of loss	(2,367,567)	(2,667,050)	(5,034,617)	(3,798,439)	(2,185,265)	(5,983,704)
Total payments on redemption of units	(88,291,023)	(2,667,050)	(90,958,073)	(82,539,548)	(2,185,265)	(84,724,813)
Total comprehensive income for the year	-	2,849,309	2,849,309	-	2,369,946	2,369,946
Cash distribution	-	-	-	-	-	-
Rs. 9.4587 (2025: Rs. 13.1889) per units	(445,534)	(84,726)	(530,260)	(2,150,150)	(124,533)	(2,274,683)
Net income for the year less distribution	(445,534)	2,764,583	2,319,049	(2,150,150)	2,245,413	95,263
Net assets at end of the year	34,693,423	157,681	34,851,104	30,140,517	60,148	30,200,665
Undistributed income brought forward						
- Realised income		60,148			-	
- Unrealised income		-			-	
		60,148			-	
Accounting income available for distribution						
- Relating to capital gains		(17,181)			4,475	
- Excluding capital gains		199,439			180,206	
		182,258			184,681	
Cash distribution						
Rs. 9.4587 (2025: Rs. 13.1889) per units		(84,726)			(124,533)	
Undistributed income carried forward		157,681			60,148	
Undistributed income carried forward comprises of:						
- Realised income		157,681			60,148	
- Unrealised income		-			-	
		157,681			60,148	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		**100.26**			100.00	
Net assets value per unit at end of the year		**100.98**			100.26	

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		----------Rupees in '000'----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		2,849,309	2,369,946
Adjustments for:			
Unrealised appreciation/(diminution) on re-measurement of investments classified as classified as financial assets at 'fair value through profit or loss' - net		17,181	(4,475)
		2,866,490	2,365,471
Decrease /(Increase) in assets			
Investments		(2,018,308)	(3,238,064)
Profit receivable		269,320	502,538
Advances, deposits and other receivables		3,914,042	(3,912,114)
		2,165,054	(6,647,640)
Increase/(Decrease) in liabilities			-
Payable to AL Habib Asset Management Limited - Management company		23,656	(9,719)
Payable to Central Depository Company of Pakistan Limited - Trustee		166	(783)
Payable to Securities and Exchange Commission of Pakistan		197	(861)
Payable against redemption of units		(194,711)	(398,273)
Accrued expenses and other liabilities		204,301	184,389
		33,609	(225,247)
Net cash generated from/(used in) operating activities		5,065,153	(4,507,416)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units		93,289,463	96,846,116
Payments on redemption of units		(90,958,073)	(84,724,813)
Dividend paid		(530,260)	(2,274,683)
Net cash generated from financing activities		1,801,130	9,846,620
Net increase in cash and cash equivalents		6,866,285	5,339,204
Cash and cash equivalents at the beginning of the year		15,890,804	10,551,600
Cash and cash equivalents at the end of the year	5	22,757,089	15,890,804

The annexed notes 1 to 31 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Al Habib Islamic Cash Fund (the Fund) was established under a Trust Deed executed between AL Habib Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SCD/AMCW/AHICF/136/2021 dated November 12, 2021 and the Trust Deed was executed on September 27, 2021.

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.3 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd Floor Mackinnon's Building, I.I Chandigarh Road Karachi, Pakistan.

1.4 The Fund is an open-ended shariah compliant money market scheme and is listed on Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at the initial price of Rs. 100 per unit which was only for one day that began at the start of the banking hours and end at the close of the banking hours on December 20, 2021 . Thereafter, the units are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund at the option of the unit holder.

1.5 The Fund has been categorized as a shariah compliant money market scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes.

1.6 The core objective of the Fund is to provide its unit-holders optimum return from a shariah compliant portfolio of low risk and short duration assets while being highly liquid.

1.7 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

1.8 The management company and the Fund has been assigned a rating of 'AM1' and AA+(f) by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025 and April 10, 2026, respectively.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The requirements of the Constitutive Documents, Voluntary Pension System Rules, 2005 (the VPS Rules), the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations)

Where provisions of, directives and notifications issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, constitutive documents, the VPS Rules, the NBFC Rules, and the NBFC Regulations differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, Constitutive documents, the VPS Rules, the NBFC Rules, the NBFC Regulations have been followed.

2.2 Basis of measurement

These financial statements have been prepared under accrual basis of accounting except for cashflow information.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

Estimates and judgments that have significant effect on the financial statements relate to classification, valuation and impairment of financial assets are as follows:

2.4.1 Classification and valuation of investments

For details please refer notes 4.2.2.1 and 6 to these financial statements.

2.4.2 Impairment of financial assets

For details please refer notes 4.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027

	Effective date (annual periods beginning on or after)
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

4.2.1 Financial assets

Financials assets are classified into appropriate categories at amortized cost and at fair value through profit or loss. The management determines the classification of financial assets into categories based on fund’s business model for managing the financial and the contractual terms of the cash flows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction cost except for financial assets carried at fair value through profit or loss.

4.2.2.1 Classification

4.2.2.1.1 Debt Instruments

Amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL.These are initially measured at fair value and transaction costs that are directly attributable to its acquisition are charged to income statement.

4.2.2.2 Subsequent measurement:

Debt investments at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, and impairment are recognised in income statement.

4.2.2.3 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.3 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.4 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Any gain or loss arising on derecognition of financial liability is taken to the income statement.

4.2.5 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent (90%) of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders.

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

4.5 Proposed distributions

Distributions declared subsequent to the year end reporting date are subject to the approval of the Board of Directors of the management company and are considered as non-adjusting events and are recognised in the financial statements in the year in which such distributions are declared.

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the management company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sale load is payable to Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company / Distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.7 Element of income

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

4.8 Net asset value per unit

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

4.9 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.

- Mark-up / profit / Government securities, return on investment in debt securities are recognized using the effective interest method.

- Unrealised appreciation / (diminution) arising on investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.

4.10 Expenses

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

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions. Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

5 BALANCES WITH BANK	Note	2026	2025
		------- Rupees in '000' -------	
Savings accounts	5.1 & 5.2	22,755,436	11,390,804
Term deposit receipt	5.3	-	4,500,000
		22,755,436	15,890,804

5.1 These carries profit rates ranging from 10.75% to 11.40% per annum (2025: 5.00% to 20.26% per annum).

5.2 This includes a balance held with Bank AL Habib Limited a related party, amounting to Rs. 10,759.16 million (2025: Rs. 3,159.56 million).

5.3 This represent term deposit receipts held with Bank Al-Falah Limited and Askari Bank Limited carrying profit rates ranging from nil (2025: 10.63% to 11.30%) per annum with maturity up to July 2025.

6 INVESTMENTS	Note	2026	2025
		------- Rupees in '000' -------	
Financial assets classified at fair value through profit or loss			
Gop Ijarah Sukuks (GIS)	6.1	2,295,915	3,031,629
Discounted GIS	6.2	10,136,003	7,399,162
		12,431,918	10,430,791

6.1 Gop Ijarah Sukuks (GIS)

	Number of instruments				Carrying as at June 30, 2026	Market as at June 30, 2026	Unrealised (diminution) / appreciation on re-measurement of investment as at June 30, 2026	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2025	Purchases made during the year	Sales / matured during the year	As at June 30, 2026					
	----------Rupees in '000'----------								
GOP IJARA SUKUK									
GOP IJARA SUKUK 03 YEAR FRR (26-06-2023)	-	100,000	100,000	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 05 YEAR VRR (29-10-2021)	-	33,019	10,000	23,019	2,297,704	2,295,915	(1,789)	6.59%	18.47%
GOP IJARA SUKUK - FRR (29-07-2020)	5,682	-	5,682	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - VRR (29-07-2020)	24,650	-	24,650	-	-	-	-	0.00%	0.00%
Total - as at June 30, 2026	30,332	133,019	140,332	23,019	2,297,704	2,295,915	(1,789)	6.59%	18.47%
Total - as at June 30, 2025	71,615	17,855,815	17,897,098	30,332	3,033,205	3,031,629	(1,576)	10.04%	29.06%

6.2 Discounted GIS

	Number of instruments				Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) on re-measurement of investment as at June 30, 2026	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2025	Purchases made during the year	Sales / matured during the year	As at June 30, 2026					
	----------Rupees in '000'----------								
GIS DISCOUNTED									
GIS 1 YEAR DISCOUNTED(24-06-2026)	-	3,750,000	-	3,750,000	336,606	336,675	69	0.97%	2.71%
GIS 1 YEAR DISCOUNTED(04-12-2024)	29,998,850	-	29,998,850	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(06-02-2025)	1,499,600	100	1,499,700	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(07-03-2025)	9,999,900	-	9,999,900	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(07-11-2024)	7,299,850	-	7,299,850	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(09-01-2025)	5,624,700	-	5,624,700	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(11-06-2026)	-	1,820,000	-	1,820,000	164,194	164,200	6	0.47%	1.32%
GIS 1 YEAR DISCOUNTED(14-11-2025)	-	1,000,000	850,000	150,000	14,495	14,402	(94)	0.04%	0.12%
GIS 1 YEAR DISCOUNTED(15-10-2025)	-	750,000	-	750,000	72,669	72,623	(46)	0.21%	0.58%
GIS 1 YEAR DISCOUNTED(18-09-2024)	2,499,800	39,980,100	42,479,900	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(21-08-2025)	-	86,700,550	7,601,400	79,099,150	7,808,268	7,792,057	(16,211)	22.36%	62.68%
GIS 1 YEAR DISCOUNTED(21-10-2024)	1,249,950	-	1,249,950	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(22-01-2026)	-	28,980,050	14,500,000	14,480,050	1,360,219	1,361,994	1,774	3.91%	10.96%
GIS 1 YEAR DISCOUNTED(24-07-2025)	-	1,625,000	49,950	1,575,050	156,548	156,465	(82)	0.45%	1.26%
GIS 1 YEAR DISCOUNTED(26-06-2025)	3,875,000	3,735,000	7,610,000	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(26-07-2024)	15,030,000	-	15,030,000	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(30-09-2025)	-	2,470,000	29,950	2,440,050	238,396	237,588	(809)	0.68%	1.91%
Total - as at June 30, 2026	77,077,650	170,810,800	143,824,150	104,064,300	10,151,395	10,136,003	(15,393)	29.08%	81.53%
Total - as at June 30, 2025	-	77,079,400	1,750	77,077,650	7,393,111	7,399,162	6,053	24.50%	70.94%

7 PROFIT RECEIVABLE	Note	2026	2025
		------- Rupees in '000' -------	
Saving accounts	7.1	142,220	239,645
GoP Ijarah Sukuks (GIS)		43,900	138,494
Term deposit receipts		-	77,301
		186,120	455,440

7.1 This includes an amount receivable from Bank Al Habib Limited (a related party) amounting to Rs. 35.19 million (2025: 11.22 million).

8 ADVANCES, DEPOSITS AND OTHER RECEIVABLES			
Advance tax	8.1	251	251
Receivable against sale of units		-	3,912,322
		251	3,912,573

8.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 151 and 233 of ITO 2001.

The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). However, various withholding agents have deducted advance tax under section 151 of ITO 2001. The Management Company is confident that the same shall be refunded after filing refund application.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. On 28 January 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Honourable Supreme Court by the Fund together with other CISs (managed by the Management Company and other Asset Management Companies).However, whereby the Honourable Supreme Court granted the petitioners leave to appeal from the initial judgement of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received on bank deposits by the Fund has been shown as advance tax as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

9 PRELIMINARY EXPENSES AND FLOATATION COSTS	Note	2026	2025
		------- Rupees in '000' -------	
Opening balance	9.1	1,721	1,793
Less: Amortization for the year		(70)	(72)
Closing balance		1,651	1,721

9.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operation of the fund and are being amortized over the period of 5 years, as per the requirements set out in the trust deed of the Fund and NBFC Rules.

10 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	2026	2025
		------- Rupees in '000' -------	
Remuneration payable to the Management Company	10.1	35,273	14,703
Sindh Sales Tax on Management Company's remuneration	10.2	5,291	2,205
Allocation of expenses related to registrar services, accounting, operation and valuation services	10.3	8,274	8,274
Sindh Sales Tax on expenses related to registrar services, accounting, operation and valuation services		719	719
		49,557	25,901

10.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated 10 April 2025, the Management Fee caps for a Collective Investment Schemes shall be applicable, calculated on a per annum basis of the average daily net assets, effective from July 01, 2025: Money Market up to 1.25%;

10.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration as per Sindh Sales Tax on Services Act, 2011.

11 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2026	2025
		------- Rupees in '000' -------	
Remuneration payable to the Trustee	11.1 & 11.2	1,495	1,087
Sindh Sales Tax payable on remuneration of the Trustee	11.3	214	456
		1,709	1,543

11.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed, as per the tariff specified therein, based on the average annual net assets of the Fund. The fee is paid to the Trustee monthly in arrears.

11.2 As per the Trust Deed and Offering Document, the trustee fee shall be charged in accordance to the tariff flat rate of 0.055% (2025: 0.055%) per annum of net assets.

11.3 The Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration as per Sindh Sales Tax on Services Act, 2011.

12 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Note	2026	2025
		------- Rupees in '000' -------	
Annual fee payable	12.1	2,002	1,805

12.1 As per Regulation 62 of NBFC Regulations, an Asset Management Company managing a Collective Investment Scheme shall pay SECP an annual fee of 0.075% (2025: 0.075%) of the average annual nets assets. The fee is payable annually in arrears.

13 ACCRUED EXPENSES AND OTHER LIABILITIES

	2026	2025
	------- Rupees in '000' -------	
Auditor's remuneration	433	209
Printing charges	106	117
Withholding tax payable	462,800	260,480
Other payables	3,126	1,358
	466,465	262,164

14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at the reporting date. (2025: Nil).

15 NUMBER OF UNITS IN ISSUE

	2026	2025
	------- Number of units -------	
Total units at the beginning of the year	301,235,613	179,840,173
Add: Units issued during the year	900,936,949	908,806,534
Less: Units redeemed during the year	(857,040,889)	(787,411,094)
Total units at the end of the year	345,131,673	301,235,613

16 AUDITORS REMUNERATION

Audit fee	456	138
Out of pocket expenses	-	14
Half yearly review fees	156	149
Shariah compliance fee	191	58
	803	359

17 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, 2008, the Fund is required to distribute at least 90% of its net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current year as the management intends to distribute in cash at least 90% of the Fund's accounting income for the year ending June 30, 2026 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

18 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

19 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	June 30, 2026		
	Fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------		
Financial assets			
Balances with bank	-	22,755,436	22,755,436
Investments	12,431,918	-	12,431,918
Profit receivable	-	186,120	186,120
Advances, deposits and other receivables	-	-	-
	12,431,918	22,941,556	35,373,474

Particulars	June 30, 2026		
	Fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------		
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	43,547	43,547
Payable to Central Depository Company of Pakistan Limited - Trustee	-	1,495	1,495
Payable to Securities and Exchange Commission of Pakistan	-	2,002	2,002
Payable against redemption of units	-	4,539	4,539
Accrued expenses and other liabilities	-	3,665	3,665
	-	55,248	55,248

Particulars	June 30, 2025		
	Fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------		
Financial assets			
Balances with bank	-	15,890,804	15,890,804
Investments	10,430,791	-	10,430,791
Profit receivable	-	455,440	455,440
Advances, deposits and other receivables	-	3,914,042	3,914,042
	10,430,791	20,260,286	30,691,078
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	22,976	22,976
Payable to Central Depository Company of Pakistan Limited - Trustee	-	1,087	1,087
Payable to Securities and Exchange Commission of Pakistan	-	1,805	1,805
Payable against redemption of units	-	199,250	199,250
Accrued expenses and other liabilities	-	1,684	1,684
	-	226,802	226,802

20 TRANSACTIONS AND BALANCES WITH RELATED PARTIES/ CONNECTED PERSONS

Related parties/ Connected persons include AL Habib Asset Management Limited being the Management Company, Bank AL Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other Collective Investment Schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company

S.No	Company Name	Relationship
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the financial statements are as follows:

		2026	2025
20.1	**Transactions during the year**	**------ Rupees in '000 ------**	
	AL Habib Asset Management Limited - Management Company		
	Remuneration of the Management Company	135,415	171,015
	Sindh Sales Tax on remuneration of the	20,312	25,607
	Expenses allocated by the Management company	-	4,794
	Sindh Sales tax on Expenses allocated by the Management Company	-	719
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration of the Trustee	16,546	10,204
	Sindh Sales Tax on remuneration of the Trustee	2,482	1,506
	Bank Al Habib Limited - Sponsor		
	Bank charges	28	17
	Profit on bank deposits	1,330,957	1,183,430
20.2	**Balances outstanding as at year end**		
	AL Habib Asset Management Limited - Management Company		
	Remuneration payable to the Management Company	35,273	14,703
	Sindh Sales Tax payable on remuneration of the Management Company	5,291	2,205
	Allocation of expenses related to registrar services, accounting, operation and valuation services	8,274	8,274
	Bank AL Habib Limited - Sponsor		
	Balances with bank	10,759,160	3,159,964
	Profit receivable	35,194	11,217
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee fee payable	1,495	1,087
	Sindh Sales Tax payable on remuneration of the trustee	214	456

Sale / Redemption of units	2026	2025
	------ Rupees in '000 ------	
Units sold to:		
Management Company		
- AL Habib Asset Management Limited	48,407,478	23,067,126
Other related parties		
- Directors and their relative of the Management Company	1,598,822	856,072
- Delhi Punjabi Saudagran Foundation	94,720	441,994
- Habib Asset Management Ltd.Emp.Provident Fund	38,493	-
- Habib Public School Alumni Association	4,129	-
- Key Management Executives and their Relatives	1,172,960	519,213
Units sold to Connected Party holding 10% or more of the units in issue:	56,300,089	120,596,967
Units redeemed by:		
Management Company		
- AL Habib Asset Management Limited	45,259,515	24,444,320
Parent of AL Habib Asset Management Limited		
- Bank Al Habib Limited	131,889	15,130
Other related parties		
- Delhi Punjabi Saudagran Foundation	130,258	1,008,287
- Habib Public School Alumni Association	-	1,722
- Directors and their relative of the Management Company	1,084,727	433,361
- Key Management Executives and their Relatives	796,811	558,537
Connected Party holding 10% or more of the units in issue:	81,466,047	97,166,896
Units held by:		
Management Company		
- AL Habib Asset Management Limited	3,147,963	-
Parent of AL Habib Asset Management Limited		
- Bank AL Habib Limited	1,000,000	1,131,889
Other related parties		
- Delhi Punjabi Saudagran Foundation	388,170	423,708
- Habib Asset Management Ltd.Emp.Provident Fund	166,891	-
- Key Management Executives and their Relatives	376,150	-
- Directors and their relative of the Management Company	790,657	489,615
- Habib Public School Alumni Association	4,129	-
Connected Party holding 10% or more of the units in issue:	54,979,531	80,145,489

21 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

21.1 Market risk

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

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

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

21.1.1 Currency risk

Currency risk is a risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk.

21.1.2 Interest rate risk

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

a) Cash flow interest rate risk

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 5.00% to 20.26% per annum, and against investments in GOP Ijara Sukuks, the interest rate on which range between 8.37% to 22.49% respectively.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 227.55 million (2025: Rs. 158.91 million).

b) Fair value interest rate risk

The Fund's investment in GOP Ijara Sukuk exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 124.32 million. (2025: 104.31 million).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

Particulars	June 30, 2026					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Balances with bank	10.75 - 11.40	22,755,436	-	-	-	22,755,436
Investments	8.37 - 22.49	-	-	12,431,918	-	12,431,918
Profit receivable		-	-	-	186,120	186,120
Advances, deposits and other receivables		-	-	-	-	-
Sub total		22,755,436	-	12,431,918	186,120	35,373,474
Financial liabilities						
Payable to the Management Company		-	-	-	43,547	43,547
Payable to the Trustee		-	-	-	1,495	1,495
Payable to the SECP		-	-	-	2,002	2,002
Payable against redemption of units		-	-	-	4,539	4,539
Accrued expenses and other liabilities		-	-	-	3,665	3,665
Sub total		-	-	-	55,247	55,247
On-balance sheet gap (a)		22,755,436	-	12,431,918	130,873	35,318,227
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		22,755,436	-	12,431,918	130,873	35,318,227
Cumulative interest rate sensitivity gap		22,755,436	-	12,431,918		

Particulars	June 30, 2025					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Balances with bank	5.00 - 20.26	15,890,804	-	-	-	15,890,804
Investments	8.37 - 22.49	-	-	10,430,791	-	10,430,791
Profit receivable		-	-	-	455,440	455,440
Advances, deposits and other receivables		-	-	-	3,914,042	3,914,042
Sub total		15,890,804	-	10,430,791	4,369,482	30,691,077
Financial liabilities						
Payable to the Management Company		-	-	-	22,976	22,976
Payable to the Trustee		-	-	-	1,087	1,087
Payable to the SECP		-	-	-	1,805	1,805
Payable against redemption of units		-	-	-	199,250	199,250
Accrued expenses and other liabilities		-	-	-	1,684	1,684
Sub total		-	-	-	226,802	226,802
On-balance sheet gap (a)		15,890,804	-	10,430,791	4,142,680	30,464,275
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		15,890,804	-	10,430,791	4,142,680	30,464,275
Cumulative interest rate sensitivity gap		15,890,804	-	10,430,791		

21.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to bank balances (financial institutions) and profit receivables from banks.

21.2.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2026 and June 30, 2025:

Name of Banks	Balances held as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Bank Al Habib Limited	10,759,160	A1+	PACRA
Allied Bank Limited	2,701,562	A1+	PACRA
Dubai Islamic Bank Pakistan Limited	279	A1+	VIS
Bank AlFalah Limited	89,642	A1+	PACRA
Faysal Bank Limited	907	A1+	PACRA
Askari Bank Ltd	34,796	A1+	PACRA
Habib Metropolitan Bank Limited	18	A1+	PACRA
United Bank Limited	8,989,846	A1+	VIS
Meezan Bank Limited	2,777	A1+	VIS
Bank Al Habib Ltd Psx	168,823	A1+	PACRA
Bank Al Habib Ltd Income Plus	7,626	A1+	PACRA
Askari Bank Limited - TDR	-	A1+	VIS
Total	22,755,436		

Name of Banks	Balances held as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Bank Al Habib Limited	3,159,964	A1+	PACRA
Allied Bank Limited	1,369,039	A1+	PACRA
Dubai Islamic Bank Pakistan Limited	253	A1+	VIS
Bank AlFalah Limited	824,181	A1+	PACRA
Faysal Bank Limited	4,073,119	A1+	PACRA
Askari Bank Ltd	1,917,278	A1+	PACRA
Habib Metropolitan Bank Limited	16	A1+	PACRA
United Bank Limited	22,397	A1+	VIS
Meezan Bank Limited	24,557	A1+	VIS
Askari Bank Limited TDR AHICF	4,500,000	A1+	VIS
Total	15,890,804		

21.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category	2026	2025
	---------- (Percentage) ----------	
A1+	100%	100%

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure, while the remaining transactions are entered into with diverse credit-worthy counterparties, thereby mitigating any significant concentration of credit risk to counterparties. The fund is not exposed to a concentration of credit risk.

21.3 Liquidity risk

Liquidity risk is a risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the total net asset value of the Fund at the time of borrowing and shall be repayable within 90 days. The facility would bear interest at commercial rates and would be secured against the assets of the Fund. However, during the current year, no borrowings were made by the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of 10% of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below 10% of the units then in issue. However, no such instances were witnessed by the Fund during the current year (2025: None).

The table below summarizes the maturity profile for the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including balances with bank have been included in the maturity.

Particulars	June 30, 2026			
	Up to three months	More than three months and up to one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to the Management Company	49,557	-	-	49,557
Payable to the Trustee	1,709	-	-	1,709
Payable to the SECP	2,002	-	-	2,002
Payable against redemption of units	4,539	-	-	4,539
Accrued expenses and other liabilities	466,465	-	-	466,465
	524,272	-	-	524,272

Particulars	June 30, 2025			
	Up to three months	More than three months and up to one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to the Management Company	25,901	-	-	25,901
Payable to the Trustee	1,543	-	-	1,543
Payable to the SECP	1,805	-	-	1,805
Payable against redemption of units	199,250	-	-	199,250
Accrued expenses and other liabilities	262,164	-	-	262,164
	490,663	-	-	490,663

22 UNITHOLDERS' FUND RISK MANAGEMENT

The unitholders' fund is represented by the net assets attributable to unitholders / redeemable units. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unitholders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unitholders' fund. Unitholders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unitholders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

23 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

- Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

Particulars		June 30, 2026						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
	Note	----------Rupees in '000----------						
On-balance sheet financial instruments								
Financial assets measured at fair value	23.1							
GOP Ijarah Sukuks		2,295,915	-	2,295,915	-	2,295,915	-	2,295,915
Discounted GIS		10,136,003	-	10,136,003	10,136,003	-	-	10,136,003
		12,431,918	-	12,431,918	10,136,003	2,295,915	-	12,431,918

Particulars	Note	June 30, 2025						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
		----------Rupees in '000----------						
On-balance sheet financial instruments								
Financial assets measured at fair value	23.1							
GOP Ijarah Sukuks		3,031,629	-	3,031,629	-	3,031,629	-	3,031,629
Discounted GIS		7,399,162	-	7,399,162	-	7,399,162	-	7,399,162
		10,430,791	-	10,430,791	-	10,430,791	-	10,430,791

23.1 Valuation techniques

23.1.1 For level 1 investments at fair value through profit or loss, Fund uses daily quotations which are taken from PSX, for the purpose of computation of Market value at the reporting date.

For level 2 investments at fair value through profit or loss, Fund uses PKISRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

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

23.2 Transfers during the year

No transfers were made between various levels of fair value hierarchy during the year.

24 LIST OF TOP BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID / PAYABLE

	Top brokers during the year	2026	2025
		------ Percentage ------	
1	Next Capital Limited	0.00%	71.12%
2	Continental Exchange (Pvt.) Limited	0.00%	8.81%
3	Invest One Markets Limited	0.00%	4.71%
4	Arif Habib Limited	18.77%	6.70%
5	Optimus Markets (Pvt) Limited	59.77%	3.20%
6	Summit Capital (Pvt) Limited	0.00%	1.95%
7	C&M Management Limited	0.00%	1.56%
8	Js Global Capital Limited	15.07%	1.42%
9	Bma Capital Management Ltd.	0.00%	0.43%
10	Paramount Capital (Pvt) Ltd.	0.00%	0.06%
11	Akd Securities Limited	6.40%	0.03%
		100%	100%

25 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

25.1 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- AL Habib CASH Fund
- AL Habib Money Market Fund
- AL Habib Income Fund
- AL Habib Government Securities Fund
- AL Habib Fixed Return Fund
- AL Habib Sovereign Income Fund
- AL Habib Pension Fund
- AL Habib GOKP Pension Fund
- AL Habib Islamic Money Market Fund
- AL Habib Islamic Income Fund
- AL Habib Islamic Savings Fund
- AL Habib Islamic Munafa Fund
- AL Habib Islamic Pension Fund
- AL Habib Islamic GOKP Pension Fund

26 PATTERN OF UNITHOLDING

Category	As at June 30, 2026			
	No. of unit holders	Number of units held	Investment amount	Percentage
			Rupees in '000	
Associated Companies	3	4,314,854	435,710	1.25%
Retirement Funds	21	7,983,448	806,162	2.31%
Other Corporate	76	227,952,480	23,018,449	66.05%
Others	1197	104,880,891	10,590,784	30.39%
	1,297	345,131,673	34,851,105	100.00%

Category	As at June 30, 2025			
	No. of unit holders	Number of units held	Investment amount	Percentage
			Rupees in '000	
Associated Companies	3	81,405,776	8,161,414	27.02%
Retirement Funds	14	3,387,946	339,662	1.12%
Other Corporate	58	150,904,169	15,129,043	50.10%
Others	400	65,537,722	6,570,547	21.76%
	475	301,235,613	30,200,666	100.00%

27 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025 and February 04, 2026, April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

28 TOTAL EXPENSE RATIO

Total expense ratio of the Fund for the year ended June 30, 2026 is 0.66% (2025: 1.21%) which includes 0.15% (2025: 0.23%) representing Government levies and SECP fee.

29 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the current year.

30 GENERAL

30.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The investment objective of the AHICF is to provide its unit-holders optimum returns from a Shariah compliant portfolio of low risk and short duration assets while being highly liquid.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHICF maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with "AAA" rated Banks.

Performance of the fund with benchmark

The Fund outperformed it's benchmark by 85 bps as it posted YTD return of 10.22% as against the benchmark of 9.37%.

Fund Description

Fund Type & Category	Open End - Shariah Compliant Money Market	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	December 20, 2021	**Management Fee**	0.45%
Benchmark	90% three (3) months PKISRV rates + 10% three (3) months average of highest rates of saving accounts of three (3) AA rated scheduled Islamic Bank or window of conventional Banks, as selected by MUFAP	**Sales Load**	3% (Management has the discretion to reduce or waive load on any transaction)
Annual Return	10.22%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	9.37%	**For Regular Transactions** **For same Day Redemption**	Monday to Thursday 4:00 pm | Friday 4:30 pm 9:30 am
Net Assets	Rs. 34,851 million (June 30, 2026)	**Fund Stability Rating**	AA+(f) by PACRA (April 10, 2026)
NAV per unit	Rs. 100.9792 per unit (June 30, 2026)	**AMC Rating**	"AM1" by PACRA (August 12, 2025)
Pricing Mechanism	Backward Pricing	**Trustee**	Central Depository Company of Pakistan Limited.
Risk Profile	Very Low (Principal at very low risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
1 Month	13.02	10.59	243
3 Months	11.15	11.17	-2
6 Months	10.37	12.05	-168
9 Months	10.76	11.20	-44
1 Year	10.85	11.29	-44

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	64.33%	37.12%
TDR	0.00%	14.66%
GOP Ijara Sukuk	35.14%	33.99%
Others	0.53%	14.23%

Unit Holders Pattern

For the breakdown of unit holding by size as on June 30, 2026, please refer to note 22 of the Annual Accounts 2026.

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	426
1001-5000	121
5001-10000	82
10001-50000	200
50001-100000	82
100001-500000	122
500001-1000000	34
1000001-5000000	26
5000001 and above	14
Grand Total	**1107**

Income Distribution

AHICF made a total distribution of Rs. 9.4587 during FY26 in the form of dividend, the detail of which is given below:

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 14, 2026	109.7147	100.2560	9.4587

During the period under question

There has been no significant change in the state of affairs of the Fund. Al Habib Islamic Cash Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year 318,384,056 units valued of Rs. 33,275 million were sold, while 397,691,648 units valued Rs. 41,376 million were redeemed, resulting in to a net redemption of 79,307,592 units valued Rs. 8,101 million.

AHICF Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in billion)	34,851	30,201
NAV per unit as at June 30 (Rs.)	100.9792	100.2560
Distribution during the year ended June 30 (Rs.)	9.4587	13.1889
Annual Return	10.22%	13.48%

AL HABIB
ISLAMIC MONEY MARKET FUND
Annual Report
For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9,Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AA+(f) Fund Stability Rating,
Rating by PACRA
AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank Islami Pakistan Limited
Bank Al Habib Limited
Meezan Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC MONEY MARKET FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Islamic Money Market Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the period from March 05, 2026 to June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 21, 2026

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of the **AL Habib Islamic Money Market Fund,** I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah
Shariah Advisor

Date: June 30, 2026



BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. Introduction

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

2. Applicable Criteria

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. Management's Responsibility for Shariah Compliance

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

6. Conclusion

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

Engagement Partner
Tariq Feroz Khan

BDO EBRAHIM & CO.
CHARTERED Accountants

Date: 25 SEP 2026
Place: Karachi

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB ISLAMIC MONEY MARKET FUND

Opinion

We have audited the financial statements of Al Habib Islamic Money Market Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the period ended from March 05 to June 30, 2026, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and its financial performance and its cash flows for the period ended June 30, 2026, in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

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

The Management Company ("AL Habib Asset Management Limited") 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 the Management and Board of Directors of the Management Company for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Report on Other Legal and Regulatory Requirements

Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR2026101667D1xhuiBs

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026 Rupees in '000'
ASSETS		
Balances with banks	5	1,644,936
Investment	6	-
Profit receivable	7	31,316
Receivable against sale of units		5,016
TOTAL ASSETS		1,681,268
LIABILITIES		
Payable to AL Habib Asset Management Limited - Management Company	8	4,943
Payable to Central Depository Company of Pakistan Limited- Trustee	9	279
Payable to Securities and Exchange Commission of Pakistan	10	253
Payable against redemption of units		152,562
Accrued expenses and other liabilities	11	7,997
TOTAL LIABILITIES		166,034
NET ASSETS		1,515,234
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,515,234
CONTINGENCIES AND COMMITMENTS	12	-
		(Number of Units)
Number of units in issue	13	15,110,705
		(Rupees)
Net asset value per unit		100.28

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE PERIOD ENDED MARCH 05, 2026 TO JUNE 30, 2026

	Note	2026 Rupees in '000'
INCOME		
Profit on saving accounts with banks	14	49,571
Profit on investments		8,987
Realised (Loss)/gain on sale of investments - net		(126)
Total income		58,432
EXPENSES		
Remuneration of AL Habib Asset Management Limited - Management Company		4,253
Sindh Sales Tax on Management remuneration		690
Remuneration of Central Depository Company of Pakistan Limited - Trustee		343
Sindh Sales Tax on remuneration of the Trustee		51
Fee to Securities and Exchange Commission of Pakistan		452
Auditors' remuneration	15	189
Bank charges		4
Total expenses		5,982
Net income for the period before taxation		52,450
Taxation	16	-
Net income for the period after taxation		52,450
Allocation of net income for the period:		
Net income for the period after taxation		52,450
Income already paid on units redeemed		(42,906)
		9,544
Accounting income available for distribution:		
- Relating to capital gains		-
- Excluding capital gains		9,544
		9,544

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 05, 2026 TO JUNE 30, 2026

	2026
	Rupees in '000'
Net income for the period after taxation	52,450
Other comprehensive income for the period	-
Total comprehensive income for the period	52,450

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE PERIOD ENDED MARCH 05, 2026 TO JUNE 30, 2026

	2026		
	Capital Value	Undistributed Income	Net Asset
	(Rupees in '000)		
Net assets at the beginning of the period	-	-	-
Issuance of Units			
- Capital value	23,339,253	-	23,339,253
- Element of income	537,551	-	537,551
Total Proceeds on issuance of units	23,876,804	-	23,876,804
Redemption of Units			
- Capital value	(21,828,183)	-	(21,828,183)
- Element of loss	(505,237)	(42,906)	(548,143)
Total payments on redemption of units	(22,333,420)	(42,906)	(22,376,326)
Total comprehensive income for the period	-	52,450	52,450
Distribution during the period	(32,590)	(5,104)	(37,694)
Net income for the period less distribution	(32,590)	47,346	14,756
Net assets at the end of the period	1,510,794	4,440	1,515,234
Undistributed income brought forward			
- Realised income		-	
- Unrealised income		-	
		-	
Accounting income available for distribution			
- Relating to capital gain		-	
- Excluding capital gain		9,544	
		9,544	
Distribution for the period		(5,104)	
Undistributed income carried forward		4,440	
Undistributed income carried forward comprise of:			
- Realised income		4,440	
- Unrealised gain		-	
		4,440	
		(Rupees)	
Net assets value per unit at beginning of the period		-	
Net assets value per unit at end of the period		100.28	

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 05, 2026 TO JUNE 30, 2026

	Note	2026 (Rupees in '000)
CASH FLOW FROM OPERATING ACTIVITIES		
Net income for the period before taxation		52,450
(Increase) in assets		
Profit receivable		(31,316)
Receivable against sale of units		(5,016)
		(36,332)
Increase in liabilities		
Payable to Al Habib Asset Management Limited - Management Company		4,943
Payable to Central Depository Company of Pakistan Limited - Trustee		279
Payable to Securities and Exchange Commission of Pakistan		253
Payable to against redemption of units		152,562
Accrued expenses and other liabilities		7,997
		166,034
Net cash generated from operating activities		182,152
CASH FLOW FROM FINANCING ACTIVITIES		
Receipts from issuance of units		23,844,214
Payment made on redemption of units		(22,376,326)
Dividend paid during the period		(5,104)
Net cash generated from financing activities		1,462,784
Net increase in cash and cash equivalents		1,644,936
Cash and cash equivalents at beginning of the period		-
Cash and cash equivalents at the end of the period	5	1,644,936

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 05, 2026 TO JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Al Habib Islamic Money Market Fund(the Fund) was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited as Trustee. The Trust Deed was executed on February 18, 2025 and was approved by the Securities and Exchange Commission of Pakistan on January 07, 2025 under Rule 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

1.2 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.

1.3 The Fund is an open-end mutual fund categorized as 'Money Market Scheme'. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the asset of the fund is held in the name of CDC as the trustee of the fund.

1.4 The objective of AL Habib Islamic Money Market Fund is to provided its unit-holders optimum return from a portfolio of low risk and short duration assets while being highly liquid.

1.5 The Management Company has been assigned a quality rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The requirements of the Constitutive Documents, the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations)

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani rupee ("Rupees" or "Rs."), which is the Fund's functional currency and presentation currency.

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assetsis as follow:

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.2.1 and 6 to these financial statements.

Impairment of financial assets

For details please refer note 4.2.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 PRINCIPAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.2.1 Classification

Debt Instruments

Amortized cost

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at fair value through profit or loss.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI, at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.2.2.2 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, and impairment are recognized in income, statement.

4.2.2.3 Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financialassets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowancesfor such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting dateabout past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Impairment of financial assets on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "income statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial conditionof the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's Circular.

4.2.2.4 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.6 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.Any gain or loss on derecognition of financial liabilities is taken to the "income statement".

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

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

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

4.7 Element of income

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

4.8 Net assets value - per unit

The Net Assets Value (NAV) per unit as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.9 Revenue recognition

- Gains or losses arising on the sale of investments are recorded at the date at which the transaction take place;

- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.

- Income on government securities is recognised on a time proportionate basis using the effective yield method.

- Profit on bank balances is recognised on an accrual basis.

4.10 Expenses

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

5 BALANCES WITH BANK	Note	2026 Rupees in '000'
Saving accounts	5.1 & 5.2	1,644,936

5.1 These carries mark-up ranging from 8.75% to 11.5% per annum.

5.2 It includes balance of Rs. 572.961 million with Bank AL Habib Limited (ultimate parent), a related party carrying profit rate effective at year end is 11.15% per annum.

6 INVESTMENTS

Financial assets at fair value through profit or loss		
Government securities		
GOP Ijara sukuk (GIS)	6.1	-
		-

6.1 Investment in Sukuk Certificate

Description	As at July 01 2025	Purchases during the period	Sold / Matured during the period	As at June 30, 2026	Carrying value	Market value	Unrealized appreciation/ (dimunition) as at June 30, 2026	Market Value as a percentage of Net Asset	Market Value as a percentage of Investment of Debt Sub Fund
	As at June 30, 2026								
	.....Units.....				----------(Rupees in '000)----------			----------%----------	
GOP IJARA SUKUK 03 YEAR FRR (26-06-2023)	-	3,000	3,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026				-	-	-	-		

7 PROFIT RECEIVABLE	Note	2026 Rupees in '000'
Receivable on Sukuk certificates		41
Bank deposit		31,275
		31,316

8 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration	8.1	4,253
Sindh sales tax	8.2	690
		4,943

8.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the Management fee caps for a collective investment schemes shall be applicable calculated on per annum basis upto 1.25% of average daily net assets.

8.2 The Sindh Sales Tax has been charged at 15% on the Management Company's remuneration during the year.

Remuneration of the Trustee	9.1	243
Sales tax payable on trustee remuneration	9.2	36
		279

9.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the trustee is fixed at 0.055% per annum of net assets.

9.2 The Sindh Sales Tax has been charged at 15% on the Trustee's remuneration charged during the year.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Fee payable	10.1	253

10.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% of net assets in accordance with regulation 62 of the NBFC Regulations.

11 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2026 Rupees in '000'
Auditor's remuneration		189
Withholding tax		942
Capital Gain tax		6,382
Dividend payable		484
		7,997

12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2026.

13 NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the period	-
Add: Units issued during the period	233,392,534
Less: units redeemed during the period	(218,281,829)
Total units in issue at the end of the period	15,110,705

14 PROFIT ON BANK DEPOSITS

Saving accounts	14.1	49,571

14.1 It respresents profit on deposits with Bank AL Habib Limited, a related party amounting to Rs. 49.571 million.

15 AUDITORS' REMUNERATION

Annual audit fee	189
Half yearly review fee	-
Other certifications	-
	189

16 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income earned by the Fund during the year to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these financial statements during the year.

17 EARNINGS PER UNIT

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

18 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026		
	Fair value through profit or loss	Amortised cost	Total
	Rupees in '000		
Financial assets			
Balances with banks	-	1,644,936	1,644,936
Investments			
GOP Ijarah Sukuks	-	-	-
Profit receivable	-	31,316	31,316
	-	1,676,252	1,676,252
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	4,943	4,943
Payable to Central Depository Company of Pakistan Limited- Trustee	-	279	279
Payable to Securities and Exchange Commission of Pakistan	-	253	253
Accrued expenses and other liabilities	-	7,055	7,055
	-	12,530	12,530

19 TRANSACTIONS AND BALANCES WITH RELATED/ CONNECTED PERSONS

19.1 Related party/ Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other Collective Investment Schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and of?cers of the Management Company and the Trustee and unit holders holding 10% or more units of the Fund.

19.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

19.3 Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

19.4 The details of signi?cant transactions carried out by the Fund with connected persons and balances with them at the end of reporting year are as follows:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above companies.

	2026 (Rupees in '000)
Details of transactions with connected persons are as follows:	
AL Habib Asset Management Limited - Management Company	
- Management Remuneration	4,253
- Sindh Sales Tax on Management Company's Remuneration	690
- Expenses allocated by the Management Company	-
- Dividend paid	-
Central Depository Company of Pakistan Limited - Trustee	
-Trustee Remuneration	343
-Sindh Sales Tax on Trustee Remuneration	51
Bank AL Habib Limited	
- Dividend paid	-
- Profit on Bank deposits	16,766

Details of balances with connected persons at year end are as follows:	2026 (Rupees in '000)
Parent Company	
Profit Receivable on bank deposits	5,977
AL Habib Asset Management Limited - Management Company	
-Management Company fee payable	4,943
Central Depository Company of Pakistan Limited - Trustee	
-Remuneration payable	279
-Security deposit - Non interest bearing	-

Sale / redemption of units	2026	
Units sold to:	**(Units)**	**(Rupees in '000)**
Management Company		
- AL Habib Asset Management Limited	5,192,425	519,425
Other connected persons		
- Directors and spouse of the Management Company	3,135,116	321,293
- Key Executives of the Management Company	-	-
- Habib Insurance Company Limited	-	-

Units held by:	2026 (Units)	2026 (Rupees in '000)
Unit sold to Connected Persons holding 10% or more of the unit in issue	7,418,400	747,524
Units redeemed by:		
Management Company		
- AL Habib Asset Management Limited	5,182,835	521,168
Other connected parties:		
- Directors and spouse of the Management Company	280,444	28,766
- Key Executives of the Management Company	-	-
Unit redeemed to Connected Persons holding 10% or more of the unit in issue	5,182,835	521,168
Management Company		
- Bank AL Habib Limited	1,186,668	202,062
Parent Company		
- Bank AL Habib Limited	5,900,273	1,008,047
Other connected persons		
- Directors and spouse of the Management Company	6,125,999	857,206
- Key Executives of the Management Company	204,159	22,825
- Habib Insurance Company Ltd.	3	1
Units held by Connected Persons holding 10% or more of the units in issue:	2,498,766	250,565

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of investments such as Government securities, spread transactions and in other money market instruments. These activities expose the Fund to a variety of financial risks, such as market risk, credit risk and liquidity risk.

20.1 Market risk

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

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

Market risk comprises of three types of risk; currency risk, interest rate risk and other price risk. The fund is exposed to interest rate risk only.

20.1.1 Interest rate risk

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

a) Sensitivity analysis of variable rate

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 8.75% to 11.5% per annum.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the period and the net assets would have been higher / lower by Rs. 16.449 million.

b) Sensitivity analysis of fixed rate

The Fund's investment in GOP Ijara Sukuk exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. Nil . (2025: Nil).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

Particulars	As at June 30, 2026					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	10.75 - 11.40	1,644,936	-	-	-	1,644,936
Investments		-	-	-	-	
GOP Ijarah Sukuks	10.59 - 18.99	-	-	-	-	-
Profit receivable		-	-	-	31,316	31,316
Sub total		1,644,936	-	-	31,316	1,676,252
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	4,943	4,943
Payable to Central Depository Company of Pakistan Limited- Trustee		-	-	-	279	279
Payable to Securities and Exchange Commission of Pakistan		-	-	-	253	253
Accrued expenses and other liabilities		-	-	-	7,055	7,055
Sub total		-	-	-	12,530	12,530
On-balance sheet gap (a)		1,644,936	-	-	18,786	1,663,722
Off-balance sheet financial instruments		-	-	-	-	**4,943.00**
Off-balance sheet gap (b)		-	-	-	-	**279.00**
Total interest rate sensitivity gap (a) + (b)		1,644,936	-	-	18,786	1,663,722
Cumulative interest rate sensitivity gap		1,644,936	-	-		

20.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in Bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

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

Name of Banks	Balances held as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Bank Al Habib Limited	572,961	AAA	PACRA
United Bank Limited	1,071,975	AAA	VIS
	1,644,936		

20.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category	2026
AAA	100.00%
AA+	0.00%
AA	0.00%
A-1+	0.00%
	100.00%

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in Government securities and bank balances, having satisfactory credit rating, therefore the fund is not exposed to any concentration of credit risk.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligation will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	Rupees in '000			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	4,943	-	-	4,943
Payable to Central Depository Company of Pakistan Limited- Trustee	279	-	-	279
Payable to Securities and Exchange Commission of Pakistan	253	-	-	253
Payable to against redemption of units	152,562	-	-	152,562
Accrued expenses and other liabilities	7,997	-	-	7,997
	166,034	-	-	166,034

21 UNITS HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders

and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

22 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities ;

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

Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

The fair value of all financial assets approximate its carrying value.

22.1 Transfers during the period

No transfers were made between various levels of fair value heirarchy during the period.

23 PATTERN OF UNITHOLDING

Unit holding pattern of the fund is as follows:

Category	2026			Percentage
	No. of unit holders	Number of units held	Investment amount	
			Rupees in '000	
Individuals	159	13,406,515	1,344,405	88.73%
Associated company	1	9,591	962	0.06%
Insurance companies	-	-	-	0.00%
Retirement Funds	3	659,304	66,115	4.36%
Other Corporate	159	1,035,295	103,752	6.85%
	322	15,110,705	1,515,234	100.00%

24 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

24.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

24.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Cash Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Government Securities Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Pension Fund
- Al Habib Gokp Pension Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic GOKP Pension Fund
- Al Habib Islamic Income Fund
- Al Habib Islamic Savings Fund
- Al Habib Islamic Munafa Fund
- Al Habib Islamic Pension Fund

25 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 04, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

26 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the year ended June 30, 2026 is 0.96% which includes 0.19% representing Government levy and SECP fee.

27 CORRESPONDING FIGURES

Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

28 GENERAL

28.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

_____	_____	_____
Chief Executive Officer	**Chief Financial Officer**	**Director**

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The investment objective of the AHIMMF is to provide its unit-holders optimum returns from a Shariah compliant portfolio of low risk and short duration assets while being highly liquid.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHIMMF maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with "AAA" rated Banks.

Performance of the fund with benchmark

The Fund outperformed it's benchmark by 24 bps as it posted YTD return of 9.61% as against the benchmark of 9.37%.

Fund Description

Fund Type & Category	Open End - Shariah Compliant Money Market	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	March 05, 2026	**Management Fee**	0.68%
Benchmark	90% three (3) months PKISRV rates + 10% three (3) months average of highest rates of saving accounts of three (3) AA rated scheduled Islamic Bank or window of conventional Banks, as selected by MUFAP	**Sales Load**	3% (Management has the discretion to reduce or waive load on any transaction)
Annual Return	9.61%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	9.37%	**For Regular Transactions** **For same Day Redemption**	Monday to Thursday 4:00 pm | Friday 4:30 pm 9:30 am
Net Assets	Rs. 1,515 million (June 30, 2026)	**Fund Stability Rating**	N/A
NAV per unit	Rs. 100.2754 per unit (June 30, 2026)	**AMC Rating**	"AM1" by PACRA (August 12, 2025)
Pricing Mechanism	Backward Pricing	**Trustee**	Central Depository Company of Pakistan Limited.
Risk Profile	Very Low (Principal at very low risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
1 Month	13.02	10.59	243
3 Months	11.15	11.17	-2
6 Months	10.37	12.05	-168
9 Months	10.76	11.20	-44
1 Year	10.85	11.29	-44

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Particulars	30-Jun-26
Cash	78.42%
Others	21.58%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	31
1001-5000	27
5001-10000	10
10001-50000	44
50001-100000	20
100001-500000	27
500001-1000000	5
1000001-5000000	2
Grand Total	**166**

Income Distribution

AHICF made a total distribution of Rs. 2.7989 during FY26 in the form of dividend, the detail of which is given below:

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 20, 2026	102.7989	100.0000	2.7989

During the period under question

There has been no significant change in the state of affairs of the Fund. Al Habib Islamic Money Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 14,599,111 units valued of Rs. 1,477 million were sold, while 11,168,414 units valued Rs. 1,139 million were redeemed, resulting in to a net redemption of 3,430,697 units valued Rs. 337 million.

AHICF Performance at a Glance

	2026
Net Assets as at June 30 (Rs. in billion)	1,515
NAV per unit as at June 30 (Rs.)	100.2754
Distribution during the year ended June 30 (Rs.)	2.7989
Annual Return	9.61%

AL HABIB ISLAMIC INCOME FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AAA(f) Fund Stability Rating by VIS
AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC INCOME FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Islamic Income Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 21, 2026

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of the **AL Habib Islamic Income Fund**, I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah
Shariah Advisor

Date: June 30, 2026



BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Al Habib Islamic Income Fund (the Fund) managed by Al Habib Asset Management Limited (the Management Company) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. Applicable Criteria

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. Management's Responsibility for Shariah Compliance

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

6. Conclusion

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

BDO EBRAHIM & CO.
CHARTERED Accountants

Engagement Partner
Tariq Feroz Khan

Date: 25 SEP 2026
Place: Karachi

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITORS' REPORT ON THE AUDIT FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB ISLAMIC INCOME FUND

Report on the audit of the financial statements

Opinion

We have audited the financial statements of AL Habib Islamic Income Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true & fair view of the financial position of the Fund as at June 30, 2026, and its financial performance and its cash flows for the year ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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 year. 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Following are the key audit matters:

S.NO	Key audit matter	How the matter was addressed in our audit
1.	**Existence and valuation of investments** As Disclosed in note 6 to the accompanying financial statements, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs.5,860.67 million representing 83.15% of the net assets value of the Fund. As these investments represents a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as the valuation of investments in the main driver of movements in the performance of the Fund. In view of the significance of these investments in relation to the total assets and the NAV of the Fund, we have considered the existence and valuation of such investments as a key audit matter.	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at JUNE 30, 2026 and traced it with books and records of the Fund; • Performed substantive audit procedures on the year-end balance of debt instruments, including review of custodian statements, related reconciliations, and re-performed valuation procedures to assess the reasonableness of the carrying values of investments. • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

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

The Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Responsibilities of the Management and Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

- Conclude on the appropriateness of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

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 Fund to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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 of the Management Company, 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166ZnNJtkqgl

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		----------Rupees in '000----------	
Assets			
Balances with banks	5	1,260,923	10,690,753
Investments	6	5,860,669	6,876,111
Profit receivable	7	175,036	250,998
Receivable against sale of units		3,065	1,673,153
Advances and deposits	8	17,089	18,139
Total assets		7,316,782	19,509,154
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	9	29,360	24,755
Payable to Central Depository Company of Pakistan Limited- Trustee	10	2,006	2,083
Payable to Securities and Exchange Commission of Pakistan	11	2,374	2,370
Payable against redemption of units		1,355	56,482
Accrued expenses and other liabilities	12	233,713	189,142
Total Liabilites		268,808	274,832
NET ASSETS		7,047,974	19,234,322
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		7,047,974	19,234,322
CONTINGENCIES AND COMMITMENTS	13	-	-
		(Number of Units)	
Number of units in issue	14	68,998,246	188,899,433
		(Rupees)	
Net asset value per unit		102.15	101.82

The annexed notes 1 to 31 from an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		------- Rupees in '000 -------	
Income			
Profit on saving accounts with banks	15	813,365	985,271
Profit on term deposit receipt		69,694	40,739
Profit on investments		960,052	1,202,653
Income on margin deposit with National Clearing Company of Pakistan Limited		-	9
Realised loss on sale of investments - net		(110,215)	(46,990)
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial at 'fair value through profit or loss' - net		(80,403)	71,294
Total income		1,652,493	2,252,976
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company		86,800	175,743
Sindh Sales Tax on Management remuneration		13,692	26,366
Expenses allocated by the Management Company		-	8,580
Sindh Sales Tax on allocated expenses		-	1,138
Remuneration of Central Depository Company of Pakistan Limited - Trustee		13,472	12,470
Sindh Sales Tax on remuneration of the Trustee		2,021	1,870
Fee to Securities and Exchange Commission of Pakistan		13,472	12,470
Brokerage expense		1,266	1,115
Settlement and bank charges		295	370
Annual listing fee		25	25
Auditors' remuneration	16	688	688
Mutual fund rating fee		146	146
Total expenses		131,877	240,981
Net income for the year before taxation		1,520,616	2,011,995
Taxation	17	-	-
Net income for the year after taxation		1,520,616	2,011,995
Allocation of net income for the year:			
Net income for the year after taxation		1,520,616	2,011,995
Income already paid on units redeemed		(1,440,788)	(1,895,099)
		79,828	116,896
Accounting income available for distribution:			
- Relating to capital gain		-	24,304
- Excluding capital gain		79,828	92,592
		79,828	116,896

Earnings per unit

The annexed notes 1 to 31 from an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026	2025
	---------- (Rupees in '000----------	
Net income for the year after taxation	1,520,616	2,011,995
Other comprehensive income for the year	-	-
Total comprehensive income for the year	1,520,616	2,011,995

The annexed notes 1 to 31 from an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			2025		
	Capital Value	Undistributed Income	Net Asset	Capital Value	Undistributed Income	Net Asset
	(Rupees in '000)					
Net assets at the beginning of the year	19,080,228	154,094	19,234,322	7,064,945	112,154	7,177,099
Issuance of 713,161,813 units (2025: 563,726,975 units)						
- Capital value	72,614,136	-	72,614,136	57,195,739	-	57,195,739
- Element of income	4,107,832	-	4,107,832	3,004,204	-	3,004,204
Total Proceeds on issuance of units	76,721,968	-	76,721,968	60,199,943	-	60,199,943
Redemption of 833,063,000 units (2025: 445,568,455 units)						
- Capital value	(84,822,475)	-	(84,822,475)	(45,207,375)	-	(45,207,375)
- Element of loss	(3,764,667)	(1,440,788)	(5,205,455)	(1,967,761)	(1,895,099)	(3,862,860)
Total payments on redemption of units	(88,587,142)	(1,440,788)	(90,027,930)	(47,175,136)	(1,895,099)	(49,070,235)
Total comprehensive income for the year	-	1,520,616	1,520,616	-	2,011,995	2,011,995
Distribution during the year	(362,173)	(38,829)	(401,002)	(1,009,524)	(74,956)	(1,084,480)
Net income for the year less distribution	(362,173)	1,481,787	1,119,614	(1,009,524)	1,937,039	927,515
Net assets at the end of the year	6,852,881	195,093	7,047,974	19,080,228	154,094	19,234,322
Undistributed income brought forward						
- Realised income		82,800			96,743	
- Unrealised income		71,294			15,411	
		154,094			112,154	
Accounting income available for distribution						
- Relating to capital gain		-			24,304	
- Excluding capital gain		79,828			92,592	
		79,828			116,896	
Distribution for the year @ Rs. 8.8353 per unit (2025: 13.9353 per unit) declared on June 20, 2026		(38,829)			(74,956)	
Undistributed income carried forward		195,093			(74,956)	
Undistributed income carried forward comprise of:						
- Realised income		275,496			82,800	
- Unrealised (loss) / gain		(80,403)			71,294	
		195,093			154,094	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		101.82			101.46	
Net assets value per unit at end of the year		102.15			101.82	

The annexed notes 1 to 31 from an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
CASH FLOW FROM OPERATING ACTIVITIES			
Net income for the year before taxation		1,520,616	2,011,995
Adjustments for:			
Unrealised diminution / (appreciation) on re-measurement of investments classified at 'fair value through profit or loss' - net		80,403	(71,294)
		1,601,019	1,940,701
Decrease /(increase) in assets			
Investments		935,039	(2,263,464)
Profit receivable		75,962	39,016
Receivable against sale of units		1,670,088	(1,673,153)
Advances & deposits		1,050	(2,177)
		2,682,139	(3,899,778)
Increase / (decrease) in liabilities			
Payable to Habib Asset Management Limited - Management Company		4,605	9,792
Payable to Central Depository Company of Pakistan Limited - Trustee		(77)	1,530
Payable to Securities and Exchange Commission of Pakistan		4	1,931
Payable to against redemption of units		(55,127)	56,482
Accrued expenses and other liabilities		44,571	(68,372)
		(6,024)	1,363
Net cash generated/(used in) operating activities		4,277,134	(1,957,714)
CASH FLOW FROM FINANCING ACTIVITIES			
Receipts from issuance of units		76,721,968	59,190,419
Payment made on redemption of units		(90,027,930)	(49,070,235)
Dividend paid during the year		(401,002)	(74,956)
Net cash (used) / generated from financing activities		(13,706,964)	10,045,228
Net (decrease) /increase in cash and cash equivalents		(9,429,830)	8,087,514
Cash and cash equivalents at beginning of the year		10,690,753	2,603,239
Cash and cash equivalents at the end of the year	5	1,260,923	10,690,753

The annexed notes 1 to 31 from an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Islamic Income Fund was established under a Trust Deed executed between AL Habib Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as Trustee. The Trust Deed was executed on August 30, 2016 and was approved by the Securities and Exchange Commission of Pakistan on August 22, 2016 under Rule 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

1.2 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd Floor, MacKinnon's Building, I.I. Chundrigar Road Karachi, Pakistan.

1.3 The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange . Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

1.4 The Fund has been formed to provide reasonable rate of return consistent with reasonable concern for safety of principal amount to the unit holders, along with facility to join or leave the fund at their convenience. The management team would seek to enhance returns through active portfolio management using efficiency tools. The Fund has been categorized as an Open-End Shairah Complaint (Islamic) Income Scheme as per criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Scheme .

1.5 The Fund is registered under the Sindh Trusts Act, 2020, after the promulgation of Provincial Trust Act.

1.6 The Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as a trustee of the Fund.

1.7 The management company and the fund has been assigned a rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated December 12, 2024.The rating reflects the Company's experienced management team, structured investment process and sound quality of systems and Processes. The Fund has been given a stabilty rating of AA(f) by Pakistan Credit Rating Agency (PACRA) dated April 22, 2025.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations)

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani rupee ("Rupees" or "Rs."), which is the Fund's functional currency and presentation currency.

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets

and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assetsis as follow:

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.2.1 and 6 to these financial statements.

Impairment of financial assets

For details please refer note 4.2.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 Principal Accounting Policy Information

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the Income Statement.

4.2.2.1 Classification

Debt Instruments

Amortized cost

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.2.2.2 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method.The impairment are recognized in income statement. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, and impairment are recognized in income, statement.

4.2.2.3 Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financialassets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowancesfor such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting dateabout past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Impairment of financial assets on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "Income Statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and abovethe minimum provision requirement prescribed by the SECP, considering the specific credit and financial conditionof the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors ofthe Management Company. The provisioning policy approved by the Board of Directors has also been placed onthe Management Company's website as required under the SECP's Circular.

4.2.2.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.5 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.Any gain or loss on derecognition of financial liabilities is taken to the "Income Statement".

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent (90%) of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year. Distributions declared subsequent to the period end reporting date are considered as non adjusting events andare recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, ifapplicable.

4.7 Element of income / (loss)

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

4.8 Net assets value - per unit

The Net Assets Value (NAV) per unit as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.9 Revenue recognition

- Gains or losses arising on the sale of investments are included at the date at which the transaction take place;

- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.

- Income on sukuks certificates and government securities is recognised on a time proportionate basis using the effective yield method, except for the securities which are calsified as Non- Performing Assets under circular 33 of 2012 issued by the SECP for which profit are recorded on cash baisis .

- Profit on bank balances is recognised on an accrual basis.

4.10 Expenses

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

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

5 BALANCES WITH BANKS	Note	2026	2025
		------- Rupees in '000 -------	
Savings accounts	5.1 & 5.2	1,260,923	9,690,753
Term deposit receipts		-	1,000,000
		1,260,923	10,690,753

5.1 These carries mark-up ranging from 11.25 % to 12.75% (June 30, 2025: 8.75% to 11.5%) per annum.

5.2 It includes balance of Rs. 345.203 million (June 30, 2025: Rs 512.92 million) with Bank AL Habib Limited (ultimate parent) , a related party.

6 INVESTMENTS

At fair value through profit or loss			
Investment in Sukuk Certificates	6.1	5,860,669	6,876,111

6.1 Investment in Sukuk Certificate

As at June 30, 2026

Name of the Investee	As at July 01, 2025	Purchases during the period	Sold / Matured during the period	As at June 30, 2026	Carrying value	Market value	Unrealized appreciation/ (dimunition) as at June 30, 2026	Market value as a percentage of Net Assets	Market value as a percentage of total investments
	.....Units.....				----------(Rupees in '000)----------			----------%----------	
Unquoted									
Meezan Bank Limited - TIER II Mudaraba Sukuk (certificates of Rs. 1,000,000 each)	150	-	-	150	147,866.98	146,426	(1,441)	2%	2%
Gas and Oil Pakistan Limited Sukuk (certificates of Rs. 1,000,000 each)	5	-	-	5	625.58	1,246	620	0%	0%
Quoted									
GOP Ijara Sukuk 3 YEAR VRR (24-01-2024)	1,400	-	-	1,400	7,029.05	7,011	(18)	0%	1%
GOP IJARA SUKUK 3 YEAR FRR (21-10-2024)	159,000	16,000	-	175,000	888,128.01	876,663	(11,465)	12%	15%
GOP IJARA SUKUK 3 YEAR VRR (21-10-2024)	394,999	240,000	634,999	-	-	-	-	0%	0%
GOP IJARA SUKUK 5 YEAR FRR (21-10-2024)	155,520	-	155,520	-	-	-	-	0%	0%
GOP IJARA SUKUK 5 YEAR VRR (28-06-2024)	7,000	100,000	-	107,000	539,846.71	531,951	(7,896)	8%	9%
GOP IJARA SUKUK - VRR (29-07-2020)	20,000	-	20,000	-	-	-	-	0%	0%
GOP IJARA SUKUK 03 YEAR FRR (30-05-2025)	12,500	25,000	37,500	-	-	-	-	0%	0%
GOP IJARA SUKUK 05 YEAR FRR (30-05-2025)	12,500	182,500	185,000	10,000	48,867.67	48,830	(38)	1%	1%
GOP IJARA SUKUK 05 YEAR VRR (30-05-2025)	12,500	-	-	12,500	62,510.29	61,438	(1,072)	1%	1%
GOP IJARA SUKUK 03 YEAR FRR (09-01-2025)	-	33,800	-	33,800	170,580.31	168,730	(1,850)	2%	3%
GOP IJARA SUKUK 03 YEAR VRR (09-01-2025)	-	200,000	-	200,000	997,346.38	990,900	(6,446)	14%	17%
GOP IJARA SUKUK 05 YEAR FRR (09-01-2025)	-	35,000	35,000	-	-	-	-	0%	0%
GOP IJARA SUKUK 05 YEAR FRR (30-09-2025)	-	492,491	393,201	99,290	512,627.44	489,798	(22,829)	7%	8%
GOP IJARA SUKUK 05 YEAR VRR (18-09-2024)	-	50,000	-	50,000	253,513.24	250,000	(3,513)	4%	4%
GOP IJARA SUKUK 05 YEAR VRR (21-10-2024)	-	160,000	50,000	110,000	554,619.76	543,947	(10,673)	8%	9%
GOP IJARA SUKUK 05 YEAR FRR (22-01-2026)	-	25,000		25,000	125,000.00	117,600	(7,400)	2%	2%
GOP IJARA SUKUK 03 YEAR FRR (26-06-2023)	-	20,000	20,000	-	-	-	-	0%	0%
GIS 1 YEAR DISCOUNTED(04-12-2024)	4,900,950	-	4,900,950	-	-	-	-	0%	0%
GIS 1 YEAR DISCOUNTED(26-07-2024)	2,250,000	-	2,250,000	-	-	-	-	0%	0%
GIS 1 YEAR DISCOUNTED(21-08-2025)	-	18,500,000	5,000,000	13,500,000	1,333,361.60	1,329,885	(3,477)	19%	23%
GIS 1 YEAR DISCOUNTED(22-01-2026)	-	2,500,000	-	2,500,000	237,970.30	235,150	(2,820)	3%	4%
GIS 1 YEAR DISCOUNTED(24-07-2025)	-	625,000	10,000	615,000	61,179.04	61,094	(84)	1%	1%
GIS 1 YEAR DISCOUNTED(30-09-2025)	-	1,250,000	1,250,000	-	-	-	-	0%	0%
GIS 1 YEAR DISCOUNTED(26-06-2025)	1,875,000	-	1,875,000	-	-	-	-	0%	0%
Total as at June 30, 2026		**24,454,791**	**16,817,170**	**17,439,145**	**5,941,072**	**5,860,669**	**(80,402)**	**84%**	
Total as at June 30, 2025					6,804,818	6,876,111	71,294		

7 PROFIT RECEIVABLE	Note	2026	2025
		------- Rupees in '000 -------	
Receivable on			
Sukuk certificates		116,109	177,238
Bank deposit		58,927	59,490
Term deposit receipts		-	14,270
		175,036	250,998

7.1 This includes profit receivable from Bank AL Habib Limited (ultimate parent), a related party, amounting to Rs. 5.81 million (2025: Rs. 6.00 million).

8 ADVANCES & DEPOSITS			
Advance tax	8.1	14,864	14,864
Deposits with:			
National Clearing Company of Pakistan		1,000	1,000
Central Depository Company of Pakistan		100	100
Mutual fund rating fee		-	75
Others		1,125	2,100
		17,089	18,139

8.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 151 and 233 of ITO 2001.The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). However, various withholding agents have deducted advance tax under section 151 of ITO 2001.

9 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration payable to the Management	9.1	20,726	14,252
Sindh sales tax	9.2	3,788	2,138
Reimbursement of CIS	9.3	4,846	8,365
		29,360	24,755

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the management fee caps for a Collective Investment Schemes shall be applicable, calculated on a per annum basis of the average daily net assets, effective from July 01, 2025, the rate is revised from 10% of the annual gross earning to a maximum of upto 1.5% per annum of average daily net assets.

9.2 The Sindh Sales Tax has been charged at 15% on the Management Company's remuneration during the year (2025: 15%).

9.3 As per Regulation 60(3)(s) of NBFC Regulations, fees and expenses related to registrar services, accounting, operation and valuation services related to Collective Investment Scheme (CIS) are chargeable to the CIS.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (CDC) - TRUSTEE	Note	2026	2025
		------- Rupees in '000 -------	
Trustee fee payable	10.1	1,745	1,812
Sales tax payable on trustee remuneration	10.2	261	271
		2,006	2,083

10.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the Trustee fee has been revised effective from July 01, 2019, whereby the revised tariff is 0.075% of average daily net assets of the Fund.

10.2 The Sindh Sales Tax has been charged at 15% on the Trustee's remuneration charged during the year (2025: 15%).

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Fee payable	11.1	2374	2370

11.1 This represents annual fee is payable to Securities and Exchange Commission of Pakistan (SECP) in arears at 0.075% (2025: 0.075%) of net assets in accordance with regulation 62 of the NBFC Regulations.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2026	2025
		------- Rupees in '000 -------	
Auditor's remuneration		489	889
Withholding tax		955	25,083
Capital Gain tax		226,936	155,902
Payable against printing charges		11	11
Settlement charges		638	369
Brokerage		3,105	1,218
Dividend payable		-	5,623
Others		1,579	47
		233,713	189,142

13 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2026 (2025: Nil).

14 NUMBER OF UNITS IN ISSUE

	Note	2026	2025
		------- Rupees in '000 -------	
Total units in issue at the beginning of the year		188,899,433	70,740,913
Add: Units issued during the year		713,161,813	563,726,975
Less: units redeemed during the year		(833,063,000)	(445,568,455)
Total units in issue at the end of the year		68,998,246	188,899,433

15 PROFIT ON BANK DEPOSITS

Saving accounts	15.1	813,365	985,271

15.1 It respresents profit on deposits with Bank AL Habib Limited (ultimate parent), a related party amounting to Rs. 55.45 million (2025: Rs 16.77 million).

16 AUDITORS' REMUNERATION

Annual audit fee	331	323
Half yearly review fee	165	170
Other certifications	192	195
	688	688

17 TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90% of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current year as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2026 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

18 EARNINGS PER UNIT

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

19 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026		
	Fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000 ----------		
Financial assets			
Balances with banks	-	1,260,923	1,260,923
Investments			
GOP Ijarah Sukuks	5,860,669	-	5,860,669
Profit receivable	-	175,036	175,036
Advances and deposits	-	2,225	2,225
	5,860,669	1,438,184	7,298,853

Particulars	As at June 30, 2026		
	Fair value through profit or loss	Amortised cost	Total
	Rupees in '000		
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	29,360	29,360
Payable to Central Depository Company of Pakistan Limited- Trustee	-	2,006	2,006
Payable to Securities and Exchange Commission of Pakistan	-	2,374	2,374
Accrued expenses and other liabilities	-	233,713	233,713
	-	267,453	267,453

Particulars	As at June 30, 2025		
	Fair value through profit or loss	Amortised cost	Total
	Rupees in '000		
Financial assets			
Balances with banks	-	10,690,753	10,690,753
Investments			
GOP Ijarah Sukuks	6,876,111	-	6,876,111
Profit receivable	-	250,998	250,998
Advances and deposits	-	3,275	3,275
	6,876,111	10,945,026	17,821,137
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	24,755	24,755
Payable to Central Depository Company of Pakistan Limited- Trustee	-	2,083	2,083
Payable to Securities and Exchange Commission of Pakistan	-	2,370	2,370
Accrued expenses and other liabilities	-	189,142	189,142
	-	218,350	218,350

20 TRANSACTIONS AND BALANCES WITH RELATED/ CONNECTED PERSONS

20.1 Related party/ Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other Collective Investment Schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and of?cers of the Management Company and the Trustee and unit holders holding 10% or more units of the Fund.

20.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

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

20.4 The details of signi?cant transactions carried out by the Fund with connected persons and balances with them at the end of reporting year are as follows:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company

S.No	Company Name	Relationship
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above companies.

Details of transactions with connected persons are as follows:	Note	2026	2025
		------- Rupees in '000 -------	
AL Habib Asset Management Limited - Management Company			
- Management Remuneration		86,800	175,743
- Sindh Sales Tax on Management Company's Remuneration		13,692	26,366
- Expenses allocated by the Management Company		-	8,580
- Dividend paid		-	-
Central Depository Company of Pakistan Limited - Trustee			
-Trustee Remuneration		13,472	12,470
-Sindh Sales Tax on Trustee Remuneration		2,021	1,870
-CDC charges		6	6
Bank AL Habib Limited			
- Dividend paid		-	-
- Profit on Bank deposits		16,766	78,081

Details of balances with connected persons at year end are as follows:

Parent Company		
Bank Al Habib Limited	346,697	38,486
Profit Receivable on bank deposits	5,977	5,828
AL Habib Asset Management Limited - Management Company		
-Management Company fee payable	29,360	24,755
Central Depository Company of Pakistan Limited - Trustee		
-Remuneration payable	2,006	2,083
-Security deposit - Non interest bearing	100	100

Sale / redemption of units	2026		2025	
Units sold to:	**(Units)**	**(Rupees in '000)**	**(Units)**	**(Rupees in '000)**
Management Company				
- AL Habib Asset Management Limited	38,024,664	4,109,604,950	35,397,801	4,007,617
Other connected persons				
- Directors and (spouse of Director) of the Management Company	1,413	152,813	251,120	25,895
- Key Executives of the Management Company	954,526	99,589,018	303,153	31,441
- Habib Asset management Ltd Emp. Provident Fund	205,796	21,022,751	-	
- Habib Insurance Company Limited	-	-	5	1
Unit sold to Connected Persons holding 10% or more of the unit in issue	-	-	93,887,917	10,523,462

Units redeemed by:	2026 (Units)	2026 (Rupees in '000)	2025 (Units)	2025 (Rupees in '000)
Management Company				
- AL Habib Asset Management Limited	38,024,664	4,144,872,264	35,937,801	4,048,374
Other connected parties:				
- Directors and spouse of the Management Company	190,969	18,383,512	305,078	34,071
- Key Executives of the Management Company	1,221,085	130,166,673	226,228	25,246
- Habib Insurance Company Ltd.	55	6	-	-
Unit redeemed to Connected Persons holding 10% or more of the unit in issue	17,659,668	1,722,171	31,634,995	3,592,585
Units held by:				
Parent Company				
- Bank AL Habib Limited	250,421	25,581	250,421	24,421
Other connected persons				
- Directors and spouse of the Management Company	-	-	189,556	18,486
- Key Executives of the Management Company	45	5	266,604	25,999
- Habib Asset management Ltd Emp. Provident Fund	205,796	21,022,751	-	-
- Habib Insurance Company Ltd.	-	-	55	5
Units held by Connected Persons holding 10% or more of the units in issue:	44,593,254	4,555,201	62,252,922	6,070,905

21 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of investments such as Government securities, spread transactions and in other money market instruments. These activities expose the Fund to a variety of financial risks, such as market risk, credit risk and liquidity risk.

21.1 Market risk

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

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

Market risk comprises of three types of risk; currency risk, interest rate risk and other price risk. The fund is exposed to interest rate risk only.

21.1.1 Interest rate risk

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

a) Sensitivity analysis of variable rate instruments

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 11.25% to 12.75% per annum, and against investments in GOP Ijara Sukuks the interest rate on which range between 9.64% to 18.49%.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs.71.216 million (2025: Rs.106.909 million).

b) Sensitivity analysis of fixed rate

The Fund's investment in GOP Ijara Sukuk and Term Finance Certificates exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 58.61 million.. (June 30, 2025: 68.76 million).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

Particulars	As at June 30, 2026					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Balances with banks		1,260,923	-	-	-	1,260,923
Investments		-	-	-	-	-
GOP Ijarah Sukuks		-	-	5,860,669	-	5,860,669
Profit receivable		-	-	-	175,036	175,036
Advances and deposits		-	-	-	17,089	17,089
Sub total		1,260,923	-	5,860,669	192,125	7,313,717
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	29,360	29,360
Payable to Central Depository Company of Pakistan Limited- Trustee		-	-	-	2,006	2,006
Payable to Securities and Exchange Commission of Pakistan		-	-	-	2,374	2,374
Accrued expenses and other liabilities		-	-	-	233,713	233,713
Sub total		-	-	-	267,453	267,453
On-balance sheet gap (a)		1,260,923	-	5,860,669	459,578	7,581,170
Off-balance sheet financial instruments		-	-	-	-	7,581,170
Off-balance sheet gap (b)		-	-	-	-	7,610,530
Total interest rate sensitivity gap (a) + (b)						
Cumulative interest rate sensitivity gap						

Particulars	As at June 30, 2025					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Balances with banks	8.75 - 11.5	10,690,753	-	-	-	10,690,753
Investments						
GOP Ijarah Sukuks	10.59 - 18.99	-	-	6,876,111	-	6,876,111
Profit receivable		-	-	-	250,998	250,998
Advances and deposits		-	-	-	3,275	3,275
Sub total		10,690,753	-	6,876,111	254,273	17,821,137
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	24,755	24,755
Payable to Central Depository Company of Pakistan Limited- Trustee		-	-	-	2,083	2,083
Payable to Securities and Exchange Commission of Pakistan		-	-	-	2,370	2,370
Accrued expenses and other liabilities		-	-	-	164,059	164,059
Sub total		-	-	-	193,267	193,267
On-balance sheet gap (a)		10,690,753	-	6,876,111	61,006	17,627,870
Off-balance sheet financial instruments		-	-	-	-	**24,755.00**
Off-balance sheet gap (b)		-	-	-	-	**2,083.00**
Total interest rate sensitivity gap (a) + (b)		10,690,753	-	6,876,111	61,006	17,627,870
Cumulative interest rate sensitivity gap		10,690,753	-	6,876,111		164,059

21.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in debt securities such as Sukuks and Bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

21.2.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2026 and June 30, 2025:

Name of Banks	Balances held as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Bank Islamic Pakistan	40,147	AA-	PACRA
MCB Bank Ltd	895	AAA	VIS
Bank Al Habib	346,697	AAA	PACRA
Dubai Islamic Bank	113	AA	VIS
HBL I, I Chundrigar	2,645	AAA	VIS
Al Baraka Bank Pakistan	1,746	AA-	PACRA
FaysalBank Limited	6,305	AA+	VIS
Allied Bank Limited	598,335	AAA	PACRA
Meezan Bank Limited	284	AAA	VIS
Bank Alfalah Islamic	253	AA+	PACRA
HMB Islamic	6	AA+	PACRA
Askari Bank Limited	1,610	AA+	PACRA
UBL Ameen	261,887	AAA	PACRA
	1,260,923		

Name of Banks	Balances held as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Al Baraka Bank Pakistan Limited	5,377	AA-	PACRA
Bank Al Habib Limited	503,007	AAA	PACRA
BankIslami Pakistan Limited	764	AA-	PACRA
Dubai Islamic Bank Pakistan Limited	109	AA	VIS
Faysal Bank Limited	5,925	AA+	PACRA
Habib Bank Limited	4,696	AAA	VIS
MCB Bank Limited	1,300	A+	VIS
Allied Bank Limited	458,934	AAA	PACRA
MCB Islamic Bank	60	A+	PACRA
MCB Islamic Bank	45	A+	PACRA
Meezan Bank Limited	1,497	AAA	VIS
Bank Alfalah Ltd (Islamic)	522,185	A+	PACRA
Bank Al Habib Limited	4,141	AAA	PACRA
Askari Bank Ltd	4,848,418	AA+	PACRA
Habib Metro Islamic Bank Limited	6	AA+	PACRA
Sindh Bank Limited	505	AA-	VIS
National Bank of Pakistan	10	AAA	VIS
Faysal Bank Limited	3,328,000	AA+	VIS
Bank Al Habib Limited	5,772	AAA	PACRA
Askari Bank Ltd	1,000,000	AA+	PACRA
	10,690,751		

21.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category	2026	2025
	---------- (Percentage) ----------	
AA-	3.32%	0.06%
AAA	96.02%	9.09%
A+	0.00%	4.89%
AA	0.01%	0.00%
AA+	0.65%	85.93%
	100.00%	**100.00%**

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in Gop Ijara sukkuks and bank balances, while the remaining transactions are entered into with diverse credit-worthy counterparties, thereby mitigating any significant concentration of credit risk to counterparties. At the reporting date the fund is not exposed to a concentration of credit risk.

21.3 Liquidity risk

Liquidity risk is a risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of 10% of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below 10% of the units then in issue. However, no such instances were witnessed by the Fund during the current year (2025: 10%).

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	29,360	-	-	29,360
Payable to Central Depository Company of Pakistan Limited- Trustee	2,006	-	-	2,006
Payable to Securities and Exchange Commission of Pakistan	2,374	-	-	2,374
Payable to against redemption of units	1,355	-	-	1,355
Accrued expenses and other liabilities	233,713	-	-	233,713
	268,808	**-**	**-**	**268,808**

Particulars	As at June 30, 2025			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to the Management Company	24,755	-	-	24,755
Payable to the Trustee	2,083	-	-	2,083
Payable to Securities and Exchange Commission of Pakistan	2,370			2,370
Payable to against redemption of units	56,482	-	-	56,482
Accrued expenses and other liabilities	189,142	-	-	85,690
	274,832	**-**	**-**	**171,380**

22 UNITS HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by the net assets attributable to unit holders / redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund. Unit holders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

23 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities ;

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

- Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

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

June 30, 2026

	Carrying amount				Fair value			
	At fair value through profit and loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)							
Financial assets - measured at fair value								
GOP Ijarah Sukuk	5,860,669	-	-	5,860,669	-	5,860,669	-	5,860,669
	5,860,669	-	-	5,860,669	-	5,860,669	-	5,860,669

June 30, 2025

	Carrying amount				Fair value			
	At fair value through profit and loss	Amortised cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)							
Financial assets - measured at fair value								
GOP Ijarah Sukuk	6,876,111	-	-	6,876,111	-	6,876,111	-	6,876,111
	6,876,111	-	-	6,876,111	-	6,876,111	-	6,876,111

23.1 Valuation techniques

For the level 2 investments at fair value through profit or loss - investment in respect of GOP Ijarah Sukuks, Fund uses the rates which are derived from PKISRV rates at reporting date per certificate multiplied by the number of certificates held as at year end.

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

23.3 Transfers during the year

No transfers were made between various levels of fair value heirarchy during the year.

24 LIST OF BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of Broker	2026	2025
	(Percentage)	
Continental Exchange (Pvt) Limited	0.00%	0.00%
Optimus Markets (Pvt) Limited	19.00%	5.00%
Invest One Markets Limited	0.00%	1.00%
Next Capital Limited	1.00%	40.00%
JS Global Capital Limited	3.00%	39.00%
Arif Habib Limited	35.00%	10.00%
Akd Securities	1.00%	5.00%
Direct Capital Limited	35.00%	0.00%
National Clearing Company of Pakistan	6.00%	0.00%

25 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

25.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- AL Habib Cash Fund
- AL Habib Income Fund
- AL Habib Government Securities Fund
- AL Habib Pension Fund
- AL Habib Islamic Cash Fund
- AL Habib Islamic Money Market Fund
- AL Habib Islamic Income Fund
- AL Habib Islamic Savings Fund
- AL Habib Islamic Pension Fund

25.2 Mr. Ahmed Abbas is also Fund Manager of AL Habib Cash Fund, AL Islamic Cash Fund, AL Habib Income Fund, AL Habib Islamic Savings Funds, AL Habib Islamic Income Fund, AL Habib Fixed Return Fund, AL Habib Islamic Munafa Fund & AL Habib Government Securities Fund.

26 PATTERN OF UNITHOLDING

Unit holding pattern of the fund is as follows:

Category	As at June 30, 2026			Percentage
	No. of unit holders	Number of units held	Investment amount	
			Rupees in '000	
Individuals	1,051	10,134,018	1,035,189.94	14.69%
Associated company	1	250,421	25,580.51	0.36%
Insurance companies	4	1,246,938	127,374.72	1.81%
Retirement Funds	9	2,489,461	254,298.44	3.61%
Other Corporate	31	54,873,342	5,605,311.89	79.53%
	1,096	68,994,180	7,047,756	100.00%

Category	As at June 30, 2025			Percentage
	No. of unit holders	Number of units held	Investment amount	
			(Rupees in '000)	
Individuals	971	64,903,621	6,608,685	34.36%
Associated company	2	416,072	42,366	0.22%
Insurance companies	8	11,225,657	1,143,031	5.94%
Retirement Funds	8	2,000,468	203,694	1.06%
Other Corporate	41	110,353,602	11,236,546	58.42%
	1,030	188,899,420	19,234,322	100.00%

27 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 04, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

28 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the year ended June 30, 2026 is 0.73% (2025: 1.46%) which includes 0.16% (2025: 0.25%) representing Government levy and SECP fee.

29 CORRESPONDING FIGURES

Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

30 GENERAL

30.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

_____	_____	_____
Chief Executive Officer	**Chief Financial Officer**	**Director**

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

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

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHIIF maintained strategy to get exposure in broadly diversified portfolio of high quality shariah complaint fixed and floater rate instrument. Such investments include Shariah Complaint Government securities (GOP Ijarah Sukuk), Banks Deposits/Placements and Corporate Sukuks.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 40 bps as it posted YTD return of 9.03% as against the benchmark of 9.43%.

Fund Description

Fund Type & Category	Open ended - Shariah Compliant Income Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	January 23, 2017	**Management Fee**	0.48%
Benchmark	75% six (6) months PKISRV + 25% six (6) months average of the highest ratees on savings account of three (3) AA rated scheduled Islamic Bank or window of conventional Banks, as selected by MUFAP	**Sales Load**	3.00% (Management has the discretion to reduce or waive load on any transaction)
Annual Return	9.03%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	9.43%	**Dealing Days/ Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 7,048 million (June 30, 2026)	**Fund Stability Rating**	"AA (f)" by PACRA, (April 10, 2026)
NAV per unit	Rs. 102.1533 per unit (June 30, 2026)	**AMC Rating**	"AM1" by PACRA (August 12, 2025)
Pricing Mechanism	Forward Pricing	**Trustee**	Central Depository Company of Pakistan Limited.
Risk Profile	Medium (Principal at medium risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
1 Month	13.02	10.59	243
3 Months	11.15	11.17	-2
6 Months	10.37	12.05	-168
9 Months	10.76	11.20	-44
1 Year	10.85	11.29	-44

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	17.24%	49.68%
GoP Ijarah Sukuk	78.09%	34.48%
Corporate Sukuk	2.02%	0.77%
TDR	0.00%	5.13%
Others	2.65%	9.95%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	638
1001-5000	104
5001-10000	31
10001-50000	50
50001-100000	8
100001-500000	26
500001-1000000	2
1000001-5000000	5
5000001 and above	3
Grand Total	**867**

Income Distribution

AHIIF made a total distribution of Rs. 8.8353 during FY26 in the form of dividend, the details of which is as follows;

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 20, 2026	110.6584	101.8231	8.8353

During the period under question:

There has been no significant change in the state of affairs of the Fund. Al Habib Islamic Income Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the period, 373,893,399 units valued Rs. 39,775 million were sold, while 372,003,158 units valued Rs. 39,551 million were redeemed, resulting in to a net sale of 1,890,242 units valued Rs. 224 million.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in billion)	7,048	19,234
NAV per unit as at June 30 (Rs.)	102.1533	101.8231
Distribution during the year ended June 30 (Rs.)	8.8353	13.9353
Annual Return	9.03%	14.14%

AL HABIB ISLAMIC STOCK FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AAA(f) Fund Stability Rating by VIS
AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC STOCK FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Islamic Stock Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of **AL Habib Islamic Stock Fund**, I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah
Shariah Advisor

Date: June 30, 2026



BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Al Habib Islamic Stock Fund (the Fund) managed by Al Habib Asset Management Limited (the Management Company) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. Applicable Criteria

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. Management's Responsibility for Shariah Compliance

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

6. Conclusion

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

BDO EBRAHIM & CO.
CHARTERED Accountants

Engagement Partner
Tariq Feroz Khan

Date: 25 SEP 2026
Place: Karachi

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB ISLAMIC STOCK FUND

Opinion

We have audited the financial statements of **AL Habib Islamic Stock Fund** ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flows and for the year then ended, and notes to the financial statements, including principal accounting policy information.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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 year. 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 are the Key audit matters:

S.NO	Key audit matter(s)	How the matter was addressed in our audit
1.	**Existence and valuation of investments** As disclosed in note 6 to the accompanying financial statements, the investment held by the fund comprised of equity instrument amounting to Rs. 9,328.40 million representing 97.81% of the net asset value (NAV) of the fund.	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund;

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S.NO	Key audit matter(s)	How the matter was addressed in our audit
	As these investments represent a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as the valuation of investments is the main driver of movements in the performance of the Fund. In view of the significance of these investments in relation to the total assets and the NAV of the Fund, we have considered the existence and valuation of such investments as a key audit matter.	• We performed substantive audit procedures on year end balance of equity instruments including review of custodian's statement, related reconciliations and reperformance of valuation based on share price from the Pakistan Stock Exchange (PSX). • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

Information other than the financial statements and auditor's report thereon

The Management Company ("AL Habib Asset Management Limited") 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 the Management Company and its Board of Directors

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

The Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166D2URXb6Wo

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		(Rupees in '000)	
Assets			
Balances with banks	5	736,857	327,442
Investments	6	9,328,407	5,542,883
Dividend and profit receivable	7	796	24,478
Receivable against issuance of units		6,768	40,838
Advances and deposits	8	1,792	1,792
Total assets		10,074,620	5,937,433
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	9	21,041	10,330
Provision for Federal Excise Duty on remuneration of the Management Company	10	1,478	1,478
Payable to Central Depository Company of Pakistan Limited - Trustee	11	768	606
Payable to Securities and Exchange Commission of Pakistan	12	586	430
Payable against purchase of investment		470,990	-
Payable against redemption of units		3,691	-
Accrued expenses and other liabilities	13	39,060	179,866
Total liabilities		537,614	192,710
Net assets		9,537,006	5,744,723
Unit holders' fund (as per statement attached)		9,537,006	5,744,723
Contingencies and Commitments	14	-	-
		(Number of units)	
Number of units in issue	15	55,821,758	39,312,972
		(Rupees)	
Net assets value per unit		170.85	146.13

The annexed notes 1 to 34 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------- (Rupees in '000) ---------	
Income			
Profit on bank deposits	16	2,560	1,458
Dividend income		253,638	200,967
Realised gain / (loss) on sale of investments - net		1,516,342	1,710,868
Unrealised appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net	6.1	530,025	680,415
Total income		2,302,565	2,593,708
Expenses			
Remuneration of Al Habib Asset Management Limited - Management Company		230,699	94,900
Sindh Sales Tax on Management Company's remuneration		34,599	14,227
Expenses allocated by the Management Company	17	-	4,991
Remuneration of Central Depository Company of Pakistan Limited - Trustee		8,691	5,741
Sindh Sales Tax on remuneration of the Trustee		1,304	861
Fees to the Securities and Exchange Commission of Pakistan		7,307	4,508
Brokerage expense		72,207	33,302
Settlement and bank charges		3,129	1,699
Annual listing fee		25	25
Auditors' remuneration	18	589	589
Printing charges		-	57
Charity expense		12,561	5,853
Total expenses		371,111	166,753
Net income for the year before taxation		1,931,454	2,426,955
Taxation	19	-	-
Net income for the year after taxation		1,931,454	2,426,955
Allocation of net income for the year after taxation			
Net income for the year after taxation		1,931,454	2,426,955
Income already paid on units redeemed		(1,208,371)	(1,466,873)
		723,083	960,082
Accounting income available for distribution:			
- Relating to capital gains		723,083	960,082
- Excluding capital gains		-	-
		723,083	960,082

The annexed notes 1 to 34 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

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

	2026	2025
	------- (Rupees in '000) -------	
Net income for the year after taxation	1,931,454	2,426,955
Other comprehensive income for the year	-	-
Total comprehensive income for the year	1,931,454	2,426,955

The annexed notes 1 to 34 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			2025		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	----------(Rupees in '000)----------			----------(Rupees in '000)----------		
Net assets at beginning of the year	5,054,229	690,494	5,744,723	1,203,019	(44,613)	1,158,406
Issuance of 141,391,781 units (2025: 141,763,274 units)						
- Capital value	20,663,730	-	20,663,730	14,200,427	-	14,200,427
- Element of income	4,579,367	-	4,579,367	7,595,698	-	7,595,698
Total proceeds on issuance of units	25,243,097	-	25,243,097	21,796,125	-	21,796,125
Redemption of 124,878,343 units (2025: 114,019,102 units)						
- Capital value	(18,250,370)	-	(18,250,370)	(11,421,293)	-	(11,421,293)
- Element of loss	(3,154,303)	(1,208,371)	(4,362,674)	(5,809,003)	(1,466,873)	(7,275,876)
Total payments on redemption of units	(21,404,673)	(1,208,371)	(22,613,044)	(17,230,296)	(1,466,873)	(18,697,169)
Total comprehensive income for the year	-	1,931,454	1,931,454	-	2,426,955	2,426,955
Distribution during the year	(547,846)	(221,378)	(769,224)	(714,619)	(224,975)	(939,594)
Income / (Loss) for the year less distribution	(547,846)	1,710,076	1,162,230	(714,619)	2,201,980	1,487,361
Net assets at end of the year	8,344,807	1,192,199	9,537,006	5,054,229	690,494	5,744,723
Accumulated loss brought forward						
- Realised loss		10,079			(216,085)	
- Unrealised gain / (loss)		680,415			171,472	
		690,494			(44,613)	
Accounting income available for distribution						
- Relating to capital gains		723,083			960,082	
- Excluding capital gains		-			-	
		723,083			960,082	
Distribution during the year @ Rs. 16.6443 per unit declared on June 26, 2026 (2025: Rs. 27 per unit)		(221,378)			(224,975)	
Undistributed income carried forward		1,192,199			690,494	
Undistributed income carried forward comprising of:						
- Realised income		662,174			10,079	
- Unrealised income		530,025			680,415	
		1,192,199			690,494	
		(Rupees)			**(Rupees)**	
Net assets value per unit at beginning of the year		146.13			100.17	
Net assets value per unit at end of the year		170.85			146.13	

The annexed notes 1 to 34 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------- (Rupees in '000) ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		1,931,454	2,426,955
Adjustments for:			
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		(530,025)	(680,415)
		1,401,429	1,746,540
(Increase) / decrease in assets			
Investments - net		(3,255,498)	(3,751,956)
Dividend and profit receivable		23,682	(23,759)
Receivable against issuance of units		34,070	(38,498)
Receivable against sale of investments		-	70,422
		(3,197,746)	(3,743,791)
Increase / (decrease) in liabilities			
Payable to AL Habib Asset Management Limited - Management Company		10,711	8,098
Payable to Central Depository Company of Pakistan Limited - Trustee		161	407
Payable to Securities and Exchange Commission of Pakistan		156	339
Payable against purchase of investment		470,990	-
Payable against redemption of units		3,691	-
Accrued expenses and other liabilities		(140,806)	99,711
		344,903	108,555
Net cash used in operating activities		(1,451,414)	(1,888,696)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units		25,243,097	21,796,125
Payments made against redemption of units		(22,613,044)	(18,697,169)
Dividend paid		(769,224)	(939,594)
Net cash generated from financing activities		1,860,829	2,159,362
Net increase in cash and cash equivalents during the year		409,415	270,666
Cash and cash equivalents at beginning of the year		327,442	56,776
Cash and cash equivalents at end of the year	5	736,857	327,442

The annexed notes 1 to 34 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Islamic Stock Fund (the "Fund") was established under a Trust Deed between AL Habib Asset Management Limited (HAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 24, 2011 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 03, 2011 under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (NBFC Rules).

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act, Accordingly, on October 15, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.3 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd floor, Mackinnon's Building, I.I Chundrigar Road, Karachi, Pakistan.

1.4 The Fund has been categorized as an open-end Shariah Complaint Equity Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS) and is listed on the Pakistan Stock Exchange Limited (PSX). Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.

1.5 The investment objective of the fund is to seek long-term capital growth by investing primarily in a Shariah Compliant diversified pool of equities and equity related instruments. The management team shall ensure the active implementation of prudent investment practices, the highest professional standards and compliance of applicable laws.

1.6 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund

1.7 The management company has been assigned a rating of "AM1" by Pakistan Credit Rating Agency (PACRA) dated December 12, 2025

2 BASIS OF PRESENTATION

The transactions undertaken by the fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

2.1 BASIS OF PREPARATION

2.1.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notification issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations)

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation (notes 4.2.2.1, 6).

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual years beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorization and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is an contract that gives rise to a financial asset of an entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financials assets are classified into appropriate categories at amortized cost and at fair value through profit or loss. The management determines the classification of financial assets into categories based on fund’s business model for managing the financial and the contractual terms of the cash flows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.2.1 Classification

Fair value through profit or loss

Financial assets not classified as measured at amortized cost are measured at FVTPL. A financial asset at FVTPL is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent, the financial asset measured at:

Equity investments at FVTPL

These assets are subsequently measured at fair value.

4.2.2.2 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognized on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.2.3 Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.3 Financial liabilities

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the income statement.

4.2.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent (90%) of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed to the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent (90%) of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders every year. Accordingly, no tax liability has been recognized in these financial statements.

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

4.5 Proposed distributions

Distribution to unit holders are recognized upon declaration and approval by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Distributions declared subsequent to the year end reporting date are subject to the approval of the Board of Directors of the Management Company and considered as non-adjusting events and are recognized before the reporting date.

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company / distributors receive redemption applications during business hours on that date. The redemption price represents the NAV as on the close of the business day, less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.7 Element of income / (loss)

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

4.8 Net asset value per unit

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

4.9 Revenue recognition

- Gains / losses arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Mark-up / profit / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.
- Unrealized gains / losses arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Dividend income from equity securities is recognized when the right to receive the dividend is established.

4.10 Expenses

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

		Note	2026	2025
5	**BALANCES WITH BANKS**		**-------(Rupees in '000)------**	
	Balances with banks in:			
	Current accounts		706,232	183,274
	Savings accounts	5.1	30,625	144,168
		5.2	736,857	327,442

5.1 These carries profit rates ranging from 5.00% to 9.25% (2025: 10% to 13%) per annum.

5.2 This includes a balance of Rs. 707.32 million (2025: Rs. 188.93 million) with Bank AL Habib Limited, (ultimate parent) related party.

6 INVESTMENTS

Financial assets at 'fair value through profit or loss'

Listed equity securities	6.1	9,328,407	5,542,883

6.1 Investments in Listed equity securities

Name of the Investee	Note	As at 01 July 2025	Purchased during the year	Bonus / right issue	Sold during the year	As at 30 June 2026	Carrying Value as at 30 June 2026	Market Value as at 30 June 2026	Unrealised appreciation / (diminution)	Market Value as a percentage of: Net Assets	Market Value as a percentage of: Total Investment
		(Number of shares)					(Rupees in '000)			(%)	
AUTOMOBILE ASSEMBLERS / PARTS & ACCESSORIES											
Exide Pakistan Limited		66,000	-	-	66,000	-	-	-	-		
Ghandhara Automobiles Limited		195,520	740,657	-	425,384	510,793	264,673	287,076	22,403	3.08%	3.08%
Ghandhara Industries Limited		74,478	396,029	-	343,507	127,000	114,415	123,008	8,593	1.32%	1.32%
Service Long March Tyers Limited		-	4,537,865	-	-	4,537,865	104,045	115,171	11,126	1.23%	1.23%
Sazgar Engineering Works Limited-			223,960	-	203,960	20,000	44,261	41,270	(2,991)	0.44%	0.44%
		335,998	**5,898,511**	**-**	**1,038,851**	**5,195,658**	527,394	566,525	39,131		
Commercial Banks											
Meezan Bank Limited	6.1.1	1,075,000	4,852,779	-	3,917,406	2,010,373	951,583	1,038,277	86,694	11.13%	11.13%
		1,075,000	**4,852,779**	**-**	**3,917,406**	**2,010,373**	951,583	1,038,277	86,694		
CEMENT											
Bestway Cement Limited		171,960	10,370	-	182,330	-	-	-	-	-	-
Cherat Cement Company Limited		295,000	1,054,337	-	711,772	637,565	209,646	220,553	10,907	2.36%	2.36%
D.G Khan Cement Company Limited		1,025,000	1,500,000	-	1,625,000	900,000	182,845	200,943	18,098	2.15%	2.15%
Fauji Cement Company Limited		2,550,000	12,850,000	-	9,900,000	5,500,000	296,020	316,525	20,505	3.39%	3.39%
Kohat Cement Limited		-	1,120,185	-	495,185	625,000	74,299	68,825	(5,474)	0.74%	0.74%
Lucky Cement Limited		1,025,087	2,408,000	-	2,278,087	1,155,000	512,504	542,296	29,792	5.81%	5.81%
Maple Leaf Cement Factory Limited		2,575,000	3,767,831	-	4,717,831	1,625,000	157,864	173,729	15,865	1.86%	1.86%
Pioneer Cement Limited		726,935	-	-	726,935	-	-	-	-	-	-
		8,368,982	**22,710,723**	**-**	**20,637,140**	**10,442,565**	1,433,178	1,522,871	89,693		
CHEMICALS											
Biafo Industries Limited		290,000	-	-	290,000	-	-	-	-	-	-
		290,000	**-**	**-**	**290,000**	**-**	-	-	-		
Engineering											
Aisha Steel Mills Limited			5,000,000	-	5,000,000	-	-	-	-	-	-
International Industries Limited		-	612,500	-	612,500	-	-	-	-	-	-
International Steels Limited		17,783	-	-	17,783	-	-	-	-	-	-
Mughal Steels Limited		-	1,550,000	-	1,550,000	-	-	-	-	-	-
		17,783	**7,162,500**	**-**	**7,180,283**	**-**	-	-	-		
FERTILIZERS											
Engro Fertilizers Limited		995,051	1,769,958	-	2,765,009	-	-	-	-	-	-
Fauji Fertilizer Company Limited		-	2,537,869	-	1,647,869	890,000	498,785	510,397	11,612	5.47%	5.47%
Fatima Fertilizers Company Limited		1,432,401	1,967,865	-	2,654,751	745,515	102,398	123,234	20,836	1.32%	1.32%
		2,427,452	**6,275,692**	**-**	**7,067,629**	**1,635,515**	601,183	633,631	32,448		

Name of the Investee	Note	As at 01 July 2025	Purchased during the year	Bonus / right issue	Sold during the year	As at 30 June 2026	Carrying Value as at 30 June 2026	Market Value as at 30 June 2026	Unrealised appreciation / (diminution)	Market Value as a percentage of: Net Assets	Market Value as a percentage of: Total Investment
		(Number of shares)					(Rupees in '000)			(%)	
FOOD AND PERSONAL CARE PRODUCTS											
National Foods Limited		516,400	243,872	-	760,272	-	-	-	-	0.00%	0.00%
Ghani Dairies Limited			6,500,000	-	250,000	6,250,000	199,733	124,688	(75,045)	1.34%	1.34%
Frieslandcampina Engro Pakistan Limited		-	750,000	-	750,000	-	-	-	-	-	-
Barkat Frisian Agro Limited		1,000,000	1,900,000	-	1,000,000	1,900,000	64,966	69,217	4,251	0.74%	0.74%
		1,516,400	**9,393,872**	**-**	**2,760,272**	**8,150,000**	264,699	193,905	(70,794)		
INVESTMENT BANKS/COMPANIES/SECURITIES											
Engro Holdings Limited		1,855,000	7,235,979	-	7,045,979	2,045,000	549,368	588,387	39,019	6.31%	6.31%
		1,855,000	**7,235,979**	**-**	**7,045,979**	**2,045,000**	549,368	588,387	39,019		
LEATHER AND TANNERIES											
Service GlobalFootwear Limited		553,038	1,350,000	-	212,960	1,690,078	181,765	206,054	24,289	2.21%	2.21%
		553,038	**1,350,000**	**-**	**212,960**	**1,690,078**	181,765	206,054	24,289		
MISCELLANEOUS											
Shifa International Hospitals Limited		205,387	10,000	-	71,134	144,253	68,717	72,918	4,201	0.78%	0.78%
		205,387	**10,000**	**-**	**71,134**	**144,253**	68,717	72,918	4,201		
OIL AND GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited		133,200	1,196,600	-	908,200	421,600	278,954	284,281	5,327	3.05%	3.05%
Oil & Gas Development Company Limited	6.1.1	2,408,581	8,012,595	-	6,491,176	3,930,000	1,169,392	1,316,039	146,647	14.11%	14.11%
Pakistan Petroleum Limited	6.1.1	2,440,000	11,566,500	-	8,683,500	5,323,000	1,223,147	1,291,466	68,319	13.84%	13.84%
		4,981,781	**20,775,695**	**-**	**16,082,876**	**9,674,600**	2,671,493	2,891,786	220,293		
OIL AND GAS MKTG. COMPANIES											
Attock Petroleum Limited		111,000	193,377	-	304,377	-	-	-	-	-	-
Pakistan State Oil Company Limited		547,815	1,690,000	-	2,237,815	-	-	-	-	-	-
Sui Northern Gas Pipeline Limited		1,050,000	3,600,000	-	3,475,000	1,175,000	120,868	142,093	21,225	1.52%	1.52%
		1,708,815	**5,483,377**	**-**	**6,017,192**	**1,175,000**	120,868	142,093	21,225		
PHARMACEUTICALS											
Abbott Laboratories Limited		233,955	7,000	-	173,955	67,000	65,177	65,954	777	0.71%	0.71%
GlaxoSmithKline Pakistan Limited		660,283	598,119	-	845,283	413,119	160,591	152,957	(7,634)	1.64%	1.64%
Haleon Pakistan Limited		385,355	37,000	-	315,355	107,000	81,344	86,156	4,812	0.92%	0.92%
Hoechst Pakistan Limited		2,841	86,695	-	89,536	-	-	-	-	-	-
Highnoon Laboratories Limited		10,000	-	-	-	10,000	32,827	40,350	7,523	0.43%	0.43%
		1,292,434	**728,814**	**-**	**1,424,129**	**597,119**	339,939	345,417	5,478		
POWER GEN & DISTRIBUTION											
The Hub Power Company Limited		1,850,000	6,930,153	-	7,380,153	1,400,000	314,029	326,830	12,801	3.50%	3.50%
		1,850,000	**6,930,153**	**-**	**7,380,153**	**1,400,000**	314,029	326,830	12,801		
REFINERY											
Attock Refinery Limited		80,000	910,276	-	662,776	327,500	268,303	278,594	10,291	2.99%	2.99%
Pakistan Refinery Limited		-	2,000,000	-	2,000,000	-	-	-	-	-	-
		80,000	**2,910,276**	**-**	**2,662,776**	**327,500**	268,303	278,594	10,291		
TEXTILE COMPOSITE											
Interloop Limited		1,600,649	2,296,706	-	2,001,516	1,895,839	151,895	203,879	51,984	2.19%	2.19%
Nishat Mills Limited		360,000	3,295,365	-	2,030,365	1,625,000	267,833	256,523	(11,310)	2.75%	2.75%
		1,960,649	**5,592,071**	**-**	**4,031,881**	**3,520,839**	419,728	460,402	40,674		
TRANSPORT											
Secure Logistics-Trax Group Limited		-	5,695,000	-	1,995,000	3,700,000	86,135	60,717	(25,418)	0.65%	0.65%
Pakistan National Shipping Corporation Limited			1,591	-	1,591	-	-	-	-	-	-
		-	**5,696,591**	**-**	**1,996,591**	**3,700,000**	86,135	60,717	(25,418)		
GLASS AND CERAMICS											
Tariq Glass Industries Limited		284,698	207,726	-	492,424	-	-	-	-	-	-
		284,698	**207,726**	**-**	**492,424**	**-**	-	-	-		
CABLE & ELECTRICAL GOODS											
Fast Cables Limited			2,500,000	-	2,500,000	-	-	-	-	-	-
Pak Elektron Limited		-	1,000,000	-	1,000,000	-	-	-	-	-	-
		-	**3,500,000**	**-**	**3,500,000**	**-**	-	-	-		
TECHNOLOGY AND COMMUNICATIONS											
SYSTEMS Pakistan Limited		-	2,450,000	-	2,450,000	-	-	-	-	-	-
		-	**2,450,000**	**-**	**2,450,000**	**-**	-	-	-		
Total as at 30 June 2026		**28,803,417**	**119,164,759**	**-**	**96,259,676**	**51,708,500**	**8,798,382**	**9,328,407**	**530,025**	100%	100%
Total as at 30 June 2025							4,862,474	5,542,883	680,415		

6.1.1 Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against exposure margin and mark to market losses.

	2026	2025
	------ (No. of shares) ------	
Pakistan Petroleum Limited	**2,450,000**	950,000
Meezan Bank Limited	**190,000**	190,000
Oil & Gas Development Company	**1,500,000**	-
	4,140,000	1,140,000

6.1.2 As per the new Finance Act, 2023 tax on bonus shares has been re-introduced. Earlier such tax was introduced through Finance Act, 2014 and omitted through Finance Act, 2018. Finance Act, 2023 reintroduces the above taxation measure by amending the definition of ""income"" expanding from other sources and introducing a withholding tax provision @ 10% of payment of tax on Bonus shares (i.e. section 236Z) which is effect from July 01, 2023.

There is no change in the status of bonus shares of the funds withheld by company as reported in the annual financial statements of the Fund for the year ended June 30, 2026.

	No. of shares with held	Rate	Market Value
			---Rupees in
Mari Petroleum Company Limited			
As at June 30,2026	21,600	674.29	14,565
As at June 30,2025	21,600	629.89	13,606

7 DIVIDEND AND PROFIT RECEIVABLE	Note	2026	2025
		----------(Rupees in '000)----------	
Profit receivable on saving accounts	7.1	148	147
Dividend receivable		648	24,331
		796	24,478

7.1 This includes an amount receivable from Bank Al Habib Limited (ultimate parent) a related party amounting to Rs. 0.02 million (2025: Rs. 0.12 million).

8 ADVANCES AND DEPOSITS

Advance tax	8.1	692	692
Security deposit with:			
National Clearing Company of Pakistan Limited		1,000	1,000
Central Depository Company of Pakistan Limited		100	100
		1,792	1,792

8.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (the ordinance). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the Income Tax Ordinance, 2001 (the ordinance) from withholding of tax under section 150, 150A, 151 and 233 of the ordinance. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated 12 May 2015 made it mandatory to obtain exemption certificates under section 159 (1) of the Income Tax Ordinance, 2001 (the ordinance) from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, 150A and 151 of Income Tax Ordinance, 2001 (the ordinance).

9 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	2026	2025
		----------(Rupees in '000)----------	
Remuneration payable	9.1	18,229	8,910
Sindh Sales Tax payable on Management Company's remuneration	9.2	2,720	1,328
Allocated expenses payable	17	92	92
		21,041	10,330

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the Management Company of the Fund is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration up to 3% of average net assets of the Fund (2025: 3% per annum) of the average daily net assets of the Fund during the year ended June 30, 2026. The remuneration is payable to the Management Company on monthly in arrears.

9.2 The Sindh Sales Tax has been charged at 15% (2025: 15%) on the Management Company's remuneration during the period.

10 PROVISION FOR FEDERAL EXCISE DUTY ON REMUNERATION OF THE MANAGEMENT COMPANY

As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16 % on the remuneration of the Management Company has been applied effective from June 13, 2013. The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the Mutual Fund Association of Pakistan (MUFAP) with the Honorable Sindh High Court (SHC) on September 04, 2013.

While disposing the above petition through order dated July 16, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from July 01, 2016. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan (SCP), which is pending for decision.

Furthermore, the Finance Act 2016 also introduced an amendment to the Federal Excise Act, 2005 whereby FED was withdrawn on services of different industries including Non-Banking Financial Institutions, which are already subject to provincial sales tax. Therefore, in the current year, provision for FED has not been recorded.

However, since the appeal is pending in the Supreme Court of Pakistan, the Fund, as a matter of abundant caution, is carrying provision for FED for the year from June 13, 2013 to June 30, 2016 aggregating to Rs. 1.478 million. In case the provision not been made, NAV per unit of the Fund as at June 30, 2026 would have been higher by Rs. 0.026 (2025: Rs. 0.040 per unit).

11 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

	2026	2025
	-------(Rupees in '000) -------	
Trustee fee payable	691	527
Sales tax payable on trustee remuneration	77	79
	768	606

11.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration of the Trustee has been calculated as per following applicable tariff :

Average net assets (Rs. in million)	Tariff
Upto Rs. 1,000	0.2% per annum of net asset value.
Rs. 1,000 and above	Rs. 2 million plus 0.10% per annum of net assets on amount exceeding Rs. 1,000 million.

11.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) charge on the remuneration of Trustee.

12 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	Note	2026	2025
		-------(Rupees in '000) -------	
Annual fee payable	12.1	586	430

12.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) is in arrears at 0.075% of net assets value in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

13 ACCRUED EXPENSES AND OTHER LIABILITIES

	Note	2026	2025
		----------Rupees in 000----------	
Auditor's remuneration payable		430	446
Printing charges payable		-	202
Brokerage payable		5,668	-
Charity payable	13.1	11,828	6,629
Withholding tax payable		20,567	26,931
Other payables		567	145,658
		39,060	179,866

13.1 The Shariah Advisor of the Fund has certified an amount of Rs. 11.83 million (2025 : Rs. 5.85) against dividend income, as Shariah non-compliant income during the year, which has accordingly been marked to charity.

14 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2026 (2025: Nil).

15 NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the year	39,312,972	11,564,148
Add: Units issued during the year	141,387,129	141,767,926
Less: Units redeemed during the year	(124,878,343)	(114,019,102)
Total units in issue at the end of the year	55,821,758	39,312,972

		Note	2026	2025
			----------Rupees in 000----------	
16	**PROFIT ON BANK DEPOSITS**			
	Savings accounts	16.1	2,560	1,458

16.1 This includes a balance of Rs. 0.88 million (2025: Rs. 1.05 million) with Bank AL Habib Limited (ultimate parent) a related party, carrying profit rate of 8.75% (2025: 7.75%) per annum.

17 EXPENSES ALLOCATED BY THE MANAGEMENT COMPANY

As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the SECP disallowed reimbursement of fee and expenses in relation to registrar services, accounting, operation and valuation services related to Collective Investment Scheme (CIS).

		2026	2025
18	**AUDITORS' REMUNERATION**	----------Rupees in 000----------	
	Annual audit fee	329	285
	Fee for half yearly review	139	143
	Shariah compliance fee	121	128
	Other certifications and out of pocket expenses	-	33
		589	589

19 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realized or unrealized, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current year as the management intends to distribute in cash at least 90% of the Fund's accounting income for the year ending June 30, 2026 as reduced by capital gains (whether realized or unrealized) to its unit holders.

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

20 EARNINGS PER UNIT

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

21 FINANCIAL INSTRUMENTS BY CATEGORY

	As at June 30, 2026		
	Fair value through profit or loss	Amortized cost	Total
	---------- Rupees in '000 ----------		
Financial assets			
Bank balances	-	736,857	736,857
Investments	9,328,407	-	9,328,407
Dividend and profit receivable	-	796	796
Receivable against sale of units	-	6,768	6,768
Advances and Deposits	-	1,792	1,792
	9,328,407	746,213	10,074,620
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	21,041	21,041
Payable to Central Depository Company of Pakistan Limited - Trustee	-	768	768
Payable to Securities and Exchange Commission of Pakistan	-	586	586
Accrued expenses and other liabilities	-	39,060	39,060
	-	61,455	61,455

	As at June 30, 2025		
	Fair value through profit or loss	Amortized cost	Total
	---------- Rupees in '000 ----------		
Financial assets			
Bank balances	-	327,442	327,442
Investments	5,542,883	-	5,542,883
Dividend and profit receivable	-	24,478	24,478
Receivable against sale of units	-	40,838	40,838
Advances and Deposits	-	1,792	1,792
	5,542,883	394,550	5,937,433
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	10,330	10,330
Payable to Central Depository Company of Pakistan Limited - Trustee	-	606	606
Payable to Securities and Exchange Commission of Pakistan	-	430	430
Accrued expenses and other liabilities	-	179,866	179,866
	-	191,232	191,232

22 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

22.1 Related party/ Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other Collective Investment Schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and of?cers of the Management Company and the Trustee and unit holders holding Ten percent or more units of the Fund.

22.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

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

22.4 The details of signi?cant transactions carried out by the Fund with connected persons and balances with them at the end of reporting year are as follows:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected person includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above related parties.

23 Details of the transactions with connected persons / related parties are as follows:

	2026	2025
	----------(Rupees in '000)----------	
AL Habib Asset Management Limited		
Management Company's Remuneration	230,699	94,900
Sindh Sales Tax on Management Company's remuneration	34,599	14,227
Expenses allocated by the Management Company	-	4,991
AL Habib Capital Markets (Private) Limited		
Brokerage	7,523	7,523
Central Depository Company of Pakistan Limited		
Remuneration of Trustee	8,691	5,741
Sindh Sales Tax on Trustee's remuneration	1,304	861
Bank AL Habib Limited - Parent Company of AL Habib Asset Management Company		
Profit on bank balances	876	1,052
Dividend income	-	2,726

Details of the balances with connected persons / related parties as at year end are as follows:

Bank AL Habib Limited - Parent Company of AL Habib Asset Management Company		
Bank balance	707,232	188,929
Bank profit receivable	20	118
AL Habib Asset Management Limited		
Payable to Management Company (inclusive of Sindh Sales tax)	21,041	10,330
Federal excise duty on Management Fee payable	1,478	1,478
Central Depository Company of Pakistan Limited		
Remuneration payable (inclusive of Sindh Sales Tax)	768	606
Security deposit - non interest bearing	100	100
AL Habib Capital Markets (Private) Limited		
Brokerage payable	7,523	7,523

Sale / redemption of units during the year	**2026**		**2025**	
Units sold to:	**(Units)**	**(Rupees in '000)**	**(Units)**	**(Rupees in '000)**
Management Company				
- AL Habib Asset Management Limited	6,634,941	1,239,676,158	2,070,192	240,137
Directors & Their Relatives of the Management Company				
- Directors of the Management Company	263,163	52,754,262	7,945,320	1,095,863
Key Management Executives	914,921	159,639,868	58,324	6,423
Other connected person				
- Habib Insurance company limited - Employee Provident Fund	96,409	16,795,785	1	0.08
BANK AL HABIB LTD - Parent	25,380,574	4,544,790,615	-	-

Units redeemed by:	2026		2025	
Management Company				
- AL Habib Asset Management Limited	5,817,909	1,066,890,187	2,247,861	254,561
Directors & their relatives of the Management Company	2,104,925	370,245,780	2,654,319	277,812
Key Management Executives	877,022	154,004,321	56,836	5,777
BANK AL HABIB LTD - Parent	19,581,230	3,744,120,705	-	-
Other connected person	137,645	25,076,204	-	-
Relatives of Directors & of Key Management Personnel	13,683	2,658,021	-	-
Units held by:				
Management Company				
- AL Habib Asset Management Limited	1,177,078	201,102	117,578	11,778
Parent of AL Habib Asset Management Limited				
- Bank AL Habib Limited	5,900,273	1,008,047	100,929	10,110
Directors	3,269,866	558,648	8,500,670	851,512
Key Management Executives	205,620	35,130	5,002	501
Other connected person				
- Habib Insurance Company Limited - Employee Provident Fund	3	1	3	0.30
Connected party holding 10% or more of the units in issue):	14,217,055	2,428,948	6,500,037	651,109

24 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyze the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of equity instruments and deposits accounts with banks. These activities are exposed to a variety of financial risks: market risks, credit risks and liquidity risks.

24.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, interest rate risk and price risk. The Fund is exposed to interest rate risk and price risk only

24.1.1 Yield / Interest rate risk

Yield / Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2026, the Fund is exposed to such risk on balances with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis of variable rate instruments

As at June 30, 2026, the Fund holds KIBOR-based bank deposits exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR at year end, the net assets value of the Fund and the net income for the year would be higher / lower by Rs. 7.36 million (2025: Rs. 1.44 million).

b) Sensitivity analysis of fixed rate instruments

As at June 30, 2026, the Fund does not hold any financial instruments exposing the Fund to fair value interest rate risk.

The composition of the Fund's investment portfolio, KIBOR rates and rates announced by Financial Market Association of Pakistan is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

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."

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

		As at June 30, 2026				
		Exposed to yield / interest rate				
	Effective yield / interest rate	Upto three months	More than three months and upto one year	More than one year	Not exposed to yield / interest rate risk	Total
	%	Rupees in '000				
Financial assets						
Bank balances	10.00 - 13.00	736,857	-	-	-	736,857
Investments		-	-	-	9,328,407	9,328,407
Dividend and profit receivable		-	-	-	796	796
Receivable against sale of units		-	-	-	6,768	6,768
Advances and deposits		-	-	-	1,100	1,100
		736,857	-	-	9,337,071	10,073,928
Financial liabilities	**Note**					
Payable to AL Habib Asset Management Limited - Management Company	9	-	-	-	21,041	21,041
Payable to Central Depository Company of Pakistan Limited - Trustee	11	-	-	-	768	768
Payable to Securities and Exchange Commission of Pakistan	12	-	-	-	586	586
Accrued expenses and other liabilities	13	-	-	-	18,493	18,493
		-	-	-	40,888	40,888
On-balance sheet gap (a)		736,857	-	-	9,296,183	10,033,040
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		736,857	-	-	9,296,183	10,033,040
Cumulative interest rate sensitivity gap		736,857	-	-		

		As at June 30, 2025				
		Exposed to yield / interest rate				
	Effective yield / interest rate	Upto three months	More than three months and upto one year	More than one year	Not exposed to yield / interest rate risk	Total
	%	Rupees in '000				
Financial assets						
Bank balances	10.00 - 13.00	327,442	-	-	-	327,442
Investments		-	-	-	5,542,883	5,542,883
Dividend and profit receivable		-	-	-	24,478	24,478
Receivable against sale of units		-	-	-	40,838	40,838
Advances and deposits		-	-	-	1,100	1,100
		327,442	-	-	5,609,299	5,936,741

		As at June 30, 2025				
		Exposed to yield / interest rate				
	Effective yield / interest rate	Upto three months	More than three months and upto one year	More than one year	Not exposed to yield / interest rate risk	Total
	%	Rupees in '000				
Financial liabilities	**Note**					
Payable to AL Habib Asset Management Limited - Management Company	9	-	-	-	10,330	10,330
Payable to Central Depository Company of Pakistan Limited - Trustee	11	-	-	-	606	606
Payable to Securities and Exchange Commission of Pakistan	12	-	-	-	430	430
Accrued expenses and other liabilities	13	-	-	-	152,935	152,935
		-	-	-	164,301	164,301
On-balance sheet gap (a)		327,442			5,444,998	5,772,440
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		327,442	-	-	5,444,998	5,772,440
Cumulative interest rate sensitivity gap		327,442	-	-		

24.1.2 Price risk

Price risk is 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 instruments traded in the market.

The Fund has exposure to equity price risk arising from its investments in equity securities. The Fund manages its price risk arising from investment in equity investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's constitutive documents, the NBFC Regulations and circulars issued by SECP from time to time. The Fund's equity investments and their fair values exposed to price risk as at the year end are concentrated in the sectors given in note 6.1.

In case of 5% increase / decrease in price of all shares held by Fund at the year end, net income for the year would increase / decrease by Rs. 466.420 million (2025: Rs. 276.467 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

24.1.3 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits from banks and financial institutions, profit receivable on bank deposits, receivable against sale of investments and dividend receivable.

The analysis below summarizes the credit quality of the Fund's bank balances as at June 30, 2026 and June 30, 2025:

	Balances held by the Fund as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
Balances with banks by rating category	**(Rupees in '000')**		
Habib Bank Limited	29,224	AAA	VIS
Bank Al Habib Limited	707,324	AAA	PACRA
MCB Bank Limited	154	AAA	PACRA
Dubai Islamic Bank Limited	101	AA	VIS
Bank Islami Pakistan Limited	42	AA-	PACRA
National Bank of Pakistan	-	AAA	PACRA
Meezan Bank Limited	12	AAA	VIS
	736,857		

	Balances held by the Fund as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
Balances with banks by rating category	**(Rupees in '000')**		
Habib Bank Limited	134,107	AAA	VIS
Bank Al Habib Limited	188,929	AAA	PACRA
MCB Bank Limited	127	AAA	PACRA
Dubai Islamic Bank Limited	82	AA	VIS
Bank Islami Pakistan Limited	4,085	AA-	PACRA
National Bank of Pakistan	100	AAA	PACRA
Meezan Bank Limited	12	AAA	VIS
	327,442		

24.1.4 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and mark-up accrued thereon and receivable against sale of investments. The credit rating profile of balances with banks is as follows:

Rating by rating category	2026	2025
	---------- (Percentage) ----------	
AAA	99.98	98.73
AA	0.014	0.03
AA-	-	1.24
	100.00	100.00

Concentration of credit risk

Concentration of credit risk exists when change in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in bank balances while the remaining transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk to counterparties. The Fund is not exposed to a concentration of credit risk.

24.1.5 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any, at the option of the unitholders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining year at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

	As at June 30, 2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	21,041	-	-	21,041
Provision for Federal Excise Duty on remuneration of the Management Company	1,478	-	-	1,478
Payable to Central Depository Company of Pakistan Limited - Trustee	768	-	-	768
Payable to Securities and Exchange Commission of Pakistan	586	-	-	586
Payable against Purchase of investment	470,990	-	-	470,990
Payable against Redemption of units	3,691	-	-	3,691
Accrued expenses and other liabilities	39,060	-	-	39,060
	537,614	-	-	537,614

	As at June 30, 2025			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	10,330	-	-	10,330
Provision for Federal Excise Duty on remuneration of the Management Company	1,478	-	-	1,478
Payable to Central Depository Company of Pakistan Limited - Trustee	606	-	-	606
Payable to Securities and Exchange Commission of Pakistan	430	-	-	430
Accrued expenses and other liabilities	179,866	-	-	179,866
	192,710	-	-	192,710

25 UNITS HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by the net assets attributable to unit holders / redeemable units. The amount of net assets attributable to unit holders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holders' fund. Unit holders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

26 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

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

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

		2026						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
ASSETS	**Note**	Rupees in '000'						
Financial assets measured at 'fair value through profit or loss'								
Listed equity securities	26.1	9,328,407	-	9,328,407	9,328,407	-	-	9,328,407

		2025						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
ASSETS	**Note**	Rupees in '000'						
Financial assets measured at 'fair value through profit or loss'								
Listed equity securities	26.1	5,542,883	-	5,542,883	5,542,883	-	-	5,542,883

26.1 Valuation techniques

For level 1 investments at fair value through profit or loss - Investment in respect of equity securities, the Fund uses daily quotation rates which are taken from Pakistan Stock Exchange Limited at the reporting date.

26.2 The Fair value of all other financial assets and financial liabilities are approximately to its carrying amount.

26.3 Transfers during the year

No transfer were made between various levels of fair value hierarchy during the year.

27 UNITHOLDING PATTERN OF THE FUND

	As at June 30, 2026			
Category	**No. of unit holders**	**Number of units held**	**Investment amount**	**Percentage of total**
			(Rupees)	
Associated Companies	2	7,077,350	1,209,165,248	12.68%
Insurance Companies	4	5,357,539	915,335,538	9.60%
Retirement Funds	6	9,653,433	1,649,289,028	17.29%
Other Corporate	11	13,892,638	2,373,557,202	24.89%
Others	1,696	19,840,798	3,389,800,338	35.54%
	1,719	55,821,758	9,537,147,354	100%

	As at June 30, 2025			
Category	**No. of unit holders**	**Number of units held**	**Investment amount**	**Percentage of total**
			(Rupees)	
Associated Companies and Directors	3	502,211	73,386,982	1.28%
Retirement Funds	5	8,407,331	1,228,545,573	21.39%
Insurance companies	5	3,087,027	451,100,780	7.85%
Other Corporate	10	12,093,223	1,767,157,218	30.76%
Others	733	15,223,180	2,224,500,154	38.72%
	756	39,312,972	5,744,690,707	100%

28 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2026		2025	
Name of broker	**Percentage of commission paid**	**Name of broker**	**Percentage of commission paid**
AL Habib Capital Markets (Pvt.) Limited	23.75%	AL Habib Capital Markets (Pvt.) Limited	22.59%
Arif Habib Limited	8.33%	AKD Securities Limited	12.59%
Taurus Securities Limited	6.57%	Optimus Capital Management (Pvt.) Limited	8.37%
Insight Securities (Pvt.) Limited	6.27%	JS Global Capital Limited	7.75%
JS Global Capital Limited	6.22%	Topline Securities (Pvt.) Limited	7.72%
Topline Securities Limited	6.13%	DJM Securities Limited	7.25%
BMA Capital	5.55%	KTrade Securities Limited	5.83%
Optimus Capital Management (Pvt.) Limited	5.46%	Ismail Iqbal Securities (Pvt.) Limited	5.61%
Ismail Iqbal Securities (Pvt.) Limited	4.82%	Habib Metropolitan Financial Services	4.52%
Habib Metropolitan Financial Services	4.58%	Arif Habib Limited	4.44%

29 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follow:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

29.1 Other funds managed by the fund manager

Mr. Hamza Siddiqui is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- AL Habib Stock Fund
- AL Habib Islamic Stock Fund

29.1 NAME AND QUALIFICATION OF THE FUND MANAGER

Name	Designation	Qualification	Other Funds Managed by the Fund Manager
Mr. Hamza Abdul Rehman Siddiqui	Fund Manager	MSc (Hons.)	AL Habib Asset Allocation Fund and AL Habib Stock Fund

30 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The dates of the meetings of the Board of Directors of the Management Company of the Fund and attendance of its members are given below:

Name of directors	Designation	Meetings Attended	Attended meeting held on			
			August 25, 2025	October 24, 2025	February 04, 2026	April 24, 2026
Mr. Abbas Dhabi	Chairman	4	Yes	Yes	Yes	Yes
Mr. Mansoor Ali Khan	Director	4	Yes	Yes	Yes	Yes
Mr. Saeed Allawala	Director	4	Yes	Yes	Yes	Yes
Ms. Zarine Aziz	Director	4	Yes	Yes	Yes	Yes

31 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2026 is 4.83% (2025: 3.52%) which includes 0.68% (2025: 0.52%) representing Government Levy and SECP Fee. This ratio is within the maximum limit of 4.5% prescribed under NBFC Regulation 60(5) for a collective investment scheme categorized as an "Equity Scheme"

32 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the current year.

33 GENERAL

33.1 Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

34 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective:

The investment objective of AHISF is to seek long-term capital growth by investing primarily in a Shariah Compliant diversified pool of equities and equity related instruments. The management team shall ensure the active implementation of prudent investment practices, the highest professional standards and compliance of applicable laws.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

AHISF primarily invests in Shariah compliant equity securities listed on Pakistan Stock Exchange. The selection criterion for these securities is based upon hybrid investment approach with companies having sound financial history back by strong fundamentals. The residual funds are placed with Commercial Banks in order to maintain liquidity requirements of the fund.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 1,089 bps as it posted YTD return of 28.29% as against the benchmark of 39.18%.

Fund Description

Fund Type & Category	Open Ended - Shariah Compliant Equity Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	April 01, 2017	**Management Fee**	3.00%
Benchmark	KMI-30 Index	**Sales Load**	2% front-end-load (Management has the discretion to reduce or waive load on any transaction)
Annual Return	28.29%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	39.18%	**Dealing Days/Timings**	Monday to Thursday 2:30 pm | Friday 3:30 pm
Net Assets	Rs. 9,537 million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 170.8475 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Risk Profile**	High (Principal at High Risk)

Market Review:

Pakistan's economy sustained its recovery momentum, with GDP growth accelerating to 3.7% YoY, supported by growth of 3.5% in industry, 4.1% in services and 2.9% in agriculture. Average CPI inflation increased to 7.05% in FY26 from 4.49% in FY25, reflecting higher price pressures during the latter part of the year, partly due to elevated energy prices and geopolitical tensions. The SBP maintained policy rate at 11% for most of 1H of FY26 and later closed the fiscal year at 11.5% after making adjustments

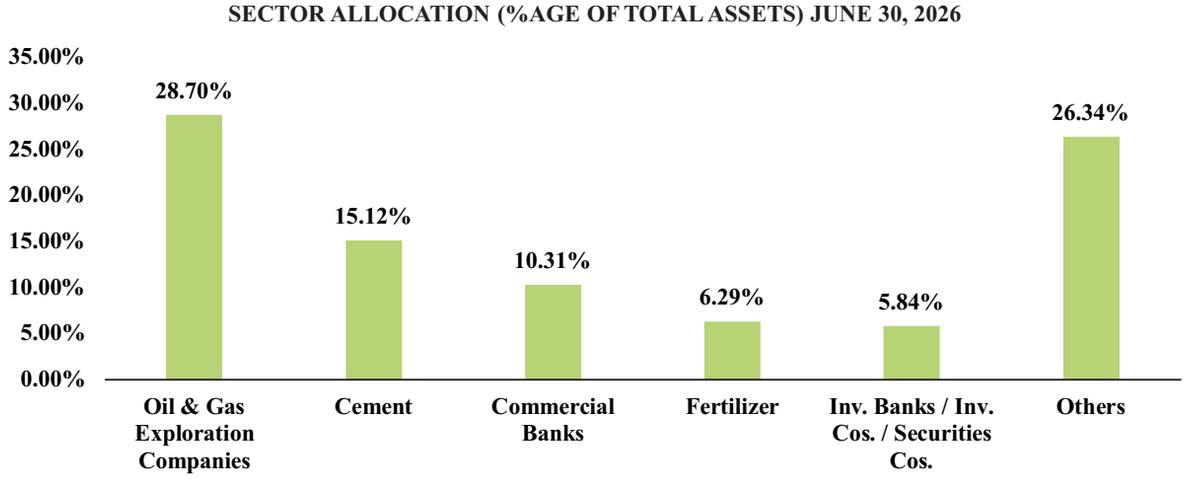
during the 2H of FY26. The current account recorded a marginal deficit of USD 139 million in FY26, compared to a surplus of USD 1.84 billion in FY25. Meanwhile, workers' remittances rose by 8.58% YoY to a record USD 41.58 billion, compared to USD 38.3 billion in FY25.

On the equity front, the KSE-100 Index surged by 43.49% in FY26 to close at 180,302 points taking support from improved corporate profitability and progress under the IMF program. Geopolitical tensions and resultant increase in oil prices moderated KSE-100 gains in the 2H of FY26.

The KSE-100 index is currently trading at a forward price-to-earnings ratio of 7.5x offering a dividend yield of approximately 6.5%. The market remains attractive on current valuation when compared to its medium-long term historical multiples. While external risk factors persist, any possible stabilization in geopolitical dynamics and continued progress on government's economic reform agenda shall likely unlock value and derive favorable returns for equity investors.

Asset Allocation of Fund (as a % of total assets)

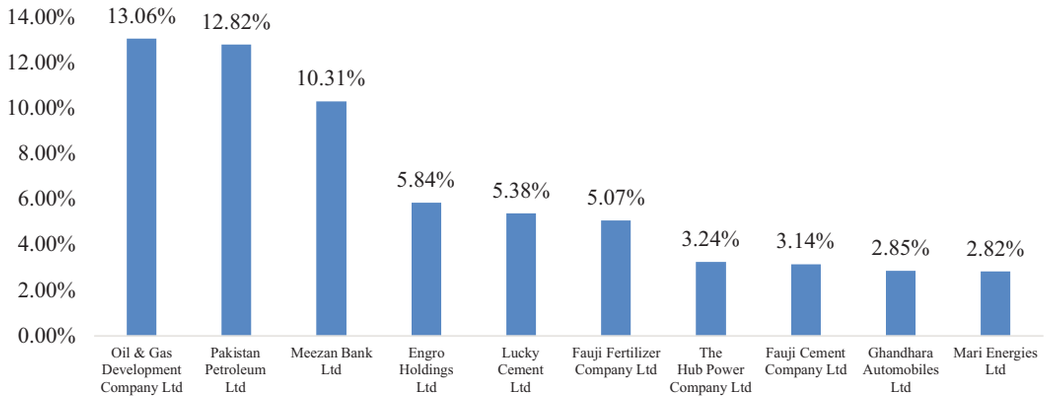
Particulars	30-Jun-26	30-Jun-25
Cash	7.31%	5.51%
Equity	92.59%	93.13%
Others	0.09%	1.36%



Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	924
1001-5000	317
5001-10000	124
10001-50000	130
50001-100000	16
100001-500000	32
500001-1000000	6
1000001-5000000	9
5000001 and above	2
Grand Total	**1560**

Top Ten Stocks (%age of Total Asset) June 30, 2026



Income Distribution

AHISF made a total distribution of Rs.16.6443 during FY26 in the form of dividend, the details of which is as follows;

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun-26	187.7386	171.0943	16.6443

During the period under question:

There has been no significant change in the state of affairs of the Fund. Al Habib Islamic Stock Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 40,469,687 units valued Rs. 7,260 million were sold, while 29,876,469 units valued Rs. 5,587 million were redeemed, resulting in to a net sale of 10,593,218 units valued Rs. 1,673 million during the year.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in billion)	9,537	5,745
NAV per unit as at June 30 (Rs.)	170.8475	146.4723
Distribution during the year ended June 30 (Rs.)	16.6443	27.0000
Annual Return	28.29%	72.85%

AL HABIB ISLAMIC SAVINGS FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.
Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.
Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AA (f) Fund Stability Rating Rating by PACRA
AM1 Management Company Quality Rating
Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
JS bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC SAVINGS FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Islamic Savings Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of the **AL Habib Islamic Savings Fund**, I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah
Shariah Advisor

Date: June 30, 2026



BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. Introduction

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

2. Applicable Criteria

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. Management's Responsibility for Shariah Compliance

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

6. Conclusion

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

BDO EBRAHIM & CO.
CHARTERED Accountants

Engagement Partner
Tariq Feroz Khan

Date: 25 SEP 2026
Place: Karachi

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No. 1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF FINANCIAL STATEMENTS TO THE UNITHOLDERS OF AL HABIB ISLAMIC SAVING FUND

Report on the audit of the Financial Statements

Opinion

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

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 year. 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 are the Key audit matter:

S.NO	Key audit matter	How the matter was addressed in our audit
1.	Existence and valuation of Investments As disclosed in note 6 to the accompanying financial statements, the investments held by the Fund comprised of debt instruments amounting to Rs. 11,479.73 million which represent 59.31% of the Net Asset Value (NAV) of the Fund.	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund;

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S.NO	Key audit matter	How the matter was addressed in our audit
	As these investments represent a significant element of the statement of assets and liabilities, any discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated. In view of the significance of above-mentioned balances in relation to the Fund's total assets and NAV, we considered the existence and valuation of such investments as a key audit matter.	• We performed substantive audit procedures on year-end balance of investment portfolio including review of custodian's statement and re-performance of valuations as per valuation methodology specified in accounting policies; and • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance.

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

The Management Company 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 the Management and its Board of Directors of the Management Company for the Financial Statements

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

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the management's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR2026101661JknZRYHG

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		------Rupees in '000-----	
ASSETS			
Balances with bank	6	7,880,596	6,749,382
Investments	7	11,479,731	5,686,912
Profit receivable	8	277,672	189,442
Advances, deposits, and other receivables	9	317	317
Receivable against sale of units		200,000	1,001,267
Preliminary expenses and floatation costs	10	391	453
TOTAL ASSETS		19,838,707	13,627,773
LIABILITIES			
Payable to AL Habib Asset Management Limited - Management Company	11	27,224	23,628
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	12	1,236	1,334
Payable to Securities and Exchange Commission of Pakistan (SECP)	13	1,065	1,187
Payable against redemption of units		-	150,094
Payable against purchase of investment		259,769	-
Accrued expenses and other liabilities	14	195,100	283,922
TOTAL LIABILITIES		484,394	460,165
NET ASSETS		19,354,313	13,167,608
UNIT HOLDERS' FUND (AS PER THE STATEMENT ATTACHED)		19,354,313	13,167,608
CONTINGENCIES AND COMMITMENTS	15	-	-
		---------Number of units---------	
Number of units in issue	16	191,485,419	131,157,015
		----------Rupees----------	
Net asset value per unit		101.07	100.40

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------Rupees in '000---------	
Income			
Profit on bank deposits		949,188	1,369,083
Profit on term deposits receipts		129,693	150,369
Income from government securities		1,084,106	1,479,484
		2,162,987	2,998,936
Net (loss) / gain on investments classified at 'fair value through profit or loss			
- Loss on sale of Sukuk Certificates		(65,461)	(25,864)
- Net unrealized (loss) / gain on revaluation of investments	6.1 & 6.2	(76,370)	96,237
		(141,831)	70,373
		2,021,156	3,069,309
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company	11	99,590	228,461
Sindh sales tax on Management Company's remuneration	11.2	14,939	34,216
Expense allocated by the Management Company	11.3	-	7,590
Sindh sales tax on allocated expenses		-	1,264
Remuneration of Central Depository Company of Pakistan Limited - Trustee	12	15,906	16,607
Sindh sales tax on trustee remuneration	12.2	2,386	2,486
Annual fee to Securities and Exchange Commission of Pakistan	13	15,906	16,602
Amortization of preliminary expenses and floatation costs	10	63	70
Auditors' remuneration	17	506	444
Brokerage		811	1,007
Listing fee		25	25
Settlement & bank charges		156	41
Other expenses		62	207
		150,350	309,020
Net income for the year before taxation		1,870,806	2,760,289
Taxation	18	-	-
Net income for the year after taxation		1,870,806	2,760,289
Allocation of net income for the year			
Net income for the year		1,870,806	2,760,289
Income already paid on redemption of units		(1,767,777)	(2,662,160)
		103,029	98,129
Accounting income available for distribution			
Relating to capital gains		(141,831)	70,373
Excluding capital gains		244,860	27,756
		103,029	98,129
Earnings per unit	19		

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026	2025
	---------Rupees in '000---------	
Net income for the year	1,870,806	2,760,289
Other comprehensive income	-	-
Total comprehensive income for the year	1,870,806	2,760,289

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			2025		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
	----------Rupees in '000----------					
Net assets at the beginning of the year	13,086,267	81,341	13,167,608	13,887,168	94,106	13,981,274
Issuance of 599,113,106 units (June 30, 2025: 765,070,124)						
Capital value (at net asset value per unit at the beginning of the year)	60,148,440	-	60,148,440	76,811,816	-	76,811,816
Element of income	1,540,068	-	1,540,068	5,685,383	-	5,685,383
Total proceeds on issuance of units	61,688,508	-	61,688,508	82,497,199	-	82,497,199
Redemption of 538,784,702 units(June 30, 2025: 773,171,045 units)						
Capital value (at net asset value per unit at the beginning of the year)	(54,091,721)	-	(54,091,721)	(77,625,136)	-	(77,625,136)
Element of income / (loss)	(1,011,474)	(1,767,777)	(2,779,251)	(3,718,526)	(2,662,160)	(6,380,686)
Total payments on redemption of units	(55,103,195)	(1,767,777)	(56,870,972)	(81,343,662)	(2,662,160)	(84,005,822)
Total comprehensive income for the year	-	1,870,806	1,870,806	-	2,760,289	2,760,289
Cash distribution for the year ended June 30, 2026:						
Rs. 8.61 per unit (2025: 14.05)	(472,061)	(29,576)	(501,637)	(1,954,438)	(110,894)	(2,065,332)
	(472,061)	1,841,230	1,369,169	(1,954,438)	2,649,395	694,957
Net assets at the end of the year	19,199,519	154,794	19,354,313	13,086,267	81,341	13,167,608
Accumulated loss brought forward						
Realized gain		81,341			94,106	
Unrealized gain		-			-	
		81,341			94,106	
Accounting income available for distribution						
Relating to capital gains		(141,831)			70,373	
Excluding capital gains		244,860			27,756	
		103,029			98,129	
Distribution for the year:						
Rs. 8.61 per unit (2025: 14.05)		(29,576)			(110,894)	
Undistributed income carried forward		154,794			81,341	
Undistributed income carried forward comprises of:						
Realized income		154,794			81,341	
Unrealized income		-			-	
		154,794			81,341	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		100.40			100.40	
Net assets value per unit at end of the year		101.07			100.40	

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		--------- Rupees in '000 ----------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		1,870,806	2,760,289
Adjustments for:			
Net unrealized gain on revaluation of investments		76,370	(96,237)
		1,947,176	2,664,052
Increase in assets			
Investments		(5,869,189)	4,710,218
Profit receivable		(88,230)	323,992
Advances, deposits, and other receivables		-	(43)
Receivable against sale of units		801,267	(389,750)
Preliminary expenses and flotation costs		62	70
		(5,156,090)	4,644,487
(Decrease) / increase in liabilities			
Payable to AL Habib Asset Management Limited - Management Company		3,596	(7,625)
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		(98)	399
Payable to Securities and Exchange Commission of Pakistan (SECP)		(122)	360
Payable against redemption of units		(150,094)	150,094
Payable against purchase of investment		259,769	
Accrued expenses and other liabilities		(88,822)	216,173
		24,229	359,401
Net cash used in operating activities		(3,184,685)	7,667,940
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issuance of units		61,688,508	82,497,199
Payments against redemption of units		(56,870,972)	(84,005,822)
Dividend paid during the year		(501,637)	(2,065,332)
Net cash generated from financing activities		4,315,899	(3,573,955)
Net (decrease) / increase in cash and cash equivalents		1,131,214	4,093,985
Cash and cash equivalents at the beginning of the year		6,749,382	2,655,397
Cash and cash equivalents at the end of the year		7,880,596	6,749,382

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Islamic Savings Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SCD/AMCW/AHISF/161/2021 dated November 29, 2021 and the Trust deed was executed on September 27, 2021.

1.2 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan . The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 24, 2021, the above mentioned Trust Deed has been registered under the Sindh Trust Act.

1.3 Effective from September 1, 2016, AL Habib Asset Management Limited became Management Company of the Fund, which is a wholly owned subsidiary of Bank AL Habib Limited.

1.4 The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.

1.5 The Fund is an open-ended shariah compliant income fund and is listed on Pakistan Stock Exchange Limited (PSX). The units of the Fund were initially offered for public subscription at the initial price of Rs. 100 per unit which was only for one day that began at the start of the banking hours and end at the close of the banking hours on December 20, 2021. Thereafter, the units are offered to the public for subscription on a continuous basis and are transferrable and redeemable by surrendering them to the Fund at the option of the unit holder.

1.6 The Fund has been categorized as an open ended shariah compliant income scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CISs).

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

1.8 PACRA Credit Rating Company has assigned a management quality rating of 'AM1' to the Management Company and assigned stability rating of AA(f) to the Fund as at August 12, 2025 and April 10, 2026, respectively.

1.9 Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as trustee of the fund.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan

3 BASIS OF PREPARATION

3.1 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 as applicable in Pakistan comprise of:

- International Financial Reporting and Accounting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and
- The NBFC Rules, Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations') and requirements of the Trust Deed.

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

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values.

3.3 Functional and presentation currency

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

3.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:

3.4.1 Classification and measurement of financial assets and financial liabilities

For details please refer notes 5.2.1.1 and 7 to these financial statements.

3.4.2 Impairment of financial assets

For details please refer notes 5.2.3 to these financial statements.

4 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026

	Effective date (annual periods beginning on or after)
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorization and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

5 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below.

5.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

5.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument for other entity

5.2.1 Financial assets

Financials assets are classified into appropriate categories at amortized cost and at fair value through profit or loss. The management determines the classification of financial assets into categories based on fund’s business model for managing the financial and the contractual terms of the cash flows.

5.2.2 Initial recognition and measurement

Financial assets are recognized at the time a Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction cost except for financial assets carried at fair value through profit or loss.

5.2.2.1 Classification

5.2.2.1.1 Debt Instruments

Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Fair value through other comprehensive income

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at fair value through profit or loss.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortized cost or at FVOCI, at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Fair value through profit or loss

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

5.2.2.2 Subsequent measurement:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognized in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in income statement.

5.2.2.3 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognized on the trade date, the date on which the Fund commits to purchase or sell the asset.

5.2.2.4 Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

5.2.3 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the Expected Credit Loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognized as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly bank balances, investments and other receivables.

5.2.4 Financial liabilities

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

5.2.5 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously.

5.3 Provisions

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

5.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realized or unrealized, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least 90% of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognized in these financial statements.

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

5.5 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized in the financial statements in the year in which such distributions are declared.

5.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

5.7 Element of income

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

5.8 Net asset value per unit

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

5.9 Revenue recognition

- Realized capital gains / losses arising on sale of investments are included in the income statement on the date at which the transaction takes place.

- Mark-up / profit / Government securities, return on investment in debt securities are recognized using the effective interest method.

- Unrealized gains / losses arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.

5.10 Expenses

All expenses chargeable to the fund including the renumeration of the management company, trustee and annual fee of Securities and Exchange Commission of Pakistan (SECP) are recognized in income statement on an accrual

5.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

6 BALANCES WITH BANK	Note	2026	2025
		----------(Rupees in '000)----------	
Saving accounts	6.1	7,880,596	5,749,382
Term deposit receipt		-	1,000,000
		7,880,596	6,749,382

6.1 These carries profit rates ranging from 10 % to 11.25% (2025: 7 % to 20.26%) per annum. This includes a balance held with Bank Al Habib Limited (ultimate parent), a related party amounting to Rs 2,815.86 million (2025: Rs. 1,610.73 million).

6.2 This represent term deposit receipts held with Bank Al-Falah Limited and Askari Bank Limited carrying profit rates ranging from 10.63% to 11.30% per annum with maturities upto July 2025.

7 INVESTMENTS

At fair value through profit or loss:

Government Ijarah Sukuks (GOP Ijarah Sukuks)	7.1	9,211,745	5,517,108
Discounted GIS	7.2	2,267,986	169,804
		11,479,731	5,686,912

7.1 Government Ijarah Sukuks (GOP Ijarah Sukuks)

Name of the Investee	As at July 01, 2025	Purchased during the period	Sold / matured during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealized gain / (loss)	Market value as percentage of Net Assets	Market value as percentage of Total Investments
	---------- (Number of certificates) ----------				----------(Rupees in '000)----------				
GOP Ijarah Sukuks									
GOP IJARA SUKUK 03 YEAR FRR (26-06-2023)	50,000	-	50,000	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 05 YEAR FRR (18-09-2024)	100,000	-	100,000	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 3 YEAR FRR (21-10-2024)	165,000	16,470	32,231	149,239	754,860	747,613	(7,247)	3.90%	8.12%
GOP IJARA SUKUK 3 YEAR VRR (21-10-2024)	499,997	712,124	330,327	881,794	4,395,717	4,373,698	(22,019)	22.71%	47.48%
GOP IJARA SUKUK 5 YEAR FRR (21-10-2024)	162,500	49,621	162,521	49,600	253,127	253,431	304	1.31%	2.75%
GOP IJARA SUKUK 5 YEAR VRR (21-10-2024)	-	140,812	102	140,710	709,037	695,811	(13,226)	3.66%	7.55%
GOP IJARA SUKUK 03 YEAR FRR (28-06-2024)	50,000	10	5,000	45,010	232,560	233,669	1,109	1.20%	2.54%
GOP IJARA SUKUK 05 YEAR FRR (30-05-2025)	12,500	405,309	412,843	4,966	25,276	24,249	(1,027)	0.13%	0.26%
GOP IJARA SUKUK 05 YEAR VRR (30-05-2025)	12,500	1	-	12,501	62,515	61,442	(1,073)	0.32%	0.67%
GOP IJARA SUKUK 3 YEAR VRR (09-01-2025)	-	276,333	4	276,329	1,378,192	1,369,072	(9,120)	7.12%	14.86%
GOP IJARA SUKUK 05 YEAR FRR (30-09-2025)	-	194,135	106,083	88,052	446,847	434,361	(12,486)	2.31%	4.72%
GOP IJARA SUKUK 05 YEAR VRR (28-06-2024)	-	70,242	20,024	50,218	252,399	249,659	(2,740)	1.30%	2.71%
GOP IJARA SUKUK 05 YEAR FRR (22-01-2026)	-	25,000	10,000	15,000	75,000	70,560	(4,440)	0.39%	0.77%
GOP IJARA SUKUK 05 YEAR VRR (29-10-2021)	-	7,000	-	7,000	699,765	698,180	(1,585)	3.62%	7.58%
GOP IJARA SUKUK 03 YEAR FRR (30-05-2025)	12,500	25,021	37,521	-	-	-	-	0.00%	0.00%
Total - as at 30 June 2026	1,064,997	1,922,078	1,266,656	1,720,419	9,285,295	9,211,745	(73,550)	48.0%	
Total - as at 30 June 2025	-	7,362,578	6,400,167	1,064,997	5,420,628	5,517,108	96,480	42.0%	
7.2 GIS Ijarah Sukuks (1 year discounted)									
GIS 1 YEAR DISCOUNTED(24-06-2026)	-	3,750,000	-	3,750,000	336,606	336,675	69	1.74%	14.84%
GIS 1 YEAR DISCOUNTED(11-06-2026)	-	7,000,000	-	7,000,000	629,146	631,541	2,395	3.26%	27.85%
GIS 1 YEAR DISCOUNTED(14-11-2025)	-	350	-	350	34	34	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(15-10-2025)	-	50	-	50	5	5	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(21-08-2025)	-	16,755,650	6,173,450	10,582,200	1,045,113	1,042,453	(2,660)	5.39%	45.96%
GIS 1 YEAR DISCOUNTED(22-01-2026)	-	2,500,000	190,000	2,310,000	219,834	217,278	(2,556)	1.12%	9.58%
GIS 1 YEAR DISCOUNTED(24-07-2025)	-	625,000	241,050	383,950	38,201	38,141	(60)	0.20%	1.68%
GIS 1 YEAR DISCOUNTED(30-09-2025)	-	1,250,000	1,230,900	19,100	1,865	1,859	(6)	0.01%	0.08%
GIS 1 YEAR DISCOUNTED(26-06-2025)	1,875,000	-	1,875,000	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(21-08-2025)	-	500,000	500,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026	1,875,000	32,381,050	10,210,400	24,045,650	2,270,804	2,267,986	(2,818)	11.72%	
Total as at June 30, 2025	-	15,500,000	13,625,000	1,875,000	170,047	169,804	(243)	2.99%	

8 PROFIT RECEIVABLE	Note	2026 ------Rupees in '000--------	2025
Profit receivable on:			
Savings accounts		56,992	52,827
Term deposit receipt		-	13,979
GOP Ijarah sukuk		220,680	122,636
		277,672	189,442

9 ADVANCES, DEPOSITS AND OTHER RECEIVABLES			
Advance tax	9.1	217	217
Security deposit with Central Depository Company of Pakistan Limited		100	100
		317	317

9.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule of the Income Tax Ordinance 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule of ITO 2001 from withholding of tax under section 150, 151 and 233 of ITO 2001.

The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). However, various withholding agents have deducted advance tax under section 151 of ITO 2001. The Management Company is confident that the same shall be refunded after filing refund application.

10 PRELIMINARY EXPENSES AND FLOATATION COSTS			
Opening balance	10.1	453	523
Less: Amortization for the year		(62)	(70)
Closing balance		391	453

10.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operation of the fund and are being amortized over the period of 10 years, as per the requirements set out in the trust deed of the Fund and NBFC Rules.

11. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	2026 ------Rupees in '000--------	2025
Remuneration payable	11.1	22,406	12,847
Sindh Sales Tax payable	11.2	3,336	1,927
Allocation of expenses related to registrar services	11.3	1,457	8,610
Sindh Sales Tax payable related to registrar services		25	244
		27,224	23,384

11.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated 10 April 2025, the Management Fee caps for a Collective Investment Schemes shall be applicable, calculated on a per annum basis of the average daily net assets, effective from July 01, 2025: Islamic Savings Fund up to 1.5%.

11.2 The Sindh Government has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

11.3 In accordance with the provisions of the NBFC Regulations amended vide S.R.O 1160(I) / 2015 dated 25 November 2015, the Management Company is entitled for reimbursement of fee and expenses in relation to registrar services, accounting, operation and valuation services related to Collective Investment Scheme (CIS).

12 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2026 ------Rupees in '000--------	2025
Remuneration payable	12.1	1,075	1,160
Sindh Sales Tax payable	12.2	161	174
		1,236	1,334

12.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration of the Trustee is fixed at 0.075% (2025: 0.075%) per annum of net assets.

12.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the Trustee fee through the Sindh Sales Tax on Services Act, 2011.

13 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

	Note	2026	2025
		------Rupees in '000--------	
Annual fee payable	13.1	1,065	1,187
		1,065	1,187

13.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

14 ACCURED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration	441	335
Preliminary expenses and floatation costs	665	665
Initial deposits for opening of bank accounts	-	-
Withholding tax	5,087	28,125
Capital gain tax payable	184,104	189,806
Dividend payable	-	62,666
Brokers payable	2,354	265
Others	2,449	2,060
	195,100	283,922

15 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2026. (2025: Nil)

16 NUMBER OF UNITS IN ISSUE

	2026	2025
	------Number of units--------	
Total units issue at the beginning of the year	131,157,015	139,257,936
Add: Units issued during the year	599,113,106	765,070,124
Less: Units redeemed during the year	(538,784,702)	(773,171,045)
Total units at the end of the year	191,485,419	131,157,015

17 AUDITOR'S REMUNERATION

Audit fee	240	219
Out of pocket expenses	24	-
Half yearly review fee	138	109
Shariah Compliance fee	104	116
	506	444

18 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income earned by the Fund during the year to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these financial statements during the year.

19 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of cumulative weighted average number of outstanding units is not practicable.

20. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2026		
	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------		
Financial assets			
Balances with bank	-	7,880,596	7,880,596
Investments	11,479,731	-	11,479,731
Profit Receivable	-	277,672	277,672
Advances, Deposits And Other Receivables	-	317	317
Receivable against sale of units	-	200,000	200,000
Preliminary expenses and flotation costs	-	391	391
	11,479,731	**8,358,976**	**19,838,707**
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	22,406	22,406
Payable to Central Depository Company of Pakistan Limited - Trustee	-	1,075	1,075
Payable to Securities and Exchange Commission of Pakistan	-	1,065	1,065
Payable against redemption of units		-	-
Accrued expenses and other liabilities	-	195,100	195,100
	-	**219,646**	**219,646**

Particulars	2025		
	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------		
Financial assets			
Balances with bank	-	6,749,382	6,749,382
Investments	5,517,108	-	5,517,108
Profit Receivable	-	189,442	189,442
Advances, Deposits And Other Receivables		317	317
Receivable against sale of units		1,001,267	1,001,267
Preliminary expenses and flotation costs		453	453
	5,517,108	7,940,861	13,457,969
Financial liabilities			
Payable to AL Habib Asset Management Limited - Management Company	-	21,701	21,701
Payable to Central Depository Company of Pakistan Limited - Trustee	-	1,160	1,160
Payable to Securities and Exchange Commission of Pakistan	-	1,187	1,187
Payable against redemption of units		150,094	150,094
Accrued expenses and other liabilities	-	3,325	3,325
	-	177,467	177,467

21 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties / connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent Company of AL Habib Asset Management Limited
3	AL Habib Capital Markets (Private) Limited	Subsidiary of Bank AL Habib Limited
4	AL Habib Asset Allocation Fund	Subsidiary of Bank AL Habib Limited
5	AL Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
6	AL Habib Islamic Income Fund	Managed by AL Habib Asset Management Limited
7	AL Habib Islamic Stock Fund	Managed by AL Habib Asset Management Limited
8	AL Habib Stock Fund	Managed by AL Habib Asset Management Limited
9	AL Habib Cash Fund	Managed by AL Habib Asset Management Limited
10	AL Habib Money Market Fund	Managed by AL Habib Asset Management Limited
11	AL Habib Islamic Cash Fund	Managed by AL Habib Asset Management Limited
12	AL Habib Income Fund	Managed by AL Habib Asset Management Limited
13	AL Habib Pension Fund	Managed by AL Habib Asset Management Limited
14	AL Habib Islamic Pension Fund	Managed by AL Habib Asset Management Limited
15	AL Habib Fixed Return Fund	Managed by AL Habib Asset Management Limited
16	AL Habib Islamic Munafa Fund	Managed by AL Habib Asset Management Limited
17	AL Habib Government Securities Fund	Managed by AL Habib Asset Management Limited
18	AL Habib GOKP Money Market Fund	Managed by AL Habib Asset Management Limited
19	AL Habib Islamic GOKP Pension Fund	Managed by AL Habib Asset Management Limited
20	AL Habib Sovereign Income Fund Plan	Managed by AL Habib Asset Management Limited
21	AL Habib Punjab Pension Fund	Managed by AL Habib Asset Management Limited
22	AL Habib Punjab Islamic Pension Fund	Managed by AL Habib Asset Management Limited
23	AL Habib Islamic Money Market Fund	Managed by AL Habib Asset Management Limited
24	Central depositary Company Of Pakistan	Trustee

Connected person includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above related parties.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the financial statements are as follows:

21.1 Transactions during the year	2026	2025
	------Rupees in '000--------	
AL Habib Asset Management Limited - Management Company		
Remuneration of the Management company	99,590	228,461
Sindh sales tax on remuneration of Management Company	14,939	34,216
Allocation of expenses / (reversal) related to	-	7,590
Issuance of 50,700,223 units (2025: 40,245,269)	5,163,094	4,476,677
Redemption of 71,225,864 units (2025: 29,524,336)	7,296,581	3,108,220
Dividend paid	-	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	15,906	16,607
Sindh sales tax on remuneration of the Trustee	2,386	2,486
Bank Al Habib Limited		
Bank charges	-	21
Profit on bank deposits	79,140	53,991
Dividend paid	8,609	14,053
Directors and their relatives of the Management Company		
Issuance of 631,712 units (2025: 18,515,440 units)	64,500	17,252
Redemption of 2,926,855 units (2025: 18,929,067 units)	315,208	57,984

	2026	2025
	------Rupees in '000--------	
Key Management Executives		
Issuance of 55,602 units (2025: 188,384 units)	5,905	21,351
Redemption of 67,334 units (2025: 1,258,415 units)	7,186	25,782
Connected party holding 10% or more of the units in issue: units 53,592,007 (2025: 85,051,248 units)	5,416,796	8,538,788
Balances outstanding as at year end		
AL Habib Asset Management Limited Management Company		
Remuneration payable to the Management company	22,406	12,847
Sindh sales tax payable on remuneration of Management Company	3,336	1,927
Allocation of expenses related to registrar	1,457	8,854
Formation cost payable to AMC	665	665
Units held: 1,977,778,units	199,903	2,259,249
Central Depository Company Of Pakistan Limited - Trustee		
Trustee Fee Payable	1,075	1,160
Sindh Sales Tax Payable	161	174
Security Deposit - Non Interest Bearing	100	100
Bank Al Habib Limited		
Bank Balance	2,815,858	1,610,732
Profit receivable	5,285	2,130
Held of 1,000,000 units (2025: 1,000,000 units)	101,075	100,396
Directors And Their Relatives Of The Management Company		
Held of 26 units(2025: Nil units)	2.65	-
Key Management Executives		
Units held: 969 units(2025: 12,702 units)	97.96	1,275
Connected party holding 10% or more of the units in issue:		
Held of 53,592,007 units (2025: 85,051,248 units)	5,416,796	8,538,788

22. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyze the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

22.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies, and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

22.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund is not exposed to currency risk.

22.3 Interest rate risk

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

a) Cash flow interest rate risk

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 10% to 11.25% per annum, and against investments in GOP Ijara Sukuks, the interest rate on which range between 8.37% to 22.49% respectively.

In case of 100 basis points increase / decrease in interest rates on June 30, 2025, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 78.81 million (2025: Rs. 67.49 million).

b) Fair value interest rate risk

The Fund's investment in GOP Ijara Sukuk exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 114.797 million. (2025: 56.87 million).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

c) Fair value interest rate risk

Yield / Interest rate sensitivity position for financial

Particulars	2026					
		Exposed to yield / interest rate risk			Not exposed to	
	Effective yield / interest rate	Upto three months	More than three months and upto one year	More than one year	Not exposed to yield / interest rate risk	Total
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances and term deposit receipts	10% to 11.25%	7,880,596		-	-	7,880,596
Investments	8.37%-22.49%	-	-	11,479,731	-	11,479,731
Profit receivable		-	-	-	277,672	277,672
Advances, deposits, prepayments and other receivables		-	-	-	317	317
Preliminary expenses and flotation costs		-	-	-	391	391
Sub total		7,880,596	-	11,479,731	277,989	19,638,707
Financial liabilities						
Payable to the Management Company		-	-	-	22,406	22,406
Payable to the Trustee		-	-	-	1,075	1,075
Payable to the SECP		-	-	-	1,065	1,065
Accrued expenses and other liabilities		-	-	-	190,013	190,013
Sub total		-	-	-	214,559	214,559
On-balance sheet gap (a)		7,880,596	-	11,479,731	63,430	19,424,148
Off-balance sheet financial instruments			-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		7,880,596	-	11,479,731	63,430	19,423,757
Cumulative interest rate sensitivity gap		7,880,596	-	11,479,731		

Particulars	2025					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances and term deposit receipts	7.00% - 20.26%	6,749,382	-	-	-	6,749,382
Investments	8.37%-22.49%	-	-	5,517,108	-	5,517,108
Profit receivable		-	-	-	189,442	189,442
Advances, deposits, prepayments and other receivables		-	-	-	317	317
Sub total		6,749,382	-	5,517,108	190,212	12,456,702
Financial liabilities						
Payable to the Management Company		-	-	-	12,847	23,628
Payable to the Trustee		-	-	-	1,160	1,334
Payable to the SECP		-	-	-	1,187	1,187
Accrued expenses and other liabilities		-	-	-	283,922	283,922
Sub total		-	-	-	310,071	310,071
On-balance sheet gap (a)		6,749,382	-	5,517,108	(119,859)	12,146,631
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		6,749,382	-	5,517,108	(119,859)	12,146,631
Cumulative interest rate sensitivity gap		6,749,382	-	5,517,108		

22.3.1 Price risk

Price risk is 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 instruments traded in the market.

22.3.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in debt securities such as GOP Ijara Sukuks and Bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

22.3.2.1 The analysis below summarizes the credit rating quality of the Fund's financial assets as at June 30, 2026 and 30 June 2025:

Name of Banks	Balances as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	------Rupees in 000 ------		
Balances with banks by rating category			
Bank Al Habib Limited	2,815,858	A1+	PACRA
Allied Bank Limited	3,333,727	A1+	PACRA
Meezan Bank Limited	61	A1+	VIS
Bank Islami Pakistan	55,108	A1	PACRA
Al Baraka Bank Limited	2,296	A1	PACRA
Bank Alfalah Islamic	3,795	A1+	PACRA
Askari Commercial Bank Ltd	2,462	A1+	PACRA
Faysal Bank Ltd	87	A1+	PACRA
Dubai Islami Bank	5	A1+	VIS
United Bank Limited Ameen	1,666,930	A1+	PACRA
Habib Metropolitan Bank	18	A1+	PACRA
	7,880,347		

Name of Banks	Balances as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
	-------Rupees in 000 -------		
Balances with banks by rating category			
Bank Al Habib Limited	1,650,023	A1+	PACRA
United Bank Limited	14,074	A1+	VIS
Allied Bank Limited	254,566	A1+	PACRA
Meezan Bank Limited	24,317	A1+	VIS
Bank Islami Pakistan	18,820	A1	PACRA
Al Baraka Bank Limited	10,300	A1	PACRA
Bank Alfalah Islamic	681,152	A1+	PACRA
Askari Commercial Bank Ltd	2,321,299	A1+	PACRA
Faysal Bank Ltd	774,492	A1+	PACRA
Dubai Islami Bank	322	A1+	VIS
Habib Metropolitan Bank	18	A1+	PACRA
	5,749,383		

The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category	**2026**	**2025**
	%	
A1+	99.3%	99.99%
A1	0.73%	0.01%
	100%	**100%**

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure, while the remaining transactions are entered into with diverse credit-worthy counterparties, thereby mitigating any significant concentration of credit risk to counterparties. The fund is not exposed to a concentration of credit risk.

22.3.2.1.1 **Liquidity risk**

Liquidity risk is a risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realizable.

The Fund has the ability to borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the total net asset value of the Fund at the time of borrowing and shall be repayable within 90 days. The facility would bear interest at commercial rates and would be secured against the assets of the Fund. However, during the current year, no borrowings were made by the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of 10% of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below 10% of the units then in issue. However, no such instances were witnessed by the Fund during the current year (2025: None).

The table below summarizes the maturity profile for the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including balances with bank have been included in the maturity.

Particulars	2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset ManagementLimited - Management Company	22,406	-	-	22,406
Payable to Central Depository Company of Pakistan Limited - Trustee	1,075	-	-	1,075
Payable to Securities and Exchange Commissionof Pakistan	1,065	-	-	1,065
Accrued expenses and other liabilities	195,100	-	-	195,100
Total liabilities	**219,646**	**-**	**-**	**219,646**

Particulars	2025			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset ManagementLimited - Management Company	12,847	-	-	12,847
Payable to Central Depository Company of Pakistan Limited - Trustee	1,160	-	-	1,160
Payable to Securities and Exchange Commissionof Pakistan	1,187	-	-	1,187
Accrued expenses and other liabilities	283,922	-	-	283,922
Total liabilities	**299,116**	**-**	**-**	**299,116**

23 UNITHOLDERS' FUND RISK MANAGEMENT

The unitholders' fund is represented by the net assets attributable to unitholders / redeemable units. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unitholders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unitholders' The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

-Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unitholders;

-Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

-Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management’. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current period.

24 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- For level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities

- For level 2 Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) and

- For level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

The table below analyze financial instruments measured at the end of the reporting year by the level in the fair value hierarchy into which the fair value measurement is categorized:

Particulars		2026						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note	---------- (Rupees in '000) ----------						
On balance sheet financial instruments								
Financial assets measured at fair value	23.1							
GoP Ijarah Sukuk Certificates		9,211,745	-	9,211,745	-	9,211,745	-	9,211,745
Discounted GIS		2,267,986	-	2,267,986	2,267,986	-	-	2,267,986
		11,479,731	-	11,479,731	2,267,986	9,211,745	-	11,479,731

Particulars		2025						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note	---------- (Rupees in '000) ----------						
On balance sheet financial instruments								
Financial assets measured at fair value	23.1							
GoP Ijarah Sukuk Certificates		5,517,108	-	5,517,108	-	5,517,108	-	5,517,108
Discounted GIS		169,804	-	169,804	169,804	-	-	169,804
		5,686,912	-	5,686,912	169,804	5,517,108	-	5,686,912

24.1 Valuation techniques

24.1.1 For level 1 investments at fair value through profit or loss, Fund uses daily quotations which are taken from PSX, for the purpose of computation of Market value at the reporting date.

24.1.2 For level 2 investments at fair value through profit or loss, Fund uses PKISRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

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

24.2 Transfers during the year

No transfer were made between various levels of fair value hierarchy during the year.

25 LIST OF TOP BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID / PAYABLE

Top brokers during the year	2026	2025
	------ Percentage ------	
AKD Securities Limited	0.00%	1.72%
Arif Habib Limited	23.96%	6.24%
BCP Securities	0.00%	2.41%
BMA Capital Management Limited	0.00%	4.34%
C & M Management Private Limited	0.00%	3.89%
Capital Edge (Private) Limited	2.43%	17.03%
DirectFN Private Limited	0.08%	29.84%
Icon Securities (Private) Limited	0.00%	2.65%
Intermarket Securities Limited	0.00%	15.47%
JS Global Capital Limited	3.44%	4.70%
Next Capital Limited	26.22%	1.75%
Optimus Markets (Private) Limited	43.87%	0.02%
Optimus Capital Management (Private) Limited	0.00%	0.00%
Paramount Capital (Private) Limited	0.00%	7.40%
Summit Capital (Private) Limited	0.00%	2.55%
	100%	100%

26 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

26.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

26.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Cash Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Government Securities Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Islamic Gopk Pension Fund
- Al Habib Gokp Pension Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic Money Market Fund
- Al Habib Islamic Income Fund
- Al Habib Pension Fund
- Al Habib Islamic Munafa Fund
- Al Habib Islamic Pension Fund

27 PATTERN OF UNITHOLDING

Category	As at June 30, 2026			
	No. of unit holders	Number of units held	Investment amount	Percentage
			Rupees in '000	
Individuals	680	78,252,904	7,909,021,007	40.84%
Insurance Companies	2	433,430	43,806,770	0.23%
Associated Companies	2	2,977,778	300,964,022	1.55%
Others	47	108,642,063	10,980,453,307	56.71%
Provident & Pension Funds	6	1,279,244	129,293,191	0.67%
	737	**191,585,419**	**19,363,538,297**	**100%**

28 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25,2025 and October 24, 2025, February 4, 2026, April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

29 TOTAL EXPENSE RATIO

In accordance with the Directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio for the fund for period ended June 30, 2026 is 0.71% (2025: 1.41%) which includes 0.16% (2025: 0.25%) representing Government levy and SECP fee.

30 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the current year.

31 GENERAL

31.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

32 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

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

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHISAVF maintained strategy to get exposure in broadly diversified portfolio of high quality shariah complaint fixed and floater rate instrument. Such investments include Shariah Complaint Government securities (GOP Ijarah Sukuk), Banks Deposits/Placements and Corporate Sukuks.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 12 bps as it posted YTD return of 9.31% as against the benchmark of 9.43%.

Fund Description

Fund Type & Category	Open ended - Shariah Compliant Income Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	December 20, 2021	**Management Fee**	0.47%
Benchmark	75% six (6) months PKISRV + 25% six (6) months average of the highest ratees on savings account of three (3) AA rated scheduled Islamic Bank or window of conventional Banks, as selected by MUFAP	**Sales Load**	3.00% (Management has the discretion to reduce or waive load on any transaction)
Annual Return	9.31%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	9.43%	**For Regular Transactions** **For same Day Redemption**	Monday to Thursday 4:00 pm | Friday 4:30 pm 9:30 am
Net Assets	Rs. 19,354 million (June 30, 2026)	**Fund Stability Rating**	AA(f) by PACRA (April 10, 2026)
NAV per unit	Rs. 101.0747 per unit (June 30, 2026)	**AMC Rating**	"AM1" by PACRA (August 12, 2025)
Pricing Mechanism	Backward Pricing	**Trustee**	Central Depository Company of Pakistan Limited.
Risk Profile	Medium (Principal at medium risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
1 Month	13.02	10.59	243
3 Months	11.15	11.17	-2
6 Months	10.37	12.05	-168
9 Months	10.76	11.20	-44
1 Year	10.85	11.29	-44

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	39.72%	42.02%
TDR	0.00%	7.36%
GoP Ijarah Sukuk	57.87%	41.85%
Others	2.41%	8.77%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	335
1001-5000	39
5001-10000	22
10001-50000	63
50001-100000	27
100001-500000	50
500001-1000000	11
1000001-5000000	16
5000001 and above	8
Grand Total	**571**

Income Distribution

AHISAVF made a total distribution of Rs. 8.6087 during FY26 in the form of dividend. EX-NAV of the fund after each dividend becomes Rs. 100.3958

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 14, 2026	109.0045	100.3958	8.6087

During the period under question:

There has been no significant change in the state of affairs of the Fund. Al Habib Islamic Savings Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the period, 166,177,338 units valued Rs. 17,118 million were sold while 175,323,510 units valued Rs. 18,184 million were redeemed resulting in to a net sale of 9,146,172 units valued Rs. 1,673 million.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in billion)	19,354	13,168
NAV per unit as at June 30 (Rs.)	101.0747	100.3958
Distribution during the year ended June 30 (Rs.)	8.6087	14.0528
Annual Return	9.31%	14.05%

AL HABIB FIXED RETURN FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,

Main Shahra-e-Faisal, Karachi.

Rating

AM1 Management Company Quality Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB FIXED RETURN FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Fixed Return Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB FIXED RETURN FUND

Opinion

We have audited the financial statements of AL Habib Fixed Return Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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 year. 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:

S. No	Key Audit Matter	How the matter was addressed in our audit
1.	**Existence and valuation of investments** As disclosed in note 6 to the accompanying financial statements of the Fund for the year June 30, 2026, the Fund has investments classified as "Fair value through profit or loss" amounting to Rs. 6,202.76 million representing 96.08% of the Net Assets Value of the Fund. As these investments represent a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as	Our audit procedures included the following: • We obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2026 and traced it with books and records of the Fund; • We performed substantive audit procedures on year-end balance of investment portfolio including review of custodian's statement and related reconciliations and re-performance of debt instruments valuations on the basis of prices the Mutual Fund Association of Pakistan (MUFAP) as at June 30, 2026 and matching the valuation of investment with

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S. No	Key Audit Matter	How the matter was addressed in our audit
	the valuation of investments is the main driver of movements in the performance of the Fund. In view of the significance of the above-mentioned balances in relation to the Fund's total assets and NAV, we considered the existence and valuation of investments as a key audit matter.	that appearing in the financial statements. • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

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

The Management Company ("AL Habib Asset Management Limited") 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 of the Management Company for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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 of the Management Company, 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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

From the matters communicated with the Board of Directors of the Management Company, 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

UDIN: AR202610166x0mlqQXnV

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

	Note	2026													
		AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	AH-FRF Plan 23	AH-FRF Plan 24	AH-FRF Plan 25	AH-FRF Plan 26	AH-FRF Plan 28	AH-FRF Plan 29	AH-FRF Plan 30	AH-FRF Plan 31	AH-FRF Plan 32	Total
		Rupees in '000													
ASSETS															
Bank balances	5	10,524	8,962	4,786	7,782	845	8,098	2,253	5,889	3,988	5,354	22,116	1,834	182,078	264,509
Investments	6	64,099	-	-	-	3,443,455	-	-	-	1,186,889	-	-	1,508,321	-	6,202,764
Profit receivable		3,628	3	154	2,074	17	16	7,015	-	61,628	2,414	3,394	108	16,876	97,327
TOTAL ASSETS		78,251	8,965	4,940	9,856	3,444,317	8,114	9,268	5,889	1,252,505	7,768	25,510	1,510,263	198,954	6,564,600
										-	-	-			
LIABILITIES															
Payable to AL Habib Asset Management Limited - Management Company	7	391	8,841	4,552	7,685	6,081	6,692	6,905	784	125	3,828	2,158	-	727	48,769
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	36	-	-	170	178	106	836	165	128	816	619	21	85	3,160
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	9	67	21	83	211	126	1,199	196	77	102	254	25	101	2,471
Payable against redemption of units		-	-	-	-	-	1,064	-	-	-	-	-	-	-	1,064
Accrued expenses and other liabilities	10	1,779	57	367	1,918	2,099	126	328	4,744	10,574	3,022	22,479	1,683	3,896	53,072
TOTAL LIABILITIES		2,215	8,965	4,940	9,856	8,569	8,114	9,268	5,889	10,904	7,768	25,510	1,729	4,809	108,536
NET ASSETS		76,036	-	-	-	3,435,748	-	-	-	1,241,601	-	-	1,508,534	194,145	6,456,064
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		76,036	-	-	-	3,435,748	-	-	-	1,241,601	-	-	1,508,534	194,145	6,456,064
CONTINGENCIES AND COMMITMENTS	11														
Number of units in issue	12	758,855	-	-	-	34,347,803	-	-	-	12,411,381	-	-	15,085,347	1,941,455	64,544,841
Net assets value per unit		100.20	-	-	-	100.03	-	-	-	100.04	-	-	100.00	100.00	

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2025

	Note	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 19	AH-FRF Plan 21	AH-FRF Plan 22	Total
		As at June 30, 2025															
		Rupees in '000															
ASSETS																	
Bank balances	5	7,206	848	29,855	8,746	37,223	113,267	8	56,817	7,977	240,162	47,938	1,991	1,299	2,686	64,872	620,895
Investments	6	-	-	-	-	-	-	-	-	-	-	-	75,964	1,867,349	503,872	2,075,922	4,523,107
Profit receivable		411	5	497	156	1,310	-	-	2,300	229	2,129	4,123	4,140	1,219	924	274	17,717
TOTAL ASSETS		7,617	853	30,352	8,902	38,533	113,267	8	59,117	8,206	242,291	52,061	82,095	1,869,867	507,482	2,141,068	5,161,719
LIABILITIES																	
Payable to AL Habib Asset Management Limited - Management Company	7	7,533	782	8,908	873	6,736	17,690	-	7,802	600	23,090	8,730	35	318	115	813	84,025
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	75	-	114	62	137	286	-	888	21	172	158	4	98	19	113	2,147
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	3	-	87	37	111	339	-	423	14	76	187	4	233	47	138	1,699
Payable against redemption of units		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	10	6	71	21,243	7,930	31,549	94,952	8	50,004	7,571	218,953	42,986	946	14,627	5,689	5,324	501,859
TOTAL LIABILITIES		7,617	853	30,352	8,902	38,533	113,267	8	59,117	8,206	242,291	52,061	989	15,276	5,870	6,388	589,730
NET ASSETS		-	-	-	-	-	-	-	-	-	-	-	81,106	1,854,591	501,612	2,134,680	4,571,989
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		-	-	-	-	-	-	-	-	-	-	-	81,106	1,854,591	501,612	2,134,680	4,571,989
CONTIGENCIES AND COMMITMENTS	11																
		(Number of units)															
Number of units in issue	12	-	-	-	-		-	-	-	-	-	-	809,846	18,530,365	5,010,608	21,346,798	45,697,617
Net assets value per unit		-	-	-	-	-	-	-	-	-	-	-	100.15	100.08	100.11	100.00	

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026													
		For the period from March 6, 2025 to June 30, 2026	For the period from March 6, 2025 to February 20, 2026	For the period from May 21, 2025 to August 22, 2025	For the period from May 21, 2025 to May 15, 2026	For the period from August 22, 2025 to June 30, 2026	For the period from August 22, 2025 to June 29, 2026	For the period from September 29, 2025 to January 9, 2026	For the period from December 8, 2025 to January 15, 2026	For the period from March 6, 2026 to June 30, 2026	For the period from February 25, 2026 to May 7, 2026	For the period from May 8, 2026 to June 12, 2026	For the period from June 22, 2026 to June 30, 2026	For the period from June 16, 2026 to June 30, 2026	
		AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	AH-FRF Plan 23	AH-FRF Plan 24	AH-FRF Plan 25	AH-FRF Plan 26	AH-FRF Plan 28	AH-FRF Plan 29	AH-FRF Plan 30	AH-FRF Plan 31	AH-FRF Plan 32	Total
		Rupees in '000													
Income															
Profit on bank deposits		797	116	176	3,377	1,115	1,641	156,882	31,186	647	10,179	6,075	108	16,876	229,175
Income from Government Securities		7,953	133,045	7,993	202,147	278,034	222,298	226,320	132	39,452	126,599	107,476	3,306	-	1,354,755
		8,750	133,161	8,169	205,524	279,149	223,939	383,202	31,318	40,099	136,778	113,551	3,414	16,876	1,583,930
Net gain on investments designated as 'at fair value through profit or loss'															
Gain on sale of government securities		(134)	794	(165)	(2,578)	-	364	477	252	-	62	-	-	-	(928)
Unrealised gain / (loss) on government securities	6.1	(326)	-	-	-	(7,854)	-			(2,298)	-	-	2,313	-	(8,165)
		8,290	133,955	8,004	202,946	271,295	224,303	383,679	31,570	37,801	136,840	113,551	5,727	16,876	1,574,837
Expenses															
Remuneration of AL Habib Asset Management Limited - Management Company	13	310	2,537	162	5,975	5,288	5,820	6,003	682	109	3,328	1,877	-	632	32,723
Sindh Sales Tax on Management Company's remuneration		46	381	24	896	793	873	900	102	16	499	281	-	95	4,906
Sindh Sales Tax on Allocated Expenses and Selling and Marketing		-	-	-	-	-	-	-	-		-	-	-	-	-
Remuneration of Central Depository Company of Pakistan Limited (CDC) - Trustee	14	46	669	39	1,060	1,448	1,162	1,895	143	207	709	538	18	74	8,008
Sindh Sales Tax on Trustee's remuneration		7	100	6	159	217	174	284	22	31	106	81	3	11	1,201
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	15	62	912	53	1,446	1,974	1,585	2,585	196	282	976	734	25	101	10,931
Brokerage expense			33	-		30	25	52	-	34	35	-	49	-	258
Audit Fee	16	5	88	31	15	15	25	94	45	-	30	-	-	-	348
Other expenses		39	7,159		130	-	304	-	-	-	-	-	-	-	7,632
Settlement and bank charges			-	3	12	-	11	50	37	-	-	7	-	-	120
		515	11,879	318	9,693	9,765	9,979	11,863	1,227	679	5,683	3,518	95	913	66,127
Net income before taxation		7,775	122,076	7,686	193,253	261,530	214,324	371,816	30,343	37,122	131,157	110,033	5,632	15,963	1,508,710
Taxation	11	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net income after taxation		7,775	122,076	7,686	193,253	261,530	214,324	371,816	30,343	37,122	131,157	110,033	5,632	15,963	1,508,710
Allocation of net Income:															
Net income after taxation		7,775	122,076	7,686	193,253	261,530	214,324	371,816	30,343	37,122	131,157	110,033	5,632	15,963	1,508,710
Income already paid on units redeemed		(783)	(121,732)	(7,601)	(192,793)	-	(214,234)	(370,179)	(30,287)	-	(131,061)	(108,987)	-	(15,225)	(1,192,882)
		6,992	344	85	460	261,530	90	1,637	56	37,122	96	1,046	5,632	738	315,828
Accounting income available for distribution:															
- Relating to capital gains		-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Excluding capital gains		6,992	344	85	460	261,530	90	1,637	56	37,122	96	1,046	5,632	738	315,828
		6,992	344	85	460	261,530	90	1,637	56	37,122	96	1,046	5,632	738	315,828

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025

	Note	For the period from July 01, 2024 to July 03, 2024	For the period from July 01, 2024 to July 08, 2024	For the period from July 01, 2024 to Nov 29, 2024	For the period from July 01, 2024 to January 09, 2025	For the period from July 01, 2024 to Oct 18, 2024	For the period from July 18, 2023 to Oct 18, 2024	For the period from July 01, 2024 to Oct 18, 2024	For the period from October 16, 2024 to Dec 27, 2024	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from Feb 25, 2025 to June 13, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2024	
		AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	Total
		---------- Rupees in '000 ----------															
Income																	
Profit on bank deposits		1,177	103	536	186	1,176	7,134	446	6,792	779	8,797	7,274	144	1,219	924	274	36,961
Income from Government Securities		-	175	119,280	49,723	191,227	475,163	65,033	216,602	45,655	1,085,563	285,721	2,609	63,892	26,296	19,386	2,646,325
		1,177	278	119,816	49,909	192,403	482,297	65,479	223,394	46,434	1,094,360	292,995	2,753	65,111	27,220	19,660	2,683,286
Net gain on investments designated as 'at fair value through profit or loss'																	
Gain on sale of government securities		-	-	-	-	232	(175)	(542)	-	(385)	12,158	(758)	-	88	72	-	10,690
Unrealised appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net	6.1	-	-	-	1,617	-	-	-	-	-	-	-	1,157	2,682	49	2,301	7,806
Total income		1,177	278	119,816	51,526	192,635	482,122	64,937	223,394	46,049	1,106,518	292,237	3,910	67,881	27,341	21,961	2,701,782
Expenses																	
Remuneration of AL Habib Asset Management Limited - Management Company	13	211	2	4,676	1,666	2,365	15,383	-	6,784	522	20,078	7,584	18	276	100	707	60,372
Sindh Sales Tax on Management Company's remuneration		27	-	701	250	355	2,307	-	1,018	78	3,012	1,146	3	41	15	106	9,059
Expense Allocated by Management Company		-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	6
Marketing and selling expense		-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	6
Sindh Sales Tax on Allocated Expenses and Selling and Marketing		-	-	-	-	-	-	-	-	-	-	-	2				2
Remuneration of Central Depository Company of Pakistan Limited (CDC) - Trustee	14	3	-	340	151	537	1,317	177	772	191	3,739	1,363	13	311	108	103	9,125
Sindh Sales Tax on Trustee's remuneration		-	-	51	23	80	198	27	116	29	561	204	2	47	16	15	1,369
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	15	4	-	463	206	733	1,796	243	1,053	261	4,971	1,859	18	422	172	138	12,339
Brokerage expense		-	-	-	-	-	90	-	-	-	154	-	3	14	-	10	271
Audit remuneration	16	-	-	25	-	20	20	-	15	30	-	10	3	10	10	131	274
Printing charges		-	-	-	-	-	99	-	10	15	-	5	2	5	5	-	141
Settlement and bank charges		-	-	9	5	7	5	4	8	24	20	12	6	7	7	2	116
		245	2	6,265	2,301	4,097	21,215	451	9,776	1,150	32,535	12,183	82	1,133	433	1,212	93,080
Net income before taxation		932	276	113,551	49,225	188,538	460,907	64,486	213,618	44,899	1,073,983	280,054	3,828	66,748	26,908	20,749	2,608,702
Taxation	17	-	-	-	-	-	-	-	-	-	-			-	-	-	-
Net income after taxation		932	276	113,551	49,225	188,538	460,907	64,486	213,618	44,899	1,073,983	280,054	3,828	66,748	26,908	20,749	2,608,702
Allocation of net income for the year:																	
Net income for the year after taxation		932	276	113,551	49,225	188,538	460,907	64,486	213,618	44,899	1,073,983	280,054	3,828	66,748	26,908	20,749	2,608,702
Income already paid on redemption of units		(912)	(276)	(74,287)	(48,180)	(183,964)	(385,136)	(63,837)	(184,119)	(44,007)	(982,643)	(278,072)	-	(929)	(9,353)	-	(2,255,715)
		20	-	39,264	1,045	4,574	75,771	649	29,499	892	91,340	1,982	3,828	65,819	17,555	20,749	352,987
Accounting income available for distribution:																	
- Relating to capital gains		-	-	-	-	-	-	-	-	-	-	-	3,910	67,881	27,341	21,961	-
- Excluding capital gains		-	-	-	-	-	-	-	-	-	-	-	(82)	(2,062)	(9,786)	(1,212)	-
		-	-	-	-	-	-	-	-	-	-	-	3,828	65,819	17,555	20,749	-

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

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

	2026														
	For the period from March 6, 2025 to June 30, 2026	For the period from March 6, 2025 to February 20, 2026	For the period from May 21, 2025 to August 22, 2025	For the period from May 21, 2025 to May 15, 2026	For the period from August 22, 2025 to June 30, 2026	For the period from August 22, 2025 to June 29, 2026	For the period from September 29, 2025 to January 9, 2026	For the period from December 8, 2025 to January 15, 2026	For the period from March 6, 2026 to June 30, 2026	For the period from February 25, 2026 to May 7, 2026	For the period from May 8, 2026 to June 12, 2026	For the period from June 22, 2026 to June 30, 2026	For the period from June 16, 2026 to June 30, 2026	
	AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	AH-FRF Plan 23	AH-FRF Plan 24	AH-FRF Plan 25	AH-FRF Plan 26	AH-FRF Plan 28	AH-FRF Plan 29	AH-FRF Plan 30	AH-FRF Plan 31	AH-FRF Plan 32	Total
	Rupees in '000													
Net income for the year after taxation	7,775	122,076	7,686	193,253	261,530	214,324	371,816	30,343	37,122	131,157	110,033	5,632	15,963	1,508,710
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	7,775	122,076	7,686	193,253	261,530	214,324	371,816	30,343	37,122	131,157	110,033	5,632	15,963	1,508,710

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

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

	For the period from July 01, 2024 to July 03, 2024	For the period from July 01, 2024 to July 08, 2024	For the period from July 01, 2024 to Nov 29, 2024	For the period from July 01, 2024 to January 09, 2025	For the period from July 01, 2024 to Oct 18, 2024	For the period from July 18, 2023 to Oct 18, 2024	For the period from July 01, 2024 to Oct 18, 2024	For the period from October 16, 2024 to Dec 27, 2024	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from Feb 25, 2025 to June 13, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2024	
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	Total
	---------- Rupees in '000 ----------															
Net income for the year after taxation	932	276	113,551	49,225	188,538	460,907	64,486	213,618	44,899	1,073,983	280,054	3,828	66,748	26,908	20,749	2,608,702
Other comprehensive income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	932	276	113,551	49,225	188,538	460,907	64,486	213,618	44,899	1,073,983	280,054	3,828	66,748	26,908	20,749	2,608,702

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

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

	For the period from March 6, 2025 to June 30, 2026			For the period from March 6, 2025 to February 20, 2026			For the period from May 21, 2025 to August 22, 2025			For the period from May 21, 2025 to May 15, 2026			For the period from August 22, 2025 to June 30, 2026		
	AH-FRF Plan 19			AH-FRF Plan 20			AH-FRF Plan 21			AH-FRF Plan 22			AH-FRF Plan 23		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	---------- Rupees in '000 ----------														
Net assets at beginning of the year	80,985	120	81,106	1,853,036	1,554	1,854,591	501,060	551	501,612	2,134,680	-	2,134,680	-	-	-
Issuance of 356,032,876 (2025: 311,468,958) units															
- Capital value	5,176	-	5,176	244	-	244	60	-	60	326		326	3,434,780	-	3,434,780
- Element of income / (loss)	-	-	-	-	-	-	-	-	-	-		-	17,325	-	17,325
Total proceeds on issuance of units	5,176	-	5,176	244	-	244	60		60	326	-	326	3,452,105	-	3,452,105
Redemption of 290,103,708 (2025: 337,841,856) units															
- Capital Value	(10,283)		(10,283)	(1,854,764)	-	(1,854,764)	(501,672)	-	(501,672)	(2,135,006)		(2,135,006)	-	-	-
- Element of income / (loss)	-	(783)	(783)	274	(122,078)	(121,804)	-	(7,602)	(7,602)	-	(192,793)	(192,793)	-	-	-
Total payments on redemption of units	(10,283)	(783)	(11,066)	(1,854,490)	(122,078)	(1,976,566)	(501,672)	(7,602)	(509,274)	(2,135,006)	(192,793)	(2,327,799)	-	-	-
Total comprehensive income for the year	-	7,775	7,775	-	122,076	122,076	-	7,686	7,686	-	193,253	193,253	-	261,530	261,530
Distribution for the period ended June 30, 2026	-	(6,955)	(6,955)	-	(345)	(345)	-	(84)	(84)	-	(460)	(460)	(17,326)	(260,561)	(277,887)
Net income for the year less distribution	-	820	820	-	121,731	121,731	-	7,602	7,602	-	192,793	192,793	(17,326)	969	(16,357)
Net assets at the end of the year	75,878	157	76,036	(1,207)	1,207	-	(551)	551	-	-	-	-	3,434,779	969	3,435,748
Undistributed income brought forward															
- Realised gain		120			-			-			-			-	
- Unrealised gain		-			-			-			-			-	
		120			-			-			-			-	
Accounting income available for distribution															
- Relating to capital gains		-			-			-			-			-	
- Excluding capital gains		6,992			-			-			-			261,530	
		6,992			-			-			-			261,530	
Interim distribution for the period ended June 30, 2025:		(6,955)			-			-			-			(260,561)	
Undistributed income carried forward		157			-			-			-			969	
Undistributed income carried forward comprise of:															
- Realised gain		157			-			-			-			969	
- Unrealised gain		-			-			-			-			-	
		157			-			-			-			969	
		(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		100.15			-			-			-			-	
Net assets value per unit at end of the year		100.20			-			-			-			100.03	

The annexed notes 1 to 26 form an integral part of this financial information.

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

	For the period from August 22, 2025 to June 29, 2026			For the period from September 29, 2025 to January 9, 2026			For the period from December 8, 2025 to January 15, 2026			For the period from March 6, 2026 to June 30, 2026			For the period from February 25, 2026 to May 7, 2026		
	AH-FRF Plan 24			AH-FRF Plan 25			AH-FRF Plan 26			AH-FRF Plan 28			AH-FRF Plan 29		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	---------- Rupees in '000 ----------														
Net assets at beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Issuance of 356,032,876 (2025: 311,468,988) units															
- Capital value	2,610,907	-	2,610,907	15,227,883	-	15,227,883	3,765,632	-	3,765,631	1,241,138	-	1,241,138	7,243,602	-	7,243,602
- Element of income / (loss)	14,151	-	14,151	78,467	-	78,467	11,188	-	11,188	1,063	-	1,063	7,670	-	7,670
Total proceeds on issuance of units	2,625,058	-	2,625,058	15,306,350	-	15,306,350	3,776,820		3,776,820	1,242,201	-	1,242,201	7,251,272	-	7,251,272
Redemption of 290,103,708 (2025: 337,841,856) units															
- Capital Value	(2,610,907)	-	(2,610,907)	(15,227,883)	-	(15,227,883)	(3,765,632)	-	(3,765,632)	-	-	-	(7,243,602)	-	(7,243,602)
- Element of income / (loss)	(14,061)	(214,324)	(228,385)	(76,803)	(371,816)	(448,619)	(11,188)	(30,343)	(41,531)	-	-	-	(7,670)	(131,061)	(138,731)
Total payments on redemption of units	(2,624,968)	(214,324)	(2,839,292)	(15,304,686)	(371,816)	(15,676,502)	(3,776,765)	(30,343)	(3,807,108)	-	-	-	(7,251,272)	(131,061)	(7,382,333)
Total comprehensive income for the year	-	214,324	214,324	-	371,816	371,816	-	30,343	30,343	-	37,122	37,122	-	131,157	131,157
Distribution for the period ended June 30, 2026	-	(90)	(90)		(1,664)	(1,664)		(55)	(55)	(1,063)	(36,659)	(37,722)	-	(96)	(96)
Net income for the year less distribution	-	214,234	214,234	-	370,152	370,152	-	30,288	30,288	(1,063)	463	(600)	-	131,061	131,061
Net assets at the end of the year	90	(90)	-	1,664	(1,664)	-	55	(55)	-	1,241,138	463	1,241,601	-	-	-
Undistributed income brought forward															
- Realised gain		-			-			-			-			-	
- Unrealised gain		-			-			-			-			-	
Accounting income available for distribution															
- Relating to capital gains		-			-			-			-			-	
- Excluding capital gains		-			-			-			37,122			-	
Interim distribution for the period ended June 30, 2025:		-			-			-			37,122			-	
											(36,659)				
Undistributed income carried forward		-			-			-			463			-	
Undistributed income carried forward comprise of:															
- Realised gain		-			-			-			463			-	
- Unrealised gain		-			-			-						-	
		-			-			-			463			-	
		(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		-			-			-			-			-	
Net assets value per unit at end of the year		-			-			-			100.04			-	

The annexed notes 1 to 26 form an integral part of this financial information.

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

	For the period from May 8, 2026 to June 12, 2026			For the period from June 22, 2026 to June 30, 2026			For the period from June 16, 2026 to June 30, 2026			Total		
	AH-FRF Plan 30			AH-FRF Plan 31			AH-FRF Plan 32					
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total			
	---------- Rupees in '000 ----------											
Net assets at beginning of the year	-	-	-	-	-	-	-	-	-	11,779,677	5,992	11,785,673
Issuance of 356,032,876 (2025: 311,468,958) units												
- Capital value	12,365,253	-	12,365,253	1,508,535	-	1,508,535	4,469,596	-	4,469,596	88,960,882	-	88,960,880
- Element of income / (loss)	18,372	-	18,372	455	-	455	2,784	-	2,784	266,811	-	266,811
Total proceeds on issuance of units	12,383,625	-	12,383,625	1,508,990	-	1,508,990	4,472,380	-	4,472,380	89,227,693	-	89,227,693
Redemption of 290,103,708 (2025: 337,841,856) units												
- Capital Value	(12,365,253)	-	(12,365,253)	-	-	-	(4,275,450)	-	(4,275,450)	(91,584,880)	-	(91,584,880)
- Element of income / (loss)	(18,372)	(108,987)	(127,359)	-	-	-	(2,604)	(15,225)	(17,829)	(2,950,737)	(3,440,445)	(6,391,182)
Total payments on redemption of units	(12,383,625)	(108,987)	(12,492,612)	-	-	-	(4,278,054)	(15,225)	(4,293,279)	(94,535,561)	(3,440,445)	(97,976,006)
Total comprehensive income for the year		110,033	110,033		5,632	5,632	-	15,963	15,963	-	3,999,178	3,999,179
Distribution for the period ended June 30, 2026		(1,046)	(1,046)	(456)	(5,632)	(6,088)	(181)	(738)	(919)	(21,171)	(559,305)	(580,476)
Net income for the year less distribution	-	108,987	108,987	(456)	-	(456)	(181)	15,225	15,044	(21,171)	3,439,873	3,418,703
Net assets at the end of the year	-	-	-	1,508,534	-	1,508,534	194,145	-	194,145	6,450,642	5,420	6,456,064
Undistributed income brought forward												
- Realised gain		-			-							
- Unrealised gain		-			-			-				
		-			-			-				
Accounting income available for distribution												
- Relating to capital gains		-			-			-				
- Excluding capital gains		-			5,632			738				
		-			5,632			738				
Interim distribution for the period ended June 30, 2025:		-			(5,632)			(738)				
Undistributed income carried forward		-			-			-				
Undistributed income carried forward comprise of:												
- Realised gain		-			-			-				
- Unrealised gain		-			-			-				
		-			-			-				
		(Rupees)			(Rupees)			(Rupees)				
Net assets value per unit at beginning of the year		-			-			-				
Net assets value per unit at end of the year		-			100.00			100.00				

The annexed notes 1 to 26 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	For the period from July 01, 2024 to July 03, 2024			For the period from July 01, 2024 to July 08, 2024			For the period from July 01, 2024 to Nov 29, 2024			For the period from July 01, 2024 to January 09, 2025			For the period from July 01, 2024 to Oct 18, 2024		
	AH-FRF Plan 6			AH-FRF Plan 8			AH-FRF Plan 9			AH-FRF Plan 10			AH-FRF Plan 11		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
Net assets at beginning of the year	994,497	(1,048)	993,449	2,979	19	2,997	1,437,441	1,389	1,438,831	515,276	(1,253)	514,023	3,200,793	3,512	3,204,306
Issuance of 311,468,958 units															
- Capital value	-	-	-	-	-	-	29,386	-	29,386	-	-	-	3,422	-	3,422
- Element of income / (loss)	-	-	-	-	-	-	-	-	-	784	-	784	-	-	-
Total proceeds on issuance of units	-	-	-	-	-	-	29,386		29,386	784		784	3,422	-	3,422
Redemption of 337,841,856 units															
- Capital Value	(993,469)	-	(993,469)	(2,997)	-	(2,997)	(1,468,296)	-	(1,468,296)	(514,318)	-	(514,318)	(500,323)	-	(500,323)
- Element of income / (loss)	-	(912)	(912)	-	(276)	(276)	-	(74,287)	(74,287)	(489)	(48,180)	(48,669)	(2,707,416)	(183,964)	(2,891,380)
Total payments on redemption of units	(993,469)	(912)	(994,381)	(2,997)	(276)	(3,273)	(1,468,296)	(74,287)	(1,542,583)	(514,807)	(48,180)	(562,987)	(3,207,739)	(183,964)	(3,391,703)
Total comprehensive income for the year	-	932	932	-	276	276	-	113,551	113,551	-	49,225	49,225	-	188,538	188,538
Interim distribution for the period ended June 30, 2025:	-	-	-	-	-	-	-	(39,185)	(39,185)	-	(1,045)	(1,045)	-	(4,563)	(4,563)
Net income for the year less distribution	-	932	932	-	276	276	-	74,366	74,366	-	48,180	48,180	-	183,975	183,975
Net assets at the end of the year	1,028	(1,028)	-	(18)	19	-	(1,469)	1,468	-	1,253	(1,253)	-	(3,524)	3,523	-
Undistributed income brought forward															
- Realised gain		-			-			-			-			-	
- Unrealised gain		-			-			-			-			-	
		-			-			-			-			-	
Accounting income available for distribution															
- Relating to capital gains		-			-			-			-			-	
- Excluding capital gains		-			-			-			-			-	
		-			-			-			-			-	
Interim distribution for the period ended June 30, 2025:															
Undistributed income carried forward		-			-			-			-			-	
Undistributed income carried forward comprise of:															
- Realised gain		-			-			-			-			-	
- Unrealised gain		-			-			-			-			-	
		-			-			-			-			-	
	(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)		
Net assets value per unit at beginning of the year		-			-			-			-			-	
Net assets value per unit at end of the year		-			-			-			-			-	

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS
FOR THE YEAR ENDED JUNE 30, 2024

	For the period from July 18, 2023 to Oct 18, 2024			For the period from July 01, 2024 to Oct 18, 2024			For the period from October 16, 2024 to Dec 27, 2024			For the period from October 16, 2024 to June 13, 2025			For the period from August 29, 2024 to June 13, 2025		
	AH-FRF Plan 12			AH-FRF Plan 13			AH-FRF Plan 14			AH-FRF Plan 15			AH-FRF Plan 16		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	---------- (Rupees in '000) ----------														
Net assets at beginning of the year	-	-	-	1,058,930	1,148	1,060,078	-	-	-	-	-	-	-	-	-
Issuance of 311,468,958 units															
- Capital value	10,486,631	-	10,486,631	483	-	483	8,017,967	-	8,017,966	514,745	-	514,745	8,339,808	-	8,339,808
- Element of income / (loss)	41,904	-	41,904	-	-	-	21,468	-	21,468	883	-	883	24,591	-	24,591
Total proceeds on issuance of units	10,528,535	-	10,528,535	483	-	483	8,039,435		8,039,435	515,628	-	515,628	8,364,399	-	8,364,399
Redemption of 337,841,856 units															
- Capital Value	(10,486,631)	-	(10,486,631)	(1,060,566)	-	(1,060,566)	(8,017,967)	-	(8,017,967)	(514,745)	-	(514,745)	(8,339,808)	-	(8,339,808)
- Element of income / (loss)	(39,949)	(385,136)	(425,085)	-	(63,837)	(63,837)	(21,278)	(184,119)	(205,397)	(884)	(44,007)	(44,891)	(24,591)	(982,643)	(1,007,234)
Total payments on redemption of units	(10,526,580)	(385,136)	(10,911,716)	(1,060,566)	(63,837)	(1,124,403)	(8,039,245)	(184,119)	(8,223,364)	(515,628)	(44,007)	(559,636)	(8,364,399)	(982,643)	(9,347,042)
Total comprehensive income for the year	-	460,905	460,905	-	64,486	64,486	-	213,619	213,619	-	44,899	44,900	-	1,073,983	1,073,983
Interim distribution for the period ended June 30, 2025:	(1,955)	(75,769)	(77,724)		(644)	(644)	(190)	(29,500)	(29,690)	-	(892)	(892)	-	(91,340)	(91,340)
Net income for the year less distribution	(1,955)	385,136	383,181	-	63,842	63,842	(190)	184,119	183,929	-	44,007	44,008	-	982,643	982,643
Net assets at the end of the year	-	-	-	(1,153)	1,153	-	-	-	-	-	-	-	-	-	-
Undistributed income brought forward															
- Realised gain		-			-			-			-			-	
- Unrealised gain		-			-			-			-			-	
		-			-			-			-			-	
Accounting income available for distribution															
- Relating to capital gains		-			-			-			-			-	
- Excluding capital gains		-			-			-			-			-	
		-			-			-			-			-	
Interim distribution for the period ended June 30, 2025:															
Undistributed income carried forward		-			-			-			-			-	
		-			-			-			-			-	
Undistributed income carried forward comprise of:															
- Realised gain		-			-			-			-			-	
- Unrealised gain		-			-			-			-			-	
		-			-			-			-			-	
		(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)	
Net assets value per unit at beginning of the year		-			-			-			-			-	
Net assets value per unit at end of the year		-			-			-			-			-	

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS

FOR THE YEAR ENDED JUNE 30, 2024

	For the period from Feb 25, 2025 to June 13, 2025			For the period from March 06, 2025 to June 30, 2025			For the period from March 06, 2025 to June 30, 2025			For the period from March 06, 2025 to June 30, 2025			For the period from May 21, 2025 to June 30, 2024					
	AH-FRF Plan 18			AH-FRF Plan 19			AH-FRF Plan 20			AH-FRF Plan 21			AH-FRF Plan 22			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total			
Net assets at beginning of the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,209,916	3,767	7,213,683
Issuance of 311,468,958 units																		
- Capital value	9,695,308	-	9,695,308	80,985	-	80,985	1,902,658	-	1,902,658	821,324	-	821,324	2,134,680	-	2,134,680	42,027,397	-	42,027,397
- Element of income / (loss)	25,706	-	25,706	129	-	129	1,521	-	1,521	2,484	-	2,484	5,629	-	5,629	125,099	-	125,101
Total proceeds on issuance of units	9,721,014	-	9,721,014	81,114	-	81,114	1,904,179	-	1,904,179	823,808	-	823,808	2,140,309	-	2,140,309	42,152,496	-	42,152,498
Redemption of 337,841,856 units																		
- Capital Value	(9,695,308)	-	(9,695,308)	-	-	-	(49,621)	-	(49,621)	(320,264)	-	(320,264)	-	-	-	(41,964,313)	-	(41,964,313)
- Element of income / (loss)	(25,706)	(278,072)	(303,778)	-	-	-	(214)	(929)	(1,143)	(2,211)	(9,353)	(11,564)	-	-	-	(2,822,738)	(2,255,715)	(5,078,453)
Total payments on redemption of units	(9,721,014)	(278,072)	(9,999,087)	-	-		(49,835)	(929)	(50,764)	(322,475)	(9,353)	(331,828)	-	-	-	(44,787,051)	(2,255,715)	(47,042,766)
Total comprehensive income for the year	-	280,054	280,054	-	3,828	3,828	-	66,748	66,748	-	26,908	26,908	-	20,749	20,749	-	2,608,701	2,608,701
Interim distribution for the period ended June 30, 2025:	-	(1,982)	(1,982)	(129)	(3,708)	(3,837)	(1,308)	(64,265)	(65,573)	(273)	(17,004)	(17,277)	(5,629)	(20,749)	(26,378)	(9,484)	(350,646)	(360,130)
Net income for the year less distribution	-	278,072	278,072	(129)	120	(9)	(1,308)	2,483	1,175	(273)	9,904	9,631	(5,629)	-	(5,629)	(9,484)	2,258,055	2,248,571
Net assets at the end of the year	-	-	-	80,985	120	81,106	1,853,036	1,554	1,854,591	501,060	551	501,612	2,134,680	-	2,134,680	4,565,877	6,107	4,571,989
Undistributed income brought forward																		
- Realised gain		-			-			-			-			-				
- Unrealised gain		-			-			-			-			-				
		-			-			-			-			-				
Accounting income available for distribution																		
- Relating to capital gains		-			3,910			67,881			27,341			21,961				
- Excluding capital gains		-			(82)			(2,062)			(9,786)			(1,212)				
		-			3,828			65,819			17,555			20,749				
Interim distribution for the period ended June 30, 2025:		-			(3,708)			(64,265)			(17,004)			(20,749)				
Undistributed income carried forward		-			120			1,554			551			-				
Undistributed income carried forward comprise of:																		
- Realised gain		-			120			1,554			551			-				
- Unrealised gain		-			-			-			-			-				
		-			120			1,554			551			-				
		(Rupees)			(Rupees)			(Rupees)			(Rupees)			(Rupees)				
Net assets value per unit at beginning of the year		-			-			-			-			-				
Net assets value per unit at end of the year		-			100.15			100.08			100.11			100.00				

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026													
		For the period from March 6, 2025 to June 30, 2026	For the period from March 6, 2025 to February 20, 2026	For the period from May 21, 2025 to August 22, 2025	For the period from May 21, 2025 to May 15, 2026	For the period from August 22, 2025 to June 30, 2026	For the period from August 22, 2025 to June 29, 2026	For the period from September 29, 2025 to January 9, 2026	For the period from December 8, 2025 to January 15, 2026	For the period from March 6, 2026 to June 30, 2026	For the period from February 25, 2026 to May 7, 2026	For the period from May 8, 2026 to June 12, 2026	For the period from June 22, 2026 to June 30, 2026	For the period from June 16, 2026 to June 30, 2026	
		AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 23	AH-FRF Plan 23	AH-FRF Plan 24	AH-FRF Plan 25	AH-FRF Plan 26	AH-FRF Plan 28	AH-FRF Plan 29	AH-FRF Plan 30	AH-FRF Plan 31	AH-FRF Plan 32	Total
		---------- Rupees in '000 ----------													
CASH FLOWS FROM OPERATING ACTIVITIES															
Net income for the year before taxation		7,775	122,076	7,686	193,253	261,530	214,324	371,816	30,343	37,122	131,157	110,033	5,632	15,963	1,508,710
Adjustments for:															
Unrealized gain / (loss) on revaluation of investments		326	-	-	-	7,854	-	-	-	2,298	-	-	(2,313)	-	8,165
		8,101	122,076	7,686	193,253	269,384	214,324	371,816	30,343	39,420	131,157	110,033	3,319	15,963	1,516,875
Working Capital Changes															
(Increase) / decrease in assets															
Investments		11,539	1,867,349	503,872	2,075,922	(3,451,309)	-	-	-	(1,189,187)	-	-	(1,506,008)	-	(1,687,822)
Profit receivable		512	1,216	770	(1,800)	(17)	(16)	(7,015)	-	(61,628)	(2,414)	(3,394)	(108)	(16,876)	(90,770)
		12,051	1,868,565	504,642	2,074,122	(3,451,326)	(16)	(7,015)	-	(1,250,815)	(2,414)	(3,394)	(1,506,116)	(16,876)	(1,778,592)
(Decrease) / increase in liabilities															
Payable to the AL Habib Asset Management Limited - Management Company		356	8,523	4,437	6,872	6,081	6,692	6,905	784	125	3,828	2,158	-	727	47,488
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		32	(98)	(19)	57	178	106	836	165	128	816	619	21	85	2,926
Payable to Securities and Exchange Commission of Pakistan (SECP)		5	(166)	(26)	(55)	211	126	1,199	196	77	102	254	25	101	2,049
Payable against redemption of units		-	-	-	-	-	1,064	-	-	-	-	-	-	-	1,064
Accrued expenses and other liabilities		833	(14,570)	(5,322)	(3,406)	2,099	126	328	4,744	10,574	3,022	22,479	1,683	3,896	26,486
		1,226	(6,311)	(930)	3,468	8,569	8,114	9,268	5,889	10,904	7,768	25,510	1,729	4,809	80,013
Net cash generated from / (used in) operating activities		21,378	1,984,330	511,398	2,270,843	(3,173,373)	222,422	374,069	36,232	(1,200,491)	136,511	132,149	(1,501,068)	3,896	(181,704)
CASH FLOWS FROM FINANCING ACTIVITIES															
Proceeds from issuance of units		5,176	244	60	326	3,452,105	2,625,058	15,306,350	3,776,820	1,242,201	7,251,272	12,383,625	1,508,990	4,472,380	52,024,607
Payments on redemption of units		(11,066)	(1,976,566)	(509,274)	(2,327,799)	-	(2,839,292)	(15,676,502)	(3,807,108)	-	(7,382,333)	(12,492,612)	-	(4,293,279)	(51,315,831)
Dividend paid		(6,955)	(345)	(84)	(460)	(277,887)	(90)	(1,664)	(55)	(37,722)	(96)	(1,046)	(6,088)	(919)	(333,411)
Net cash (used in) / generated from financing activities		(12,845)	(1,976,667)	(509,298)	(2,327,933)	3,174,218	(214,324)	(371,816)	(30,343)	1,204,479	(131,157)	(110,033)	1,502,902	178,182	375,365
Net increase in cash and cash equivalents during the year		8,533	7,663	2,100	(57,090)	845	8,098	2,253	5,889	3,988	5,354	22,116	1,834	182,078	193,661
Cash and cash equivalents at beginning of the year		1,991	1,299	2,686	64,872	-	-	-	-	-	-	-	-	-	70,848
Cash and cash equivalents at end of the year		10,524	8,962	4,786	7,782	845	8,098	2,253	5,889	3,988	5,354	22,116	1,834	182,078	264,509

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2025

	Note	For the period from July 01, 2024 to July 03, 2024	For the period from July 01, 2024 to July 08, 2024	For the period from July 01, 2024 to Nov 29, 2024	For the period from July 01, 2024 to January 09, 2025	For the period from July 01, 2024 to Oct 18, 2024	For the period from July 18, 2023 to Oct 18, 2024	For the period from July 01, 2024 to Oct 18, 2024	For the period from October 16, 2024 to Dec 27, 2024	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from Feb 25, 2025 to June 13, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from March 06, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2024	
		AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	Total
CASH FLOWS FROM OPERATING ACTIVITIES																	
Net income for the year before taxation		932	276	113,551	49,225	188,538	460,905	64,486	213,618	44,899	1,073,983	280,054	3,828	66,748	26,908	20,749	2,608,700
Adjustments for:																	
Unrealized (loss) on revaluation of investments		-	-	-	(1,617)	-	-	-	-	-	-	-	(1,157)	(2,682)	(49)	(2,301)	(7,806)
		932	276	113,551	47,608	188,538	460,905	64,486	213,618	44,899	1,073,983	280,054	2,671	64,066	26,859	18,448	2,600,894
Increase / (decrease) in assets																	
Investments		-	3,216	1,464,666	522,968	3,233,201	-	1,060,808	-	-	-	-	(74,806)	(1,864,666)	(503,822)	(2,073,621)	1,767,944
Profit receivable		3,663	915	(496)	(146)	(786)	-	23	(2,300)	(229)	(2,129)	(4,122)	(4,140)	(1,219)	(924)	(274)	(12,164)
		3,663	4,131	1,464,170	522,822	3,232,415	-	1,060,831	(2,300)	(229)	(2,129)	(4,122)	(78,946)	(1,865,885)	(504,746)	(2,073,895)	1,755,780
(Decrease) / increase in liabilities																	
Payable to the AL Habib Asset Management Limited - Management Company		508	(659)	6,320	108	3,521	17,690	(682)	7,802	600	23,090	8,730	35	318	115	813	68,309
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		(189)	(94)	-	36	(52)	286	(47)	888	21	172	158	4	98	19	113	1,413
Payable to Securities and Exchange Commission of Pakistan (SECP)		(159)	(118)	(2)	5	(116)	339	(63)	423	14	76	187	4	233	47	138	1,008
Payable against redemption of units		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities		(33,071)	(8,488)	(1,802)	1,062	1,676	94,952	(3)	50,005	7,572	218,953	42,986	946	14,627	5,689	5,324	400,428
		(32,911)	(9,359)	4,516	1,211	5,029	113,267	(795)	59,118	8,207	242,291	52,061	989	15,276	5,870	6,388	471,158
Net cash generated from operating activities		(28,316)	(4,952)	1,582,237	571,641	3,425,982	574,172	1,124,522	270,436	52,877	1,314,145	327,993	(75,286)	(1,786,543)	(472,017)	(2,049,059)	4,827,832
CASH FLOWS FROM FINANCING ACTIVITIES																	
Proceeds from issuance of units		-	-	29,386	784	3,422	10,526,580	483	8,039,245	515,628	8,364,399	9,721,014	80,985	1,902,871	823,535	2,134,680	42,143,012
Payments on redemption of units		(994,381)	(3,273)	(1,542,583)	(562,987)	(3,391,703)	(10,911,716)	(1,124,403)	(8,223,364)	(559,636)	(9,347,042)	(9,999,087)	-	(50,764)	(331,828)	-	(47,042,767)
Dividend paid				(39,185)	(1,045)	(4,563)	(75,769)	(644)	(29,500)	(892)	(91,340)	(1,982)	(3,708)	(64,265)	(17,004)	(20,749)	(350,646)
Net cash (used in) financing activities		(994,381)	(3,273)	(1,552,382)	(563,248)	(3,392,844)	(460,905)	(1,124,564)	(213,619)	(44,900)	(1,073,983)	(280,055)	77,277	1,787,842	474,703	2,113,931	(5,250,401)
Net decrease in cash and cash equivalents		(1,022,697)	(8,225)	29,855	8,393	33,138	113,267	(42)	-	-	240,162	47,938	1,991	1,299	2,686	64,872	(422,569)
Cash and cash equivalents at beginning of the year		1,029,903	9,073	-	353	4085	-	50	-	-	-	-	-	-	-	-	1,043,464
Cash and cash equivalents at end of the year		7,206	848	29,855	8,746	37,223	113,267	8	56,817	7,977	240,162	47,938	1,991	1,299	2,686	64,872	620,895
Cash and cash equivalent comprise of:																	
Bank balances	5	7,206	848	29,855	8,746	37,223	113,267	8	56,817	7,977	240,162	47,938	1,991	1,299	2,686	64,872	620,895
		7,206	848	29,855	8,746	37,223	113,267	8	56,817	7,977	240,162	47,938	1,991	1,299	2,686	64,872	620,895

The annexed notes 1 to 31 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Fixed Return Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 21 September 2022 under Rule 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund is required to be registered under the Sindh Trust Act. Accordingly, on 17 November 2022 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.

1.3 The Fund is an open-end fixed rate / return Collective Investment Scheme as per SECP's Circular No.3 of 2022 dated February 10, 2022 with Allocation Plans. The Allocation Plans under the Fund may have different investment avenues and different maturity dates. The Allocation Plans under the Fund may have a set timeframe or perpetual.

1.4 The Fund has been categorized as a Fixed Return Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan (SECP).

1.5 The Core objective of the Fund is to provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity.

1.6 The Fund has launched ninth different plans; namely, Al Habib Fixed Return Fund - Plan 23, Al Habib Fixed Return Fund - Plan 24, Al Habib Fixed Return Fund - Plan 25, Al Habib Fixed Return Fund - Plan 26, Al Habib Fixed Return Fund - Plan 28, Al Habib Fixed Return Fund - Plan 29, Al Habib Fixed Return Fund - Plan 30, Al Habib Fixed Return Fund - Plan 31, and Al Habib Fixed Return Fund - Plan 32, The units of these plans were initially offered to public from August 22, 2025 till September 25, 2025, August 22, 2025 till September 25, 2025, September 29, 2025 till November 18, 2025, December 8, 2025 till December 15, 2025, March 6, 2026 till March 13, 2026, February 25, 2026 till March 12, 2026, May 8, 2026 till May 15, 2026, June 22, 2026 till June 30, 2026, and June 16, 2026 till June 23, 2026 respectively.

1.7 Al Habib Fixed Return Fund - Plan 19, Al Habib Fixed Return Fund - Plan 20, Al Habib Fixed Return Fund - Plan 21, Al Habib Fixed Return Fund - Plan 22, Al Habib Fixed Return Fund - Plan 24, Al Habib Fixed Return Fund - Plan 25, Al Habib Fixed Return Fund - Plan 26, Al Habib Fixed Return Fund - Plan 29, and Al Habib Fixed Return Fund - Plan 30 have been matured as on January 18, 2026, February 20, 2026, August 22, 2025, May 15, 2026, June 29, 2026, January 9, 2026, January 15, 2026, May 7, 2026, and June 12, 2026 respectively.

1.8 Pakistan Credit Rating Agency (PACRA) has assigned a management quality rating of 'AM1' (Stable Outlook) to the Management Company on August 12, 2025.

1.9 Title to the assets of the Fund are held in the name of Central Depository Company Limited (CDC) as a Trustee of the Fund. The Fund is not listed on Pakistan Stock Exchange.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017; and
- The Non-Banking Finance Companies Rules 2003 (The NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates, assumption and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assets is as follow:

Classification and valuation of Investments

For details please refer notes 4.2.3 and 6 to these financial statements.

Impairment of financial assets

For details please refer notes 4.2.5 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026

	Effective date (annual periods beginning on or after)
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the Income Statement.

4.2.3 Classification

Debt Instruments

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

4.2.4 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.
Debt investments at FVTPL	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method are recognized in income statement.

4.2.5 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the Expected Credit Loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

-

12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.6 Regular way purchase and sale of financial asset

Regular way purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.8 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.2.9 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year as reduced by capital gains, whether realized or unrealized, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the year, the income distributed through bonus units' shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders every year. Accordingly, no tax liability has been recognized in these financial statements.

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

4.5 Proposed distributions

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the financial statements in the period in which such distributions are declared.

4.6 Issuance and redemption of units

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

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

4.7 Element of income

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

4.8 Net asset value per unit

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

4.9 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.

- Mark-up / profit / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.

- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.

4.10 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the Management, determination of weighted average units for calculating EPU is not practicable.

5 BANK BALANCES

	2026											
	AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19
	---------- Rupees in '000 ----------											
Saving accounts	-	-	-	-	-	-	-	-	-	-	-	10,524

	2026												
	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	Total
	---------- Rupees in '000 ----------												
Saving accounts	8,962	4,786	7,782	845	8,098	2,253	5,889	3,988	5,354	22,116	1,834	182,078	264,509

	2025															
	AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	Total
	---------- Rupees in '000 ----------															
Saving accounts	7,206	848	29,855	8,746	37,223	113,267	8	56,817	7,977	240,162	47,938	1,991	1,299	2,686	64,872	620,895

5.1 The profit rates effective at year end on these accounts are 9.75% to 10.25% (2025: 7.75% to 11.00%) per annum. It reprensents balances with Bank AL Habib Limited (ultimate parent company), a related party.

6 Investments by Category

	2026											
	AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19
	---------- Rupees in '000 ----------											
At fair value through profit or loss												
Marketable Treasury Bills (T- Bills)	-	-	-	-	-	-	-	-	-	-	-	-
Pakistan Investment Bonds	-	-	-	-	-	-	-	-	-	-	-	64,099
	-	-	-	-	-	-	-	-	-	-	-	-

	2026											
	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	Total
	---------- Rupees in '000 ----------											
At fair value through profit or loss												
Marketable Treasury Bills (T- Bills)	-	-	-	3,443,455	-	-	-	-	-	-	1,508,321	4,951,776
Pakistan Investment Bonds	-	-	-	-	-	-	-	1,186,889	-	-	-	1,250,988
	-	-	-	3,443,455	-	-	-	1,186,889	-	-	1,508,321	6,202,764

	2025															
	AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	Total
	---------- Rupees in '000 ----------															
At fair value through profit or loss																
Marketable Treasury Bills (T- Bills)	-	-	-	-	-	-	-	-	-	-	-	-	1,867,349	503,872	2,075,922	4,447,143
Pakistan Investment Bonds	-	-	-	-	-	-	-	-	-	-	-	75,964	-	-	-	75,964
	-	-	-	-	-	-	-	-	-	-	-	75,964	1,867,349	503,872	2,075,922	4,523,107

6.1 Government securities - Market Treasury Bills and PIB's

Plan 19	Face Value				As at June 30, 2026			Market value as percentage of	
Name of the Investee	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	---------- Rupees in '000 ----------								
PIB 3 YEARS (04-07-2023) - FIXED	745	-	107	638	64,426	64,099	(327)	0.99%	1.03%
Total as at June 30, 2026					64,426	64,099	(327)		
Total as at June 30, 2025					74,807	75,964	1,157		

Plan 20	Face Value				As at June 30, 2026			Market value as percentage of	
Name of the Investee	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	---------- Rupees in '000 ----------								
T- BILL 12 MONTHS (20-02-2025)	10,475,800	-	10,475,800	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (06-03-2025)	9,175,000	-	9,175,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (03-04-2025)	364,000	-	364,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					1,864,666	1,867,349	2,683		

Plan 21	Face Value				As at June 30, 2026			Market value as percentage of	
Name of the Investee	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	---------- Rupees in '000 ----------								
T- BILL 12 MONTHS (30-11-2023)	5,117,000	-	5,117,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

Plan 22	Face Value				As at June 30, 2026			Market value as percentage of	
Name of the Investee	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	---------- Rupees in '000 ----------								
T-Bill 12 Months (15-05-2025)	20,273,100	630,000	20,903,100	-	-	-	-	0.00%	0.00%
T-Bill 12 Months (29-05-2025)	2,459,350	-	2,459,350	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					2,073,622	2,075,922	2,300		

Plan 23	Face Value				As at June 30, 2026			Market value as percentage of	
Name of the Investee	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	---------- Rupees in '000 ----------								
T- BILL 12 MONTHS (21-08-2025)	-	34,980,450	-	34,980,450	3,451,309	3,443,455	(7,854)	53.34%	55.51%
Total as at June 30, 2026					3,451,309	3,443,455	(7,854)		
Total as at June 30, 2025					-	-	-		

Plan 24	Face Value				As at June 30, 2026			Market value as percentage of	
Name of the Investee	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	---------- Rupees in '000 ----------								
T- BILL 12 MONTHS (26-06-2025)	-	28,459	28,459	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

Plan 25

Name of the Investee	Face Value				As at June 30, 2026			Market value as percentage of	
	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	Rupees in '000								
T-Bill 03 Months (06-10-2025)	-	2,400	2,400	-	-	-	-	0.00%	0.00%
T-Bill 06 Months (10-07-2025)	-	10,363	10,363	-	-	-	-	0.00%	0.00%
T-Bill 12 Months (09-01-2025)	-	8,906	8,906	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

Plan 26

Name of the Investee	Face Value				As at June 30, 2026			Market value as percentage of	
	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	Rupees in '000								
T-Bill 06 Months (08-01-2026)	-	5,000	5,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

Plan 28

Name of the Investee	Face Value				As at June 30, 2026			Market value as percentage of	
	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	Rupees in '000								
PIB 3 YEARS (15-02-2024)-FIXED	-	11,710	-	11,710	1,189,187	1,186,889	(2,298)	18.38%	19.13%
Total as at June 30, 2026					1,189,187	1,186,889	(2,298)		
Total as at June 30, 2025					-	-	-		

Plan 29

Name of the Investee	Face Value				As at June 30, 2026			Market value as percentage of	
	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	Rupees in '000								
T - BILL 01 MONTHS (17-03-2026)	-	370,000	370,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (08-01-2026)	-	1,700,000	1,700,000	-	-	-	-	0.00%	0.00%
PIB 5 YEARS (06-05-2021) - FLOATER	-	67,950	67,950	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

Plan 30

Name of the Investee	Face Value				As at June 30, 2026			Market value as percentage of	
	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	Rupees in '000								
T - BILL 01 MONTHS (14-05-2026)	-	200,000	200,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (30-04-2026)	-	113,100,000	113,100,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (05-03-2026)	-	10,000,000	10,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (17-03-2026)	-	30,000	30,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (11-12-2025)	-	50,000	50,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

Plan 31

Name of the Investee	Face Value				As at June 30, 2026			Market value as percentage of	
	As at July 1, 2026	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)	Net Assets	Total investments
	Rupees in '000								
T - BILL 12 MONTHS (14-05-2026)	-	16,600,000	-	16,600,000	1,506,008	1,508,321	2,313	23.36%	24.32%
Total as at June 30, 2026					1,506,008	1,508,321	2,313		
Total as at June 30, 2025					-	-	-		

7. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

	Note	2026											
		AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20
		Rupees in '000											
Remuneration payable to Management Company	7.1	-	-	-	-	-	-	-	-	-	-	328	8,419
Sindh Sales Tax payable	7.2	-	-	-	-	-	-	-	-	-	-	49	422
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	-	-	-	-	-	-	-	-	-	-	14	-
		-	-	-	-	-	-	-	-	-	-	391	8,841

	Note	2026											
		AH-FRF PLAN 21	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	Total
		Rupees in '000											
Remuneration payable to Management Company	7.1	4,513	6,682	5,288	5,820	6,003	681	109	3,328	1,877	-	632	43,680
Sindh Sales Tax payable	7.2	39	1,003	793	872	901	103	16	499	281	-	95	5,073
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	-	-	-	-	-	-	-	-	-	-	-	14
		4,552	7,685	6,081	6,692	6,904	784	125	3,827	2,158	-	727	48,767

	Note	2025														
		AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	Total
		Rupees in '000														
Remuneration payable to Management Company	7.1	6,576	692	7,801	354	6,033	5,383	6,784	522	20,078	7,584	18	277	100	707	72,909
Sindh Sales Tax payable	7.2	957	90	1,107	290	703	2,307	1,018	78	3,012	1,146	3	41	15	106	10,873
Allocation of expenses related to registrar services, accounting, operation and valuation services	7.3	-	-	-	-	229	-	-	-	-	-	-	-	-	-	229
		7,533	782	8,908	644	6,965	17,690	7,802	600	23,090	8,730	21	318	115	813	84,011

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund.

7.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration of Management Company during the year through Sindh Sales Tax on Services Act, 2011.

7.3 As per Regulation 60(3) of NBFC Regulations, fees and expenses related to registrar services, accounting, operation and valuation services related to CIS are chargeable to the CIS. During the period, the fee has been charged at the rate 0.1% .

8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		2026											
		AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20
	Note	---------- Rupees in '000 ----------											
Remuneration payable to Trustee	8.1 & 8.2	-	-	-	-	229	-	-	-	-	-	31	1
Sindh Sales Tax Payable on remuneration of the Trustee	8.3	-	-	-	-	229	-	-	-	-	-	5	-
		-	-	-	-	229	-	-	-	-	-	36	1

		2026											
		AH-FRF PLAN 21	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	Total
	Note	---------- Rupees in '000 ----------											
Remuneration payable to Trustee	8.1 & 8.2	-	148	155	93	726	143	111	709	538	18	74	2,747
Sindh Sales Tax Payable on remuneration of the Trustee	8.3	-	22	23	13	110	22	17	107	81	3	11	414
		-	170	178	106	836	165	128	816	619	21	85	3,161

		2025														
		AH-FRF PLAN 6	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	Total
	Note	---------- Rupees in '000 ----------														
Remuneration payable to Trustee	8.1 & 8.2	45	102	52	125	249	-	772	18	150	137	3	85	16	100	1,854
Sindh Sales Tax Payable on remuneration of the Trustee	8.3	30	12	10	12	37	-	116	3	22	21	1	13	3	13	293
		75	114	62	137	286	-	888	21	172	158	4	98	19	113	2,147

8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff speci?ed there in, based on the daily Net Asset Value (NAV) of the Fund. The remuneration is paid to the trustee monthly in arrears.

8.2 As per the Trust Deed and Offering Document, the trustee fee shall be charged in accordance to the tariff flat rate of 0.075% of net assets.

8.3 Sindh Government has levied Sindh Sales Tax (SST) at the rate of 15% (2025: 15%) on the remuneration of the Management Company through Sinclh Sales Tax on Services Act, 2011.

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	2026											
	AH-FRF PLAN 6	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21
	---------- Rupees in '000 ----------											
Annual fee payable to SECP	-	-	-	-	-	-	-	-	-	9	67	21

	2026										
	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	Total
	---------- Rupees in '000 ----------										
Annual fee payable to SECP	83	211	126	1,199	196	77	102	254	25	101	2,471

	2025													
	AH-FRF PLAN 6	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	Total
	---------- Rupees in '000 ----------													
Annual fee payable to SECP	3	87	37	111	339	423	14	76	187	4	233	47	138	1,699

9.1 This represents annual fee payable to SECP at 0.075% of the average net assets in accordance with regulation 62 of the NBFC Regulations.

10. ACCRUED EXPENSES AND OTHER LIABILITIES

	2026											
	AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19
	---------- Rupees in '000 ----------											
Auditor's remuneration	-	-	-	-	-	-	-	-	-	-	-	8
Withholding tax payable	-	-	-	-	-	-	-	-	-	-	-	1,785
Capital gain tax payable	-	-	-	-	-	-	-	-	-	-	-	-
Brokerage	-	-	-	-	-	-	-	-	-	-	-	3
Others	-	-	-	-	-	-	-	-	-	-	-	(17)
	-	-	-	-	-	-	-	-	-	-	-	1,779

	2026												
	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	Total
	---------- Rupees in '000 ----------												
Auditor's remuneration	57	41	128	15	25	94	45	-	30	-	-	-	443
Withholding tax payable	-	37	208	2,043	90	173	16	10,540	28	303	1,634	90	16,947
Capital gain tax payable	-	278	-	-	-	-	4,622	-	2,966	22,156	-	3,806	33,828
Brokerage	-	-	10	30	-	52	-	34	-	-	49	-	178
Others	-	11	1,572	11	11	9	61	-	(2)	20	-	-	1,676
	57	367	1,918	2,099	126	328	4,744	10,574	3,022	22,479	1,683	3,896	53,072

	2025															
	AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	Total
	---------- Rupees in '000 ----------															
Auditor's remuneration	-	19	51	-	20	20	-	15	30	-	10	3	10	10	131	319
Withholding tax payable	-	-	9,760	266	1,141	32	8	7,375	243	23,004	595	928	14,589	4,261	5,173	67,375
Capital gain tax payable	-	52	11,395	7,654	30,298	83,713	-	42,595	7,273	195,807	42,367	-	-	1,403	-	422,557
Brokerage	-	-	-	-	33	-	-	-	-	131	-	3	14	-	10	191
Others	6	-	37	10	57	11,187	-	19	25	11	14	12	14	15	10	11,417
	6	71	21,243	7,930	31,549	94,952	8	50,004	7,571	218,953	42,986	946	14,627	5,689	5,324	501,859

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at the reporting date. (2025: Nil)

12. NUMBER OF UNITS IN ISSUE

	2026											
	AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19
	---------- Rupees in '000 ----------											
Total units in issue at the beginning of the year	-	-	-	-	-	-	-	-	-	-	-	809,846
Add: Units issued during the year	-	-	-	-	-	-	-	-	-	-	-	51,681
Less: units redeemed during the year	-	-	-	-	-	-	-	-	-	-	-	(102,672)
Total units in issue at the end of the year	-	-	-	-	-	-	-	-	-	-	-	758,855

	2026										
	AH-FRF PLAN 20	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	Total
	---------- Rupees in '000 ----------										
Total units in issue at the beginning of the year	18,530,365	5,010,607	21,346,798	-	-	-	-	-	-	-	45,697,616
Add: Units issued during the year	19,026,579)	8,213,242	3,262	34,347,803	26,109,072	12,411,381	72,436,024	123,652,528	15,085,347	44,695,957	356,032,876
Less: units redeemed during the year	(496,214)	(3,202,635)	(21,350,060)	-	(26,109,072)	-	(72,436,024)	(123,652,528)	-	(42,754,503)	(290,103,708)
Total units in issue at the end of the year	37,060,730	10,021,214	-	34,347,803	-	12,411,381	-	-	15,085,347	1,941,454	111,626,784

	2025															
	AH-FRF PLAN 6	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	Total
	---------- Rupees in '000 ----------															
Total units in issue at the beginning of the year	9,933,701	29,841	14,374,404	5,135,344	32,007,925	-	10,589,300	-	-	-	-	-				72,070,515
Add: units issued during the year	-	-		7,837	-	104,866,313	-	80,179,667	5,147,449	83,398,076	96,953,081	809,846	19,026,579	8,213,242	21,346,798	419,948,888
Less: units redeemed during the year	(9,933,701)	(29,841)	(14,374,404)	(5,143,181)	(32,007,925)	(104,866,313)	(10,589,300)	(80,179,667)	(5,147,449)	(83,398,076)	(96,953,081)	-	(496,214)	(3,202,635)	-	(446,321,787)
Total units in issue at the end of the year	-	-	-	-	-	-	-	-	-	-	-	809,846	18,530,365	5,010,607	21,346,798	45,697,616

13. REMUNERATION OF AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

	2026												
	For the period from July 1, 2024 to July 3, 2024	For the period from July 1, 2024 to July 8, 2024	For the period from July 1, 2024 to November 29, 2024	For the period from July 1, 2024 to January 9, 2025	For the period from July 1, 2024 to October 18, 2024	For the period from July 18, 2023 to October 18, 2024	For the period from July 1, 2024 to October 18, 2024	For the period from October 16, 2024 to December 27, 2024	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from February 25, 2025 to June 13, 2025	For the period from March 6, 2025 to June 30, 2026	For the period from March 6, 2025 to February 20, 2026
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20
	---------- Rupees in '000 ----------												
Remuneration of AL Habib Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-	-	310	2,537
Sindh Sales Tax on Management Company's remuneration	-	-	-	-	-	-	-	-	-	-	-	46	381
	-	-	-	-	-	-	-	-	-	-	-	356	2,918

	2026											
	For the period from May 21, 2025 to August 22, 2025	For the period from May 21, 2025 to May 15, 2026	For the period from August 22, 2025 to June 30, 2026	For the period from August 22, 2025 to June 29, 2026	For the period from September 29, 2025 to January 9, 2026	For the period from December 8, 2025 to January 15, 2026	For the period from March 6, 2026 to June 30, 2026	For the period from February 25, 2026 to May 7, 2026	For the period from May 8, 2026 to June 12, 2026	For the period from June 22, 2026 to June 30, 2026	For the period from June 16, 2026 to June 30, 2026	
	AH-FRF Plan 21	AH-FRF Plan 22	AH-FRF Plan 23	AH-FRF Plan 24	AH-FRF Plan 25	AH-FRF Plan 26	AH-FRF Plan 28	AH-FRF Plan 29	AH-FRF Plan 30	AH-FRF Plan 31	AH-FRF Plan 32	Total
	---------- Rupees in '000 ----------											
Remuneration of AL Habib Asset Management Limited - Management Company	162	5,975	5,288	5,820	6,003	682	109	3,328	1,877	-	632	32,723
Sindh Sales Tax on Management Company's remuneration	24	896	793	873	900	102	16	499	281	-	95	4,906
	186	6,871	6,081	6,693	6,903	784	125	3,827	2,158	-	27	37,629

	2025															
	For the period from July 1, 2024 to July 3, 2024	For the period from July 1, 2024 to July 8, 2024	For the period from July 1, 2024 to November 29, 2024	For the period from July 1, 2024 to January 9, 2025	For the period from July 1, 2024 to October 18, 2024	For the period from July 18, 2023 to October 18, 2024	For the period from July 1, 2024 to October 18, 2024	For the period from October 16, 2024 to December 27, 2025	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from February 25, 2025 to June 13, 2025	For the period from March 6, 2025 to June 30, 2025	For the period from March 6, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2025	
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	Total
	---------- Rupees in '000 ----------															
Remuneration of AL Habib Asset Management Limited - Management Company	211	2	4,676	1,666	2,365	15,383	-	6,784	522	20,078	7,584	18	276	100	707	60,372
Sindh Sales Tax on Management Company's remuneration	27	-	701	250	355	2,307	-	1,018	78	3,012	1,146	3	41	15	106	9,059
	238	2	5,377	1,916	2,720	17,690	-	7,802	600	23,090	8,730	21	317	115	813	69,431

13.1 Sindh Government has levied Sindh Sales Tax (SST) at the rate of 15% (2025: 15%) on the remuneration of the Management Company through Sinclh Sales Tax on Services Act, 2011.

14 REMUNERATION OF CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (CDC) - TRUSTEE

	2026												
	For the period from July 1, 2024 to July 3, 2024	For the period from July 1, 2024 to July 8, 2024	For the period from July 1, 2024 to November 29, 2024	For the period from July 1, 2024 to January 9, 2025	For the period from July 1, 2024 to October 18, 2024	For the period from July 18, 2023 to October 18, 2024	For the period from July 1, 2024 to October 18, 2024	For the period from October 16, 2024 to December 27, 2024	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from February 25, 2025 to June 13, 2025	For the period from March 6, 2025 to June 30, 2026	For the period from March 6, 2025 to February 20, 2026
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20
	---------- Rupees in '000 ----------												
Remuneration of Central Depository Company of Pakistan Limited (CDC) - Trustee	-	-	-	-	-	-	-	-	-	-	-	46	669
Sindh Sales Tax on Trustee's remuneration	-	-	-	-	-	-	-	-	-	-	-	7	100
	-	-	-	-	-	-	-	-	-	-	-	53	769

	2026											
	For the period from May 21, 2025 to August 22, 2025	For the period from May 21, 2025 to May 15, 2026	For the period from August 22, 2025 to June 30, 2026	For the period from August 22, 2025 to June 29, 2026	For the period from September 29, 2025 to January 9, 2026	For the period from December 8, 2025 to January 15, 2026	For the period from March 6, 2026 to June 30, 2026	For the period from February 25, 2026 to May 7, 2026	For the period from May 8, 2026 to June 12, 2026	For the period from June 22, 2026 to June 30, 2026	For the period from June 16, 2026 to June 30, 2026	
	AH-FRF Plan 21	AH-FRF Plan 22	AH-FRF Plan 23	AH-FRF Plan 24	AH-FRF Plan 25	AH-FRF Plan 26	AH-FRF Plan 28	AH-FRF Plan 29	AH-FRF Plan 30	AH-FRF Plan 31	AH-FRF Plan 32	Total
	---------- Rupees in '000 ----------											
Remuneration of Central Depository Company of Pakistan Limited (CDC) - Trustee	39	1,060	1,448	1,162	1,895	143	207	709	538	18	74	8,008
Sindh Sales Tax on Trustee's remuneration	6	159	217	174	2,179	22	31	106	81	3	11	1,201
	45	1,219	1,665	1,336	106	165	238	815	619	21	85	9,209

	2025															
	For the period from July 1, 2024 to July 3, 2024	For the period from July 1, 2024 to July 8, 2024	For the period from July 1, 2024 to November 29, 2024	For the period from July 1, 2024 to January 9, 2025	For the period from July 1, 2024 to October 18, 2024	For the period from July 18, 2023 to October 18, 2024	For the period from July 1, 2024 to October 18, 2024	For the period from October 16, 2024 to December 27, 2025	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from February 25, 2025 to June 13, 2025	For the period from March 6, 2025 to June 30, 2025	For the period from March 6, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2025	
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	Total
	---------- Rupees in '000 ----------															
Remuneration of Central Depository Company of Pakistan Limited (CDC) - Trustee	3	-	340	151	537	1,317	177	772	191	3,739	1,363	13	311	108	103	9,125
Sindh Sales Tax on Trustee's remuneration	-	-	51	23	80	198	27	116	29	561	204	2	47	16	15	1,369
	3	-	391	174	617	1,515	204	888	220	4,300	1,567	15	358	124	118	10,494

14.1 Sindh Government has levied Sindh Sales Tax (SST) at the rate of 15% (2025: 15%) on the remuneration of the Central Depository Company through Sinclh Sales Tax on Services Act, 2011.

15 Annual fee to the Securities and Exchange Commission of Pakistan (SECP)

	2026												
	For the period from July 1, 2024 to July 3, 2024	For the period from July 1, 2024 to July 8, 2024	For the period from July 1, 2024 to November 29, 2024	For the period from July 1, 2024 to January 9, 2025	For the period from July 1, 2024 to October 18, 2024	For the period from July 18, 2023 to October 18, 2024	For the period from July 1, 2024 to October 18, 2024	For the period from October 16, 2024 to December 27, 2024	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from February 25, 2025 to June 13, 2025	For the period from March 6, 2025 to June 30, 2026	For the period from March 6, 2025 to February 20, 2026
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20
	----------Rupees in '000----------												
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	-	-	-	-	-	-	-	-	-	-	-	62	912

	2026											
	For the period from May 21, 2025 to August 22, 2025	For the period from May 21, 2025 to May 15, 2026	For the period from August 22, 2025 to June 30, 2026	For the period from August 22, 2025 to June 29, 2026	For the period from September 29, 2025 to January 9, 2026	For the period from December 8, 2025 to January 15, 2026	For the period from March 6, 2026 to June 30, 2026	For the period from February 25, 2026 to May 7, 2026	For the period from May 8, 2026 to June 12, 2026	For the period from June 22, 2026 to June 30, 2026	For the period from June 16, 2026 to June 30, 2026	
	AH-FRF Plan 21	AH-FRF Plan 22	AH-FRF Plan 23	AH-FRF Plan 24	AH-FRF Plan 25	AH-FRF Plan 26	AH-FRF Plan 28	AH-FRF Plan 29	AH-FRF Plan 30	AH-FRF Plan 31	AH-FRF Plan 32	Total
	----------Rupees in '000----------											
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	53	1,446	1,974	1,585	2,585	196	282	976	734	25	101	10,931

	2025															
	For the period from July 1, 2024 to July 3, 2024	For the period from July 1, 2024 to July 8, 2024	For the period from July 1, 2024 to November 29, 2024	For the period from July 1, 2024 to January 9, 2025	For the period from July 1, 2024 to October 18, 2024	For the period from July 18, 2023 to October 18, 2024	For the period from July 1, 2024 to October 18, 2024	For the period from October 16, 2024 to December 27, 2025	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from February 25, 2025 to June 13, 2025	For the period from March 6, 2025 to June 30, 2025	For the period from March 6, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2025	
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	Total
	---------- Rupees in '000 ----------															
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	4	-	463	206	733	1,796	243	1,053	261	4,971	1,859	18	422	172	138	12,339
	4	-	463	206	733	1,796	243	1,053	261	4,971	1,859	18	422	172	138	12,339

16. AUDITORS' REMUNERATION

	2026												
	For the period from July 1, 2024 to July 3, 2024	For the period from July 1, 2024 to July 8, 2024	For the period from July 1, 2024 to November 29, 2024	For the period from July 1, 2024 to January 9, 2025	For the period from July 1, 2024 to October 18, 2024	For the period from July 18, 2023 to October 18, 2024	For the period from July 1, 2024 to October 18, 2024	For the period from October 16, 2024 to December 27, 2024	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from February 25, 2025 to June 13, 2025	For the period from March 6, 2025 to June 30, 2026	For the period from March 6, 2025 to February 20, 2026
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20
	----------Rupees in '000----------												
Annual audit fee	-	-	-	-	-	-	-	-	-	-	-	5	88
Review of condensed interim financial information	-	-	-	-	-	-	-	-	-	-	-	-	-
Out of pocket expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	5	88

	2026											
	For the period from May 21, 2025 to August 22, 2025	For the period from May 21, 2025 to May 15, 2026	For the period from August 22, 2025 to June 30, 2026	For the period from August 22, 2025 to June 29, 2026	For the period from September 29, 2025 to January 9, 2026	For the period from December 8, 2025 to January 15, 2026	For the period from March 6, 2026 to June 30, 2026	For the period from February 25, 2026 to May 7, 2026	For the period from May 8, 2026 to June 12, 2026	For the period from June 22, 2026 to June 30, 2026	For the period from June 16, 2026 to June 30, 2026	
	AH-FRF Plan 21	AH-FRF Plan 22	AH-FRF Plan 23	AH-FRF Plan 24	AH-FRF Plan 25	AH-FRF Plan 26	AH-FRF Plan 28	AH-FRF Plan 29	AH-FRF Plan 30	AH-FRF Plan 31	AH-FRF Plan 32	Total
	----------Rupees in '000----------											
Annual audit fee	31	15	15	25	94	45	-	30	-	-	-	348
Review of condensed interim financial information	-	-	-	-	-	-	-	-	-	-	-	-
Out of pocket expenses	-	-	-	-	-	-	-	-	-	-	-	-
	31	15	15	25	94	45	-	30	-	-	-	348

	2025															
	For the period from July 1, 2024 to July 3, 2024	For the period from July 1, 2024 to July 8, 2024	For the period from July 1, 2024 to November 29, 2024	For the period from July 1, 2024 to January 9, 2025	For the period from July 1, 2024 to October 18, 2024	For the period from July 18, 2023 to October 18, 2024	For the period from July 1, 2024 to October 18, 2024	For the period from October 16, 2024 to December 27, 2025	For the period from October 16, 2024 to June 13, 2025	For the period from August 29, 2024 to June 13, 2025	For the period from February 25, 2025 to June 13, 2025	For the period from March 6, 2025 to June 30, 2025	For the period from March 6, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2025	For the period from May 21, 2025 to June 30, 2025	
	AH-FRF Plan 6	AH-FRF Plan 8	AH-FRF Plan 9	AH-FRF Plan 10	AH-FRF Plan 11	AH-FRF Plan 12	AH-FRF Plan 13	AH-FRF Plan 14	AH-FRF Plan 15	AH-FRF Plan 16	AH-FRF Plan 18	AH-FRF Plan 19	AH-FRF Plan 20	AH-FRF Plan 21	AH-FRF Plan 22	Total
	---------- Rupees in '000 ----------															
Annual audit fee	-	-	25	-	20	20	-	15	30	-	10	3	10	10	131	274
Review of condensed interim financial information	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Out of pocket expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	25	-	20	20	-	15	30	-	10	3	10	10	131	274

17. TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the NBFC Regulations 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded tax liability is respect of income relating to the current period as the Management Company intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ended June 30, 2025 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash. In addition to that, the Super tax enacted by finance act 2022 is not applicable to funds u/s 4(c) of the Income Tax Ordinance 2001.

18. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

19. PATTERN OF UNITHOLDING

CATEGORY	As at June 30, 2026			
	No. of unit holders	No. of units held	Investment Amount	Percentage
	Rupees in '000			
AH-FRF Plan 19				
Aop / Partnership / Sole Prop.	-	-	-	0%
Corporates	36	55,458	5,556	7%
Individuals	-	-	-	0%
Welfare / Social Organizations	-	-	-	0%
Others	642	703,397	70,480	93%
	678	758,855	76,036	100%
AH-FRF Plan 23				
Aop / Partnership / Sole Prop.	-	-	-	0%
Corporates	36	803,606	80,000	2%
Individuals	-	-	-	0%
Welfare / Social Organizations	-	-	-	0%
Others	642	33,544,197	3,355,748	98%
	678	34,347,803	3,435,748	100%
AH-FRF Plan 28				
Aop / Partnership / Sole Prop.	-	-	-	0.0%
Corporates	36	51,103	5,000	0.4%
Individuals	10,112	1,020,638	102,000	8.2%
Welfare / Social Organizations	-	-	-	0.0%
Others	642	11,339,640	1,134,601	91.4%
	10,790	12,411,381	1,241,601	100%

CATEGORY	As at June 30, 2026			
	No. of unit holders	No. of units held	Investment Amount	Percentage
	Rupees in '000			
AH-FRF Plan 31				
Aop / Partnership / Sole Prop.	-	-	-	0.0%
Corporates	36	50,144	5,000	0.3%
Individuals	-	-	-	0.0%
Welfare / Social Organizations	-	-	-	0.0%
Others	642	15,035,203	1,503,534	99.7%
	678	15,085,347	1,508,534	100%
AH-FRF Plan 32				
Aop / Partnership / Sole Prop.	-	-	-	0.0%
Corporates	36	50,169	5,000	2.6%
Individuals	-	887,478	89,000	45.8%
Welfare / Social Organizations	-	-	-	0.0%
Others	642	1,003,808	100,145	51.6%
	678	1,941,455	194,145	100%

20. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Fund's accounting policy on fair value measurements is disclosed in the financial statements for the year ended June 30, 2026.

Fair value hierarchy

The Fund measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

Level 1: Fair value measurements using quoted price (unadjusted) in an active market for identical assets or liabilities.

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

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

As at June 30, 2026 the categorisation of investments is shown below:

	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Government securities	-	6,202,764	-	6,202,764
	-	6,202,764	-	6,202,764

As at June 30, 2025 the categorisation of investments is shown below:

	Level 1	Level 2	Level 3	Total
	Rupees in '000			
Government securities	-	4,523,107	-	4,523,107
	-	4,523,107	-	4,523,107

21. FINANCIAL INSTRUMENTS BY CATEGORY

2026

Particular	AH-FRF Plan 6			AH-FRF Plan 7			AH-FRF Plan 8			AH-FRF Plan 9			AH-FRF Plan 10			AH-FRF Plan 11			AH-FRF Plan 12			AH-FRF Plan 13			AH-FRF Plan 14			AH-FRF Plan 15			AH-FRF Plan 16			AH-FRF Plan 18			AH-FRF Plan 19		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	Rupees in '000																																					
Financial assets																																						
Bank balances	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,524	10,524
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64,099	-	64,099
Profit receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,628	3,628
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64,099	14,152	78,251
Financial liabilities																																						
Payable to the Management Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	391	391
Payable to the Trustee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	36	36
Payable to Securities and Exchange Commission of Pakistan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9	9
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,779	1,779
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,215	2,215

2026

Particular	AH-FRF Plan 20			AH-FRF Plan 21			AH-FRF Plan 22			AH-FRF Plan 23			AH-FRF Plan 24			AH-FRF Plan 25			AH-FRF Plan 26			AH-FRF Plan 28			AH-FRF Plan 29			AH-FRF Plan 30			AH-FRF Plan 31			AH-FRF Plan 32			
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	
Financial assets																																				
Bank balances	-	8,962	8,962	-	4,786	4,786	-	7,782	7,782	-	845	845	-	8,098	8,098	-	2,253	2,253	-	5,889	5,889	-	3,988	3,988	-	5,354	5,354	-	22,116	22,116	-	1,834	1,834	-	182,078	182,078	264,509
Investments	-	-	-	-	-	-	-	-	-	3,443,455	-	3,443,455	-	-	-	-	-	-	-	-	-	1,186,889	-	1,186,889	-	-	-	-	-	-	1,508,321	-	1,508,321	-	-	-	6,202,764
Profit receivable	-	3	3	-	154	154	-	2,074	2,074	-	17	17	-	16	16	-	7,015	7,015	-	-	-	-	61,628	61,628	-	2,414	2,414	-	3,394	3,394	-	108	108	-	16,876	16,876	97,327
	-	8,965	8,965	-	4,940	4,940	-	9,856	9,856	3,443,455	862	3,444,317	-	8,114	8,114	-	9,268	9,268	-	5,889	5,889	1,186,889	65,616	1,252,505	-	7,768	7,768	-	25,510	25,510	1,508,321	1,942	1,510,263	-	198,954	198,954	6,564,600
Financial liabilities																																				
Payable to the Management Company	-	8,841	8,841	-	4,552	4,552	-	7,685	7,685	-	6,081	6,081	-	6,692	6,692	-	6,905	6,905	-	784	784	-	125	125	-	3,828	3,828	-	2,158	2,158	-	-	-	-	727	727	48,769
Payable to the Trustee	-	-	-	-	-	-	-	170	170	-	178	178	-	106	106	-	836	836	-	165	165	-	128	128	-	816	816	-	619	619	-	21	21	-	85	85	3,160
Payable to Securities and Exchange Commission of Pakistan	-	67	67	-	21	21	-	83	83	-	211	211	-	126	126	-	1,199	1,199	-	196	196	-	77	77	-	102	102	-	254	254	-	25	25	-	101	101	2,471
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	1,064	1,064	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,064
Accrued expenses and other liabilities	-	57	57	-	367	367	-	1,918	1,918	-	2,099	2,099	-	126	126	-	328	328	-	4,744	4,744	-	10,574	10,574	-	3,022	3,022	-	22,479	22,479	-	1,683	1,683	-	3,896	3,896	53,072
	-	8,965	8,965	-	4,940	4,940	-	9,856	9,856	-	8,569	8,569	-	8,114	8,114	-	9,268	9,268	-	5,889	5,889	-	10,904	10,904	-	7,768	7,768	-	25,510	25,510	-	1,729	1,729	-	4,809	4,809	108,536

2025

Particular	AH-FRF Plan 6			AH-FRF Plan 7			AH-FRF Plan 8			AH-FRF Plan 9			AH-FRF Plan 10			AH-FRF Plan 11			AH-FRF Plan 12			AH-FRF Plan 13		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	Rupees in '000																							
Financial assets																								
Bank balances	-	7,206	7,206	-	-	-	-	848	848	-	29,855	29,855	-	8,746	8,746	-	37,223	37,223	-	113,267	113,267	-	8	8
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit receivable	-	411	411	-	-	-	-	5	5	-	497	497	-	156	156	-	1,310	1,310	-	-	-	-	-	-
	-	7,617	7,617	-	-	-	-	853	853	-	30,352	30,352	-	8,902	8,902	-	38,533	38,533	-	113,267	113,267	-	59,117	59,117
Financial liabilities																								
Payable to the Management Company	-	6,576	6,576	-	-	-	-	692	692	-	7,801	7,801	-	583	583	-	6,033	6,033	-	15,383	15,383	-	-	-
Payable to the Trustee	-	45	45	-	-	-	-	-	-	-	102	102	-	52	52	-	125	125	-	249	249	-	-	-
Payable to Securities and Exchange Commission of Pakistan	-	3	3	-	-	-	-	-	-	-	87	87	-	37	37	-	111	111	-	339	339	-	-	-
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	-	-	-	-	19	19	-	88	88	-	10	10	-	55	55	-	868	868	-	-	-
	-	6,624	6,624	-	-	-	-	711	711	-	8,078	8,078	-	682	682	-	6,324	6,324	-	16,839	16,839	-	-	-

Particular	2025																								
	AH-FRF Plan 14			AH-FRF Plan 15			AH-FRF Plan 16			AH-FRF Plan 18			AH-FRF Plan 19			AH-FRF Plan 20			AH-FRF Plan 21			AH-FRF Plan 22			
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	Total
	Rupees in '000																								
Financial assets																									
Bank balances	-	56,817	56,817	-	7,977	7,977	-	240,162	240,162	-	47,938	47,938	-	1,991	1,991	-	1,299	1,299	-	2,686	2,686	-	64,872	64,872	620,895
Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	75,964	75,964	-	1,867,349	1,867,349	-	503,872	503,872	-	2,075,922	2,075,922	4,523,107
Profit receivable	-	2,300	2,300	-	229	229	-	2,129	2,129	-	4,123	4,123	-	4,140	4,140	-	1,219	1,219	-	924	924	-	274	274	17,717
	-	8,206	8,206	-	242,291	242,291	-	52,061	52,061	-	82,095	82,095	-	1,869,867	1,869,867	-	507,482	507,482	-	2,141,068	2,141,068	-	2,141,068	2,141,068	5,161,719
Financial liabilities																									
Payable to the Management Company	-	6,784	6,784	-	522	522	-	20,078	20,078	-	7,584	7,584	-	32	32	-	276	276	-	100	100	-	707	707	73,151
Payable to the Trustee	-	772	772	-	18	18	-	150	150	-	137	137	-	4	4	-	85	85	-	16	16	-	100	100	1,855
Payable to Securities and Exchange Commission of Pakistan	-	423	423	-	14	14	-	76	76	-	187	187	-	4	4	-	233	233	-	47	47	-	138	138	1,699
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	34	34	-	55	55	-	142	142	-	24	24	-	18	18	-	38	38	-	25	25	-	135	135	1,511
	-	8,013	8,013	-	609	609	-	20,446	20,446	-	7,932	7,932	-	58	58	-	632	632	-	188	188	-	1,080	1,080	78,216

22. TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PARTIES

Related parties/ Connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Related parties/connected persons include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent Company of Management Company
3	AL Habib Capital Markets (Private) Limited	Parent Company of Management Company
4	AL Habib Currency Exchange Limited	Parent Company of Management Company
5	AL Habib Asset Allocation Fund	Managed by Management Company
6	AL Habib Islamic Income Fund	Managed by Management Company
7	AL Habib Islamic Stock Fund	Managed by Management Company
8	AL Habib Stock Fund	Managed by Management Company
9	AL Habib Cash Fund	Managed by Management Company
10	AL Habib Islamic Savings Fund	Managed by Management Company
11	AL Habib Islamic Cash Fund	Managed by Management Company
12	AL Habib Income Fund	Managed by Management Company
13	AL Habib Pension Fund	Managed by Management Company
14	AL Habib Islamic Pension Fund	Managed by Management Company
15	AL Habib Money Market Fund	Managed by Management Company
16	AL Habib Islamic Munafa Fund	Managed by Management Company
17	AL Habib Government Securities Fund	Managed by Management Company
18	AL Habib GOKP Money Market Fund	Managed by Management Company
19	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
20	AL Habib Sovereign Income Fund Plan	Managed by Management Company
21	AL Habib Punjab Pension Fund	Managed by Management Company
22	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
23	AL Habib Islamic Money Market Fund	Managed by Management Company
24	Central depositary Company Of Pakistan	Trustee

S.No	Company Name	Relationship
17	AL Habib Government Securities Fund	Managed by Management Company
18	AL Habib GOKP Money Market Fund	Managed by Management Company
19	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
20	AL Habib Sovereign Income Fund Plan	Managed by Management Company
21	AL Habib Punjab Pension Fund	Managed by Management Company
22	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
23	AL Habib Islamic Money Market Fund	Managed by Management Company
24	Central depositary Company Of Pakistan	Trustee

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the financial statements are as follows:

22.1 Transactions during the year

	2026													
	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	TOTAL
	Rupees in '000													
AL Habib Asset Management Limited - Management Company														
Remuneration of the Management Company	310	2,537	162	5,975	5,288	5,820	6,003	682	109	3,328	1,877	-	632	32,723
Sindh Sales Tax on remuneration of the Management Company	46	381	24	896	793	873	900	102	16	499	281	-	95	4,906
Allocation of expenses related to registrar services, accounting, operation and valuation services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee														
Remuneration of the Trustee	46	669	39	1,060	1,448	1,162	1,895	143	207	709	538	18	74	8,008
Sindh Sales Tax on remuneration of the Trustee	7	100	6	159	217	174	284	22	31	106	81	3	11	1,201
Bank Al Habib Limited - Sponsor														
Mark-up on bank deposits	797	116	176	3,377	1,115	1,641	156,882	31,186	647	10,179	6,075	108	16,876	229,175
Directors and Key Executives														
Purchase of units of the plan (187,666 units)	-	-	-	-	-	-	-	-	-	-	18,829,721	-	-	18,829,721
Redemption of units of the plan (187,666 units)	-	-	-	-	-	-	-	-	-	-	18,942,882	-	-	18,942,882

	2025																
	AH-FRF PLAN 6	AH-FRF PLAN 7	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	TOTAL
	Rupees in '000																
Transactions during the year																	
AL Habib Asset Management Limited - Management Company																	
Remuneration of the Management Company	211	-	2	4,676	1,666	2,365	15,383	-	6,784	522	20,078	7,584	18	276	100	707	60,372
Sindh Sales Tax on remuneration of the Management Company	27	-	-	701	250	355	2,307	-	1,018	78	3,012	1,146	3	41	15	106	9,059
Expense Allocated by Management Company	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	6
Marketing and selling expense	-	-	-	-	-	-	-	-	-	-	-	-	6	-	-	-	6
Sindh Sales Tax on Allocated Expenses and Selling and Marketing	-	-	-	-	-	-	-	-	-	-	-	-	2	-	-	-	2
Central Depository Company of Pakistan Limited - Trustee																	
Remuneration of the Trustee	3	-	-	340	151	537	1,317	177	772	191	3,739	1,363	13	311	108	103	9,125
Sindh Sales Tax on remuneration of the Trustee	-	-	-	51	23	80	198	27	116	29	561	204	2	47	16	15	1,369

	2025																
	AH-FRF PLAN 6	AH-FRF PLAN 7	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	TOTAL
	Rupees in '000																
Bank Al Habib Limited - Sponsor																	
Mark-up on bank deposits	1,177	-	103	536	186	1,176	7,134	446	6,792	779	8,797	7,274	144	1,219	924	274	36,961
AL Habib Asset Management Limited - Management Company																	
Purchase of units of the plan (531,830 units)	-	-	-	873	1,045	63	5,243	-	10,294	-	5,668	5,167	5,246	5,182	5,177	5,062	49,020
Redemption of units of the plan (554,450 units)	-	-	-	11,574	11,577	1,098	5,182	-	10,220	-	5,501	5,124	-	-	-	-	50,276
Habib Sugar Mills Limited																	
Purchase of units of the plan (5,123,988 units)	-	-	-	21,800	-	-	-	-	-	-	-	496,183	-	-	-	-	517,983
Redemption of units of the plan (7,850,367 units)	-	-	-	288,988	-	-	-	-	-	-	-	508,371	-	-	-	-	797,359

		2026													
		AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	TOTAL
22.2	**Balances outstanding as at year end**	Rupees in '000													
	AL Habib Asset Management Limited - Management Company														
	Remuneration of the Management Company	340	7,688	3,958	6,683	5,288	5,819	6,004	682	109	3,329	1,877	-	632	42,408
	Sindh Sales Tax on remuneration of the Management Company	51	1,153	594	1,002	793	873	901	102	16	499	282	-	95	6,361
	Allocation of expenses related to registrar services, accounting, operation and valuation services	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Central Depository Company of Pakistan Limited - Trustee														
	Remuneration of the Trustee	31	-	-	147	155	92	727	143.48	111.30	710	538	18.26	74	2,748
	Sindh Sales Tax on remuneration of the Trustee	5	-	-	22	23	14	109	21.52	16.70	106	81	3	11	412
	Bank Al Habib Limited - Sponsor														
	Bank Balances	3,628	3	154	2,074	17	16	7,015	-	61,628	2,414.00	3,394	108	16,876	97,327
	AL Habib Asset Management Limited - Management Company														
	Units held as at June 30, 2026 (1,010,480 units)	5,556,804	-	-	-	80,383,238	-	-	-	5,112,219	-	-	5,014,370	5,016,891	101,083,522

	2025																
	AH-FRF PLAN 6	AH-FRF PLAN 7	AH-FRF PLAN 8	AH-FRF PLAN 9	AH-FRF PLAN 10	AH-FRF PLAN 11	AH-FRF PLAN 12	AH-FRF PLAN 13	AH-FRF PLAN 14	AH-FRF PLAN 15	AH-FRF PLAN 16	AH-FRF PLAN 18	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	TOTAL
	Rupees in '000																
AL Habib Asset Management Limited - Management Company																	
Remuneration of the Management Company	6,576	-	692	7,801	354	6,033	15,383	-	6,784	522	20,078	7584	18	277	100	707	72,909
Sindh Sales Tax on remuneration of the Management Company	957	-	90	1,107	290	703	2,307	-	1,018	78	3,012	1146	3	41	15	106	10,873
Allocation of expenses related to registrar services, accounting, operation and valuation services	-	-	-	-	229	-	-	-	-	-	-	-	14	-	-	-	243
Central Depository Company of Pakistan Limited - Trustee																	
Remuneration of the Trustee	45	-	-	102	52	125	249	-	772	18	150	137	3	85	16	100	1,854
Sindh Sales Tax on remuneration of the Trustee	30	-	-	12	10	12	37	-	116	3	22	21	1	13	3	13	293
Bank Al Habib Limited - Sponsor																	
Bank Balances	7,206	-	848	29,855	8,746	37,223	113,267	8	56,817	7,977	240,162	4,7938	1,991	1,299	2,686	64,872	620,895
AL Habib Asset Management Limited - Management Company																	
Units held as at June 30, 2025 (205,003 units)	-	-	-	-	-	-	-	-	-	-	-	-	5,192	5,141	5,138	5,110	20,581

23. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

23.1 Market risk

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

Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

23.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk.

23.1.2 Interest rate risk

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

a) Sensitivity analysis for variable rate instruments

As at the reporting date, the fund holds variable profit based investment and bank balances exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in interest rates at period end with all other variables held constant, the net income for the period and the net assets would have been higher / lower by Rs 64.67 million (2025: Rs. 51.44 million).

b) Sensitivity analysis for fixed rate instruments

The Fund is exposed to fair value interest rate risk for investment in government securities.

In case of 100 basis points increase in interest rates on June 30, 2024, with all other variables held constant, the net income for the period and the net assets would have been lower / higher by Rs 62.03 million (2025: Rs. 45.23 million).

c) Fair value interest rate risk

Yield / Interest rate sensitivity position for financial instrument is as follows:

AH-FRF Plan 19
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	10,524	-	-	-	10,524
Investments - net		-	-	64,099	-	64,099
Profit receivable		-	-	-	3,628	3,628
Sub total		10,524	-	64,099	3,628	78,251
Financial liabilities						
Payable to the Management Company		-	-	-	391	391
Payable to the Trustee		-	-	-	36	36
Payable to Securities and Exchange Commission of Pakistan		-	-	-	9	9
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	1,779	1,779
Sub total		-	-	-	2,215	2,215
On-balance sheet gap (a)		10,524	-	64,099	1,413	76,036
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		10,524	-	64,099	1,413	76,036
Cumulative interest rate sensitivity gap		10,524	-	64,099		

AH-FRF Plan 20
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	8,962	-	-	-	8,962
Investments - net		-	-	-	-	-
Profit receivable		-	-	-	3	3
Sub total		8,962	-	-	3	8,965
Financial liabilities						
Payable to the Management Company		-	-	-	8,841	8,841
Payable to the Trustee		-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan		-	-	-	67	67
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	57	57
Sub total		-	-	-	8,965	8,965
On-balance sheet gap (a)		8,962	-	-	(8,962)	-
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		8,962	-	-	(8,962)	-
Cumulative interest rate sensitivity gap		8,962	-	-		

AH-FRF Plan 21
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	4,786	-	-	-	4,786
Investments - net		-	-	-	-	-
Profit receivable		-	-	-	154	154
Sub total		4,786	-	-	154	4,940
Financial liabilities						
Payable to the Management Company		-	-	-	4,552	4,552
Payable to the Trustee		-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan		-	-	-	21	21
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	367	367
Sub total		-	-	-	4,940	4,940
On-balance sheet gap (a)		4,786	-	-	(4,786)	-
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		4,786	-	-	(4,786)	-
Cumulative interest rate sensitivity gap		4,786	-	-		

AH-FRF Plan 22
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	7,782	-	-	-	7,782
Investments - net		-	-	-	-	-
Profit receivable		-	-	-	2,074	2,074
Sub total		7,782	-	-	2,074	9,856
Financial liabilities						
Payable to the Management Company		-	-	-	7,685	7,685
Payable to the Trustee		-	-	-	170	170
Payable to Securities and Exchange Commission of Pakistan		-	-	-	83	83
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	1,918	1,918
Sub total		-	-	-	9,856	9,856
On-balance sheet gap (a)		7,782	-	-	(7,782)	-
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		7,782	-	-	(7,782)	-
Cumulative interest rate sensitivity gap		7,782	-	-		

AH-FRF Plan 23
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	845	-	-	-	845
Investments - net		-	-	3,443,455	-	3,443,455
Profit receivable		-	-	-	17	17
Sub total		845	-	3,443,455	17	3,444,317
Financial liabilities						
Payable to the Management Company		-	-	-	6,081	6,081
Payable to the Trustee		-	-	-	178	178
Payable to Securities and Exchange Commission of Pakistan		-	-	-	211	211
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	2,099	2,099
Sub total		-	-	-	8,569	8,569
On-balance sheet gap (a)		845	-	3,443,455	(8,552)	3,435,748
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		845	-	3,443,455	(8,552)	3,435,748
Cumulative interest rate sensitivity gap		845	-	3,443,455		

AH-FRF Plan 24
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	8,098	-	-	-	8,098
Investments - net		-	-	-	-	-
Profit receivable		-	-	-	16	16
Sub total		8,098	-	-	16	8,114
Financial liabilities						
Payable to the Management Company		-	-	-	6,692	6,692
Payable to the Trustee		-	-	-	106	106
Payable to Securities and Exchange Commission of Pakistan		-	-	-	126	126
Payable against redemption of units		-	-	-	1,064	1,064
Accrued expenses and other liabilities		-	-	-	126	126
Sub total		-	-	-	8,114	8,114
On-balance sheet gap (a)		8,098	-	-	(8,098)	-
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		8,098	-	-	(8,098)	-
Cumulative interest rate sensitivity gap		8,098	-	-		

AH-FRF Plan 25
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	2,253	-	-	-	2,253
Investments - net		-	-	-	-	-
Profit receivable		-	-	-	7,015	7,015
Sub total		2,253	-	-	7,015	9,268
Financial liabilities						
Payable to the Management Company		-	-	-	6,905	6,905
Payable to the Trustee		-	-	-	836	836
Payable to Securities and Exchange Commission of Pakistan		-	-	-	1,199	1,199
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	328	328
Sub total		-	-	-	9,268	9,268
On-balance sheet gap (a)		2,253	-	-	(9,268)	-
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		2,253	-	-	(9,268)	(7,015)
Cumulative interest rate sensitivity gap		2,253	-	-		

AH-FRF Plan 26
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	5,889	-	-	-	5,889
Investments - net		-	-	-	-	-
Profit receivable		-	-	-	-	-
Sub total		5,889	-	-	-	5,889
Financial liabilities						
Payable to the Management Company		-	-	-	784	784
Payable to the Trustee		-	-	-	165	165
Payable to Securities and Exchange Commission of Pakistan		-	-	-	196	196
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	4,744	4,744
Sub total		-	-	-	5,889	5,889
On-balance sheet gap (a)			-	-	(5,889)	-
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		5,889	-	-	(5,889)	-
Cumulative interest rate sensitivity gap		5,889	-	-		

AH-FRF Plan 28
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	3,988	-	-	-	3,988
Investments - net		-	-	1,186,889	-	1,186,889
Profit receivable		-	-	-	61,628	61,628
Sub total		3,988	-	1,186,889	61,628	1,190,877
Financial liabilities						
Payable to the Management Company		-	-	-	125	125
Payable to the Trustee		-	-	-	128	128
Payable to Securities and Exchange Commission of Pakistan		-	-	-	77	77
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	10,574	10,574
Sub total		-	-	-	10,904	10,904
On-balance sheet gap (a)		3,988	-	1,186,889	50,724	1,179,973
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		3,988	-	-	50,724	1,179,973
Cumulative interest rate sensitivity gap		3,988	-	1,186,889		

AH-FRF Plan 29
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	5,354	-	-	-	5,354
Investments - net		-	-	-	-	-
Profit receivable		-	-	-	2,414	2,414
Sub total		5,354	-	-	2,414	78,251
Financial liabilities						
Payable to the Management Company		-	-	-	3,828	3,828
Payable to the Trustee		-	-	-	816	816
Payable to Securities and Exchange Commission of Pakistan		-	-	-	102	102
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	3,022	3,022
Sub total		-	-	-	7,768	7,768
On-balance sheet gap (a)		5,354	-	-	(5,354)	-
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		5,354	-	-	(5,354)	-
Cumulative interest rate sensitivity gap		5,354	-	-		

AH-FRF Plan 30
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	22,116	-	-	-	22,116
Investments - net		-	-	-	-	64,099
Profit receivable		-	-	-	3,394	3,394
Sub total		22,116	-	-	3,394	25,510
Financial liabilities						
Payable to the Management Company		-	-	-	2,158	2,158
Payable to the Trustee		-	-	-	619	619
Payable to Securities and Exchange Commission of Pakistan		-	-	-	254	254
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	22,479	22,479
Sub total		-	-	-	25,510	25,510
On-balance sheet gap (a)		22,116	-	-	(22,116)	-
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		22,116	-	-	(22,116)	-
Cumulative interest rate sensitivity gap		22,116	-	-		

AH-FRF Plan 31
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	1,834	-	-	-	1,834
Investments - net		-	-	1,508,321	-	1,508,321
Profit receivable		-	-	-	108	108
Sub total		1,834	-	1,508,321	108	1,510,263
Financial liabilities						
Payable to the Management Company		-	-	-	-	-
Payable to the Trustee		-	-	-	21	21
Payable to Securities and Exchange Commission of Pakistan		-	-	-	25	25
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	1,683	1,683
Sub total		-	-	-	1,729	1,729
On-balance sheet gap (a)		1,834	-	1,508,321	(1,621)	1,508,534
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		1,834	-	1,508,321	(1,621)	1,508,534
Cumulative interest rate sensitivity gap		1,834	-	1,508,321		

AH-FRF Plan 32
June 30, 2026

Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.75% - 10.25%	182,078	-	-	-	182,078
Investments - net		-	-	-	-	-
Profit receivable		-	-	-	16,876	16,876
Sub total		182,078	-	-	16,876	198,954
Financial liabilities						
Payable to the Management Company		-	-	-	727	727
Payable to the Trustee		-	-	-	85	85
Payable to Securities and Exchange Commission of Pakistan		-	-	-	101	101
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	3,896	3,896
Sub total		-	-	-	4,809	4,809
On-balance sheet gap (a)		182,078	-	-	12,067	194,145
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		182,078	-	-	12,067	194,145
Cumulative interest rate sensitivity gap		182,078	-	-		

23.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to bank balances (financial institutions) and receivables from banks.

Management of credit risk

The Fund keeps deposits with reputed financial institutions. All transactions in units are settled / paid for upon delivery using the system of Trustee. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

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

Bank	AH-FRF PLAN 19	AH-FRF PLAN 20	AH-FRF PLAN 21	AH-FRF PLAN 22	AH-FRF PLAN 23	AH-FRF PLAN 24	AH-FRF PLAN 25	Latest available published rating as at June 30, 2026	Rating agency
	---------- Rupees in '000 ----------								
Bank Al Habib Limited	7,206	848	29,855	8,746	37,223	113,267	8	AM1	PACRA
	7,206	848	29,855	8,746	37,223	113,267	8		

Bank	AH-FRF PLAN 26	AH-FRF PLAN 28	AH-FRF PLAN 29	AH-FRF PLAN 30	AH-FRF PLAN 31	AH-FRF PLAN 32	Latest available published rating as at June 30, 2026	Rating agency
	---------- Rupees in '000 ----------							
Bank Al Habib Limited	56,817	7,977	240,162	47,938	1,991	1,299	AM1	PACRA
	56,817	7,977	240,162	47,938	1,991	64,899		

23.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category

AM1

There is no exposure other than bank balance as disclosed above as at June 30, 2026.

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Fund's major asset balances are held with a single bank. The management believes that these banks are reputed institution.

23.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to non-payment of redemptions request on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by the SECP.

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed off.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

The following table analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

June 30, 2026

Particular	AH-FRF Plan 6			AH-FRF Plan 7			AH-FRF Plan 8			AH-FRF Plan 9			AH-FRF Plan 10			AH-FRF Plan 11			AH-FRF Plan 12			AH-FRF Plan 13			AH-FRF Plan 14		
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year
	Rupees in '000																										
Financial liabilities																											
Payable to the Management Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to the Trustee	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

June 30, 2026

Particular	AH-FRF Plan 15			AH-FRF Plan 16			AH-FRF Plan 18			AH-FRF Plan 19			AH-FRF Plan 20			AH-FRF Plan 21			AH-FRF Plan 22			AH-FRF Plan 23		
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year
	Rupees in '000																							
Financial liabilities																								
Payable to the Management Company	-	-	-	-	-	-	-	-	-	391	-	-	8,841	-	-	4,552	-	-	7,685	-	-	6,081	-	-
Payable to the Trustee	-	-	-	-	-	-	-	-	-	36	-	-	-	-	-	-	-	-	170	-	-	178	-	-
Payable to Securities and Exchange Commission of Pakistan	-	-	-	-	-	-	-	-	-	9	-	-	67	-	-	21	-	-	83	-	-	211	-	-
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	-	-	-	-	-	-	-	-	1,779	-	-	57	-	-	367	-	-	1,918	-	-	2,099	-	-
	-	-	-	-	-	-	-	-	-	2,215	-	-	8,965	-	-	4,940	-	-	9,856	-	-	8,569	-	-

June 30, 2026

Particular	AH-FRF Plan 24			AH-FRF Plan 25			AH-FRF Plan 26			AH-FRF Plan 28			AH-FRF Plan 29			AH-FRF Plan 30			AH-FRF Plan 31			AH-FRF Plan 32			Total
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	
	Rupees in '000																								
Financial liabilities																									
Payable to the Management Company	6,692	-	-	6,905	-	-	784	-	-	125	-	-	3,828	-	-	2,158	-	-	-	-	-	727	-	-	48,769
Payable to the Trustee	106	-	-	836	-	-	165	-	-	128	-	-	816	-	-	619	-	-	21	-	-	85	-	-	3,160
Payable to Securities and Exchange Commission of Pakistan	126	-	-	1,199	-	-	196	-	-	77	-	-	102	-	-	254	-	-	25	-	-	101	-	-	2,471
Payable against redemption of units	1,064	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,064
Accrued expenses and other liabilities	126	-	-	328	-	-	4,744	-	-	10,574	-	-	3,022	-	-	22,479	-	-	1,683	-	-	3,896	-	-	53,072
	8,114	-	-	9,268	-	-	5,889	-	-	10,904	-	-	7,768	-	-	25,510	-	-	1,729	-	-	4,809	-	-	108,536

June 30, 2025

Particular	AH-FRF Plan 6			AH-FRF Plan 7			AH-FRF Plan 8			AH-FRF Plan 9			AH-FRF Plan 10			AH-FRF Plan 11			AH-FRF Plan 12			AH-FRF Plan 13		
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year
	Rupees in '000																							
Financial liabilities																								
Payable to the Management Company	7,533	-	-	-	-	-	782	-	-	8,908	-	-	873	-	-	6,736	-	-	17,690	-	-	-	-	-
Payable to the Trustee	75	-	-	-	-	-	-	-	-	114	-	-	62	-	-	137	-	-	286	-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	3	-	-	-	-	-	-	-	-	87	-	-	37	-	-	111	-	-	339	-	-	-	-	-
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	6	-	-	-	-	-	71	-	-	21,243	-	-	7,930	-	-	31,549	-	-	94,952	-	-	8	-	-
	7,617	-	-	-	-	-	853	-	-	30,352	-	-	8,902	-	-	38,533	-	-	113,267	-	-	8	-	-

Particular	June 30, 2025																								
	AH-FRF Plan 14			AH-FRF Plan 15			AH-FRF Plan 16			AH-FRF Plan 18			AH-FRF Plan 19			AH-FRF Plan 20			AH-FRF Plan 21			AH-FRF Plan 22			
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Total
	Rupees in '000																								
Financial liabilities																									
Payable to the Management Company	7,802	-	-	600	-	-	23,090	-	-	8,730	-	-	35	-	-	318	-	-	115	-	-	813	-	-	84,025
Payable to the Trustee	888	-	-	21	-	-	172	-	-	158	-	-	4	-	-	98	-	-	19	-	-	113	-	-	2,147
Payable to Securities and Exchange Commission of Pakistan	423	-	-	14	-	-	76	-	-	187	-	-	4	-	-	233	-	-	47	-	-	138	-	-	1,699
Payable against redemption of units	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	50,004	-	-	7,571	-	-	218,953	-	-	42,986	-	-	946	-	-	14,627	-	-	5,689	-	-	5,324	-	-	501,859
	59,117	-	-	8,206	-	-	242,291	-	-	52,061	-	-	989	-	-	15,276	-	-	5,870	-	-	6,388	-	-	589,730

24 UNITHOLDERS' FUND RISK MANAGEMENT

The unitholders' fund is represented by the net assets attributable to unitholders / redeemable units. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unitholders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unitholders' fund. Unitholders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unitholders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management’. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current period.

25 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

- Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

		June 30, 2026						
		AH-FRF Plan 19						
		Carrying amount			Fair value			
Particulars		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Note	---------- Rupees in '000 ----------						
Financial assets measured at fair value								
Investments	6	64,099	-	64,099	-	64,099	-	64,099
		64,099	-	64,099	-	64,099	-	64,099
Financial assets measured at amortised cost								
Bank balances	5	-	10,524	7,206				
Profit receivable		-	3,628	3,628				
		-	14,152	14,152				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	391	391				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	36	36				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	9	9				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	1,779	1,779				
		-	2,215	2,215				

		June 30, 2026						
		AH-FRF Plan 20						
		Carrying amount			Fair value			
Particulars		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Note	---------- Rupees in '000 ----------						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	8,962	8,962				
Profit receivable		-	3	3				
		-	8,965	8,965				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	8,841	8,841				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	-	-				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	67	67				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	57	57				
		-	8,965	8,965				

Particulars	Note	June 30, 2026 AH-FRF Plan 21						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	4,786	4,786				
Profit receivable		-	154	154				
		-	4,940	4,940				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	4,552	4,552				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	-	-				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	21	21				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	367	367				
		-	4,940	4,940				

Particulars	Note	June 30, 2026 AH-FRF Plan 22						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	7,782	7,782				
Profit receivable		-	2,074	2,074				
		-	9,856	9,856				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	7,685	7,685				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	170	170				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	83	83				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	1,918	1,918				
		-	9,856	9,856				

Particulars	Note	June 30, 2026 AH-FRF Plan 23						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value	25.1							
Investments		3,443,455	-	3,443,455	-	3,443,455	-	3,443,455
		3,443,455	-	3,443,455	-	3,443,455	-	3,443,455
Financial assets measured at amortised cost	25.2							
Bank balances		-	845	845				
Profit receivable		-	17	17				
		-	862	862				
Financial liabilities measured at amortised cost	25.3							
Payable to AL Habib Asset Management Limited - Management Company		-	6,081	6,081				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee		-	178	178				
Payable to Securities and Exchange Commission of Pakistan (SECP)		-	211	211				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities		-	2,099	2,099				
		-	8,569	8,569				

Particulars	Note	June 30, 2026 AH-FRF Plan 24						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	8,098	8,098				
Profit receivable		-	16	16				
		-	8,114	8,114				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	6,692	6,692				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	106	106				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	126	126				
Payable against redemption of units		-	1,064	1,064				
Accrued expenses and other liabilities	10	-	126	126				
		-	8,114	8,114				

Particulars	Note	June 30, 2026 AH-FRF Plan 25						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	2,253	2,253				
Profit receivable		-	7,015	7,015				
		-	9,268	9,268				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	6,905	6,905				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	836	836				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	1,199	1,199				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	328	328				
		-	9,268	9,268				

Particulars	Note	June 30, 2026 AH-FRF Plan 26						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	5,889	5,889				
Profit receivable		-	-	-				
		-	5,889	5,889				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	784	784				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	165	165				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	196	196				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	4,744	4,744				
		-	5,889	5,889				

Particulars	Note	June 30, 2026 AH-FRF Plan 28						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	1,186,889	-	1,186,889	-	1,186,889	-	1,186,889
		1,186,889	-	1,186,889	-	1,186,889	-	1,186,889
Financial assets measured at amortised cost								
Bank balances	5	-	3,988	3,988				
Profit receivable		-	61,628	61,628				
		-	65,616	65,616				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	125	125				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	128	128				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	77	77				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	10,574	10,574				
		-	10,904	10,904				

Particulars	Note	June 30, 2026 AH-FRF Plan 29						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	5,354	5,354				
Profit receivable		-	2,414	2,414				
		-	7,768	7,768				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	3,828	3,828				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	816	816				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	102	102				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	3,022	3,022				
		-	7,768	7,768				

Particulars	Note	June 30, 2026 AH-FRF Plan 30						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	22,116	22,116				
Profit receivable		-	3,394	3,394				
		-	25,510	25,510				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	2,158	2,158				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	619	619				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	254	254				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	22,479	22,479				
		-	25,510	25,510				

Particulars	Note	June 30, 2026 AH-FRF Plan 31						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value	6							
Investments		1,508,321	-	1,508,321	-	1,508,321	-	1,508,321
		1,508,321	-	1,508,321	-	1,508,321	-	1,508,321
Financial assets measured at amortised cost								
Bank balances	5	-	1,834	1,834				
Profit receivable		-	108	108				
		-	1,942	1,942				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	-	-				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	21	21				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	25	25				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	1,683	1,683				
		-	1,729	1,729				

Particulars	Note	June 30, 2026 AH-FRF Plan 32						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		Rupees in '000						
Financial assets measured at fair value								
Investments	6	-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets measured at amortised cost								
Bank balances	5	-	182,078	182,078				
Profit receivable		-	16,876	16,876				
		-	198,954	198,954				
Financial liabilities measured at amortised cost								
Payable to AL Habib Asset Management Limited - Management Company	7	-	727	727				
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	8	-	85	85				
Payable to Securities and Exchange Commission of Pakistan (SECP)	9	-	101	101				
Payable against redemption of units		-	-	-				
Accrued expenses and other liabilities	10	-	3,896	3,896				
		-	4,809	4,809				

25.1 Valuation techniques

For level 2 investments at fair value through profit or loss in units of mutual funds, Fund uses PKRV and PKFRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

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

25.3 Transfers during the year

No transfer were made between various levels of fair value hierarchy during the year.

26 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. No.	Name of Director	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	25
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	26
3	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
4	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	19
5	Mr. Ahmed Abbas	Fund Manager	MBA	15.5
6	Mr. Hamza Abdul Rehman Siddiqui	Fund Manager - Equity	Msc (Hons)	8

27 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025 and October 24, 2025 , February 04, 2026, April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S. No.	Name of Director	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

28 TOTAL EXPENSE RATIO

TER of the Fund for the year ended 30 June 2026 of (Al Habib Fixed Return Plan 19, Plan 23, Plan 28, Plan 31 and Plan 32) is 0.62%, 0.37%, 0.20%, 0.03% and 0.06% which include 0.14%, 0.11%, 0.09%, 0.01% and 0.01% representing government levies and SECP fee.This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

29. CORRESPONDING FIGURES

Corresponding figures have been arranged and reclassified, wherever necessary for the purpose of comparison and for better presentation.

30 GENERAL

30.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

31 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The AL Habib Fixed Return Fund - Plan 19 (AHFRF Plan 19) is Investment Plan under "AL Habib Fixed Return Fund (AHFRF)" with an objective to provide investors with a competitive rate of returns, for fixed tenure by investing primarily in instruments for a specific duration.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHFRFP19 maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with PIBs.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 192 bps as it posted YTD return of 9.87% as against the benchmark of 11.79%.

Fund Description

Fund Type & Category	Open Ended - Fixed Rate/ Return Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	March 06, 2025	**Management Fee**	0.37%
Benchmark	PKRV/ PIB rates on the last date of IOP of the CIS with maturity period corresponding to the maturity of CIS.	**Contingent Load**	Contingent Load will be charged which shall commensurate with net loss incurred due to early redemption.
Annual Return	9.87%	**Minimum Investment**	Initial investment of Rs. 5,000,000/-
Benchmark	11.79%	**Dealing Days/Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 76 Million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.1988 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Maturity Date**	January 18, 2028
Risk Profile	Medium (Principal at medium risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2025**	**As at June 30, 2024**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	13.45%	2.43%
PIBs	81.91%	92.53%
Others	4.64%	5.04%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
50001-1000000	3
Grand Total	**3**

Income Distribution

AHFRFP19 made a total distribution of Rs. 9.8357 during FY26 in the form of dividend, the detail of which is given below:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun, 30, 2026	109.9861	100.1504	9.8357

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHFRF Plan 19 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, no units were sold while 102,672 units valued at Rs. 11 million were redeemed resulting in to a net sale of 102,672 units of the value of Rs. 11 million.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in Million)	76	81
NAV per unit as at June 30 (Rs.)	100.1988	100.1504
Distribution during the year ended June 30 (Rs.)	9.8357	4.9143
Annual Return	9.87%	15.96%

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The AL Habib Fixed Return Fund - Plan 23 (AHFRF Plan 23) is Investment Plan under "AL Habib Fixed Return Fund (AHFRF)" with an objective to provide investors with a competitive rate of returns, for fixed tenure by investing primarily in instruments for a specific duration.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHFRFP23 maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with short tenor T-bills.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 63 bps as it posted YTD return of 10.33% as against the benchmark of 10.96%.

Fund Description

Fund Type & Category	Open Ended - Fixed Rate/ Return Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	August 22, 2025	**Management Fee**	0.20%
Benchmark	PKRV/ PIB rates on the last date of IOP of the CIS with maturity period corresponding to the maturity of CIS.	**Contingent Load**	Contingent Load will be charged which shall commensurate with net loss incurred due to early redemption.
Annual Return	10.33%	**Minimum Investment**	Initial investment of Rs. 5,000,000/-
Benchmark	10.96%	**Dealing Days/Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 3,436 million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.0282 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Maturity Date**	August 24, 2026
Risk Profile	Low (Principal at low risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26
Cash	0.02%
T- Bills	99.98%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
500001-100000000	2
Grand Total	**2**

Income Distribution

AHFRFP23 made a total distribution of Rs. 8.7976 during FY26 in the form of dividend, the detail of which is given below:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 30, 2026	108.7976	100.0000	8.7976

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHFRF Plan 23 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 31,586,739 units valued of Rs. 3,176 million were sold while no unit were redeemed resulting in to a net sale of 31,586,739 units of the value of Rs. 3,176 million.

Fund Performance at a Glance

	2026
Net Assets as at June 30 (Rs. in Million)	3,436
NAV per unit as at June 30 (Rs.)	100.0282
Distribution during the year ended June 30 (Rs.)	8.7976
Annual Return	10.33%

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The AL Habib Fixed Return Fund - Plan 28 (AHFRF Plan 28) is Investment Plan under "AL Habib Fixed Return Fund (AHFRF)" with an objective to provide investors with a competitive rate of returns, for fixed tenure by investing primarily in instruments for a specific duration.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHFRFP28 maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with PIBs.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 167 bps as it posted YTD return of 9.90% as against the benchmark of 11.57%.

Fund Description

Fund Type & Category	Open Ended - Fixed Rate/ Return Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	March 06, 2025	**Management Fee**	0.03%
Benchmark	PKRV/ PIB rates on the last date of IOP of the CIS with maturity period corresponding to the maturity of CIS.	**Contingent Load**	Contingent Load will be charged which shall commensurate with net loss incurred due to early redemption.
Annual Return	9.90%	**Minimum Investment**	Initial investment of Rs. 5,000,000/-
Benchmark	11.57%	**Dealing Days/Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 1,242 Million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.0373 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Maturity Date**	February 16, 2027
Risk Profile	Low (Principal at Low Risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26
Cash	0.32%
PIBs	94.76%
Others	4.92%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
50001-100000	1
1000001 and above	2
Grand Total	**3**

Income Distribution

AHFRFP28 made a total distribution of Rs. 3.1074 during FY26 in the form of dividend, the detail of which is given below:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 30, 2026	103.1074	100.0000	3.1074

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHFRF Plan 28 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 12,139,373 units valued of Rs. 1,215 million were sold while no unit were redeemed resulting in to a net sale of 12,139,373 units of the value of Rs. 1,215 million.

Fund Performance at a Glance

	2026
Net Assets as at June 30 (Rs. in Million)	1,242
NAV per unit as at June 30 (Rs.)	100.0373
Distribution during the year ended June 30 (Rs.)	3.1074
Annual Return	9.90%

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2025

Fund Objective

The AL Habib Fixed Return Fund - Plan 31 (AHFRF Plan 31) is Investment Plan under "AL Habib Fixed Return Fund (AHFRF)" with an objective to provide investors with a competitive rate of returns, for fixed tenure by investing primarily in instruments for a specific duration.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHFRFP31 maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with short tenor T-bills.

Performance of the fund with benchmark

The Fund outperformed it's benchmark by 686 bps as it posted YTD return of 18.47% as against the benchmark of 11.61%.

Fund Description

Fund Type & Category	Open Ended - Fixed Rate/ Return Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	June 22, 2026	**Management Fee**	0.00%
Benchmark	PKRV/ PIB rates on the last date of IOP of the CIS with maturity period corresponding to the maturity of CIS.	**Contingent Load**	Contingent Load will be charged which shall commensurate with net loss incurred due to early redemption.
Annual Return	18.47%	**Minimum Investment**	Initial investment of Rs. 5,000,000/-
Benchmark	11.61%	**Dealing Days/Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 1,509 Million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.000 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Maturity Date**	May 14, 2027
Risk Profile	Low (Principal at low risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26
Cash	0.12%
PIBs	99.87%
Others	0.01%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
0-100000000	2
Grand Total	**2**

Income Distribution

AHFRFP31 made a total distribution of Rs. 0.4048 during FY26 in the form of dividend, the detail of which is given below:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 30, 2026	100.4048	100.0000	0.4048

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHFRF Plan 31 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units
During the year, 50,000 units valued of Rs. 5 million were sold while no unit were redeemed resulting in to a net sale of 50,000 units of the value of Rs. 5 million.

Fund Performance at a Glance

	2026
Net Assets as at June 30 (Rs. in Million)	1,509
NAV per unit as at June 30 (Rs.)	100.0000
Distribution during the year ended June 30 (Rs.)	0.4048
Annual Return	18.47%

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The AL Habib Fixed Return Fund - Plan 32 (AHFRF Plan 32) is Investment Plan under "AL Habib Fixed Return Fund (AHFRF)" with an objective to provide investors with a competitive rate of returns, for fixed tenure by investing primarily in instruments for a specific duration.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHFRFP32 maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with short tenor T-bills.

Performance of the fund with benchmark

The Fund outperformed it's benchmark by 84 bps as it posted YTD return of 12.40% as against the benchmark of 11.56%.

Fund Description

Fund Type & Category	Open Ended - Fixed Rate/ Return Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	June 16, 2026	**Management Fee**	0.47%
Benchmark	PKRV/ PIB rates on the last date of IOP of the CIS with maturity period corresponding to the maturity of CIS.	**Contingent Load**	Contingent Load will be charged which shall commensurate with net loss incurred due to early redemption.
Annual Return	12.40%	**Minimum Investment**	Initial investment of Rs. 5,000,000/-
Benchmark	11.56%	**Dealing Days/Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 196 Million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.0000 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Maturity Date**	July 03, 2026
Risk Profile	Low (Principal at low risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26
Cash	99.94%
PIBs	0.00%
Others	0.06%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
50001-100000	2
100001 and above	5
Grand Total	**7**

Income Distribution

AHFRFP32 made a total distribution of Rs. 0.4758 during FY26 in the form of dividend, the detail of which is given below:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 30, 2026	100.4758	100.0000	0.4048

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHFRF Plan 32 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 1,418,504 units valued of Rs. 142 million were sold while no unit were redeemed resulting in to a net sale of 1,418,504 units of the value of Rs. 142 million.

Fund Performance at a Glance

	2026
Net Assets as at June 30 (Rs. in Million)	196
NAV per unit as at June 30 (Rs.)	100.0000
Distribution during the year ended June 30 (Rs.)	0.4758
Annual Return	12.40%

AL HABIB ISLAMIC MUNAFA FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AM1 Management Company Quality Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Faysal Bank Limited
UBL Ameen Limited
Meezan Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB ISLAMIC MUNAFA FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Islamic Munafa Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of the **AL Habib Islamic Munafa Fund,** I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah
Shariah Advisor

Date: June 30, 2026



BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Al Habib Islamic Munafa Fund (the Fund) managed by Al Habib Asset Management Limited (the Management Company) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. Applicable Criteria

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. Management's Responsibility for Shariah Compliance

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

6. Conclusion

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

BDO EBRAHIM & CO.
CHARTERED Accountants

Engagement Partner
Tariq Feroz Khan

Date: 25 SEP 2026
Place: Karachi

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No. 1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB ISLAMIC MUNAFA FUND

Opinion

We have audited the financial statements of Al Habib Islamic Munafa Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

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

The Management Company ("AL Habib Asset Management Limited") 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 of the Management Company for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Report on Other Legal and Regulatory Requirements

Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166jPBgydzuM

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026		
		AL HABIB ISLAMIC MUNAFA PLAN V	AL HABIB ISLAMIC MUNAFA PLAN VIII	Total
		----------Rupees in '000----------		
ASSETS				
Bank balances	5	2,193	212,598	214,791
Investments	6	-	561,536	561,536
Profit receivable	7	-	11,075	11,075
TOTAL ASSETS		2,193	785,209	787,402
LIABILITIES				
Payable to AL Habib Asset Management Limited Management Company	8	1,710	68	1,778
Payable to Central Depository Company of Pakistan Limited - Trustee	9	166	5	171
Payable to the Securities and Exchange Commission of Pakistan	10	197	6	203
Accrued expenses and other liabilities	11	120	113	233
TOTAL LIABILITIES		2,193	192	2,385
NET ASSETS		-	785,017	785,017
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		-	785,017	-
CONTINGENCIES AND COMMITMENTS	12			
		----------Number of units----------		
Number of units in issue	13	-	7,850,187	7,850,187
Net assets value per unit		-	100.00	-

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2025		
		AL HABIB ISLAMIC MUNAFA PLAN III	AL HABIB ISLAMIC MUNAFA PLAN IV	Total
		----------Rupees in '000----------		
ASSETS				
Bank balances	5	637	5,147	5,784
Investments	6	-	-	-
Profit receivable	7	3,557	520	4,077
TOTAL ASSETS		4,194	5,667	9,861
LIABILITIES				
Payable to AL Habib Asset Management Limited Management Company	8	-	509	509
Payable to Central Depository Company of Pakistan Limited - Trustee	9	-	24	24
Payable to the Securities and Exchange Commission of Pakistan	10	-	30	30
Accrued expenses and other liabilities	11	4,194	5,104	9,298
TOTAL LIABILITIES		4,194	5,667	9,861
NET ASSETS		-	-	-
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		-	-	-
CONTINGENCIES AND COMMITMENTS	12			
		----------Number of units----------		
Number of units in issue	13	-	-	-
Net assets value per unit		-	-	-

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026		
		For the period from December 8, 2025 to January 15, 2026	For the period from June 19, 2026 to June 30, 2026	
		AL HABIB ISLAMIC MUNAFA PLAN V	AL HABIB ISLAMIC MUNAFA PLAN VIII	Total
		----------Rupees in '000----------		
Income				
Profit on bank deposits	5.1	30,040	333	30,373
Income on GoP Ijarah Sukuks (GIS)			182	182
Gain / (loss) on sale of investments		-	-	-
Unrealised (dimunition) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		-	(22)	(22)
Other income		-	-	-
		30,040	493	30,533
Expenses				
Remuneration of AL Habib Asset Management Limited - Management Company	8.1	1,477	59	1,536
Sindh Sales Tax on remuneration of Management Company	8.2	223	9	232
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	145	4	149
Sindh Sales Tax on remuneration of the Trustee	9.2	22	1	23
Annual fees to the Securities and Exchange Commission of Pakistan	10	197	6	203
Auditors' remuneration	14	115	-	115
		2,179	79	2,258
Net income for the year before taxation		27,861	414	28,275
Taxation	15	-	-	-
Net income for the year after taxation		27,861	414	28,275
Allocation of net income for the year				
Net income for the year after taxation		27,861	414	28,275
Income already paid on redemption of units		(27,809)	-	(27,809)
		52	414	466
Accounting income available for distribution				
- Relating to capital gains		52	414	466
- Excluding capital gains		-	-	-
		52	414	466

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025		
		For the period from March 28, 2024 to July 3, 2024	For the period from May 30, 2024 to December 5, 2024	
		AL HABIB ISLAMIC MUNAFA PLAN III	AL HABIB ISLAMIC MUNAFA PLAN IV	Total
		----------Rupees in '000----------		
Income				
Profit on bank deposits	5.1	468	192	660
Income on GoP Ijarah Sukuks (GIS)		8,154	34,621	42,775
Gain / (loss) on sale of investments		102	(1,336)	(1,234)
Unrealised (dimunition) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		-	-	-
Other income		-	64	64
		8,724	33,541	42,265
Expenses				
Remuneration of AL Habib Asset Management Limited - Management Company	8.1	-	271	271
Sindh Sales Tax on remuneration of Management Company	8.2	-	35	35
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	34	103	137
Sindh Sales Tax on remuneration of the Trustee	9.2	21	15	36
Annual fees to the Securities and Exchange Commission of Pakistan	10	35	140	175
Auditors' remuneration	14	-	114	114
		90	777	768
Net income for the year before taxation		8,634	32,764	41,398
Taxation	15	-	-	-
Net income for the year after taxation		8,634	32,764	32,764
Allocation of net income for the year				
Net income for the year after taxation		8,634	32,763	41,397
Income already paid on redemption of units		(8,634)	(17,486)	(26,120)
		-	15,278	15,277
Accounting income available for distribution				
- Relating to capital gains		-	-	-
- Excluding capital gains		-	15,278	15,278
		-	15,278	15,278

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026		
	For the period from December 8, 2025 to January 15, 2026	For the period from June 19, 2026 to June 30, 2026	
	AL HABIB ISLAMIC MUNAFAPLAN V	AL HABIB ISLAMIC MUNAFA PLAN VIII	Total
	----------Rupees in '000----------		
Net income for the year after taxation	27,861	414	28,275
Other comprehensive income	-	-	-
Total comprehensive income for the year	27,861	414	28,275

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2025		
	For the period from March 28, 2024 to July 3, 2024	For the period from May 30, 2024 to December 5, 2024	
	AL HABIB ISLAMIC MUNAFA PLAN III	AL HABIB ISLAMIC MUNAFA PLAN IV	Total
	----------Rupees in '000----------		
Net income for the year after taxation	8,634	32,764	41,398
Other comprehensive income	-	-	-
Total comprehensive income for the year	8,634	32,764	41,398

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026					
	For the period from December 8, 2025 to January 15, 2026			For the period from June 19, 2026 to June 30, 2026		
	AL HABIB ISLAMIC MUNAFA PLAN V			AL HABIB ISLAMIC MUNAFA PLAN VIII		
	Capital value	Undistributed income / (accumulated loss)	Net Assets	Capital value	Undistributed income / (accumulated loss)	Net Assets
Net assets at beginning of the year	-	-	-	-	-	-
Issuance of units						
- Capital value (at net asset value per unit at the beginning of the period)	5,763,897	-	5,763,897	785,019	-	785,019
- Element of income	32,526	-	32,526	1,634	-	1,634
Total proceeds on issuance of units	5,796,423	-	5,796,423	786,653	-	786,653
Redemption of units						
- Capital value (at net asset value per unit at the beginning of the period)	(5,763,897)	-	(5,763,897)	-	-	-
- Element of loss	(32,526)	(27,809)	(60,335)	-	-	-
Total payments on redemption of units	(5,796,423)	(27,809)	(5,824,232)	-	-	-
Total comprehensive income for the year	-	27,861	27,861	-	414	414
Cash Distribution	-	(52)	(52)	(1,636)	(414)	(2,050)
	-	27,809	27,809	(1,636)	-	(1,636)
Net assets at end of the year	-	-	-	785,017	-	785,017
Accounting income available for distribution						
Relating to capital gains		-			414	
Excluding capital gains		-			-	
		-			414	
Cash distribution		-			414	
Undistributed income carried forward		-			-	
Undistributed income carried forward						
- Realised (loss) / income		-			-	
- Unrealised income		-			-	
		-			-	
Net asset value per unit at the end of the year		-			100.00	

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2025					
	For the period from March 28, 2024 to July 3, 2024			For the period from May 30, 2024 to December 5, 2024		
	AL HABIB ISLAMIC MUNAFA PLAN III			AL HABIB ISLAMIC MUNAFA PLAN IV		
	Capital value	Undistributed income / (accumulated loss)	Net Assets	Capital value	Undistributed income / (accumulated loss)	Net Assets
Net assets at beginning of the year	8,621,105	9,320	8,630,425	424,124	448	424,572
Issuance of units						
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	11,472	-	11,472
- Element of income	-	-	-	(13)	-	(13)
Total proceeds on issuance of units	-	-	-	11,459	-	11,459
Redemption of units						
- Capital value (at net asset value per unit at the beginning of the period)	(8,627,891)	-	(8,627,891)	(436,062)	-	(436,062)
- Element of loss	(1,374)	(8,634)	(10,008)	32	(17,486)	(17,454)
Total payments on redemption of units	(8,629,265)	(8,634)	(8,637,899)	(436,030)	(17,486)	(453,516)
Total comprehensive income for the year	-	8,634	8,634	-	32,764	32,764
Cash Distribution	8,160	(9,320)	(1,160)	-	(15,279)	(15,279)
	8,160	(686)	7,474	-	17,485	17,485
Net assets at end of the year	-	-	-	(447)	447	-
Accounting income available for distribution						
Relating to capital gains		2,668			(871)	
Excluding capital gains		6,652			1,318	
		9,320			447	
Cash distribution		9,320			-	
Undistributed income carried forward		-			-	
Undistributed income carried forward						
- Realised (loss) / income		-			-	
- Unrealised income		-			-	
					-	
Net asset value per unit at the end of the year		-			-	

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026		
		For the period from December 8, 2025 to January 15, 2026	For the period from June 19, 2026 to June 30, 2026	
		AL HABIB ISLAMIC MUNAFA PLAN V	AL HABIB ISLAMIC MUNAFA PLAN VIII	Total
		----------Rupees in '000 ----------		
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year before taxation		27,861	414	28,275
Adjustments for:				
Income on Government Ijarah Sukuks		-	-	-
(Gain)/Loss on sale of investments - net		-	-	-
Unrealised dimunition / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		-	22	22
		-	22	22
		27,861	436	28,297
Decrease / (Increase) in assets				
Investment - net		-	(561,558)	(561,558)
Profit on bank deposits			(11,075)	(11,075)
Increase / (decrease) in liabilities				
Payable to AL Habib Asset Management Limited Management Company		1,710	68	1,778
Payable to Central Depository Company of Pakistan Limited - Trustee		166	5	171
Payable to the Securities and Exchange Commission of Pakistan		197	6	203
Accrued expenses and other liabilities		120	113	233
		2,193	192	2,385
Cash generated / (used in) from operating activities		30,054	(572,012)	(541,958)
Profit received in bank deposits		-	-	-
Net cash (used in) / generated from operating activities		30,054	(572,012)	(541,958)
CASH FLOW FROM FINANCING ACTIVITIES				
Receipts from issuance of units		5,796,423	786,660	6,583,083
Payments against redemption of units		(5,824,232)	-	(5,824,232)
Dividend paid		(52)	(2,050)	(2,102)
Net cash (used in) / generated from financing activities		(27,861)	784,610	756,749
Net increase in cash and cash equivalents during the year		2,193	212,598	214,791
Cash and cash equivalents at the beginning of the year		-	-	-
Cash and cash equivalents at the end of the year		2,193	212,598	214,791

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2025		
	For the period from March 28, 2024 to July 3, 2024	For the period from May 30, 2024 to December 5, 2024	
	AL HABIB ISLAMIC MUNAFA PLAN III	AL HABIB ISLAMIC MUNAFA PLAN IV	Total
	----------Rupees in '000 ----------		
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation	8,634	32,764	41,398
Adjustments for:			
Income on Government Ijarah Sukuks	(8,154)	(34,621)	(42,775)
(Gain)/Loss on sale of investments - net	(102)	1,336	1,234
Unrealised dimunition / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	-	-	-
	(8,256)	(33,285)	(41,541)
	378	(521)	(143)
Decrease / (Increase) in assets			
Investment - net	7,515,006	450,699	7,965,705
Profit on bank deposits	(468)	(192)	(660)
Increase / (decrease) in liabilities			
Payable to AL Habib Asset Management Limited Management Company	(270)	315	45
Payable to Central Depository Company of Pakistan Limited - Trustee	(415)	6	(409)
Payable to the Securities and Exchange Commission of Pakistan	(531)	7	(524)
Accrued expenses and other liabilities	(53,835)	4,147	(49,688)
	(55,051)	4,475	(50,576)
Cash generated / (used in) from operating activities	7,459,865	454,461	7,914,326
Profit received in bank deposits	769,621	6,576	776,197.00
Net cash (used in) / generated from operating activities	8,229,486	461,037	8,690,523
CASH FLOW FROM FINANCING ACTIVITIES			
Receipts from issuance of units	-	11,459	11,459
Payments against redemption of units	(8,637,899)	(453,516)	(9,091,415)
Dividend paid	(1,160)	(15,279)	(16,439)
Net cash (used in) / generated from financing activities	(8,639,059)	(457,336)	(9,096,395)
Net increase in cash and cash equivalents during the year	(409,573)	3,701	(405,872)
Cash and cash equivalents at the beginning of the year	410,210	1,446	411,656
Cash and cash equivalents at the end of the year	637	5,147	5,784

The annexed notes 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Islamic Munafa Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on November 17, 2022 between AL Habib Asset Management Company Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee.The Securities and Exchange Commission of Pakistan (SECP) has authorized the offer of Units of AL Habib Islamic Munafa Fund (AHIMF) and registered It as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations 2008 ("Regulations") vide letter No SCD/AMCW/AHFRF/2022/142/MF-NE-95 dated December 05, 2022. SECP has approved this Offering Document, under the Regulations vide No. 54(1).

1.2 The Management Company of the Fund has been registered with the SECP as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.

1.3 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.4 The Fund is an Open-End Shariah compliant Collective Investment Scheme as per SECP's Circular No.3 of 2022 dated February 10, 2022 with Allocation Plans. The Allocation Plans under the Fund may have different Shariah compliant investment avenues and different maturity dates. The Allocation Plans under the Fund may have a set timeframe or perpetual.

1.5 The Fund has been categorized as a Shariah Compliant Fixed Return Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan (SECP).

1.6 The core objective of the Fund is to provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity.

1.7 The Fund has launched two different plans; namely, Al Habib Islamic Munafa Fund Plan V (AHIMF Plan V) and Al Habib Islamic Munafa Fund Plan VIII (AHIMF Plan VIII). The units of these plans were initially offered to public from December 8, 2026 till December 15, 2026, and June 19, 2026 till June 29, 2026.

AHIMF Plan V have been matured as on January 15, 2026 respectively.

1.8 Title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund. The Fund is not listed on Pakistan Stock Exchange.

1.9 The management company has been assigned a rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standard issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notification issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

2.2 Basis of Measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates, assumptions and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if revision affects both current and future years.

Estimates and judgments that have a significant effect on the financial statements relate to classification, valuation and impairment of financial assets are as follows:

Classification and valuation of investments
For details please refer notes 4.2.2.1 and 6 to these financial statements.

Impairment of financial assets
For details please refer notes 4.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027

	Effective date (annual periods beginning on or after)
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policies applied in the preparation of these financial statements are set out below.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument for other entity.

4.2.1 Financial assets

Financials assets are classified into appropriate categories at amortized cost and at fair value through profit or loss. The management determines the classification of financial assets into categories based on fund’s business model for managing the financial and the contractual terms of the cash flows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments.These are intially recognized at fair value plus transaction cost except for financial assets carried at fair value through profit or loss.

4.2.2.1 Classification

4.2.2.1.1 Debt Instruments

Amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL.These are initially measured at fair value and transaction costs that are directly attributable to its acquisition are charged to income statement.

4.2.2.2 Subsequent measurement:

Debt investments at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, and impairment are recognised in income statement.

4.2.2.3 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.3 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly balances with bank, investments and other receivables.

4.2.4 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Any gain or loss arising on derecognition of financial liability is taken to the income statement.

4.2.5 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent (90%) of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders.

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

The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least 90% of its accounting income for the period as reduced by capital gains, whether realised or unrealised, to its unit holders.

4.5 Distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP), distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the management company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.The sale load is payable to Management Company / Distributors as processing fee.

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company / Distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.7 Element of income

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

Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in Unit holders' Fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP), the refund of capital is made in the form of additional units at zero price.

4.8 Net asset value per unit

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

4.9 Revenue recognition

- Mark-up on deposits with banks and mark-up / return on investments in debt securities are recognized using effective yield method.

- Capital gains / (loss) arising on sale of investments are recognized when the risk and rewards are transferred.

- Unrealized gains / loss recognized on mark to market investments classified as ' financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.

4.10 Expenses

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

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

		2026			2025		
		AHIMF Plan V	AHIMF Plan VIII	Total	AHIMF Plan III	AHIMF Plan IV	Total
5 BANK BALANCES	**Note**	---------- Rupees in '000 ----------			---------- Rupees in '000 ----------		
Saving accounts	5.1	2,193	212,598	214,791	637	5,147	5,784

5.1 These carries markup at the rate of 9.75 to 10.75% (2025: 9.75% to 10.50% per annum). These are held with Bank AL Habib Limited (Ultimate parent company), a related party.

6 INVESTMENTS

Financial assets classified at fair value through profit or loss							
GOP Ijarah Sukuks (GIS)	6.1	-	561,536	-	-	-	-

6.1 GoP Ijarah Sukuks (GIS)

6.1.1 AL Habib Islamic Munafa Plan VIII

Name of Instrument	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Rupees in '000)								
GoP Ijara Sukuk 5 Year VRR (29-10-2021)	-	5,630	-	5,630	561,558	561,536	(22)	72%	100%
Total as at June 30, 2026	-	5,630	-	5,630	561,558	561,536	(22)	72%	100%
Total as at June 30, 2025	-	-	-	-	-	-	-	-	-

		2026			2025		
		AHIMF Plan V	AHIMF Plan VIII	Total	AHIMF Plan III	AHIMF Plan IV	Total
7. PROFIT RECEIVABLE	**Note**	---------- Rupees in '000 ----------			---------- Rupees in '000 ----------		
GoP Ijarah Sukuks (GIS)		-	-	-	-	-	-
Savings deposits		-	11,075	11,075	3,557	520	4,077
		-	11,075	11,075	3,557	520	4,077

8. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY							
Remuneration payable to Management Company	8.1	1,487	59	1,546	-	452	452
Sindh Sales Tax payable on remuneration of Management Company	8.2	223	9	232	-	57	57
		1,710	68	1,778	-	509	509

8.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to 1.50% of average net assets of the fund. The remuneration is paid to the Management Company on monthly basis in arrears.

8.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) charged on the remuneration as per Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (CDC) - TRUSTEE

		2026			2025		
		AHIMF Plan V	AHIMF Plan VIII	Total	AHIMF Plan III	AHIMF Plan IV	Total
	Note	---------- Rupees in '000 ----------			---------- Rupees in '000 ----------		
Remuneration payable to the Trustee	9.1	144	4	148	-	21	21
Sindh Sales Tax payable on remuneration of the Trustee	9.2	22	1	23	-	3	3
		166	5	171	-	24	24

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed, as per the tariff specified therein, based on the average annual net assets of the Fund. The fee is paid to the Trustee monthly in arrears.

9.2 The Sindh Sales Tax at the rate of 15% (2025: 15%) charged on the trustee's remuneration.

10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		2026			2025		
		AHIMF Plan V	AHIMF Plan VIII	Total	AHIMF Plan III	AHIMF Plan IV	Total
	Note	Rupees in '000			Rupees in '000		
Annual fee payable	10.1	197	6	203	-	30	30

10.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.02% (2025 : 0.02%) of net assets in accordance with regulation 62 of the NBFC Regulations.

11. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable	105	-	105	-	-	-
Withholding tax payable	15	86	101	11	3,828	3,839
Capital gains tax payable	-	-	-	4,167	1,272	5,439
Other payables	-	27	27	16	4	20
	120	113	233	4,194	5,104	9,298

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at the reporting date. (2025: Nil)

	2026			2025		
	AHIMF Plan V	AHIMF Plan VIII	Total	AHIMF Plan III	AHIMF Plan IV	Total
13. NUMBER OF UNITS IN ISSUE	Rupees in '000			Rupees in '000		
Total units in issue at the beginning of the year	-		-	86,211,052	4,241,237	90,452,289
Add: units issued during the year	57,638,969	7,850,187	65,489,156	-	114,589	114,589
Less: units redeemed during the year	(57,638,969)	-	(57,638,969)	(86,211,052)	(4,355,826)	(90,566,878)
Total units in issue at the end of the year	-	7,850,187	7,850,187	-	-	-

14. AUDITORS' REMUNERATION

Annual audit fee	-	-	-	-	-	-
Half yearly review fee	-	-	-	-	-	-
Out of pocket expenses	-	-	-	-	-	-
Shariah compliance fee	115	-	115	-	114	114
	115	-	115	-	114	114

15. TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, 2008, the Fund is required to distribute atleast 90% of its net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current year as the management intends to distribute in cash atleast 90% of the Fund's accounting income for the year ending June 30, 2025 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

16. EARNING / (LOSS) PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

17. FINANCIAL INSTRUMENTS BY CATEGORY

Particular	2026						
	AHIMF Plan V			AHIMF Plan VIII			
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	Total
	---------- Rupees in '000 ----------						
Financial assets							
Bank balances	-	2,193	2,193	-	212,598	212,598	214,791
Investments	-	-	-	561,536	-	561,536	561,536
Profit receivable	-	-	-	-	11,075	11,075	11,075
	-	2,193	2,193	561,536	223,673	785,209	787,402
Financial liabilities							
Payable to AL Habib Asset Management Limited - Management Company	-	1,710	1,710	-	68	68	1,778
Payable to Central Depository Company of Pakistan Limited - Trustee	-	166	166	-	5	5	171
Payable to Securities and Exchange Commission of Pakistan	-	197	197	-	6	6	203
Accrued expenses and other liabilities		120	120	-	113	113	233
	-	2,193	2,193	-	192	192	2,385

Particular	2025						
	AHIMF Plan III			AHIMF Plan IV			
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	Total
Financial assets							
Bank balances	-	637	637	-	5,147	5,147	5,784
Investments	-	-	-	-	-	-	-
Profit receivable	-	3,557	3,557	-	520	520	4,077
	-	4,194	4,194	-	5,667	5,667	9,861
Financial liabilities							
Payable to AL Habib Asset Management Limited - Management Company	-	-	-	-	509	509	509
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	-	24	24	24
Payable to Securities and Exchange Commission of Pakistan	-	-	-	-	30	30	30
Accrued expenses and other liabilities	-	4,194	4,194	-	5,104	5,104	9,298
	-	4,194	4,194		5,667	5,667	9,861

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Related parties/ Connected persons include Al Habib Asset Management Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Related parties/connected persons include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Cash Fund	Managed by Management Company

S.No	Company Name	Relationship
9	AL Habib Islamic Savings Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Income Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Money Market Fund	Managed by Management Company
15	AL Habib Fixed Return Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the financial statements are as follows:

		2026			2025		
		AHIMF Plan V	AHIMF Plan VIII	Total	AHIMF Plan III	AHIMF Plan IV	Total
		Rupees in '000			Rupees in '000		
18.1	**Transactions during the period**						
	Al Habib Asset Management Limited - Management Company						
	Remuneration of the Management Company	1,477	59	1,536	-	271	271
	Sindh Sales Tax on remuneration of the	223	9	232	-	35	35
	Management Company	-	-	-	-	-	-
	Allocation of expenses related to registrar	-	-	-	-	-	-
	services, accounting, operation and valuation services			-	-	-	-
	Central Depository Company of Pakistan Limited - Trustee						
	Remuneration of the Trustee	145	4	149	34	103	137
	Sindh Sales Tax on remuneration of the Trustee	22	1	23	21	15	36
	Bank Al Habib Limited - Sponsor						
	Bank charges	-	-	-	-	9	9
	Profit on bank deposits	30,040	333	30,373	468	192	660
	Connected Persons						
	Al Habib Management Ltd- Plan-V (Issuance : 50,372 : Nil (2025)	5,052	-	5,052	-	-	-
	Al Habib Management Ltd- Plan-V (Redemption : 50,372 : Nil (2025)	5,037	-	5,037	-	-	-
	Al Habib Management Ltd- Plan-VIII (Issuance : 50,092 : Nil (2025)	-	5,012	5,012	-	-	-
	Directors and Key Executives						
	Purchase of units of the Plan-V (Issuance: 49,985: Nil (2025)	5,000	-	5,000	-	-	-
	Redemption of units of the Plan-V (49,985: Nil (2025)	5,043	-	5,043	-	-	-

		2026			2025		
		AHIMF Plan V	AHIMF Plan VIII	Total	AHIMF Plan III	AHIMF Plan IV	Total
18.2	Balances outstanding as at year end	---------- Rupees in '000 ----------			---------- Rupees in '000 ----------		
	Al Habib Asset Management Limited - Management Company						
	Remuneration of the Management Company	1,487	59	1,546	-	452	452
	Sindh Sales Tax on remuneration of the Management Company	223	9	232	-	57	57
	Allocation of expenses related to registrar services, accounting, operation and valuation services	-	-	-	-	-	-
	Bank Al Habib Limited - Sponsor						
	Bank Balances	2,193	212,598	214,791	637	5,147	5,784
	Profit Receivable	-	333	333	3,557	520	4,077
	Other Connected Persons						
	Al Habib Management Ltd- Plan-VIII Issuance : 50,092	-	5,009	5,009	-	-	-

19. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

19.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk.

19.1.2 Interest rate risk

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

a) Sensitivity analysis for variable rate instruments

As at the reporting date, the fund holds variable profit based investment and bank balances exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in interest rate at period end with all other variables held constant, the net income for the period and the net assets would be higher / lower by Rs. 7.76 million (2025: 0.06 million).

b) Sensitivity analysis for fixed rate instruments

The Fund is exposed to fair value interest rate risk for investment in government securities.

In case of 100 basis points increase in interest rates on June 30, 2025, with all other variables held constant, the net income for the period and the net assets would have been lower / higher by Rs. Nil (2025: Rs. Nil).

c) Fair value interest rate risk

Particulars	Effective yield / interest rate	2026									
		AL HABIB ISLAMIC MUNAFA Plan V					AL HABIB ISLAMIC MUNAFA Plan VIII				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year			Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000									
On-balance sheet financial instruments											
Financial assets											
Bank balances	9.75% to 10.75%	2,193	-	-	-	2,193	212,598	-	-	-	212,598
Investments - net		-	-	-	-	-	561,536	-	-	-	561,536
Profit receivable		-	-	-	-	-	11,075	-	-	-	11,075
		2,193	-	-	-	2,193	785,209			-	785,209
Financial liabilities											
Payable to the Management Company		-	-	-	1,710	1,710	-	-	-	68	68
Payable to the Trustee		-	-	-	166	166	-	-	-	5	5
Payable to Securities and Exchange Commission of Pakistan		-	-	-	203	203	-	-	-	6	6
Accrued expenses and other liabilities		-	-	-	233	233	-	-	-	113	113
		-	-	-	2,312	2,312	-	-	-	192	192
On-balance sheet gap (a)		2,193	-	-	(2,312)	(119)	785,209	-	-	(192)	785,017
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-

Particulars	Effective yield / interest rate	2025									
		AL HABIB ISLAMIC MUNAFA Plan III					AL HABIB ISLAMIC MUNAFA Plan IV				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year			Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000									
On-balance sheet financial instruments											
Financial assets											
Bank balances	9.75% to 10.75%	637	-	-	-	637	5,147	-	-	-	5,147
Investments - net		-	-	-	-	-	-	-	-	-	-
Profit receivable		3,557	-	-	-	3,557	520	-	-	-	520
		4,194	-	-	-	4,194	5,667	-	-	-	5,667
Financial liabilities											
Payable to the Management Company		-	-	-	-	-	-	-	-	509	509
Payable to the Trustee		-	-	-	-	-	-	-	-	24	24
Payable to Securities and Exchange Commission of Pakistan		-	-	-	-	-	-	-	-	30	30
Accrued expenses and other liabilities		-	-	-	4,194	4,194	-	-	-	5,104	5,104
		-	-	-	4,194	4,194	-	-	-	5,667	5,667
On-balance sheet gap (a)		4,194	-	-	(4,194)	-	5,667	-	-	(5,667)	-
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-

19.1.3 Other price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. As at June 30, 2025, the Fund do not hold any financial instrument which exposes the Fund to other price risks.

19.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to balances with bank (financial institutions) and receivables from banks.

Management of credit risk

The Fund keeps deposits with reputed financial institutions.

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

Bank	AHIMF Plan V	AHIMF Plan VIII	Latest available published rating as at June 30, 2026	Rating agency
	---------- Rupees in 000 ----------			
Bank Al Habib Limited	2,193	212,598	A1+	PACRA

The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2025.

Bank	AHIMF Plan III	AHIMF Plan IV	Latest available published rating as at June 30, 2025	Rating agency
	--- Rupees in 000 ---			
Bank Al Habib Limited	637	5,147	A1+	PACRA

19.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category

	2026		2025	
	AHIMF Plan V	AHIMF Plan VIII	AHIMF Plan II	AHIMF Plan III
	---------- (%) ----------		(%) ----------	
Ratings				
A1+	100%	100%	100%	100%
	100%	100%	100%	100%

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Fund's major asset balances are held with a single bank, and management believes that there is no concentration of credit risk as this bank is reputed institution.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to non-payment of redemptions request on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by the SECP.

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed off.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

The following table analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining year / period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	2026					
	AL HABIB ISLAMIC MUNAFA PLAN V			AL HABIB ISLAMIC MUNAFA PLAN VIII		
	Upto three months	More than three months and upto one	Over one year	Upto three months	More than three months and upto one	Over one year
	---------- Rupees in '000 ----------					
Financial liabilities						
Payable to the Management Company	1,710	-	-	68	-	-
Payable to the Trustee	166	-	-	5	-	-
Payable to Securities and Exchange Commission of Pakistan	197	-	-	6	-	-
Accrued expenses and other liabilities	120	-	-	113	-	-
Total Liabilities	2,193	-	-	192	-	-

Particulars	2025					
	AL HABIB ISLAMIC MUNAFA PLAN III			AL HABIB ISLAMIC MUNAFA PLAN IV		
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year
	---------- Rupees in '000 ----------					
Financial liabilities						
Payable to the Management Company	-	-	-	509	-	-
Payable to the Trustee	-	-	-	24	-	-
Payable to Securities and Exchange Commission of Pakistan	-	-	-	30	-	-
Accrued expenses and other liabilities	4,194	-	-	5,104	-	-
Total Liabilities	4,194	-	-	5,667	-	-

20. UNITHOLDERS' FUND RISK MANAGEMENT

The unitholders' fund is represented by the net assets attributable to unitholders / redeemable units. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unitholders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unitholders' fund. Unitholders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unitholders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management’. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current period.

21. 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

- Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

	2026			
	Fair value			
	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss	---------- (Rupees in '000) ----------			
Plan V				
GoP Ijarah Sukuk (GIS)	-	-	-	-
Plan VIII				
GoP Ijarah Sukuk (GIS)	-	561,536	-	561,536
	-	561,536	-	561,536

	2025			
	Fair value			
	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss	---------- (Rupees in '000) ----------			
Plan III				
GoP Ijarah Sukuk (GIS)	-	-	-	-
Plan IV				
GoP Ijarah Sukuk (GIS)	-	-	-	-
	-	-	-	-

21.1 Valuation techniques

21.1.1 For level 2 investments at fair value through profit or loss in units of mutual funds, Fund uses PKISRV rates which are taken from MUFAP, for the puprose of computation of Market value at the reporting date.

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

21.2 Transfers during the year

No transfers were made between various levels of fair value heriarchy during the year.

22. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

22.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

22.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Cash Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Government Securities Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Pension Fund
- Al Habib Gokp Pension Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic Money Market Fund
- Al Habib Islamic Income Fund
- Al Habib Islamic Savings Fund
- Al Habib Islamic Gokp Pension Fund
- Al Habib Islamic Pension Fund

23. PATTERN OF UNITHOLDING

2026

Category	Number of unit holders	Number of units held	Investment amount	Percentage
		---------- Rupees in '000 ----------		
Plan V				
Individuals	-	-	-	0.00%
Insurance Companies	-	-	-	0.00%
Associated Companies	-	-	-	0.00%
Retirement Funds	-	-	-	0.00%
	-	-	-	0.00%
Plan VIII				
Individuals	406	4,055,153	405,515	51.66%
Insurance Companies	139	1,385,212	138,521	17.65%
Associated Companies	5	50,092	5,009	0.64%
Retirement Funds	236	2,359,730	235,973	30.06%
	786	7,850,187	785,018	100.00%

2025

Category	Number of unit holders	Number of units held	Investment amount	Percentage
		---------- Rupees in '000 ----------		
Plan III				
Individuals	-	-	-	0.00%
Insurance Companies	-	-	-	0.00%
Associated Companies	-	-	-	0.00%
Retirement Funds	-	-	-	0.00%
	-	-	-	0.00%

Category	Number of unit holders	2025 Number of units held	Investment amount	Percentage
		---------- Rupees in '000 ----------		
Plan IV				
Individuals	-	-	-	0.00%
Insurance Companies	-	-	-	0.00%
Associated Companies	-	-	-	0.00%
Retirement Funds	-	-	-	0.00%
	-	-	-	0.00%

24. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 4, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

25. TOTAL EXPENSE RATIO

As per Part V regulations 67G of NBFC regulations issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Plan V and Plan VIII for the year ended June 30, 2026 is nil and 0.11% respectively which includes nil and 0.02% respectively representing Government levy and SECP fee.

26. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, whenever necessary for the purpose of comparison and for better presentation.

27. GENERAL

27.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

28. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2024

Fund Objective

The AL Habib Islamic Munafa- Plan 8 (AHIMF Plan 8) is Investment Plan under "AL Habib Islamic Munafa Fund (AHIMF)" with an objective to provide investors with an objective to provide investors with a competitive rate of return, for fixed tenure by investing primarily in Shariah compliant Instruments for a specific duration.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHIMFP8 maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with short tenor T-bills.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 306 bps as it posted YTD return of 8.57% as against the benchmark of 11.63%.

Fund Description

Fund Type & Category	Open End - Fixed Rate/ Return Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	June 19, 2026	**Management Fee**	0.00%
Benchmark	PKRV/ PIB rates on the last date of IOP of the CIS with maturity period corresponding to the maturity of CIS.	**Contingent Load**	Contingent Load will be charged which shall commensurate with net loss incurred due to early redemption.
Annual Return	8.57%	**Minimum Investment**	Initial investment of Rs. 5,000,000/-
Benchmark	11.63%	**Dealing Days/Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 785 Million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.000 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Maturity Date**	October 30, 2026
Risk Profile	Low (Principal at low risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2025**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

PKRV Rates		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26
Cash	27.08%
T- Bills	71.51%
Others	1.41%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
50001-100000	1
100001-500000	2
500001 and above	6
Grand Total	**9**

Income Distribution

AHIMFP8 made a total distribution of Rs. 0.2583 during FY26 in the form of dividend, the detail of which is given below:

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 14, 2026	109.0045	100.3958	8.6087

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHIMF Plan 8 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 2,694,795 units valued of Rs. 270 million were sold while no unit were redeemed resulting in to a net sale of 2,694,795 units of the value of Rs. 270 million.

Fund Performance at a Glance

	2026
Net Assets as at June 30 (Rs. in Million)	785
NAV per unit as at June 30 (Rs.)	100.0000
Distribution during the year ended June 30 (Rs.)	0.2583
Annual Return	8.57%

AL HABIB GOVERNMENT SECURITIES FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200
Karachi.

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton,

Trustee

Central Depository Company of Pakistan Limited
and CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AM 1 to the Management Company
AAA (f) to the fund Assigned by
PACRA.

Bankers to the Fund

Bank AL Habib Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB GOVERNMENT SECURITIES FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Government Securities Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 21, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS' OF AL HABIB GOVERNMENT SECURITIES FUND

Opinion

We have audited the financial statements of AL Habib Government Securities Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund 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 Matters

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:

S. No	Key Audit Matter	How the matter was addressed in our audit
1.	**Existence and valuation of investments** As disclosed in note 6 to the accompanying financial statements, the investment held by the Fund comprised of debt instruments amounting to Rs. 10,374.35 million representing 91.72% of the net assets value (NAV) of the Fund. As these investments represent a significant element of the statement of assets and liabilities, a discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated which would also impact the Fund's reported performance as the valuation of investments is the main driver of movements in the performance of the Fund.	Our audit procedures included the following: • Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2026 and traced it with the books and records of the Fund. Where such confirmations were not available alternate audit procedures were performed; • Performed substantive audit procedures on the year-end balance of debt instruments, including review of custodian statements, related reconciliations, and re-performed valuation procedures to

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

S. No	Key Audit Matter	How the matter was addressed in our audit
	In view of the significance of the above-mentioned balances in relation to the Fund's total assets and NAV, we considered the existence and valuation of investments as a key audit matter.	assess the reasonableness of the carrying values of investments. • We assessed the Fund's compliance with the requirements of Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the concentration of investments and exposure limits prescribed in such Regulations and reviewed the adequacy of disclosures as may be applicable in situations of non-compliance. • Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

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

The Management Company 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 the Management and Board of Directors for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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.

From the matters communicated with the Board of Directors of the Management Company, 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Report on Other Legal and Regulatory Requirements

Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166tunmDGsZ9

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026	2025
		-------- (Rupees in '000) --------	
Assets			
Balances with banks	5	3,913,024	3,994,113
Investments	6	10,374,346	7,810,180
Profit receivable	7	206,143	358,961
Advances and other receivable	8	470	3
Receivable against issuance of units		51,171	18,286
Total assets		14,545,154	12,181,543
Liabilities			
Payable to AL Habib Asset Management Limited - Management Company	9	52,089	53,946
Payable to Central Depository Company of Pakistan Limited - Trustee	10	725	1,017
Payable to Securities and Exchange Commission of Pakistan	11	865	1,205
Payable against redemption of units		2,987,540	3,157
Accrued expenses and other liabilities	12	193,449	542,067
Total liabilities		3,234,668	601,392
Net assets		11,310,486	11,580,151
Unit holders' fund (as per statement attached)		11,310,486	11,580,151
Contingencies and Commitments	13		
		(Number of Units)	
Number of units in issue	14	112,126,770	115,255,142
		(Rupees)	
Net assets value per unit		100.87	100.47

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		---------- (Rupees in '000) ----------	
Income			
Profit on bank deposits	15	360,796	71,811
Profit from government securities		878,950	2,299,381
Profit from debt securities		492,983	1,733,753
(Loss) / gain on sale of investments - net		(1,206)	315,355
Unrealised (diminution) / appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net		(16,742)	16,450
Total income		1,714,781	4,436,750
Expenses			
Remuneration of AL Habib Asset Management Limited - Management Company		107,365	373,506
Sindh Sales Tax on Management Company's remuneration		16,059	55,895
Expenses allocated by the Management Company	16	-	12,637
Remuneration of Central Depository Company of Pakistan Limited - Trustee		8,843	15,434
Sindh Sales Tax on Trustee remuneration		1,326	2,314
Fees to the Securities and Exchange Commission of Pakistan		12,058	21,046
Brokerage expense		754	2,198
Settlement and bank charges		145	63
Auditors' remuneration	17	374	327
Printing charges		-	57
Other expenses		204	-
Total expenses		147,128	483,477
Net income for the year before taxation		1,567,653	3,953,273
Taxation	18	-	-
Net income for the year after taxation		1,567,653	3,953,273
Allocation of net income for the year after taxation			
Net income for the year after taxation		1,567,653	3,953,273
Income already paid on units redeemed		(1,450,826)	(3,659,912)
		116,827	293,361
Accounting income available for distribution:			
Relating to capital gain		(17,948)	293,361
Excluding capital gain		134,775	-
		116,827	293,361
Earning per share	19		

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026	2025
	----------(Rupees in '000)----------	
Net income for the year after taxation	1,567,653	3,953,273
Other comprehensive income for the year	-	-
Total comprehensive income for the year	1,567,653	3,953,273

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			2025		
	Capital value	Undistributed income / (loss)	Net Assets	Capital value	Undistributed income / (loss)	Net Assets
Net assets at beginning of the year	11,354,538	225,613	11,580,151	19,802,235	90,121	19,892,356
Issuance of 443,281,514 units (2025: 512,540,293)						
- Capital value	44,536,494	-	44,536,494	51,489,798	-	51,489,798
- Element of income	2,258,335	-	2,258,335	4,138,840	-	4,138,840
Amount received on issuance of units	46,794,829	-	46,794,829	55,628,638	-	55,628,638
Redemption of 595,307,313 units (2025: 595,307,313)						
- Capital value	(44,850,801)	-	(44,850,801)	(59,804,573)	-	(59,804,573)
- Element of loss	(1,302,560)	(1,450,826)	(2,753,386)	(3,499,505)	(3,659,912)	(7,159,417)
Amount paid on redemption of units	(46,153,361)	(1,450,826)	(47,604,187)	(63,304,078)	(3,659,912)	(66,963,990)
Total comprehensive income for the year	-	1,567,653	1,567,653	-	3,953,273	3,953,273
Distribution during the year						
Rs. 9.9063 per unit (2025 Rs. 15.6691 per unit)	(949,896)	(78,064)	(1,027,960)	(772,257)	(157,869)	(930,126)
	(949,896)	1,489,589	539,693	(772,257)	3,795,404	3,023,147
Net assets at the end of the year	11,046,110	264,376	11,310,486	11,354,538	225,613	11,580,151

Undistributed income brought forward				
- Realised gain		209,163		111,786
- Unrealised loss		16,450		(21,665)
		225,613		90,121
Accounting income available for distribution				
- Relating to capital gain		(17,948)		293,361
- Excluding capital gain		134,775		-
		116,827		293,361
Distribution during the year				
Rs. 9.9063 per unit (2025 Rs. 15.6691 per unit)		(78,064)		(157,869)
Undistributed income carried forward		264,376		225,613
Undistributed income carried forward				
- Realised capital gain		281,118		209,163
- Unrealised capital gain		(16,742)		16,450
		264,376		225,613
		(Rupees)		**(Rupees)**
Net assets value per unit at beginning of the year		100.47		100.46
Net assets value per unit at end of the year		100.87		100.47

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	--------- (Rupees in '000) ---------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	1,567,653	3,953,273
Adjustments for non cash and other items		
Unrealised diminution/(appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	16,742	(16,450)
	1,584,395	3,936,823
(Increase) / decrease in assets		
Investments	(2,580,908)	6,680,466
Profit receivable	152,818	(82,970)
Advances, deposits and other receivables	(467)	(3)
Receivable against sale of units	(32,885)	2,975,183
	(2,461,442)	9,572,676
Increase / (decrease) in liabilities:		
Payable to AL Habib Asset Management Limited - Management Company	(1,857)	8,310
Payable to Central Depository Company of Pakistan Limited - Trustee	(292)	99
Payable to Securities and Exchange Commission of Pakistan	(340)	98
Payable against redemption of units	2,984,383	1,737
Accrued expenses and other liabilities	(348,618)	407,578
	2,633,276	417,822
Net cash generated from operating activities	1,756,229	13,927,321
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	46,794,829	55,628,638
Payments on redemption of units	(47,604,187)	(66,963,990)
Dividend paid	(1,027,960)	(930,126)
Net cash (used in) financing activities	(1,837,318)	(12,265,478)
Net (decrease) / increase in cash and cash equivalents	(81,089)	1,661,843
Cash and cash equivalents at beginning of the Year	3,994,113	2,332,270
Cash and cash equivalents at end of the Year	3,913,024	3,994,113

The annexed notes 1 to 32 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Government Securities Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on 27 October , 2022 under Regulation 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act.Accordingly, on July 13, 2023 the above mentioned Trust Deed has been registered under Sindh Trust Act.

1.3 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd Floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.

1.4 The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange (PSX). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository (CDC) of Pakistan Limited as a Trustee of the Fund.

1.5 The Fund has been formed to provide reasonable rate of return consistent with reasonable concern for safety of principal amount to the unit holders, along with facility to join or leave the Fund at their convenience. The management team would seek to enhance returns through active portfolio management using efficiency tools. The Fund has been categorized as Open- End Income Scheme as per criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Scheme (CIS).

1.6 Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.

1.7 The management company has been assigned a rating of "AM1" by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025

2. BASIS OF PREPARATION

2.1 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 as applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

2.2 Functional and presentation currency

These financial statement is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

2.3 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets

and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assetsis as follow:

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.2.1 and 6 to these financial statements.

Impairment of financial assets

For details please refer note 4.2.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027

	Effective date (annual periods beginning on or after)
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.2.1 Classification

Debt Instruments

Amortized cost

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through other comprehensive income

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through Profit or Loss

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.2.2.2 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in income statement. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognized in income statement.

4.2.2.3 Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financialassets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowancesfor such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;

- the time value of money; and

- reasonable and supportable information that is available without undue cost or effort at the reporting dateabout past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Impairment of financial assets on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "income statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and abovethe minimum provision requirement prescribed by the SECP, considering the specific credit and financial conditionof the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors ofthe Management Company. The provisioning policy approved by the Board of Directors has also been placed onthe Management Company's website as required under the SECP's Circular.

4.2.2.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.5 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.Any gain or loss on derecognition of financial liabilities is taken to the "income statement".

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

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

4.6 Issue and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

4.7 Element of income / (loss)

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

4.8 Net assets value per unit

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

4.9 Revenue recognition

- Gains or losses arising on the sale of investments are recorded at the date at which the transaction take place;
- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.
- Income on government securities is recognised on a time proportionate basis using the effective yield method.
- Profit on bank balances is recognised on an accrual basis.

4.10 Expenses

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

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and c onditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

		Note	2026	2025
			---------- Rupees in '000 ----------	
5	**BANK BALANCES**			
	In savings accounts	5.1 & 5.2	3,913,024	3,994,113

5.1 These carries profit rates ranging from 9.50% to 12.75% (June 30, 2025: 9.25% to 11.05%) per annum.

5.2 It includes balance of Rs. 443.618 million (2025: 183.33) with Bank AL Habib Limited, (a related party).

		Note	2026	2025
6	**INVESTMENTS**		---------- Rupees in '000 ----------	
	Financial assets at fair value through profit or loss			
	- GOP Ijara Sukuk certificates	6.1	-	-
	- Market Treasury Bills	6.2	5,576,314	4,744,336
	- Pakistan Investment Bonds	6.3	4,798,032	3,065,844
			10,374,346	7,810,180

6.1 GOP Ijara Sukuk Certificates

Particulars	As at June 30, 2026								
	As at July 01, 2025	Purchases during the period	Sold / Matured during the period	As at June 30, 2026	Carrying value	Market value	Unrealized appreciation / (diminution)	Market value as percentage of net assets	Market value as a percentage of total investment
	(Number of certificates)				(Rupees in '000)				
Quoted									
GOP IJARA SUKUK 05 YEAR FRR (30-05-2025)	-	25,000	25,000	-	-	-	-	0.00%	0.00%
GHS 1 YEAR DISCOUNTED(14-05-2026)	-	10,000,000	10,000,000	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(22-01-2026)	-	14,480,050	14,480,050	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

6.2 Government securities - Market Treasury Bills

Particulars	As at June 30, 2026								
	As at July 01, 2025	Purchases during the period	Sold during the period	As at June 30, 2026	Carrying value	Market value	Unrealized appreciation / (diminution)	Market value as percentage of net assets	Market value as a percentage of total investment
	(Number of units)				(Rupees in '000)				
T- BILL 12 MONTHS (09-01-2025)	11,120,100	-	11,120,100	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (23-01-2025)	10,120,000	1,245,100	11,365,100	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (06-02-2025)	7,053,350	-	7,053,350	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (15-05-2025)	5,000,000	-	5,000,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (26-06-2025)	4,000,000	-	4,000,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (29-05-2025)	3,500,000	-	3,500,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (12-06-2025)	2,500,000	-	2,500,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (15-05-2025)	2,380,250	-	2,380,250	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (06-03-2025)	2,090,000	-	2,090,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (26-06-2025)	2,000,000	2,250,000	4,250,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-06-2025)	-	2,250,000	2,250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (26-12-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-12-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (02-04-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (02-10-2025)	-	750,000	750,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (06-02-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (07-08-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (10-07-2025)	-	7,000,000	7,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (11-12-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (13-11-2025)	-	16,000,000	16,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-04-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (18-09-2025)	-	1,250,000	1,250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (24-06-2026)	-	5,000,000	-	5,000,000	496,491	496544	53.00	4.39%	4.79%
T - BILL 01 MONTHS (30-04-2026)	-	30,716,500	30,716,500	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (30-10-2025)	-	96,000	96,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (02-04-2026)	-	7,000,000	7,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (02-05-2025)	-	2,500,000	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (04-09-2025)	-	13,578,000	13,578,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (06-02-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (08-01-2026)	-	15,000,000	15,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (11-12-2025)	-	17,215,000	17,215,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (16-04-2026)	-	3,000,000	-	3,000,000	299,291	299,245	(46.00)	2.65%	2.88%
T - BILL 03 MONTHS (18-09-2025)	-	2,500,000	2,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (22-01-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (24-06-2026)	-	5,000,000	-	5,000,000	487,827	487,914	87.00	4.31%	4.70%
T - BILL 03 MONTHS (26-12-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (30-04-2026)	-	7,500,000	-	7,500,000	744,836	744,815	(21.00)	6.59%	7.18%
T - BILL 06 MONTHS (08-01-2026)	-	5,000,000	-	5,000,000	498,948	498,742	(206.00)	4.41%	4.81%
T - BILL 06 MONTHS (22-01-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (29-05-2025)	-	2,880,000	2,880,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (02-05-2025)	-	70,000,000	70,000,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (08-01-2026)	-	11,000,000	-	11,000,000	1,047,519	1,037,208	(10,311.00)	9.17%	10.00%
T - BILL 12 MONTHS (12-06-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (21-08-2025)	-	2,500,000	-	2,500,000	246,758	246,099	(659.00)	2.18%	2.37%
T - BILL 12 MONTHS (22-01-2026)	-	5,000,000	-	5,000,000	474,618	469,484	(5,134.00)	4.15%	4.53%
T - BILL 12 MONTHS (24-06-2026)	-	5,000,000	-	5,000,000	448,413	448,915	502.00	3.97%	4.33%
T - BILL 12 MONTHS (24-07-2025)	-	3,765,000	-	3,765,000	374,311	373,897	(414.00)	3.31%	3.60%
T - BILL 12 MONTHS (26-06-2025)	-	10,920,000	10,920,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (26-12-2025)	-	5,000,000	-	5,000,000	477,186	473,451	(3,735.00)	4.19%	4.56%
T - BILL 12 MONTHS (29-05-2025)	-	5,165,000	5,165,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (03-04-2025)	-	15,000,000	15,000,000	-	-	-	-	0.00%	0.00%

Particulars	As at June 30, 2026								
	As at July 01, 2025	Purchases during the period	Sold during the period	As at June 30, 2026	Carrying value	Market value	Unrealized appreciation / (diminution)	Market value as percentage of net assets	Market value as a percentage of total investment
	(Number of units)				(Rupees in '000)				
T- BILL 06 MONTHS (23-01-2025)	-	3,400,000	3,400,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (03-04-2025)	-	281,000	281,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (05-09-2024)	-	14,000,000	14,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (08-08-2024)	-	10,965,000	10,965,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (14-11-2024)	-	20,000,000	20,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (20-03-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (31-10-2024)	-	13,613,000	13,613,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					**5,596,198**	**5,576,314**	**(19,884)**		
Total as at June 30, 2025					4,743,768	4,744,336	568		

6.3 Government Securities - Pakistan Investment Bonds

PIB 5 YEARS (15-10-2020)	3,576,000	-	3,576,000	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (21-09-2023) - FLOATER	12,630	31,000	-	43,630	4,362,999	4,368,672	5,673	38.62%	42.11%
PIB 3 YEARS (09-02-2023) - FLOATER	12,000	-	12,000	-	-	-	-	0.00%	0.00%
PIB 05 YEARS (17-01-2024) - FIXED	1,000	-	-	1,000	105,334	104,948	(386)	0.93%	1.01%
PIB 3 YEARS (08-09-2022) - FLOATER	900	-	900	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (19-10-2023) - FLOATER	580	-	-	580	57,953	57,948	(5)	0.51%	0.56%
PIB 03 YEARS (16-01-2025) - FIXED	-	1,000	1,000	-	-	-	-	0.00%	0.00%
PIB 02 YEARS (03-10-2024) - FLOATER	-	20,000	20,000	-	-	-	-	0.00%	0.00%
PIB 10 YEARS (21-04-2016) - FIXED	-	12,508,000	12,508,000	-	-	-	-	0.00%	0.00%
PIB 05 YEARS (17-07-2025) - FIXED	-	1,000	1,000	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (04-07-2023) - FIXED	-	32,750	32,750	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (15-02-2024) - FIXED	-	250	-	250	25,421	25,339	(82)	0.22%	0.24%
PIB 5 YEARS (06-05-2021) - FLOATER	-	20,000	20,000	-	-	-	-	0.00%	0.00%
PIB 05 YEARS (22-10-2020) - FLOATER	-	5,000	5,000	-	-	-	-	0.00%	0.00%
PIB 10 YEARS (08-01-2026) - FLOATER	-	2,500	-	2,500	243,183	241,125	(2,058)	2.13%	2.32%
Total as at June 30, 2026					**4,794,890**	**4,798,032**	**3,142**		
Total as at June 30, 2025					3,049,962	3,065,844	15,882		

7 PROFIT RECEIVABLE	Note	2026	2025
		----- Rupees in '000 -----	
Bank deposits	7.1	30,349	24,292
Pakistan Investment Bonds		175,794	334,669
		206,143	358,961

7.1 This includes profit receivable from Bank AL Habib Limited (a related party) amounting to Rs. 5.354 million (2025: Rs 2.262 million)

8 ADVANCES AND OTHER RECEIVABLES	2026	2025
	----- Rupees in '000 -----	
Advance Tax	3	3
Other receivables	467	-
	470	3

9 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

		2026	2025
		----- Rupees in '000 -----	
Management remuneration	9.1	24,921	26,496
Sindh sales tax	9.2	3,562	3,844
Allocation of expenses related to registrar services, accounting, operation and valuation services	16	23,606	23,606
		52,089	53,946

9.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the management fee caps for a Collective Investment Schemes shall be applicable, calculated on a per annum basis of the average daily net assets, effective from July 01, 2025, the rate is revised from 10% of the annual gross earning to a maximum of upto 1.25% per annum of average daily net assets.

9.2 Sindh Sales Tax has been charged at 15% (2025: 15%) on the Management Company's remuneration during the period.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2026 ----- Rupees in '000 -----	2025
Trustee remuneration	10.1	635	885
Sindh Sales Tax on remuneration	10.2	90	132
		725	1017

10.1 The Trustee is entitled to a remuneration for services rendered to The Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee is fixed at 0.055% (2025: 0.055%) per annum of net assets.

10.2 The Sindh Sales Tax has been charged at 15% (2025: 15%) was charged on the Trustee's remuneration charged during the period.

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2026 ----- Rupees in '000 -----	2025
Annual fee payable	11.1	865	1,205

11.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan at 0.075% (2025: 0.075%) of net assets in accordance with regulation 62 of the NBFC Regulations.

12 ACCRUED EXPENSES AND OTHER LIABILITIES	2026 ----- Rupees in '000 -----	2025
Capital gain tax	167,421	436,389
Withholding tax	21,052	98,853
Brokerage	4,398	4,764
Auditors' remuneration	309	230
Dividend Payable	92	75
Accounting and printing charges	106	106
Formation cost	30	30
Settlement charges	41	68
Other Payable	-	1,552
	193,449	542,067

13 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2026 (2025: nil)

14 NUMBER OF UNITS IN ISSUE	2026 ----- Rupees in '000 -----	2025
Total units in issue at the beginning of the year	115,255,142	198,022,162
Add: Units issued	443,281,515	512,540,293
Less: Units redeemed	(446,409,887)	(595,307,313)
Total units in issue at the end of the year	112,126,770	115,255,142

15 PROFIT ON BANK DEPOSITS

Saving accounts	360,796	71,811

15.1 This includes profit on bank deposits with bank AL Habib Limited (ultimate parent), a related party of Rs. 76.304 million (2025: Rs. 43.766 million)

16 EXPENSES ALLOCATED BY THE MANAGEMENT COMPANY

As per the amendment made in the NBFC regulation, 2008 vide SRO 600 (1) / 2025 dated April 10, 2025, the SECP disallowed reimbursement of fee and expenses in relation to registrar services, accounting, operation and valuation services related to Collective Investment Scheme (CIS).

During the year, Management Company has charged Rs. Nil (2025: Rs 12.637 million) to the Fund.

17 AUDITORS' REMUNERATION	2026	2025
	----- Rupees in '000 -----	
Annual Audit Fee	189	194
Fee For Half Yearly Review	150	97
Other Certifications And Out Of Pocket Expenses	35	36
	374	327

18 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income earned by the Fund during the year to the unit holders in the manner as explained above, accordingly, no provision for taxation has been made in these financial statements during the year.

19 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

20 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026		
	Fair value through profit or loss	Amortized Cost	Total
	---------- Rupees in '000 ----------		
Financial assets			
Bank balances	-	3,913,024	3,913,024
Investments			
Pakistan Investment Bonds	4,798,032	-	4,798,032
Market Treasury Bills	5,576,314	-	5,576,314
Profit receivable	-	206,143	206,143
Advances and other receivable	-	470	470
Receivable against issuance of units	-	51,171	51,171
	10,374,346	4,170,808	14,545,154
Financial Liabilities			
Payable to AL Habib Asset Management Company Limited	-	52,089	52,089
Payable to the Central Depository Company	-	725	725
Payable to Securities and Exchange Commission of Pakistan	-	865	865
Payable against redemption of units		2,987,540	2,987,540
Accured expenses and other liabilities	-	4,976	4,976
	-	3,046,195	3,046,195

Particulars	As at June 30, 2025		
	Fair value through profit or loss	Amortized Cost	Total
	---------- Rupees in '000 ----------		
Financial assets			
Bank balances	-	3,994,113	3,994,113
Investments			
Pakistan Investment Bonds	3,065,844	-	3,065,844
Market Treasury Bills	4,744,336		4,744,336
Profit receivable	-	358,961	358,961
Advances and other receivable	-	3	3
Receivable against issuance of units	-	18,286	18,286
	7,810,180	4,371,363	12,181,543

Particulars	As at June 30, 2025		
	Fair value through profit or loss	Amortized Cost	Total
Financial Liabilities	Rupees in '000		
Payable to AL Habib Asset Management Company Limited	-	53,946	53,946
Payable to the Central Depository Company	-	1,017	1,017
Payable to Securities and Exchange Commission of Pakistan	-	1,205	1,205
Payable against redemption of units	-	3,157	3,157
Accured expenses and other liabilities	-	6,825	6,825
	-	66,150	66,150

21 TRANSACTIONS AND BALANCES WITH RELATED/ CONNECTED PERSONS

Related parties/ Connected persons include Al Habib Asset Management Comapany Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of AL Habib Asset Management Limited
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by AL Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by AL Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by AL Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by AL Habib Asset Management Limited
8	AL Habib Income Fund	Managed by AL Habib Asset Management Limited
9	AL Habib Money Market Fund	Managed by AL Habib Asset Management Limited
10	AL Habib Islamic Cash Fund	Managed by AL Habib Asset Management Limited
11	AL Habib Islamic Savings Fund	Managed by AL Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by AL Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by AL Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by AL Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by AL Habib Asset Management Limited
16	AL Habib Cash Fund	Managed by AL Habib Asset Management Limited
17	AL Habib GOKP Money Market Fund	Managed by AL Habib Asset Management Limited
18	AL Habib Islamic GOKP Pension Fund	Managed by AL Habib Asset Management Limited
19	AL Habib Sovereign Income Fund Plan	Managed by AL Habib Asset Management Limited
20	AL Habib Punjab Pension Fund	Managed by AL Habib Asset Management Limited
21	AL Habib Punjab Islamic Pension Fund	Managed by AL Habib Asset Management Limited
22	AL Habib Islamic Money Market Fund	Managed by AL Habib Asset Management Limited
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Details of transactions with connected persons are as follows:

	2026	2025
	---- (Rupees in '000) ----	
AL Habib Asset Management Limited - Management Company		
- Management Remuneration	107,365	373,506
- Sindh Sales Tax on Management Company's Remuneration	16,059	55,895
-Reimbursement to CIS payable to Management Company	-	12,637
Central Depository Company of Pakistan Limited - Trustee		
-Trustee Remuneration	8,843	15,434
-Sindh Sales Tax on Trustee Remuneration	1,326	2,314

	2026	2025
Bank AL Habib Limited - Parent Company of AL Habib Asset Management Limited	---- (Rupees in '000) ----	
- Bank balances	443,618	183,330
- Profit receivable	5,354	2,262

Sale / redemption of units for the period ended June 30, 2025	**2026 (Units)**	**2026 (Rupees in '000)**	**2025 (Units)**	**2025 (Rupees in '000)**
Units sold to:				
Management Company				
AL Habib Asset Management Limited	10,019,694	1,010,462	24,133,086	2,544,154
Associated Companies				
AL Habib Exchange Company Private Limted - Subsidiary of Bank AL Habib Limited	43,038	4,324	-	-
Other related parties				
-Key Executives of the Management Company	-	-	-	-
-Directors and their relatives of the Management Company	52,023,052	5,645,223	28,287,217	3,134,319
Habib Asset Management Ltd Emp Provident Fund	39,811	4,210	-	-
Habib Sugar Mills Ltd	27,666,298	2,853,149	-	-
Hamid D.Habib Memorial Trust	8,126,055	101,131	-	-
Connected Parties holding 10% or more of the units in issue	10,591,532	1,165,973	11,353,475	1,178,228
	2026 (Units)	**2026 (Rupees in '000)**	**2025 (Units)**	**2025 (Rupees in '000)**
Units redeemed by:				
Management Company				
AL Habib Asset Management Limited	97,947	10,506	244,146,988	2,635,955
Other related parties				
-Key Executives of the Management Company	-		-	-
-Directors & Their Relatives of the Management Company	27,279,339	2,973,535	72,934,271	8,210,923
Habib Sugar Mills Ltd	27,666,298	2,947,921	-	-
Hamid D.Habib Memorial Trust	8,114,965	859,725	-	-
Connected Parties holding 10% or more of the units in issue	1,103,154	110,849	15,412,029	1782022
Units held by:				
Management Company				
AL Habib Asset Management Limited	9,921,747	1,000,807	-	-
Associated Companies				
AL Habib Exchange Company Private Limted - Subsidiary of Bank AL Habib Limited	-	-	43,038	4324
Other related parties				
-Key Executives of the Management Company	-	-	-	-
-Directors & Their Relatives of the Management Company	25,007,960	2,522,553	264,247	252,300
Hamid D.Habib Memorial Trust	11,090	1,118	-	-
Habib Asset Management Ltd Emp Provident Fund	39,811	4,180	-	-
Habib Insurance Co. Ltd.Pak Emp. Provident Fund 3		1	-	-
Connected Parties holding 10% or more of the units in issue	31,535,753	3,181,011	17,314,070	291454

22 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of investments such as Government securities, spread transactions and in other money market instruments. These activities expose the Fund to a variety of financial risks, such as market risk, credit risk and liquidity risk.

22.1 Market risk

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

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

Market risk comprises of three types of risk; currency risk, interest rate risk and price risk. The fund is exposed to market rate risk .

22.1.1 Interest rate risk

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

a) Sensitivity analysis of variable rate instruments

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 9.50% to 12.75% per annum, and against investments in Pakistan Investment Bonds and Treasury Bills, the interest rate on which range between 8.75% to 14.00%.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs.142.874 million.

b) Sensitivity analysis of fixed rate instruments

The Fund's investment in Market Treasury Bills, Pakistan Investment Bonds, GOP Ijara Sukuk and Term Finance Certificates exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 47.980 million (2025: 47.443 million)

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

Particulars	As at June 30, 2026					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.50 - 12.75%	3,913,024	-	-	-	3,913,024
Pakistan Investment Bonds	8.75% - 14.00%	4,368,672	83,287	346,073	-	4,798,032
Market Treasury Bills	-	3,147,256	2,429,058	-	-	5,576,314
Profit receivable	-	-	-	-	206,143	206,143
Advances and other receivable	-	-	-	-	470	470
Receivable against issuance of units	-	-	-	-	51,171	51,171
Sub total		11,428,952	2,512,345	346,073	257,784	14,545,154
Financial liabilities						
Payable to AL Habib Asset Management Company Limited		-	-	-	52,089	52,089
Payable to the Central Depository Company		-	-	-	725	725
Payable to Securities and Exchange Commission of Pakistan		-	-	-	865	865
Payable against redemption of units		-	-	-	2,987,540	2,987,540
Accured expenses and other liabilities		-	-	-	4,976	4,976
Sub total		-	-	-	3,046,195	3,046,195
On-balance sheet gap (a)		11,428,952	2,512,345	346,073	(2,788,411)	11,498,959
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		11,428,952	2,512,345	346,073	(2,788,411)	11,498,959
Cumulative interest rate sensitivity gap		11,428,952	2,512,345	346,073		

Particulars	As at June 30, 2025					
	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.25 - 11.05%	3,994,113	-	-	-	3,994,113
Pakistan Investment Bonds	7.50% - 22.90%	89,973	1,551,732	1,424,139	-	3,065,844
Market Treasury Bills		1,197,940	3,546,396		-	4,744,336
Profit receivable	-	-	-	-	358,961	358,961
Advances and other receivable	-	-	-	-	3	3
Receivable against issuance of units	-	-	-	-	18,286	18,286
Sub total		5,282,026	5,098,128	1,424,139	358,961	12,181,543
Financial liabilities						
Payable to AL Habib Asset Management Company Limited		-	-	-	53,946	53,946
Payable to the Central Depository Company		-	-	-	1,017	1,017
Payable to Securities and Exchange Commission of Pakistan		-	-	-	-	-
Payable against redemption of units		-	-	-	-	-
Accured expenses and other liabilities		-	-	-	542,067	542,067
Sub total		-	-	-	597,030	597,030
On-balance sheet gap (a)		5,282,026	5,098,128	1,424,139	(238,069)	11,584,513
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		5,282,026	5,098,128	1,424,139	(238,069)	11,566,224
Cumulative interest rate sensitivity gap		5,282,026	5,098,128	1,424,139		

22.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in debt securities such as Term Finance Certificate and bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

22.2.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2026 and June 30, 2025

Name of Banks	Balances held as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Allied Bank Limited	30,136	AAA	PACRA
Bank Al Falah Limited	2,825	AA+	PACRA
Bank Al Habib Limited	443,618	AAA	PACRA
United Bank Limited	3,436,445	AAA	VIS
Total	3,913,024		

Name of Banks	Balances held as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
	Rupees in '000		
Balances with banks by rating category			
Allied Bank Limited	439,197	AAA	PACRA
Bank Al Falah Limited	2,896	AAA	PACRA
Bank Al Habib Limited	183,330	AAA	PACRA
United Bank Limited	3,368,690	AAA	VIS
Total	3,994,113		

22.2.2 The analysis below summarizes the credit quality of the Fund,s credit exposure:

Rating by rating category	2026	2025
	---------- (Percentage) ----------	
AA+ to AA	0.07%	0.00%
AAA	99.93%	100.00%
A-1+	0.00%	0.00%
	100.00%	**100.00%**

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in Government securities and bank balances, having satisfactory credit rating, therefore the fund is not exposed to any concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligation will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder’s option based on the Fund’s net asset value per unit at the time of redemption calculated in accordance with the Fund’s constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2026			
	Upto three	More than three	More than	Total
	Rupees in '000			
Financial liabilities				
Payable to Management Company	52,089	-	-	52,089
Payable to the Trustee	725	-	-	725
Payable to Securities and Exchange Commission of Pakistan	865	-	-	865
Payable against redemption of units	2,987,540	-	-	2,987,540
Accrued expenses and other liabilities	193,449	-	-	193,449
	3,234,668	-	-	3,234,668

Particulars	As at June 30, 2025			
	Upto three	More than three	More than	Total
	Rupees in '000			
Financial liabilities				
Payable to Management Company	53,946	-	-	53,946
Payable to the Trustee	1,017	-	-	1,017
Payable to Securities and Exchange Commission of Pakistan	1,205	-	-	1,205
Payable against redemption of units	3,157	-	-	3,157
Accrued expenses and other liabilities	542,067	-	-	542,067
	601,392	-	-	601,392

23 UNITS HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

24 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. Consequently, differences can arise between carrying values and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

"A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.
"

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

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

Particulars		2026						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
	Note	---------- Rupees in '000 ----------						
On-balance sheet financial instruments								
Financial assets measured at fair value	22.2							
Pakistan Investment Bonds		4,798,032	-	4,798,032	-	4,798,032	-	4,798,032
Market Treasury Bills		5,576,314	-	5,576,314	-	5,576,314	-	5,576,314
		10,374,346	-	10,374,346	-	10,374,346	-	10,374,346

Particulars	Note	2025						
		Carrying amount			Fair value			
		Fair value through profit or loss	Amortized cost	Total	Level 1	Level 2	Level 3	Total
		---------- Rupees in '000 ----------						
On-balance sheet financial instruments								
Financial assets measured at fair value	22.2							
Pakistan Investment Bonds		3,065,844	-	3,065,844	-	3,065,844	-	3,065,844
Market Treasury Bills		4,744,336	-	4,744,336	-	4,744,336	-	4,744,336
		7,810,180	-	7,810,180	-	7,810,180	-	7,810,180

24.1 Valuation techniques

For level 2 investments at fair value through profit or loss - investment in respect of Treasury Bills, Pakistan Investment Bonds and GOP Ijarah Sukuks, Fund uses the rates which are derived from PKRV, PKFRV and PKISRV rates at reporting date per certificate multiplied by the number of certificates held as at year end and for investment in respect of Term Finance Certificates, Fund uses the rates prescribed by MUFAP.

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

24.3 Transfers during the year

No transfers were made between various levels of fair value heriarchy during the year.

25 BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

	Broker name	2026	2025
		---------(Percentage)---------	
1	JS Global Capital Limited	2.80%	45.54%
2	Continental Exchange (Pvt.) Ltd	0.00%	14.08%
3	Invest One Markets Limited	2.84%	11.06%
4	C&M Management Limited	10.12%	8.84%
5	Optimus Markets (Pvt.) Ltd	7.59%	5.44%
6	AKD Securities Limited	0.00%	3.90%
7	Arif Habib Limited	0.99%	3.03%
8	Icon Securities (Pvt.) Ltd	0.00%	2.44%
9	BMA Capital Management Ltd	4.43%	1.24%
10	Paramount Capital (Pvt.) Ltd.	0.000%	0.92%
11	Crescent Enterprises (Private) Limited	11.51%	0.00%
12	Direct / Direct Participant	59.73%	0.00%

26 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

26.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

26.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Cash Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Gokp Islamic Pension Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Pension Fund
- Al Habib Gokp Pension Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic Money Market Fund
- Al Habib Islamic Income Fund
- Al Habib Islamic Savings Fund
- Al Habib Islamic Munafa Fund
- Al Habib Islamic Pension Fund

27 PATTERN OF UNITHOLDING

Unit holding pattern of the Fund as at June 30, 2026 is as follows:

Category	As at June 30, 2026			
	No. of unit holders	Number of units held	Investment amount	Percentage
		Rupees in '000		
Associated Companies	1	9,921,747	1,000,807	8.85%
Insurance Companies	-	-	-	0.00%
Retirement Funds	4	9,010,958	908,935	8.04%
Other Corporate	18	24,049,199	2,425,843	21.45%
Others	584	69,144,866	6,974,901	61.67%
	607	112,126,770	11,310,486	100%

Unit holding pattern of the Fund as at June 30, 2025 is as follows:

Category	As at June 30, 2025			
	No. of unit holders	Number of units held	Investment amount	Percentage
		Rupees in '000		
Associated Companies	0	-	-	0.00%
Insurance Companies	1	1,007,269	101,204	0.87%
Retirement Funds	6	2,664,436	267,707	2.31%
Other Corporate	26	62,771,989	6,306,959	54.46%
Others	384	48,811,440	4,904,281	42.35%
	417	115,255,134	11,580,151	100%

28 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Four meetings of the Board of Directors were held on August 25, 2025 and October 24, 2025 , February 04, 2026, April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Name of Director	Held	Attended	Leave granted	Meetings not attended
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

29 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended June 30, 2026 is 0.92% (June 30, 2025: 1.75%) which includes 0.18% (June 30, 2025: 0.29%) representing Government levy and Securities and Exchange Commission of Pakistan fee.

30 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified in these financial statement, whenever necessary to facilitate the comparison and to conform with the changes in presentation in the current year. No material rearrangements and reclassification have been made in these financial statements during the year.

31 GENERAL

31.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

32 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The objective of the Fund is to generate a competitive return with low risk, by investing primarily in Government Securities.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHGSF maintained the strategy to maintain exposure in high stability and low volatility avenues as mentioned in the objectives of the Fund, wherein major portion of investment was held with Government Securities, "AAA" rated Banks and short tenor T-bills.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 53 bps as it posted YTD return of 10.29% as against the benchmark of 10.82%.

Fund Description

Fund Type & Category	Open End - Income Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	July 13, 2023	**Management Fee**	0.67%
Benchmark	90% six (6) months PKRV rates + 10% six (6) months average of highest rates of saving accounts of three (3) AA rated scheduled banks as selected by MUFAP	**Sales Load**	3% (Management has the discretion to reduce or waive load on any transaction)
Annual Return	10.29%	**Minimum Investment**	Initial investment of Rs. 5,000 Subsequently Rs. 1,000 per transaction
Benchmark	10.82%	**Dealing Days/ Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 11,310 Mn (June 30, 2026)	**Fund Stability Rating**	"AAA(f)" by PACRA (May 25, 2026)
NAV per unit	Rs. 100.8723 per unit (June 30, 2026)	**AMC Rating**	"AM1" by PACRA (August 12, 2025)
Pricing Mechanism	Forward Pricing	**Trustee**	Central Depository Company of Pakistan Limited.
Risk Profile	Moderate Risk (Principal at moderate risk)		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's target range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2024**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	26.90%	32.80%
T-Bills	38.34%	38.96%
PIBs	32.99%	25.18%
Others	1.77%	3.06%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	317
1001-5000	39
5001-10000	22
10001-50000	25
50001-100000	11
100001-500000	34
500001-1000000	8
1000001-5000000	21
5000001 and above	5
Grand Total	**482**

Income Distribution

AHGSF made a total distribution of Rs. 9.9063 during FY26 in the form of dividend, the details of which is as follows;

Payout Date	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun 20, 2026	110.3805	100.4742	9.9063

During the period under question:

There has been no significant change in the state of affairs of the Fund. Al Habib Government Securities Fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year 125,092,362 units valued of Rs. 12,194 million were sold, while 138,950,040 units valued Rs. 14,459 million were redeemed, resulting in to a net sale of 13,857,678 units valued Rs. 1,545 million.

AHGSF Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in billion)	11,310	11,580
NAV per unit as at June 30 (Rs.)	100.8723	100.4742
Distribution during the year ended June 30 (Rs.)	9.9063	15.6691
Annual Return	10.29%	15.69%

AL HABIB SOVEREIGN INCOME FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200
Karachi.

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton,

Trustee

Central Depository Company of Pakistan Limited
and CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AM 1 to the Management Company
AAA (f) to the fund Assigned by
PACRA.

Bankers to the Fund

Bank AL Habib Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE UNIT HOLDERS

AL HABIB SOVEREIGN INCOME FUND

Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Sovereign Income Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

(i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;

(ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;

(iii) The management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and

(iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB SOVEREIGN INCOME FUND

Opinion

We have audited the financial statements of Al Habib Sovereign Income Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

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

The Management Company ("AL Habib Asset Management Limited") 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 of the Management Company for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Report on Other Legal and Regulatory Requirements

Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

KARACHI

DATED: 25 SEP 2026

UDIN: AR2026101668QnB1mZJ4

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
		---------- Rupees in '000 ----------			
ASSETS					
Bank balances	5	464,573	450,600	90,493	1,005,666
Investments	6	1,749,134	1,083,766	253,143	3,086,043
Profit receivable & other assets		4,214	3,018	717	7,949
TOTAL ASSETS		2,217,921	1,537,384	344,353	4,099,658
LIABILITIES					
Payable to AL Habib Asset Management Limited - Management Company	7	5,143	5,167	62	10,372
Payable to Central Depository Company of Pakistan Limited - Trustee	8	371	495	24	890
Payable to Securities and Exchange Commission of Pakistan	9	405	517	21	943
Payable against redemption of units		-	18	-	18
Accrued expenses and other liabilities	10	16,119	12,455	3,515	32,089
TOTAL LIABILITIES		22,038	18,652	3,622	44,312 496
NET ASSETS		2,195,883	1,518,732	340,731	4,055,346
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,195,883	1,518,732	340,731	4,055,346
CONTINGENCIES AND COMMITMENTS	11				
Number of units in issue	12	21,886,114	15,137,615	3,395,594	40,419,323
		---------- Rupees ----------			
Net assets value per unit		100.33	100.33	100.35	

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
		---------- Rupees in '000 ----------			
ASSETS					
Bank balances	5	4,255	335	335	4,925
Investments	6	95,616	100,028	100,028	295,672
Profit receivable & other assets		2,092	-	-	2,092
TOTAL ASSETS		101,963	100,363	100,363	302,689
LIABILITIES					
Payable to AL Habib Asset Management Limited - Management Company	7	18	-	-	18
Payable to Central Depository Company of Pakistan Limited - Trustee	8	13	2	2	17
Payable to Securities and Exchange Commission of Pakistan	9	10	2	2	14
Payable against redemption of units					
Accrued expenses and other liabilities	10	455	110	110	675
TOTAL LIABILITIES			114	114	724
NET ASSETS		101,466	100,249	100,249	301,964
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		101,466	100,249	100,249	301,964
CONTINGENCIES AND COMMITMENTS	11				
Number of units in issue	12	1,014,684	1,002,489	1,002,489	3,019,662
		---------- Rupees ----------			
Net assets value per unit		100.00	100.00	100.00	

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
		---------- Rupees in '000 ----------			
Income					
Profit on bank deposits		24,813	32,613	1,743	59,169
Income from government securities		85,901	142,724	11,765	240,390
		110,714	175,337	13,508	299,559
Realised gain / (loss) on sale of investments - net		176	(279)	3	(100)
Unrealised appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net		200	149	30	- 379
		111,090	175,207	13,541	299,838
Expenses					
Remuneration of AL Habib Asset Management Limited - Management Company	7.1	4,478	4,498	56	9,032
Sindh Sales Tax on remuneration of Management Company	7.2	662	669	6	1,337
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	552	895	69	1,516
Sindh Sales Tax on remuneration of Trustee	8.2	83	134	10	227
Annual fee to the Securities and Exchange Commission of Pakistan		752	1,151	94	1,997
Brokerage expense		5	2	-	7
Auditor's remuneration	13	84	104	82	270
		6,616	7,453	317	14,386
Net income for the year before taxation		104,474	167,754	13,224	285,452
Taxation	14	-	-	-	-
Net income for the year after taxation		104,474	167,754	13,224	285,452
Allocation of net income for the year:					
Net income for the year after taxation		104,474	167,754	13,224	285,452
Income already paid on redemption of units		(97,679)	(162,278)	(1,306)	(261,263)
		6,795	5,476	11,918	24,189
Accounting income available for distribution:					
- Relating to capital gains / (loss)		376	(130)	33	279
- Excluding capital gains		6,419	5,606	11,885	23,910
		6,795	5,476	11,918	24,189

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
		---------- Rupees in '000 ----------			
Income					
Profit on bank deposits		295	-	-	295
Income from government securities		1,590	338	338	2,266
		1,885	338	338	2,561
Realised gain / (loss) on sale of investments - net		(24)	-	-	(24)
Unrealised appreciation on re-measurement of investments classified at 'fair value through profit or loss' - net		72	25	25	122
		1,933	363	363	2,659
Expenses					
Remuneration of AL Habib Asset Management Limited - Management Company	7.1	18	-	-	18
Sindh Sales Tax on remuneration of Management Company	7.2	3	-	-	3
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8.1	10	2	2	14
Sindh Sales Tax on remuneration of Trustee	8.2	1	-	-	1
Annual fee to the Securities and Exchange Commission of Pakistan		10	2	2	14
Brokerage expense		3	-	-	3
Auditor's remuneration	13	95	27	27	149
		140	31	31	202
Net income for the year before taxation		1,793	332	332	2,457
Taxation	14	-	-	-	-
Net income for the year after taxation		1,793	332	332	2,457
Allocation of net income for the year:					
Net income for the year after taxation		1,793	332	332	2,457
Income already paid on redemption of units		(911)	-	-	(911)
		882	332	332	1,546
Accounting income available for distribution:					
- Relating to capital gains / (loss)		72	25	25	122
- Excluding capital gains		810	307	307	1,424
		882	332	332	1,546

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026				2025			
	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
	---------- Rupees in '000 ----------				---------- Rupees in '000 ----------			
Net income for the year after taxation	104,474	167,754	13,224	285,452	1,793	332	332	2,125
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	104,474	167,754	13,224	285,452	1,793	332	332	2,125

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026									
	AHSIF Plan 1			AHSIF Plan 2			AHSIF Plan 3			
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Total
	---------- Rupees in '000 ----------									
Net assets at beginning of the year	101,466	-	101,466	100,249	-	100,249	100,249	-	100,249	301,964
Issuance of 198,528,938 units (2025: 5,930,658 units)										
- Capital value	9,936,310	-	9,936,310	9,611,595	-	9,611,595	304,989	-	304,989	19,852,894
- Element of income	685,202	-	685,202	523,743	-	523,743	10,378	-	10,378	1,219,323
Total proceeds on issuance of units	10,621,512		10,621,512	10,135,338	-	10,135,338	315,368	-	315,367	21,072,217
Redemption of 159,815,704 units (2025: 2,910,996 units)										
- Capital Value	(7,849,167)	-	(7,849,167)	(8,198,082)	-	(8,198,082)	65,679	-	65,679	(15,981,570)
- Element of loss	(487,955)	(97,679)	(585,634)	(398,926)	(162,278)	(561,204)	(136,411)	(1,306)	(137,717)	(1,284,555)
Total payments on redemption of units	(8,337,122)	(97,679)	(8,434,801)	(8,597,008)	(162,278)	(8,759,286)	(70,732)	(1,306)	(72,038)	(17,266,125)
Total comprehensive income for the year	-	104,474	104,474	-	167,754	167,754	-	13,224	13,224	285,452
Cash distribution for the year ended June 30,2026	(195,859)	(908)	(196,767)	(124,569)	(755)	(125,324)	(5,161)	(10,910)	(16,071)	(338,162)
Net income for the year less distribution	(195,859)	103,566	(92,293)	(124,569)	166,999	42,430	(5,161)	2,314	(2,847)	(52,710)
Net assets at the end of the year	2,189,997	5,887	2,195,883	1,514,010	4,721	1,518,732	339,724	1,008	340,731	4,055,346
Undistributed income brought forward										
- Realised gain		(73)			(25)			(25)		
- Unrealised gain		72			25			25		
		(1)			-			-		
Accounting income available for distribution										
- Relating to capital gains		376			(130)			33		
- Excluding capital gains		6,419			5,606			11,885		
		6,795			5,476			11,918		
Distribution for the year:		(908)			(755)			(10,910)		
Undistributed loss carried forward		5,887			4,721			1,008		
Undistributed loss carried forward comprise of:										
- Realised loss		5,687			4,572			978		
- Unrealised gain		200			149			30		
		5,887			4,721			1,008		
				---------- (Rupees) ----------						
Net assets value per unit at beginning of the year		100.33			100.33			100.35		
Net assets value per unit at end of the year		100.33			100.33			100.35		

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2025									
	AHSIF Plan 1			AHSIF Plan 2			AHSIF Plan 3			
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Total
	---------- Rupees in '000 ----------									
Net assets at beginning of the year	-	-	-	-	-	-	-	-	-	-
Issuance of 198,528,938 units (2025: 5,930,658 units)										
- Capital value	392,568	-	392,568	100,249	-	100,249	100,249	-	100,249	593,066
- Element of income	1,762	-	1,762	-	-	-	-	-	-	1,762
Total proceeds on issuance of units	394,330	-	394,330	100,249	-	100,249	100,249	-	100,249	594,828
Redemption of 159,815,704 units (2025: 2,910,996 units)										
- Capital Value	(291,100)	-	(291,100)	-	-	-	-	-	-	(291,100)
- Element of loss	(1,763)	(911)	(2,674)	-	-	-	-	-	-	(2,674)
Total payments on redemption of units	(292,863)	(911)	(293,774)	-	-	-	-	-	-	(293,774)
Total comprehensive income for the year	-	1,793	1,793	-	332	332	-	332	332	2,457
Cash distribution for the year ended June 30,2026	-	(883)	(883)	-	(332)	(332)	-	(332)	(332)	(1,547)
Net income for the year less distribution	-	910	910	-	-	-	-	-	-	910
Net assets at the end of the year	101,466	(1)	101,466	100,249	-	100,249	100,249	-	100,249	301,964
Undistributed income brought forward										
- Realised gain		-			-			-		
- Unrealised gain		-			-			-		
		-			-			-		
Accounting income available for distribution										
- Relating to capital gains		72			25			25		
- Excluding capital gains		810			307			307		
		882			332			332		
Distribution for the year:		(883)			(332)			(332)		
Undistributed loss carried forward		(1)			-			-		
Undistributed loss carried forward comprise of:										
- Realised loss		(73)			(25)			(25)		
- Unrealised gain		72			25			25		
		(1)			-			-		
				---------- (Rupees) ----------						
Net assets value per unit at beginning of the year		-			-			-		
Net assets value per unit at end of the year		100.00			100.00			100.00		

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
		---------- Rupees in '000 ----------			
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the year before taxation		104,474	167,754	13,224	285,452
Adjustments for:					
Unrealised appreciation					
re-measurement of investments classified					
at 'fair value through profit or loss' - net		(200)	(149)	(30)	(379)
		104,274	167,605	13,194	285,073
(Increase) / decrease in assets					
Investments - net		(1,653,316)	(983,572)	(153,085)	(2,789,973)
Profit receivable		(2,122)	(3,018)	(717)	(5,857)
		(1,655,438)	(986,590)	(153,802)	(2,795,830)
Increase / (decrease) in liabilities					
Payable to the AL Habib Asset Management Limited - Management Company		5,125	5,167	62	10,354
Payable to Central Depository Company of Pakistan Limited - Trustee		358	493	22	873
Payable to Securities and Exchange Commission of Pakistan		395	515	19	929
Accrued expenses and other liabilities		15,664	12,345	3,405	31,414
		21,542	18,520	3,508	43,570
Net cash used in operating activities		(1,529,622)	(800,465)	(137,100)	(2,467,187)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issuance of units		10,621,512	10,135,338	315,368	21,072,218
Payments on redemption of units		(8,434,805)	(8,759,284)	(72,038)	(17,266,127)
Distribution made during the year		(196,767)	(125,324)	(16,071)	(338,162)
Net cash generated from financing activities		1,989,940	1,250,730	227,258	3,467,929
Net increase in cash and cash equivalents		460,318	450,265	90,158	1,000,742
Cash and cash equivalents at beginning of the year		4,255	335	335	4,925
Cash and cash equivalents at end of the year	5	464,573	450,600	90,493	1,005,667

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
		---------- Rupees in '000 ----------			
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the year before taxation		1,793	332	332	2,457
Adjustments for:					
Unrealised appreciation re-measurement of investments classified at 'fair value through profit or loss' - net		(72)	(25)	(25)	(122)
		1,721	307	307	2,335
(Increase) / decrease in assets					
Investments - net		(95,543)	(100,003)	(100,003)	(295,549)
Profit receivable		(2,092)	-	-	(2,092)
		(97,635)	(100,003)	(100,003)	(297,641)
Increase / (decrease) in liabilities					
Payable to the AL Habib Asset Management Limited - Management Company		18	-	-	18
Payable to Central Depository Company of Pakistan Limited - Trustee		13	2	2	17
Payable to Securities and Exchange Commission of Pakistan		10	2	2	14
Accrued expenses and other liabilities		455	110	110	675
		496	114	114	724
Net cash used in operating activities		(95,418)	(99,582)	(99,582)	(294,582)
CASH FLOWS FROM FINANCING ACTIVITIES					
Proceeds from issuance of units		394,330	100,249	100,249	594,828
Payments on redemption of units		(293,774)	-	-	(293,774)
Distribution made during the year		(883)	(332)	(332)	(1,547)
Net cash generated from financing activities		99,673	99,917	99,917	299,507
Net increase in cash and cash equivalents		4,255	335	335	4,925
Cash and cash equivalents at beginning of the year		-	-	-	-
Cash and cash equivalents at end of the year	5	4,255	335	335	4,925

The annexed notes 1 to 27 form an integral part of this financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Sovereign Income Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was registred under Sindh Trust Act 2020 and approved by the Securities and Exchange Commission of Pakistan (SECP) on November 08, 2024 under Rule 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).

1.2 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.

1.3 The Fund is an open-end Collective Investment Scheme (CIS) as per SECP's Circular No.3 of 2022 dated February 10, 2022 with Allocation Plans. The Allocation Plans under the Fund may have different investment avenues and different maturity dates. The Allocation Plans under the Fund may have a set timeframe or perpetual.

1.4 The Fund has been categorized as a Fixed Return Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan (SECP).

1.5 The Core objective of the Fund is to provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity.

1.6 The Fund has launched three different plans; namely, AL Habib Sovereign Income Fund - Plan 1, AL Habib Sovereign Income Fund - Plan 2, AL Habib Sovereign Income Fund - Plan 3. The units of these plans were initially offered to public from June 05, 2025 Perpetual, June 19, 2025 till June 14, 2030, June 19, 2025 till June 14, 2030 respectively.

1.7 The title to the assets of the Fund are held in the name of Central Depository Company Limited (CDC) as a Trustee of the Fund. The Fund is not listed on Pakistan Stock Exchange.

1.8 The management company has been assigned a rating of 'AM1' by Pakistan Credit Rating Agency PACRA dated August 12, 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates, assumptions and judgements

The preparation of financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates judgements and associated assumptions are .based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgements about carrying values of assets and liabilities.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets is as follow:

Classification and measurement of financial assets and liabilities
For details please refer notes 4.2.3 and 6 to these financial statements.

Impairment of financial assets
For details please refer notes 4.2.5 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027

	Effective date (annual periods beginning on or after)
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost and fair value through profit or loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.3 Classification

Debt Instruments

Amortized cost

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.2.4 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income, calculated using the effective interest method, and impairment are recognized in income statement.

4.2.5 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the Expected Credit Loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.6 Regular way purchase and sale of financial asset

Regular way purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.8 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the income statement.

4.2.9 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP), distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the Net Assets Value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, provision of transaction cost if applicable.

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

4.7 Element of income

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

4.8 Net asset value per unit

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

4.9 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.

- Mark-up / profit / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.

- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.

- Dividend income from equity securities is recognised when the right to receive the dividend is established.

4.10 Expenses

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

4.10 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the Management, determination of weighted average units for calculating EPU is not practicable.

4.11 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

5 BANK BALANCES

		2026				2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
	Note	---------- Rupees in '000 ----------				---------- Rupees in '000 ----------			
Saving accounts	5.1	464,573	450,600	90,493	1,005,666	4,255	335	335	4,925
		464,573	450,600	90,493	1,005,666	4,255	335	335	4,925

5.1 This represents balance with Bank AL Habib Limited (Ultimate Parent), realted party amounting to Rs. 3.677 million, Rs. 207.308 million and Rs. 7.066 million in AL Habib Sovereign Income Plan-1, AL Habib Sovereign Income Plan-2 & AL Habib Sovereign Income Plan-3 respectively.

5.2 The profit rates effective at the year end on these accounts range from 11.25% to 10.33% (2025: 9.25%) per annum.

6 INVESTMENTS

		2026				2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
	Note	---------- Rupees in '000 ----------				---------- Rupees in '000 ----------			
At fair value through profit or loss									
Market Treasury Bills (T- Bills)	6.1	1,749,134	1,083,766	253,143	3,086,043	95,616	100,028	100,028	295,672
		1,749,134	1,083,766	253,143	3,086,043	95,616	100,028	100,028	295,672

6.1 Government securities - Market Treasury Bills

Name of Instrument	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Rupees in '000)								
PLAN 1									
T - BILL 01 MONTHS (02-04-2026)	-	2,200,000	2,200,000						
T - BILL 01 MONTHS (05-03-2026)	-	1,458,000	1,458,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (06-02-2026)	-	2,156,500	2,156,500	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (13-11-2025)	-	80,000	80,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-04-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (17-03-2026)	-	10,250,000	10,250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (24-06-2026)	-	12,700,000	-	12,700,000	1,261,096	1,261,220	124	57.44%	72.11%
T - BILL 01 MONTHS (30-04-2026)	-	19,500,000	19,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (02-04-2026)	-	10,000,000	10,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (02-10-2025)	-	1,130,500	1,130,500	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (04-09-2025)	-	250,000	250,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (06-02-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (08-01-2026)	-	750,000	750,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (11-12-2025)	-	1,042,800	1,042,800	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (12-06-2025)	200,000	-	200,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (19-02-2026)	-	20,000,000	20,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (22-01-2026)	-	10,500,000	10,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (24-06-2026)	-	5,000,000	-	5,000,000	487,827	487,914	87	22.22%	27.89%
T - BILL 03 MONTHS (26-12-2025)	-	7,862,000	7,862,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (08-01-2026)	-	1,350,000	1,350,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-06-2025)	-	2,750,000	2,750,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (26-06-2025)	-	5,200,000	5,200,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (06-02-2025)	810,000	-	810,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (12-12-2024)	-	100,000	100,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (17-04-2025)	-	5,280,000	5,280,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (26-12-2024)	-	210,600	210,600	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026	**1,010,000**	**127,570,400**	**110,880,400**	**17,700,000**	**1,748,923**	**1,749,134**	**211**	**79.7%**	**100%**
Total as at June 30, 2025		4,025,000	3,015,000	1,010,000	95,545	95,616	72	94%	100%

Name of Instrument	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	(Rupees in '000)								
PLAN 2									
T - BILL 01 MONTHS (02-04-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (11-12-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (13-11-2025)	-	7,000,000	7,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-04-2026)	-	4,000,000	4,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (16-10-2025)	-	4,512,950	4,512,950	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (17-03-2026)	-	4,100,000	4,100,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (19-02-2026)	-	2,000,000	2,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (24-06-2026)	-	6,000,000	-	6,000,000	595,789	595,852	63	39.23%	54.98%
T - BILL 01 MONTHS (30-04-2026)	-	16,000,000	16,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (30-10-2025)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (04-09-2025)	-	1,040,000	1,040,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (07-08-2025)	-	6,060,000	6,060,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (08-01-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (11-12-2025)	-	1,500,000	1,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (12-06-2025)	1,020,000.00	-	1,020,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (16-10-2025)	-	493,900	493,900	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (19-02-2026)	-	500,000	500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (22-01-2026)	-	8,000,000	8,000,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (24-06-2026)	-	5,000,000	-	5,000,000	487,827	487,914	87	32.13%	45.02%
T - BILL 03 MONTHS (26-12-2025)	-	2,500,000	2,500,000	-	-	-	-	0.00%	0.00%

Name of Instrument	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	---------- (Rupees in '000) ----------								
T - BILL 06 MONTHS (08-01-2026)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-12-2025)	-	5,700,000	5,700,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (02-05-2025)	-	10,000,000	10,000,000	-	-	-	-	0.00%	0.00%
T - BILL 12 MONTHS (26-06-2025)	-	6,800,000	6,800,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (06-02-2025)	-	100,000	100,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (12-12-2024)	-	3,000,000	3,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (23-01-2025)	-	7,000,000	7,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (26-12-2024)	-	5,210,000	5,210,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (31-10-2024)	-	3,000,000	3,000,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026	**1,020,000**	**134,516,850**	**124,536,850**	**11,000,000**	**1,083,616**	**1,083,766**	**150**	**71.36%**	**100%**
Total as at June 30, 2025		1,020,000	-	1,020,000	100,003	100,028	25	100%	100%

Name of Instrument	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	---------- (Rupees in '000) ----------								
PLAN 3									
PIB 03 YEARS (04-07-2023) - FIXED	-	146	146	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (02-04-2026)	-	1,100,000	1,100,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (05-03-2026)	-	250,000	250,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (11-12-2025)	-	850,000	850,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (13-11-2025)	-	1,000,000	1,000,000	-	-	-	-	0.00%	0.00%
T - BILL 01 MONTHS (24-06-2026)	-	1,930,000	-	1,930,000	191,646	191,666	20	56.25%	75.71%
T - BILL 01 MONTHS (30-04-2026)	-	1,500,000	1,500,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (04-09-2025)	-	1,040,000	1,040,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (08-01-2026)	-	750,000	750,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (11-12-2025)	-	250,000	250,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (12-06-2025)	1,020,000	-	1,020,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (19-02-2026)	-	250,000	250,000	-	-	-	-	0.00%	0.00%
T - BILL 03 MONTHS (24-06-2026)	-	630,000	-	630,000	61,466	61,477	11	18.04%	24.29%
T - BILL 06 MONTHS (08-01-2026)	-	750,000	750,000	-	-	-	-	0.00%	0.00%
T - BILL 06 MONTHS (26-12-2025)	-	1,300,000	1,300,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026	**1,020,000**	**11,600,146**	**10,060,146**	**2,560,000**	**253,112**	**253,143**	**31**	**0.00%**	**0.00%**
Total as at June 30, 2025	-	1,020,000	-	1,020,000	100,003	100,028	25	100%	100%

7 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - THE MANAGEMENT COMPANY

		2026				2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
	Note	---------- Rupees in '000 ----------				---------- Rupees in '000 ----------			
Remuneration payable to Management Company	7.1	4,481	4,498	54	10,372	18	-	-	-
Sindh Sales Tax payable	7.2	662	669	8	1,339	-	-	-	-
		5,143	5,167	62	11,711	18	-	-	-

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated June 20, 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration up to 1.5% of average daily net assets of the fund. The remuneration is paid to the Management Company on monthly basis in arrears.

7.2 Sindh Sales Tax is 15% (2025: 15%) charged during the year.

8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		2026				2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
	Note	---------- Rupees in '000 ----------				---------- Rupees in '000 ----------			
Remuneration payable	8.1	322	430	21	773	10	2	2	14
Sindh Sales Tax Payable	8.2	49	65	3	117	3	-	-	3
		371	495	24	890	13	2	2	17

8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the Trustee fee has been revised effective from July 01, 2019, whereby the revised tariff is 0.055% of average daily net assets of the Fund. The remuneration is paid to the trustee monthly in arrears. (2025: 0.055%).

8.2 The Sindh Sales Tax has been charged at 15% on the Trustee's remuneration charged during the period (2025: 15%).

9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		2026				2025			
	Note	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
Annual fee payable to SECP	9.1	405	517	21	943	10	2	2	14
		405	517	21	943	10	2	2	14

9.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan SECP in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated 28 June 2019. The fee of the SECP charged during the year at 0.055% of net assets.(2025: 0.055%)

10. ACCRUED EXPENSES AND OTHER LIABILITIES

	2026				2025			
	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Total
Auditor's remuneration	179	132	110	421	95	27	27	149
Withholding tax payable	520	325	3,213	4,058	224	83	83	390
Capital gain tax payable	15,420	11,998	192	27,610	137	-	-	137
	16,119	12,455	3,515	32,089	456	110	110	676

11. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at the reporting date (2025: Nil).

12. NUMBER OF UNITS IN ISSUE

	2026				2025			
	AHSIF PLAN 1	AHSIF PLAN 2	AHSIF PLAN 3	Total	AHSIF PLAN 1	AHSIF PLAN 2	AHSIF PLAN 3	Total
Total units in issue at the beginning of the year	1,014,684	1,002,489	1,002,489	3,019,662	-	-	-	-
Add: Units issued during the year	99,363,101	96,115,946	3,049,892	198,528,939	3,925,680	1,002,489	1,002,489	5,930,658
Less: Units redeemed during the year	(78,491,671)	(81,980,820)	(656,787)	(161,129,278)	(2,910,996)	-	-	(2,910,996)
Total units in issue at the end of the year	21,886,114	15,137,615	3,395,594	40,419,323	1,014,684	1,002,489	1,002,489	3,019,662

13. AUDITORS' REMUNERATION

	2026				2025			
	AHSIF PLAN 1	AHSIF PLAN 2	AHSIF PLAN 3	Total	AHSIF PLAN 1	AHSIF PLAN 2	AHSIF PLAN 3	Total
Annual audit fee	84	104	82	270	95	27	27	149
Review of condensed interim financial information	-	-	-	-	-	-	-	-
Out of pocket expenses	-	-	-	-	-	-	-	-
	84	104	82	270	95	27	27	149

14 TAXATION

The Fund's income is exempt from income tax as per clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders. The Fund is also exempt from section 113 (minimum tax) provision under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

During the period ended June 30, 2026 , the Fund has distributed by way of cash and bonus units as dividend, as the case maybe, at minimum of 90% of accounting income for the period , as reduced by capital gains, whether realised or unrealised to the unit holders. Accordingly, no provision for taxation has been recognized in these financial statements.

15 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

16 FINANCIAL INSTRUMENTS BY CATEGORY

2026

Particular	AHSIF Plan 1			AHSIF Plan 2			AHSIF Plan 3			Total
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	
	Rupees in '000									
Financial assets										
Bank balances	-	464,573	464,573	-	450,600	450,600	-	90,493	90,493	1,005,666
Investments	1,749,134	-	1,749,134	1,083,766	-	1,083,766	253,143	-	253,143	3,086,043
Profit receivable	-	4,214	4,214	-	3,018	3,018	-	717	717	7,949
	1,749,134	**464,573**	**2,213,707**	**1,083,766**	**450,600**	**1,534,366**	**253,143**	**90,493**	**343,636**	**2,132,780**
Financial liabilities										
Payable to AL Habib Asset Management Limited	-	5,143	5,143	-	5,167	5,167	-	68	68	10,378
Payable to Central Depository Company of Pakistan Limited	-	371	371	-	495	495	-	24	24	890
Payable to Securities and Exchange Commission of Pakistan	-	405	405	-	517	517	-	21	21	943
Payable against redemption of units	-	-	-	-	18	-	-	-	-	-
Accrued expenses and other liabilities	-	16,119	16,119	-	12,455	12,455	-	3,515	3,515	32,089
	-	**22,038**	**22,038**	**-**	**18,652**	**18,634**	**-**	**3,628**	**3,628**	**44,300**

2025

Particular	AHSIF Plan 1			AHSIF Plan 2			AHSIF Plan 3			Total
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	
	Rupees in '000									
Financial assets										
Bank balances	-	4,255	4,255	-	335	335	-	335	335	4,925
Investments	95,616	-	95,616	100,028	-	100,028	100,028	-	100,028	295,672
Profit receivable	-	2,092	2,092	-	-	-	-	-	-	2,092
	95,616	**4,255**	**99,871**	**100,028**	**335**	**100,363**	**100,028**	**335**	**100,363**	**2,132,780**
Financial liabilities										
Payable to AL Habib Asset Management Limited	-	18	18	-	-	-	-	-	-	18
Payable to Central Depository Company of Pakistan Limited	-	13	13	-	2	2	-	2	2	17
Payable to Securities and Exchange Commission of Pakistan	-	10	10	-	2	2	-	2	2	14
Accrued expenses and other liabilities	-	455	455	-	110	110	-	110	110	675
	-	**496**	**496**	**-**	**114**	**114**	**-**	**114**	**114**	**724**

17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES/ CONNECTED PARTIES

Related parties/ Connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Related parties/connected persons include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent Company of the Management Company
3	AL Habib Capital Markets (Private) Limited	Subsidiary of Bank AL Habib Limited
4	AL Habib Asset Allocation Fund	Subsidiary of Bank AL Habib Limited
5	AL Habib Islamic Income Fund	Managed by the Management Company
6	AL Habib Islamic Stock Fund	Managed by the Management Company
7	AL Habib Stock Fund	Managed by the Management Company
8	AL Habib Cash Fund	Managed by the Management Company
9	AL Habib Islamic Savings Fund	Managed by the Management Company
10	AL Habib Islamic Cash Fund	Managed by the Management Company
11	AL Habib Income Fund	Managed by the Management Company
12	AL Habib Pension Fund	Managed by the Management Company
13	AL Habib Islamic Pension Fund	Managed by the Management Company
14	AL Habib Fixed Return Fund	Managed by the Management Company
15	AL Habib Islamic Munafa Fund	Managed by the Management Company
16	AL Habib Government Securities Fund	Managed by the Management Company
17	AL Habib GOKP Money Market Fund	Managed by the Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by the Management Company
19	AL Habib Money Market Fund	Managed by the Management Company
20	AL Habib Punjab Pension Fund	Managed by the Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by the Management Company
22	AL Habib Islamic Money Market Fund	Managed by the Management Company
23	AL Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central depositary Company Of Pakistan	Trustee

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the financial statements are as follows:

		2026				2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	TOTAL	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	TOTAL
17.1	**Transactions during the year**	----------Rupees in '000----------				----------Rupees in '000----------			
	AL Habib Asset Management Limited - Management Company								
	Remuneration of the Management Company	4,478	4,503	62	9,043	18	-	-	18
	Sindh Sales Tax on remuneration of the Management Company	662	664	4	1,330	3	-	-	3
	Allocation of expenses related to registrar services, accounting, operation and valuation services	-	-	-	-	-	-	-	-
	Central Depository Company of Pakistan Limited - Trustee								
	Remuneration of the Trustee	552	895	69	1,516	10	2	2	14
	Sindh Sales Tax on remuneration of the Trustee	83	134	10	227	1	-	-	1
	Bank Al Habib Limited - Sponsor								
	Mark-up on bank deposits	5,349	7,229	423	13,001	295	-	-	295

		2026				2025			
		AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	TOTAL	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	TOTAL
17.2	**Balances outstanding as at year end**	----------Rupees in '000----------				----------Rupees in '000----------			
	AL Habib Asset Management Limited - Management Company								
	Remuneration of the Management Company	4,472	4,493	59	9,024	18	-	-	18
	Sindh Sales Tax on remuneration of the Management Company	671	674	9	1,354	-	-	-	-
	Allocation of expenses related to registrar services, accounting, operation and valuation services	-	-	-	-	-	-	-	-
	Central Depository Company of Pakistan Limited - Trustee								
	Remuneration of the Trustee	323	430	21	774	10	2	2	14
	Sindh Sales Tax on remuneration of the Trustee	48	65	3	116	3	-	-	3
	Bank Al Habib Limited - Sponsor								
	Bank Balances	3,677	207,308	7,066	218,051	4,255	335	335	4,925
	Profit Receivable	447	638	65	1,150	2092	-	-	2,092

	2026					
	AHSIF Plan 1		AHSIF Plan 2		AHSIF Plan 3	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units issued to:						
Management Company						
- AL Habib Asset Management Limited	16,292,478	1,641,213	7,645,587	814,536	76,412	10,762
Directors & Their Relatives of the Management Company						
- Directors & their relatives	-	-	-	-	-	-
Key Management Personnel of the Management Company						
-Key Management Personnel	-	-	-	-	-	-
Units redeemed by:						
Management Company						
- AL Habib Asset Management Limited	2,122,415	225,563	4,737,467	499,737	-	-
Directors & Their Relatives of the Management Company						
- Directors & their relatives	-	-	-	-	-	-
Key Management Personnel of the Management Company						
-Key Management Personnel	-	-	-	-	-	-
Units held by:						
Management Company						
- AL Habib Asset Management Limited	14,170,063	1,415,650	2,908,120	75,158	76,412	10,762
Directors & Their Relatives of the Management Company						
- Directors & their relatives	-	-	-	-	-	-
Key Management Personnel of the Management Company						
-Key Management Personnel	-	-	-	-	-	-
Connected persons holding 10% or more of the units in issue):	-	-	-	-	-	-

18 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

18.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

18.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk.

18.1.2 Interest rate risk

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

a) Sensitivity analysis for variable rate instruments

As at the reporting date, the fund holds variable profit based investment and bank balances exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in interest rates at period end with all other variables held constant, the net income for the period and the net assets of Plan 1, Plan 2 and Plan 3 would have been higher / lower by Rs. 0.001 million, Rs. 0.001 million and Rs. 0.001 million respectively.

b) Sensitivity analysis for fixed rate instruments

As at the reporting date, the fund holds fixed profit based investment exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in interest rates at period end with all other variables held constant, the net income for the period and the net assets of Plan 1, Plan 2 and Plan 3 would have been higher / lower by Rs. Nill (June 30, 2024: Nill).

c) Fair value interest rate risk

AHSIF PLAN 1						
2026						
Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9%	464,573	-	-	-	464,573
Investments - net		-	-	-	1,749,134	1,749,134
Profit receivable		-	-	-	4,214	4,214
Sub total		464,573	-	-	1,753,348	2,217,921
Financial liabilities						
Payable to the Management Company		-	-	-	5,143	**5,143**
Payable to the Trustee		-	-	-	371	307
Payable to the SECP		-	-	-	405	405
Accrued expenses and other liabilities		-	-	-	179	179
Sub total		-	-	-	6,034	6,034
On-balance sheet gap (a)		464,573	-	-	1,747,314	2,223,955
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		464,573	-	-	1,747,314	2,223,955
Cumulative interest rate sensitivity gap		464,573	-	-	1,747,314	2,223,955

AHSIF PLAN 2						
2026						
Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9%	450,600	-	-	-	450,600
Investments - net		-	-	-	1,083,766	1,083,766
Profit receivable		-	-	-	3,018	3,018
Sub total		450,600	-	-	-	1,537,384

AHSIF PLAN 2						
2026						
Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
Financial liabilities						
Payable to the Management Company		-	-	-	5,167	5,167
Payable to the Trustee		-	-	-	495	495
Payable to the SECP		-	-	-	517	517
Payable against redemption of units		-	-	-	18	18
Accrued expenses and other liabilities		-	-	-	132	132
Sub total		-	-	-	6,329	6,329
On-balance sheet gap (a)		450,600	-	-	6,329	1,543,713
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		450,600	-	-	6,329	1,543,713
Cumulative interest rate sensitivity gap		450,600	-	-	6,329	1,543,713

AHSIF PLAN 3						
2026						
Particulars	Effective yield / interest rate	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------				
On-balance sheet financial instruments						
Financial assets						
Bank balances	9%	90493	-	-	-	90,493
Investments - net		-	-	-	253,143	253,143
Profit receivable		-	-	-	717	717
Sub total		90,493		-	253,860	344,353
Financial liabilities						
Payable to the Management Company		-	-	-	62	62
Payable to the Trustee		-	-	-	24	24
Payable to the SECP		-	-	-	21	21
Accrued expenses and other liabilities		-	-	-	110	110
Sub total		-	-	-	217	217
On-balance sheet gap (a)		90,493	-	-	254,077	344,570
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		90,493	-	-	254,077	344,570
Cumulative interest rate sensitivity gap		90,493	-	-	254,077	344,570

18.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to bank balances (financial institutions) and receivables from banks.

Management of credit risk

The Fund keeps deposits with reputed financial institutions. All transactions in units are settled / paid for upon delivery using the system of Trustee. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

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

Bank	AHSIF Plan 1	AHSIF Plan 2	AHSIF Plan 3	Latest available published rating as at June 30, 2026	Rating agency
Bank Al Habib Limited	464,573	450,600	90,493	A1+	PACRA

18.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category

A1+

There is no exposure other than bank balance as disclosed above as at June 30, 2026.

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Fund's major asset balances are held with a single bank. The management believes that these banks are reputed institution.

18.2.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to non-payment of redemptions request on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by the SECP.

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed off.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

The following table analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	2026								
	AHSIF Plan 1			AHSIF Plan 2			AHSIF Plan 3		
	Upto three months	More than three months and upto one year	More than one year	Upto three months	More than three months and upto one year	More than one year	Upto three months	More than three months and upto one year	More than one year
	---------- Rupees in '000 ----------								
Financial liabilities									
Payable to AL Habib Asset Management Limited - Management Company	5,143	-	-	5,167	-	-	62	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	371	-	-	495	-	-	24	-	-
Payable to Securities and Exchange Commission of Pakistan	405	-	-	517	-	-	21	-	-
Payable against redemption of units	-	-	-	18	-	-	-	-	-
Accrued expenses and other liabilities	16,119	-	-	12,455	-	-	3,515	-	-
Total liabilities	**22,038**	**-**	**-**	**18,652**	**-**	**-**	**3,622**	**-**	**-**

19 UNITHOLDERS' FUND RISK MANAGEMENT

The unitholders' fund is represented by the net assets attributable to unitholders / redeemable units. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unitholders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unitholders' fund. Unitholders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unitholders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management’. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current period.

20 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

- Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

2026

AHSIF Plan 1

Particulars	Note	Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		---------- Rupees in '000 ----------						
Financial assets measured at fair value								
Investments	6.1	1,749,134	-	1,749,134	-	1,749,134	-	1,749,134
		1,749,134	-	1,749,134	-	1,749,134	-	1,749,134

2026

AHSIF Plan 2

Particulars	Note	Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		---------- Rupees in '000 ----------						
Financial assets measured at fair value								
Investments	6.1	1,083,766	-	1,083,766	-	1,083,766	-	1,083,766
		1,083,766	-	1,083,766	-	1,083,766	-	1,083,766

2026

AHSIF Plan 3

Particulars	Note	Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		---------- Rupees in '000 ----------						
Financial assets measured at fair value								
Investments	6.1	253,143	-	253,143	-	253,143	-	253,143
		253,143	-	253,143	-	253,143	-	253,143

2025

AHSIF Plan 1

Particulars	Note	Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		---------- Rupees in '000 ----------						
Financial assets measured at fair value								
Investments	6.1	95,616	-	95,616	-	95,616	-	95,616
		95,616	-	95,616	-	95,616	-	95,616

2025

AHSIF Plan 2

Particulars	Note	Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		---------- Rupees in '000 ----------						
Financial assets measured at fair value								
Investments	6.1	100,028	-	100,028	-	100,028	-	100,028
		100,028	-	100,028	-	100,028	-	100,028

2025

AHSIF Plan 3

Particulars	Note	Carrying amount			Fair value			
		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
		---------- Rupees in '000 ----------						
Financial assets measured at fair value								
Investments	6.1	100,028	-	100,028	-	100,028	-	100,028
		100,028	-	100,028	-	100,028	-	100,028

20.1 Valuation techniques

20.1.1 For level 2 investments at fair value through profit or loss in units of mutual funds, Fund uses PKRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

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

20.2 Transfers during the year

No transfer were made between various levels of fair value hierarchy during the year.

21 PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

21.1 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- AL Habib CASH Fund
- AL Habib Money Market Fund
- AL Habib Income Fund
- AL Habib Government Securities Fund
- AL Habib Fixed Return Fund
- AL Habib Pension Fund
- AL Habib GOKP Pension Fund
- AL Habib Islamic Cash Fund
- AL Habib Islamic Money Market Fund
- AL Habib Islamic Income Fund
- AL Habib Islamic Savings Fund
- AL Habib Islamic Munafa Fund
- AL Habib Islamic Pension Fund
- AL Habib Islamic GOKP Pension Fund

22 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025 and February 04, 2026, April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Name of Director	Held	Attended	Leave granted	Meetings not attended
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

23 PATTERN OF UNITHOLDING

Category	2026 Number of unit holders	Number of units held	Investment amount	Percentage
		Rupees in '000		
AL Habib Sovereign Income Fund - Plan 1				
Individuals	10,112	1,260,672	126,486	5.76%
Banking and Fis	36	15,176,630	1,522,705	69.34%
Retirement Funds	-	-	-	0.00%
Other Corporate	-	-	-	0.00%
Others	547	5,448,810	546,691	24.90%
	10,695	21,886,112	2,195,882	100.00%

	2026 Number of unit holders	Number of units held	Investment amount	Percentage
		Rupees in '000		
AL Habib Sovereign Income Fund - Plan 2				
Individuals	10,112	9,596,982	962,850	63.40%
Banking and Fis	36	3,910,609	392,345	25.83%
Retirement Funds	-	-	-	0.00%
Other Corporate	-	-	-	0.00%
Others	642	1,630,024	163,538	10.77%
	10,790	15,137,615	1,518,733	100.00%

	2026 Number of unit holders	Number of units held	Investment amount	Percentage
		Rupees in '000		
AL Habib Sovereign Income Fund - Plan 3				
Individuals	10,112	1,778,434	178,457	52.37%
Banking and Fis	36	1,078,901	108,262	31.77%
Provident fund	120	538,259	54,012	15.85%
Other Corporate	-	-	-	0.00%
Others	-	-	-	0.00%
	10,268	3,395,594	340,731	100.00%

Category	2025 Number of unit holders	Number of units held	Investment amount	Percentage
		Rupees in '000		
AL Habib Sovereign Income Fund - Plan 1				
Director	-	-	-	0.00%
Associated Companies	384	1,006,567	101,538	99.20%
Retirement Funds	-	-	-	0.00%
Other Corporate	-	-	-	0.00%
Others	6,335	8,117	819	0.80%
	6,719	1,014,684	102,357	100.00%

	2025			
	Number of unit holders	Number of units held	Investment amount	Percentage
	---------- Rupees in '000 ----------			
AL Habib Sovereign Income Fund - Plan 2				
Director	-	-	-	0.00%
Associated Companies	-	1,002,489	100,582	100.00%
Retirement Funds	-	-	-	0.00%
Other Corporate	-	-	-	0.00%
Others	-	-	-	0.00%
	-	1,002,489	100,582	100.00%

	2025			
	Number of unit holders	Number of units held	Investment amount	Percentage
	---------- Rupees in '000 ----------			
AL Habib Sovereign Income Fund - Plan 3				
Director	-	-	-	0.00%
Associated Companies	-	1,002,489	100,582	100.00%
Retirement Funds	-	-	-	0.00%
Other Corporate	-	-	-	0.00%
Others	-	-	-	0.00%
	-	1,002,489	100,582	100.00%

24 TOTAL EXPENSE RATIO

The total expense ratio of Al Habib Sovereign Income Fund Plan 1, Plan 2 and Plan 3 for the year ended June 30, 2026 is 0.66%, 0.46% and 0.25% respectively which includes 0.15%, 0.12% and 0.09% respectively representing Government levy and SECP fee.

25. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the current year.

26 GENERAL

Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

27 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the board of directors of the Management Company on **August 21, 2026**.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The AL Habib Sovereign Income Fund - Plan 1 (AHSIF Plan 1) is Investment Plan under "AL Habib Sovereign Income Fund (AHSIF)" with an objective to seek maximum possible preservation of capital and generate a competitive return by investing primarily in Government Securities.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHSIFP-1 maintained the strategy to maximize capital preservation while generating competitive returns primarily through investments in Government Securities.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 87 bps as it posted YTD return of 9.95% as against the benchmark of 10.82%.

Fund Description

Fund Type & Category	Open End -Sovereign Income Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	June 03, 2025	**Management Fee**	0.45%
Benchmark	90% six (6) months PKRV rates + 10% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Banks, as selected by MUFAP	**Risk Profile**	Medium (Principal at medium risk)
Annual Return	9.95%	**Minimum Investment**	Initial investment of Rs. 5,000/-
Benchmark	10.82%	**Dealing Days/ Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 2,196 Million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.3322 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing		

Economic Review:
Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	20.95%	4.17%
T-Bills	78.86%	93.78%
Others	0.19%	2.05%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	4
1001-5000	1
10001-50000	2
50001-100000	1
100001-500000	1
1000001-5000000	1
5000001 and above	2
Grand Total	**12**

Income Distribution

AHSIFP1 made a total distribution of Rs. 10.5500 during FY26 in the form of dividend, the detail of which is given below:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun, 20 2026	110.5500	100.0000	10.5500

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHSIF Plan 1 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 36,129,147 units valued Rs. 3887 million were sold, while 36,251,963 units valued Rs. 3797 million were redeemed, resulting in to a net sale of 122,817 units valued Rs. 90 million.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in billion)	2196	101
NAV per unit as at June 30 (Rs.)	100.3322	100.0000
Distribution during the year ended June 30 (Rs.)	10.5500	0.8756
Annual Return	9.95%	11.84%

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The AL Habib Sovereign Income Fund - Plan 2 (AHSIF Plan 2) is Investment Plan under "AL Habib Sovereign Income Fund (AHSIF)" with an objective to seek maximum possible preservation of capital and generate a competitive return by investing primarily in Government Securities.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHSIFP-2 maintained the strategy to maximize capital preservation while generating competitive returns primarily through investments in Government Securities.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 24 bps as it posted YTD return of 10.58% as against the benchmark of 10.82%.

Fund Description

Fund Type & Category	Open End -Sovereign Income Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	June 19, 2025	**Management Fee**	0.28%
Benchmark	90% six (6) months PKRV rates + 10% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Banks, as selected by MUFAP	**Contingent Load**	Contingent Load will be charged which shall commensurate with net loss incurred due to early redemption.
Annual Return	10.58%	**Minimum Investment**	Initial investment of Rs. 5,000/-
Benchmark	10.82%	**Dealing Days/ Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 1,519 Million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.3284 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Trustee**	June 14, 2030
Risk Profile	Medium (Principal at medium risk)		

Economic Review:
Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	29.31%	0.33%
T-Bills	70.49%	99.67%
Others	0.20%	0.00%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	4
1001-5000	1
10001-50000	2
100001-500000	1
1000001-5000000	5
Grand Total	**13**

Income Distribution

AHSIF Plan 2 made a total distribution of Rs. 10.5865 during FY26 in the form of dividend, the detail of which is given below:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun, 20, 2026	110.5865	100.0000	10.5865

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHSIF Plan 2 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 23,013,920 units valued Rs. 2,425 million were sold, while 19,020,666 units were redeemed valued 1,997 million, resulting in to a net sale of 3,993,253 units valued Rs. 429 million.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in billion)	1,519	100
NAV per unit as at June 30 (Rs.)	100.3284	100.0000
Distribution during the year ended June 30 (Rs.)	10.5865	0.3319
Annual Return	10.58%	11.01%

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective

The AL Habib Sovereign Income Fund - Plan 3 (AHSIF Plan 3) is Investment Plan under "AL Habib Sovereign Income Fund (AHSIF)" with an objective to seek maximum possible preservation of capital and generate a competitive return by investing primarily in Government Securities.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHSIFP-3 maintained the strategy to maximize capital preservation while generating competitive returns primarily through investments in Government Securities.

Performance of the fund with benchmark

The Fund underperformed it's benchmark by 7 bps as it posted YTD return of 10.75% as against the benchmark of 10.82%

Fund Description

Fund Type & Category	Open End -Sovereign Income Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	June 19, 2025	**Management Fee**	0.04%
Benchmark	90% six (6) months PKRV rates + 10% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Banks, as selected by MUFAP	**Risk Profile**	Medium (Principal at medium risk)
Annual Return	10.75%	**Minimum Investment**	Initial investment of Rs. 5,000/-
Benchmark	10.82%	**Dealing Days/ Timings**	Monday to Thursday 4:00 pm | Friday 4:30 pm
Net Assets	Rs. 341 Million (June 30, 2026)	**AMC Rating**	"AM1" by PACRA
NAV per unit	Rs. 100.3450 per unit (June 30, 2026)	**Trustee**	Central Depository Company of Pakistan Limited.
Pricing Mechanism	Forward Pricing	**Maturity Date**	June 14, 2030

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Policy Rate		
Date	**Policy Rate**	**Change (Bps)**
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	26.28%	0.33%
T-Bills	73.51%	99.67%
Others	0.21%	0.00%

Unit Holding Pattern

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	2
1001-5000	1
5001-10000	1
500001-1000000	1
1000001-5000000	2
Grand Total	**7**

Income Distribution

AHSIF Plan 3 made a total distribution of Rs. 10.7355 during FY26 in the form of dividend, the detail of which is given below:

Month	Cum NAV Rs.	Ex-NAV Rs.	Distribution Rs.
Jun, 25	100.3319	100.00	0.3319

During the period under question:

There has been no significant change in the state of affairs of the Fund. AHSIF Plan 3 does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units

During the year, 200,624 units valued Rs. 21 million were sold, while only 1,004 units valued Rs. 0.1 million were redeemed, resulting in to a net sale of 199,621 units valued at Rs. 21 million.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in billion)	341	100
NAV per unit as at June 30 (Rs.)	100.3450	100.0000
Distribution during the year ended June 30 (Rs.)	10.7355	0.3319
Annual Return	10.75%	11.01%

AL HABIB PENSION FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200
Karachi.

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton,

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AM1 Management Company Quality

Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE PARTICIPANTS

AL HABIB PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Pension Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 21, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No. 1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE PARTICIPANTS OF AL HABIB PENSION FUND

Opinion

We have audited the financial statements of Al Habib Pension Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in participants sub-funds and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

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

Management is responsible for the other information. The other information comprises the information included in the 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 of the Management Company 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 for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Report on Other Legal and Regulatory Requirements

Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166QV0h5TEyk

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----------Rupees in '000----------			
Assets					
Balances with bank	5	31,625	71,415	150,521	253,561
Investments	6	655,454	329,254	439,266	1,423,974
Dividend and profit receivable	7	162	817	1,153	2,132
Other receivables	8	-	550	659	1,209
Total assets		687,241	402,036	591,599	1,680,876
Liabilities					
Payable to AL Habib Asset Management Company Limited - Management Company	9	1,441	362	584	2,387
Payable to Central Depository Company of Pakistan Limited - Trustee	10	166	94	128	388
Payable to the Securities and Exchange Commission of Pakistan	11	257	137	182	576
Accrued expenses and other liabilities	12	8,156	97	3,137	11,390
Total liabilities		10,020	690	4,031	14,741
Net assets		677,221	401,346	587,568	1,666,135
PARTICIPANTS' SUB FUND (AS PER STATEMENT ATTACHED)		677,221	401,346	587,568	1,666,135
CONTINGENCIES AND COMMITMENTS	13				
Number of units in issue	14	1,232,425	2,145,779	3,217,336	
Net assets value per unit		549.50	187.04	182.63	

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----------Rupees in '000----------			
Assets					
Balances with bank	5	31,356	22,580	73,935	127,871
Investments	6	405,922	291,503	320,293	1,017,718
Dividend and profit receivable	7	1,239	113	170	1,522
Other receivables	8	3,454	1,730	648	5,832
Total assets		441,971	315,926	395,046	1,152,943
Liabilities					
Payable to AL Habib Asset Management Company Limited - Management Company	9	382	280	427	1,089
Payable to Central Depository Company of Pakistan Limited - Trustee	10	60	46	56	162
Payable to the Securities and Exchange Commission of Pakistan	11	106	88	127	321
Accrued expenses and other liabilities	12	4,989	70	154	5,213
Total liabilities		5,537	484	764	6,785
Net assets		436,434	315,442	394,282	1,146,158
PARTICIPANTS' SUB FUND (AS PER STATEMENT ATTACHED)		436,434	315,442	394,282	1,146,158
CONTINGENCIES AND COMMITMENTS	13				
Number of units in issue	14	1,112,732	1,863,433	2,389,597	
Net assets value per unit		392.21	169.27	164.99	

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----------Rupees in '000----------			
Income					
Capital gain on sale of investments - net		98,632	91	164	98,887
Income from Pakistan Investment Bonds		-	26,214	33,295	59,509
Income from Market Treasury Bills		-	5,370	7,069	12,439
Dividend income		34,468	-	-	34,468
Profit on bank deposits		2,736	5,402	9,178	17,316
		135,836	37,077	49,706	222,619
Unrealized appreciation on re-measurement of investments 'classified at fair value through profit or loss' - net	6.1 & 6.2	63,954	325	355	64,634
		199,790	37,402	50,061	287,253
Expenses					
Remuneration of AL Habib Asset Management Limited - Management Company	9.1	16,024	1,805	2,401	20,230
Sindh Sales Tax on remuneration of the Management Company	9.2	2,404	271	354	3,029
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	862	466	613	1,941
Sindh Sales Tax on remuneration of the Trustee	10.2	129	70	92	291
Annual fees to the Securities and Exchange Commission of Pakistan	11.1	256	138	182	576
Auditors' remuneration	15	198	113	113	424
Brokerage		2,661	22	4	2,687
Federal Excise Duty		412	-	-	412
Printing charges		-	-	-	-
Settlement and bank charges		102	92	30	224
		23,048	2,977	3,789	29,814
Net income for the year before taxation		176,742	34,425	46,272	257,439
Taxation	16	-	-	-	-
Earnings per unit	17				

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----------Rupees in '000----------			
Income					
Capital gain on sale of investments - net		36,414	5,548	2,868	44,830
Income from Pakistan Investment Bonds		-	-	8,932	8,932
Income from Market Treasury Bills		-	28,869	34,059	62,928
Dividend income		18,882	-	-	18,882
Profit on bank deposits		2,137	1,830	2,319	6,286
		57,433	36,247	48,178	141,858
Unrealized appreciation on re-measurement of investments 'classified at fair value through profit or loss' - net	6.1 & 6.2	81,155	430	127	81,712
		138,588	36,677	48,305	223,570
Expenses					
Remuneration of AL Habib Asset Management Limited - Management Company	9.1	2,654	2,232	3,180	8,066
Sindh Sales Tax on remuneration of the Management Company	9.2	398	334	476	1,208
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	400	310	471	1,181
Sindh Sales Tax on remuneration of the Trustee	10.2	60	48	70	178
Annual fees to the Securities and Exchange Commission of Pakistan	11.1	106	89	127	322
Auditors' remuneration	15	141	141	141	423
Brokerage		1,064	5	-	1,069
Federal Excise Duty		156	-	-	156
Printing charges		-	-	-	-
Settlement and bank charges		20	49	48	117
		4,999	3,208	4,513	12,720
Net income for the year before taxation		133,589	33,469	43,792	210,850
Taxation	16	-	-	-	-
Earnings per unit	17				

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------			
Net income for the year after taxation	176,742	34,425	46,272	257,439
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	176,742	34,425	46,272	257,439

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------			
Net income for the year after taxation	133,589	33,469	43,792	210,850
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	133,589	33,469	43,792	210,850

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------			
Net assets at the beginning of the year	436,434	315,442	394,282	1,146,158
Issue of units*	1,213,898	748,908	1,040,756	3,003,562
Redemption of units*	(1,149,853)	(697,429)	(893,742)	(2,741,024)
	64,045	51,479	147,014	262,538
Gain on sale of investments - net	98,632	91	164	98,887
Unrealized appreciation on 're-measurement 'of investments classified at fair value 'through profit or loss' - net	63,954	325	355	64,634
Other income for the year - net	14,156	34,009	45,753	93,918
Total comprehensive income for the year	176,742	34,425	46,272	257,439
Net assets at the end of the year	677,221	401,346	587,568	1,666,135

***** Total number of units issued and redeemed during the year is disclosed in note 14 of these financial statements.

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------			
Net assets at the beginning of the year	92,668	159,165	240,092	491,925
Issue of units*	716,132	463,274	636,421	1,815,827
Redemption of units*	(505,955)	(340,466)	(526,023)	(1,372,444)
	210,177	122,808	110,398	443,383
Gain on sale of investments - net	36,414	5,548	2,868	44,830
Unrealized appreciation on 're-measurement 'of investments classified at fair value 'through profit or loss' - net	81,155	430	127	81,712
Other income for the year - net	16,020	27,491	40,797	84,308
Total comprehensive income for the year	133,589	33,469	43,792	210,850
Net assets at the end of the year	436,434	315,442	394,282	1,146,158

***** Total number of units issued and redeemed during the year is disclosed in note 14 of these financial statements.

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------			
CASH FLOW FROM OPERATING ACTIVITIES				
Net income for the year before taxation	176,742	34,425	46,272	257,439
Adjustments for:				
Unrealised appreciation on re-measurement of investments 'classified at fair value through profit or loss' - net	(63,954)	(325)	(355)	(64,634)
	112,788	34,100	45,917	192,805
(Increase) / decrease in assets				
Investments	(185,578)	(37,426)	(118,618)	(341,622)
Dividend and profit receivable	1,077	(704)	(983)	(610)
Other receivables	3,454	1,180	(11)	4,623
	(181,047)	(36,950)	(119,612)	(337,609)
Increase / (decrease) in liabilities				
Payable to AL Habib Asset Management Limited - Management Company	1,060	83	157	1,300
Payable to Central Depository Company of Pakistan Limited - Trustee	106	48	72	226
Payable to Securities and Exchange Commission of Pakistan	151	49	55	255
Payable against purchase of investments	-	-	-	-
Accrued expenses and other liabilities	3,167	27	2,983	6,177
	4,484	207	3,267	7,958
Net cash used in operating activities	(63,775)	(2,643)	(70,428)	(136,846)
CASH FLOW FROM FINANCING ACTIVITIES				
Payment against redemption of units	(1,149,853)	(697,429)	(893,742)	(2,741,024)
Net cash generated from financing activities	64,045	51,479	147,014	262,538
Net increase / (decrease) in cash and cash equivalents	270	48,836	76,586	125,690
Cash and cash equivalents at beginning of the year	31,356	22,580	73,935	127,871
Cash and cash equivalents at the end of the year	31,625	71,415	150,521	253,561

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------			
CASH FLOW FROM OPERATING ACTIVITIES				
Net income for the year before taxation	133,589	33,469	43,792	210,850
Adjustments for:				
Unrealised appreciation on re-measurement of investments 'classified at fair value through profit or loss' - net	(81,155)	(430)	(127)	(81,712)
	52,434	33,039	43,665	129,138
(Increase) / decrease in assets				
Investments	(240,459)	(161,782)	(120,898)	(523,139)
Dividend and profit receivable	(1,157)	4,438	3,516	6,797
Other receivables	(3,454)	(1,617)	(648)	(5,719)
	(245,070)	(158,961)	(118,030)	(522,061)
Increase / (decrease) in liabilities				
Payable to AL Habib Asset Management Limited - Management Company	305	157	229	691
Payable to Central Depository Company of Pakistan Limited - Trustee	48	27	28	103
Payable to Securities and Exchange Commission of Pakistan	83	49	63	195
Payable against purchase of investments	-	-	-	-
Accrued expenses and other liabilities	4,258	(9)	22	4,271
	4,694	224	342	5,260
Net cash used in operating activities	(187,942)	(125,698)	(74,023)	(387,663)
CASH FLOW FROM FINANCING ACTIVITIES				
Payment against redemption of units	(505,955)	(340,466)	(526,023)	(1,372,444)
Net cash generated from financing activities	210,177	122,808	110,398	443,383
Net increase / (decrease) in cash and cash equivalents	22,235	(2,890)	36,375	55,720
Cash and cash equivalents at beginning of the year	9,122	25,471	37,560	72,153
Cash and cash equivalents at the end of the year	31,356	22,580	73,935	127,871

The annexed notes from 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Al Habib Pension Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered into on June 20, 2022 between AL Habib Asset Management Company Limited as the Pension Fund Manager and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan (SECP) authorized constitution of the Fund as a Pension Fund dated May 16, 2022 in accordance with the requirements of the Voluntary Pension Scheme Rules, 2005.

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.3 The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the Voluntary Pension Scheme Rules, 2005 (the VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 3rd Floor Mackinnon's Building I, I Chundrigar Road Karachi.

1.4 The units of the Sub Funds are offered to the public for subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Sub Funds. Further, as per the Offering Document, the Fund shall not distribute any income or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.

1.5 The objective of the Fund is to provide a secure source of savings and retirement income to individuals. It is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customization through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.

1.6 The Fund consists of three sub-funds namely, AL Habib Pension Fund Equity Sub-Fund (Equity Sub-Fund), AL Habib Pension Fund Debt Sub-Fund (Debt Sub-Fund) and AL Habib Pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

a) AL Habib Pension Fund - Equity Sub-Fund (AHAMPF - ESF)

The investment objective of the Equity Sub-Fund of the Pension Fund is to earn returns from investments in Pakistani Capital Markets. Assets of Equity Sub-fund shall be invested in equity securities which are listed on the Pakistan Stock Exchange Limited (PSX) or for the listing of which an application has been approved by a Pakistan Stock Exchange and Equity sub-fund shall be eligible to invest in units of Real Estate Investment Trusts (REIT) and Exchange Traded Funds (ETFs) provided that entity/sector/group exposure limits as prescribed are complied with at least ninety percent (90%) of Net Assets of Equity Sub-fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis.

b) AL Habib Pension Fund - Debt Sub-Fund

The investment objective of the Debt Sub-Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than Equity Sub-Fund. The investment limits of the Debt Sub-Fund are determined by the Commission. The current investment policy/limits for Debt Sub-Fund as stated below:

The Debt Sub-fund shall consist of government securities, placement in the banks, money market placements, deposits, Certificate of Deposits (COD), Certificate of Musharakas (COM), TDRs, TFC / Sukuk or any other mode of placement, deposits/placements with any other approved debt/money market security issued from time to time.

c) AL Habib Pension Fund - Money Market Sub-Fund

The investment objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than Debt Sub-Fund. The investment limits of the Money Market Sub Fund are determined by the Commission. The current investment policy / limits for Money Market Sub-Fund as stated below:

Investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, Certificate of Deposits (COD), Certificate of Musharakas (COM) or any other mode of placement, TDRs, reverse repo.

1.7 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the

1.8 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

1.9 The management company has been assigned a rating of 'AM1' (Stable outlook) by Pakistan Credit Rating Agency PACRA dated August 12, 2025.

2 BASIS OF PREPARATION

2.1 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 as applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- The requirements of the Constitutive Documents, Voluntary Pension System Rules, 2005 (the VPS Rules), the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations)

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

2.2 Basis of measurement

These financial statements have been prepared under accrual basis of accounting except for cashflow information

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assets is as follow:

Classification and measurement of financial assets and financial liabilities
For details please refer notes 4.2.1.1 and 6 to these financial statements.

Impairment of financial assets
For details please refer notes 4.2.2.2 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorization and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

4.2.1 Financial assets

Financials assets are classified into appropriate categories at amortized cost, fair value through other comprehensive income and at fair value through profit or loss. The Management determines the classification of financial assets into categories based on fund's business model for managing the financial and the contractual terms of the cash flows.

4.2.1.1 Classification

4.2.1.2 Debt Instruments

Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Financial assets not classified as measured at amortized cost as described above are measured at FVTPL. A financial asset is at FVTPL initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent measurement:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income, calculated using the effective interest method are recognized in income statement.

Equity investments at FVTPL

These assets are subsequently measured at fair value. Dividends are recognized as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment.

4.2.1.3 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognized on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.2.1 Derecognition

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the Expected Credit Loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognized as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.3 Financial liabilities

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the income statement.

4.2.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or realize the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP), distributions for the year is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

4.6 Issuance and redemption of units

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

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.7 Net asset value per unit

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

4.8 Revenue recognition

- Gains / losses arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Mark-up / profit / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.
- Unrealized gains / losses arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Dividend income from equity securities is recognized when the right to receive the dividend is established.

4.9 Expenses

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

4.10 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

			2026				2025			
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
5	**BALANCES WITH BANK**	**Note**	---------- Rupees in '000 ----------							
	Saving accounts	5.1	31,625	71,415	150,521	253,561	31,356	22,580	73,935	127,871

5.1 These carries mark-up at the rates ranging between 11% to 11.25 % (2025: 9.25% to 19%) per annum for all sub funds. These represent balances held with Bank AL Habib Limited (ultimate parent), a related party.

			2026				2025			
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
6	**INVESTMENTS**	**Note**	---------- Rupees in '000 ----------							
	At fair value through profit or loss									
	Listed equity securities	6.1	655,454	-	-	655,454	405,922	-	-	405,922
	Government securities:									
	Pakistan Investment Bond	6.2.1	-	14,925	-	14,925	-	14,865	-	14,865
	Market Treasury Bills	6.2.3.	-	314,329	439,266	753,595	-	276,638	320,293	596,931
			655,454	329,254	439,266	1,423,974	405,922	291,503	320,293	1,017,718

6.1 Listed equity securities - at fair value through profit or loss

Held by Equity Sub-Fund

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise

Name of the investee company	Note	Number of shares / certificates					As at June 30, 2026			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
		As at July 01, 2025	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (dimunition)	Net assets of the Sub-Fund	Total investment of the Sub-Fund	
		---------- (Number of shares) ----------					---------- Rupees in '000 ----------			---------- %age ----------		
AUTOMOBILE PARTS AND ACCESSORIES												
Baluchistan Wheels Limited		6,300	-	-	6,300	-	-	-	-	0.00%	0.00%	0.00%
Exide Pakistan Limited		7,800	-	-	7,800	-	-	-	-	0.00%	0.00%	0.00%
Atlas Battery Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Service Long March Tyres Limited		-	634,761	-	77,000	557,761	12,853	14,156	1,303	2.09%	2.16%	
							12,853	14,156	1,303	2.09%	2.16%	
CEMENT												
Cherat Cement Company Limited		13,500	12,000	-	3,500	22,000	6,622	7,610	988	1.12%	1.16%	0.11%
D.G. Khan Cement Company Limited		90,000	62,000	-	90,000	62,000	11,416	13,843	2,427	2.04%	2.11%	0.14%
Fauji Cement Company Limited		182,000	403,000	-	257,000	328,000	17,826	18,876	1,050	2.79%	2.88%	0.13%
Kohat Cement Limited		-	80,000	-	14,000	66,000	8,026	7,268	(758)	1.07%	1.11%	0.34%
Lucky Cement Limited		64,500	79,400	-	69,500	74,400	31,723	34,932	3,209	5.16%	5.33%	0.25%
Pioneer Cement Limited		21,600	-	-	21,600	-	-	-	-	0.00%	0.00%	0.00%
Attock Cement Pakistan Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Maple Leaf Cement Factory Limited		125,000	38,500	-	85,000	78,500	6,941	8,392	1,451	1.24%	1.28%	0.07%
Bestway Cement Limited		23,000		-	23,000	-	-	-	-	0.00%	0.00%	0.00%
							82,554	90,921	8,367	13.42%	13.87%	

Name of the investee company	Note	Number of shares / certificates					As at June 30, 2026			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
		As at July 01, 2025	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (dimunition)	Net assets of the Sub-Fund	Total investment of the Sub-Fund	
		(Number of shares)					Rupees in '000			%age		
CHEMICALS												
Biafo Industries Ltd		21,000	-	-	21,000	-	-	-	-	0.00%	0.00%	0.00%
							-	-	-	0.00%	0.00%	
COMMERCIAL BANKS												
Habib Bank Limited		-	155,200	-	72,200	83,000	24,026	24,253	227	3.58%	3.70%	0.06%
Bank Alfalah Limited		271,500	353,500	-	245,000	380,000	18,537	21,535	2,998	3.18%	3.29%	0.24%
Askari Bank Limited		-	380,000	-	260,000	120,000	12,246	13,228	982	1.95%	2.02%	0.08%
Meezan Bank Limited		32,500	109,200	-	82,500	59,200	27,357	30,574	3,217	4.51%	4.66%	0.03%
National Bank of Pakistan		100,000	225,000	-	245,000	80,000	13,849	15,880	2,031	2.34%	2.42%	0.00%
United Bank Limited		124,000	94,000	-	157,000	61,000	23,045	27,308	4,263	4.03%	4.17%	0.05%
							137,402	152,729	15,327	16.01%	16.56%	
PHARMACEUTICALS												
Abbott Laboratories (Pakistan) Limited		12,000	-	-	5,000	7,000	6,804	6,891	87	1.02%	1.05%	0.01%
Haleon Pakistan Limited		15,000	-	-	6,000	9,000	6,627	7,247	620	1.07%	1.11%	0.01%
Hoechst Pakistan Limited		1,400	-	-	-	1,400	4,596	5,649	1,053	0.83%	0.86%	0.00%
GlaxoSmithKline Pakistan Limited		47,500	200	-	30,500	17,200	6,716	6,368	(348)	0.94%	0.97%	0.01%
							24,743	26,155	1,412	3.86%	-	
MISCELLANEOUS											2.94%	
Shifa International Hospitals Limited		10,000	2,000	-	-	12,000	5,808	6,066	258	0.90%	0.93%	0.20%
GEMPACRA		-	229,533	-	-	229,533	3,454	11,247	7,793	1.66%	1.72%	0.00%
							9,262	17,313	8,051	2.56%	2.65%	
ENGINEERING												
International Industries Limited		12,000	7,500	-	19,500	-	-	-	-	0.00%	0.00%	0.00%
MUGHAL		-	100,000	-	100,000	-	-	-	-	0.00%	0.00%	0.00%
International Steels Limited		22,000	-	-	22,000	-	-	-	-	0.00%	0.00%	0.00%
							-	-	-	0.00%	0.00%	
FERTILIZER												
Engro Fertilizer Limited		45,000	30,000	-	75,000	-	-	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Company		62,000	99,000	-	121,000	40,000	20,018	22,939	2,921	3.39%	3.50%	0.03%
							20,018	22,939	2,921	3.39%	3.50%	
GLASS & CERAMIC												
Tariq Glass Industries Liimited		10,000	-	-	10,000	-	-	-	-	0.00%	0.00%	0.00%
							-	-	-	0.00%	0.00%	
TEXTILE COMPOSITE												
Interloop Limited		-	125,000	-	-	125,000	10,877	12,905	2,028	1.91%	1.97%	0.09%
Nishat Mills Limited		30,000	65,000	-	5,000	90,000	12,919	14,207	1,288	2.10%	2.17%	0.26%
							23,796	27,112	3,316	4.01%	4.14%	
OIL & GAS MARKETING COMPANIES												
Sui Northern Gas Pipelines Limited		80,000	20,000	-	80,000	20,000	2,458	2,419	(39)	0.36%	0.37%	0.03%
							2,458	2,419	(39)	0.36%	0.37%	
REFINERY												
Attock Refinery Limited		-	34,116	-	19,118	14,998	11,776	12,758	982	1.88%	1.95%	0.01%
							11,776	12,758	982	1.88%	1.95%	
OIL & GAS EXPLORATION COMPANIES												
Mari Energies Limited	6.1.1	2,320	43,160	-	24,320	21,160	15,682	14,268	(1,414)	2.11%	2.18%	-0.22%
Oil & Gas Development Company Limited		130,000	170,500	-	115,000	185,500	50,083	62,118	12,035	9.17%	9.48%	0.04%
Pakistan State Oil Company Limited		43,000	10,000	-	53,000	-	-	-	-	0.00%	0.00%	0.00%
Pak Oilfields Limited		7,000	38,000	-	32,000	13,000	8,697	8,943	246	1.32%	1.36%	0.05%
Pakistan Petroleum Limited		95,000	303,000	-	141,500	256,500	55,494	62,232	6,738	9.19%	9.49%	0.09%
							129,956	147,561	17,605	21.79%	22.51%	
POWER GENERATION & DISTRIBUTION												
Hub Power Company Ltd		95,000	150,500	-	188,500	57,000	11,719	13,307	1,588	1.96%	2.03%	0.04%
Nishat Chunian Power Limited		-	325,000	-	-	-	-	-	-			
							11,719	13,307	1,588	1.96%	2.03%	
TECHNOLOGY & COMMUNICATION												
Hum Network Limited		-	400,000	-	400,000	-	-	-	-	-	-	-
Pakistan Telecommunication Company Ltd		210,000	700,000	-	810,000	100,000	3,509	6,552	3,043	0.97%	1.00%	0.00%
							3,509	6,552	3,043	0.97%	1.00%	
INVESTMENT BANKS/COMPANIES/SECURITIES												
Engro Holdings Limited		77,500	160,000	-	137,500	100,000	24,512	28,772	4,260	4.25%	4.39%	0.00%
							24,512	28,772	4,260	4.25%	4.39%	
AUTOMOBILE ASSEMBLER												
Sazgar Engineering Works Limited		-	12,500	-	10,000	2,500	5,439	5,159	(280)	0.76%	0.79%	0.04%
Ghandhara Industries Limited		7,000	11,500	-	10,500	8,000	6,495	7,749	1,254	1.14%	1.18%	0.13%
Ghandhara Automobiles Limited		25,000	27,762	-	14,500	38,262	18,249	21,504	3,255	3.18%	3.28%	0.90%
							30,183	34,412	4,229	5.08%	5.25%	
FOOD & PERSONAL CARE PRODUCTS												
Barkat Frisian Agro Limited		250,000	150,000	-	250,000	150,000	5,230	5,465	235	0.81%	0.83%	0.00%
National Foods Limited		30,000	15,000	-	31,000	14,000	4,571	5,424	853	0.80%	0.83%	0.00%
Ghani Dairies Limited		-	1,400,000	-	650,000	750,000	24,750	14,963	(9,787)	2.21%	2.28%	0.00%
The Organic Meat Company Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
							34,551	25,852	(8,699)	3.82%	3.94%	
PAPER AND BOARDS												
Security Paper Limited		-	45,000	-	-	45,000	4,083	2,988	(1,095)	0.44%	0.46%	0.00%
							4,083	2,988	(1,095)	0.44%	0.46%	
TRANSPORT												
Secure Logistics-Trax Group Limited		-	275,000	-	-	275,000	6,944	4,513	(2,431)	0.67%	0.69%	
Pakistan National Shipping Corporation		-	15,500	-	9,500	6,000	3,023	3,896	873	0.58%	0.59%	0.00%
							9,967	8,409	(1,558)	0.58%	0.59%	
INSURANCE												
Pakistan Reinsurance Company Limited		-	300,000	-	300,000	-	-	-	-	0.00%	0.00%	
Adamjee Insurance Company Limited		-	250,000	-	-	250,000	3,554	3,202	(352)	0.47%	0.49%	0.00%
							3,554	3,202	(352)	0.47%	0.49%	
LEATHER & TANNERIES												
Service Global Footwear Limited		54,000	66,303	-	50,303	70,000	7,798	8,534	736	0.00%	0.00%	
Service Industries Limited		-	4,000	-	-	4,000	6,806	9,363	2,557	1.38%	1.43%	0.00%
							14,604	17,897	3,293	1.38%	1.43%	

Name of the investee company	Note	Number of shares / certificates					As at June 30, 2026			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
		As at July 01, 2025	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (dimunition)	Net assets of the Sub-Fund	Total investment of the Sub-Fund	
		(Number of shares)					Rupees in '000			%age		
CABLE & ELECTRICAL GOODS												
Fast Cables Limited		70,000	300,000	-	370,000	-	-	-	-	0.00%	0.00%	0.00%
							-	-	-	0.00%	0.00%	
Total as at June 30, 2026							591,500	655,454	63,954	87.88%	86.83%	
Total as at June 30, 2025							324,765	405,922	81,155	82.50%	88.71%	

6.1.1 As per the new Finance Act, 2023 tax on bonus shares has been re-introduced. Earlier such tax was introduced through Finance Act, 2014 and omitted through Finance Act, 2018. Finance Act, 2023 reintroduces the above taxation measure by amending the definition of ""income"" expanding from other sources and introducing a withholding tax provision @ 10% of payment of tax on Bonus shares (i.e. section 236Z) which is effect from July 01, 2023.

There is no change in the status of bonus shares of the funds withheld by company as reported in the annual financial statements of the Fund for the year ended June 30, 2026.

	June 30, 2026		
	No. of shares with held	Rate	Market Value
			Rupees in '000
Mari Energies Limited	1,160	674	782
Total as at June 30, 2025	1,160	627	727

6.2 Government Securities

6.2.1 Debt Sub Fund

Tenure	As at July 01, 2025	Purchased during the year	Disposed of / matured during the year / Sale	As at June 30, 2026	Carrying Amount as at June 30, 2026	Market value as at June 30, 2026	Unrealized appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
	Number of certificates				Rupees in '000			%age	
6.2.1.1 Pakistan Investment Bond									
PIB 5 YEARS (19-10-2023) - FLOATER	80	-	-	80	7,924	7,931	7	1.98%	2.41%
PIB 3 YEARS (04-07-2023) - FLOATER	-	146	146	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (19-10-2023) - FLOATER	70	-	-	70	6,994	6,994	-	1.74%	2.12%
PIB 05 YEAR (06-05-2021) - FLOATER	-	500	500	-	-	-	-	0.00%	0.00%
PIB 03 YEARS (16-01-2025) - FIXED	-	1,000	1,000	-	-	-	-	0.00%	0.00%
					14,918	14,925	7		
6.2.1.2 GOP Ijara Sukuk									
GOP IJARA SUKUK - 05 YEAR FRR (30-09-2025)	-	1,200	1,200	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					14,918	14,925	7		
Total as at June 30, 2025					14,550	14,865	315		

6.2.2 Money Market Sub Fund

Tenure	As at July 01, 2025	Purchased during the year	Disposed of / matured during the year	As at June 30, 2026	Carrying Amount as at June 30, 2026	Market value as at June 30, 2026	Unrealized appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
	Number of certificates				Rupees in '000			%age	
6.2.2.1 Pakistan Investment Bond									
PIB 5 YEARS (18-06-2020) - FLOATER	-	450	450	-	-	-	-	0.00%	0.00%
PIB 05 YEAR (06-05-2021) - FLOATER	-	1,500	1,500	-	-	-	-	0.00%	0.00%
PIB 03 YEAR (07-10-2021) - FLOATER	-	1,135	1,135	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (04-07-2023) - FLOATER	-	635	635	-	-	-	-	0.00%	0.00%
					-	-	-		
6.2.2.2 GOP Ijara Sukuk									
GOP IJARA SUKUK - 01 YEAR VRR (17-04-2023)	-	25	25	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

Market Treasury Bills

Debt Sub Fund

Tenure	As at July 01, 2025	Purchased during the year	Disposed of / matured during the year	As at June 30, 2026	Carrying Amount as at June 30, 2026	Market value as at June 30, 2026	Unrealized appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
	----------Number of certificates----------				----------Rupees in '000----------			----------%----------	
T-BILL 01 MONTHS (02-04-2026)	-	350,000	350,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (06-02-2026)	-	900,000	900,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (16-04-2026)	-	950,000	950,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (17-03-2026)	-	750,000	750,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (24-06-2026)	-	450,000	-	450,000	44,684	44,689	5	11.13%	13.57%
T-BILL 01 MONTHS (30-04-2026)	-	1,287,050	1,287,050	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (02-04-2026)	-	850,000	850,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (04-09-2025)	-	500,000	500,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (11-06-2026)	-	3,670,000	1,835,000	1,835,000	179,590	179,847	257	44.81%	54.62%
T-BILL 03 MONTHS (11-12-2025)	-	1,400,000	1,400,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (12-06-2025)	1,000,000	-	1,000,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (24-06-2026)	-	450,000	-	450,000	43,904	43,912	8	10.94%	13.34%
T-BILL 03 MONTHS (29-05-2025)	250,000	-	250,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (07-08-2025)	-	175,200	175,200	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (05-09-2024)	140,000	-	140,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (06-02-2025)	815,000	-	815,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (07-08-2025)	-	10,000	-	10,000	991	989	(2)	0.00%	0.00%
T-BILL 12 MONTHS (12-06-2025)	500,000	-	500,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (15-05-2025)	-	370,000	370,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (17-04-2025)	200,000	-	200,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (24-06-2026)	-	500,000	-	500,000	44,842	44,892	50	11.19%	13.63%
T-BILL 12 MONTHS (26-06-2025)	-	134,850	134,850	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (29-05-2025)	-	8,250	8,250	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					314,011	314,329	318		
Total as at June 30, 2025					276,521	276,638	117		

6.2.3. Money Market Sub Fund

Tenure	As at July 01, 2025	Purchased during the year	Disposed of / matured during the year	As at June 30, 2026	Carrying Amount as at June 30, 2026	Market value as at June 30, 2026	Unrealized appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
	----------Number of certificates----------				----------Rupees in '000----------			---------%age---------	
T-BILL 01 MONTHS (02-04-2026)	-	750,000	750,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (02-10-2025)	-	400,000	400,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (06-02-2026)	-	700,000	700,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (16-04-2026)	-	1,500,000	1,500,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (16-10-2025)	-	300,000	300,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (17-03-2026)	-	1,500,000	1,500,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (24-06-2026)	-	500,000	-	500,000	49,649	49,654	5	12.37%	11.30%
T-BILL 01 MONTHS (30-04-2026)	-	2,830,000	2,830,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (02-04-2026)	-	1,000,000	1,000,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (04-09-2025)	-	500,000	500,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (10-07-2025)	-	500,000	500,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (11-06-2026)	-	5,820,000	2,910,000	2,910,000	284,799	285,208	409	71.06%	64.93%
T-BILL 03 MONTHS (11-12-2025)	-	2,000,000	2,000,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (12-06-2025)	730,000	-	730,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (24-06-2026)	-	500,000	-	500,000	48,783	48,791	8	12.16%	11.11%
T-BILL 03 MONTHS (26-06-2025)	150,000	-	150,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (29-05-2025)	600,000	-	600,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (04-09-2025)	-	600,000	600,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (08-01-2026)	-	400,000	400,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (12-06-2025)	200,000	101,100	301,100	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (15-05-2025)	140,000	-	140,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (17-04-2025)	500,000	-	500,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (22-01-2026)	-	560,000	-	560,000	55,680	55,613	(67)	13.86%	12.66%
T-BILL 06 MONTHS (23-01-2025)	200,000	-	200,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (24-07-2025)	-	250,000	250,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (26-06-2025)	130,000	-	130,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (03-10-2024)	250,000	-	250,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (05-09-2024)	160,000	-	160,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (06-02-2025)	-	662,600	662,600	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (09-01-2025)	-	88,950	88,950	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (12-12-2024)	-	38,800	38,800	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (14-11-2024)	-	43,800	43,800	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (20-03-2025)	-	21,900	21,900	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (23-01-2025)	-	300,000	300,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (28-11-2024)	227,650	-	100,000	127,650	-	-	-	0.00%	0.00%
Total as at June 30, 2026					438,911	439,266	355		
Total as at June 30, 2025					320,165	320,293	128		

			2026				2025			
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
7	DIVIDEND AND PROFIT RECEIVABLE	Note	----------Rupees in '000----------							
	Dividend receivable		14	-	-	14	1,127	-	-	1,127
	Profit receivable on saving account		148	817	1,153	2,118	112	113	170	395
			162	817	1,153	2,132	1,239	113	170	1,522

			2026				2025			
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
8	OTHER RECEIVABLES	Note	----------Rupees in '000----------							
	Profit receivable on investments		-	338	-	338	3,454	1,530	-	4,984
	Central Depository Company - Security Deposit		-	200	100	300	-	200	100	300
	Advance tax		-	12	559	571	-	-	548	548
			-	550	659	1,209	3,454	1,730	648	5,832

			2026				2025			
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
9	PAYABLE TO AL HABIB ASSET MANAGEMENT COMPANY LIMITED LIMITED - MANAGEMENT COMPANY	Note	----------Rupees in '000----------							
	Remuneration payable	9.1	1,253	314	508	2,075	332	243	373	948
	Sindh Sales Tax payable	9.2	188	48	76	312	50	37	54	141
			1,441	362	584	2,387	382	280	427	1,089

9.2 The Sindh Sales Tax is charged at the rate of 15% (2025: 15%) on the remuneration as per Sindh Sales Tax on Services Act, 2011.

	Equity sub fund	Debt sub fund	Money market sub fund
From July 01,2025 till June 30, 2026	2.50%	1.25%	1.00%

			2026				2025			
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
10.	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	----------Rupees in '000----------							
	Remuneration payable	10.1	152	64	94	310	52	39	49	140
	Sindh Sales Tax Payable	10.2	14	30	34	78	8	7	7	22
			166	94	128	388	60	46	56	162

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff speci?ed there in, based on the daily Net Asset Value (NAV) of the Fund. The remuneration is paid to the trustee monthly in arrears.

Based on the Trust Deed, the tariff structure applicable to the Fund as at June 30, 2026 is as follows:

Net assets	Tariff per annum
Up to Rs. 1,000 million	Rs. 0.3 million or 0.15% of NAV, whichever is higher
Exceeding Rs. 1,000 million up to Rs. 3,000 million	Rs. 1.5 million plus 0.10% of NAV exceeding Rs. 1,000 million
Exceeding Rs. 3,000 million up to Rs. 6,000 million	Rs. 3.5 million plus 0.08% of NAV exceeding Rs, 3,000 million
Exceeding Rs. 6,000 million	Rs. 5.9 million plus 0.06% of NAV exceeding Rs. 6,000 million

10.2 The Sindh Sales Tax is charged at the rate of 15% (2025: 15%) on the remuneration as per Sindh Sales Tax on Services Act, 2011.

			2026				2025			
			Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
11.	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	----------Rupees in '000----------							
	Annual fee payable to SECP	11.1	257	137	182	576	106	88	127	321

11.1 As per Clause 36 of the VPS Rules, 2005 the Pension Fund Manager shall pay an annual fee to the Commission an amount equal to one twenty-fifth of one per cent of the average annual net asset value of the pension fund. The fees is chargeable to the fund under Regulation 60 (3)(f) and 67G (3) of the NBFC Regulations and is payable in arrears.

	Note	2026 Equity Sub-Fund	2026 Debt Sub-Fund	2026 Money Market Sub-Fund	2026 Total	2025 Equity Sub-Fund	2025 Debt Sub-Fund	2025 Money Market Sub-Fund	2025 Total
		----------Rupees in '000----------							
12. ACCRUED EXPENSES AND OTHER LIABILITIES									
Broker payable		8,093	-	-	8,093	4,889	-	-	4,889
Auditors' remuneration payable		63	63	63	189	60	60	60	180
Other payable		-	34	3,074	3,108	11	-	63	74
Printing charges		-	-	-	-	29	10	31	70
		8,156	97	3,137	11,390	4,989	70	154	5,213

13. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at June 30, 2026 (2025: Nil)

	Note	2026 Equity Sub-Fund	2026 Debt Sub-Fund	2026 Money Market Sub-Fund	2026 Total	2025 Equity Sub-Fund	2025 Debt Sub-Fund	2025 Money Market Sub-Fund	2025 Total
		----------(Number of Units)----------							
14. NUMBER OF UNITS IN ISSUE									
Total units in issue at the beginning of the year		1,112,732	1,863,433	2,389,597	5,365,762	426,769	1,099,815	1,671,513	3,198,097
Add: units issued during the year		2,337,503	4,109,622	5,836,434	12,283,559	2,141,857	2,831,466	3,984,645	8,957,968
Less: units redeemed during the year		(2,217,810)	(3,827,276)	(5,008,695)	(11,053,781)	(1,455,894)	(2,067,848)	(3,266,561)	(6,790,303)
Total units in issue at the end of the year		1,232,425	2,145,779	3,217,336	6,595,540	1,112,732	1,863,433	2,389,597	5,365,762

	Note	2026 Equity Sub-Fund	2026 Debt Sub-Fund	2026 Money Market Sub-Fund	2026 Total	2025 Equity Sub-Fund	2025 Debt Sub-Fund	2025 Money Market Sub-Fund	2025 Total
		----------Rupees in '000----------							
15. AUDITORS' REMUNERATION									
Annual audit fee		148	63	63	274	141	141	141	423
Half yealy audit fee		32	32	32	96	-	-	-	-
Sales tax		8	8	8	24	-	-	-	-
Out of pocket expenses		10	10	10	30	-	-	-	-
		198	113	113	424	141	141	141	423

16. TAXATION

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

17. EARNINGS PER UNIT

Earnings per unit has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

18. FINANCIAL INSTRUMENTS BY CATEGORY

Particular	2026 Equity Sub-Fund: At fair value through profit or loss	2026 Equity Sub-Fund: Amortized cost	2026 Equity Sub-Fund: Total	2026 Debt Sub-Fund: At fair value through profit or loss	2026 Debt Sub-Fund: Amortized cost	2026 Debt Sub-Fund: Total	2026 Money Market Sub-Fund: At fair value through profit or loss	2026 Money Market Sub-Fund: Amortized cost	2026 Money Market Sub-Fund: Total
	----------Rupees in '000----------								
Financial assets									
Balances with bank	-	31,625	31,625	-	71,415	71,415	-	150,521	150,521
Investments	655,454	-	655,454	329,254	-	329,254	439,266	-	439,266
Dividend and profit receivable	-	162	162		817	817	-	1,153	1,153
Other receivables	-	-	-	-	550	550	-	659	659
	655,454	31,787	687,241	329,254	72,782	402,036	439,266	152,333	591,599
Financial liabilities									
Payable to AL Habib Asset Management Limited - Management Company	-	1,253	1,253	-	314	314	-	508	508
Payable to Central Depository Company of Pakistan Limited - Trustee	-	152	152	-	64	64	-	94	94
Payable to Securities and Exchange Commission of Pakistan	-	257	257	-	137	137	-	182	182
Accrued expenses and other liabilities	-	8,156	8,156	-	97	97	-	3,137	3,137
	-	9,818	9,818	-	612	612	-	3,921	3,921

Particular	2025								
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	At fair value through profit or loss	Amortized cost	Total	At fair value through profit or loss	Amortized cost	Total	At fair value through profit or loss	Amortized cost	Total
	---------- Rupees in '000 ----------								
Financial assets									
Investments	405,922	-	405,922	291,503	-	291,503	320,293	-	320,293
Dividend and profit receivable	-	1,239	1,239	-	113	113	-	170	170
Other receivables	-	3,454	3,454	-	1,730	1,730	-	648	648
	405,922	36,049	441,971	291,503	24,423	315,926	320,293	74,753	395,046
Financial liabilities									
Payable to AL Habib Asset Management Limited - Management Company	-	332	332	-	243	243	-	373	373
Payable to Central Depository Company of Pakistan Limited - Trustee	-	52	52	-	39	39	-	49	49
Payable to Securities and Exchange Commission of Pakistan	-	106	106	-	88	88	-	127	127
Accrued expenses and other liabilities	-	4,989	4,989	-	70	70	-	154	154
	-	5,479	5,479	-	440	440	-	703	703

16. TAXATION

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

17. EARNINGS PER UNIT

Earnings per unit has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

19. TRANSACTIONS AND BALANCES WITH RELATED PARTIES/ CONNECTED PARTIES

Related parties/ Connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Related parties/connected persons include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company

S.No	Company Name	Relationship
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above companies.

	2026				2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
19.1 Transactions during the year								
Al Habib Asset Management Limited - Management Company								
Remuneration of Management company	16,024	1,805	2,401	20,230	2,654	2,232	3,180	8,066
Sindh Sales Tax on remuneration of Management company	2,404	271	354	3,029	398	334	476	1,208
Central Depository Company of Pakistan Limited - Trustee								
Remuneration of the Trustee	862	466	613	1,941	400	310	471	1,181
Sindh Sales Tax on remuneration of Trustee	129	70	92	291	60	48	70	178
Bank Al Habib Limited - Sponsor								
Mark-up on bank deposits	2,736	5,402	9,178	17,316	2,137	1,830	2,319	6,286

	2026				2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
19.2 Balances outstanding as at year end								
Al Habib Asset Management Limited - Management Company								
Management company fee payable	1,253	314	508	2,075	332	243	373	948
Sindh Sales Tax payable on remuneration of Management company	188	48	76	312	50	37	54	141
Central Depository Company of Pakistan Limited - Trustee								
Trustee fee payable	152	64	94	310	52	39	49	140
Sindh Sales Tax payable on remuneration of Trustee	14	30	34	78	8	7	7	22
Bank Al Habib Limited - Sponsor								
Balances with bank	31,625	71,415	150,521	253,561	34,810	22,580	73,935	131,325
Profit Receivable	148	817	1,153	2,118	112	113	170	395

	2026					
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units issued to:						
Directors & Their Relatives of the Management Company						
- Directors of the Management Company	-	-	-	-	-	-
Directors and Key Executives	-	-	-	-	-	-
Units redeemed by:						
Management Company						
- AL Habib Asset Management Limited	300,000	142,022	-	-	-	-
Directors and Key Executives	-	-	-	-	-	-
Units held by:						
Management Company						
- AL Habib Asset Management Limited	-	-	-	-	-	-
Directors and Key Executives						
- Directors & relatives	-	-	-	-	-	-
Key Management Personnel of the Management Company						
-Key Management Personnel	-	-	-	-	-	-
Connected persons holding 10% or more of the units in issue	-	-	536,690	100,382	-	-

	2025					
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units issued to:						
Directors & Their Relatives of the Management Company						
- Directors of the Management Company	-	-	-	-	-	-
Directors and Key Executives	9,903	2,257	1,140,725	186,517	657,183	106,230
Units redeemed by:						
Management Company						
- AL Habib Asset Management Limited	300,000	117,665	300,000	50,783	300,000	49,499
Directors and Key Executives	442	173	1,252	211	257	42
Units held by:						
Management Company						
- AL Habib Asset Management Limited	-	-	-	-	-	-
Directors and Key Executives						
- Directors & relatives	-	-	-	-	-	-
Key Management Personnel of the Management Company						
-Key Management Personnel	-	-	-	-	-	-
Connected persons holding 10% or more of the units in issue	-	-	-	-	-	-

20. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyze the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

20.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk.

20.1.2 Interest rate risk

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

a) Sensitivity analysis for variable rate instruments

As at the reporting date, the fund does not hold any variable profit based investment except balances with banks exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in interest rates at period end with all other variables held constant, the net income for the period and the net assets of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund would have been higher / lower by Rs 6.871 million , Rs 0.863 million and Rs 1.505 million respectively.

b) Sensitivity analysis for fixed rate instruments

The Fund is exposed to fair value interest rate risk for investment in government securities.

In case of 100 basis points increase in interest rates on June 30, 2026, with all other variables held constant, the net income for the period and the net assets Debt Sub-Fund and Money Market Sub-Fund would have been lower / higher by Rs 0.261 million and Rs 0.33 million respectively.

c) Fair value interest rate risk

Yield / Interest rate sensitivity position for financial instrument is as follows:

Particulars	Effective yield / interest rate	2026												
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees in '000												
On-balance sheet financial instruments														
Financial assets														
Balances with bank	11% - 11.25%	31,625	-	-	-	71,415	-	-	-	150,521	-	-	-	253,561
Investments - net		-	-	-	655,454	-	-	-	329,254	-	-	-	439,266	1,423,974
Dividend and profit receivable		162	-	-	-	817	-	-	-	1,153	-	-	-	2,132
Other Receivable		-	-	-	-	550	-	-	-	659	-	-	-	1,209
		31,787	-	-	655,454	72,782	-	-	329,254	152,333	-	-	439,266	1,680,876
Financial liabilities														
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	1,253	-	-	-	314	-	-	-	508	2,075
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	152	-	-	-	64	-	-	-	94	310
Payable to Securities and Exchange Commission of Pakistan		-	-	-	257	-	-	-	137	-	-	-	182	576
Accrued expenses and other liabilities		-	-	-	8,156	-	-	-	97	-	-	-	3,137	11,390
		-	-	-	9,818	-	-	-	612	-	-	-	3,921	14,351
On-balance sheet gap (a)		31,787	-	-	645,636	72,782	-	-	328,642	152,333	-	-	435,345	1,666,525
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Effective yield / interest rate	2025												
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		
	%	---------- Rupees in '000 ----------												
On-balance sheet financial instruments														
Financial assets														
Balances with bank	9.25%-19%	31,356	-	-	-	22,580	-	-	-	73,935	-	-	-	127,871
Investments - net		-	-	-	405,922	-	-	-	291,503	-	-	-	320,293	1,017,718
Dividend and profit receivable		1,239	-	-	-	113	-	-	-	170	-	-	-	1,522
Advance and deposits		3,454	-	-	-	1,730	-	-	-	648	-	-	-	5,832
		36,049	-	-	405,922	24,423	-	-	291,503	74,753	-	-	320,293	1,152,943
Financial liabilities														
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	332	-	-	-	243	-	-	-	373	948
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	52	-	-	-	39	-	-	-	49	140
Payable to Securities and Exchange Commission of Pakistan		-	-	-	106	-	-	-	88	-	-	-	127	321
Accrued expenses and other liabilities		-	-	-	4,989	-	-	-	70	-	-	-	154	5,213
		-	-	-	5,479	-	-	-	440	-	-	-	703	6,622
On-balance sheet gap (a)		36,049	-	-	400,443	24,423	-	-	291,063	74,753	-	-	319,590	1,146,321
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-	-	-	-

20.1.3 Other price risk

Price risk is 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 instruments traded in the market.

A summary analysis of local investments by industry sector, the percentage in relation to Fund's assets and the issued capital of the investee company is presented in note 6.1 to these financial statements. Further, the Fund's policy requires that the overall Fund position is monitored on a daily basis by the Fund Manager and is reviewed on bi-monthly basis by the Investment Committee and by the Board of Directors in every meeting of the Board. Non - compliance with the Fund's investment policies is reported to the Board of Directors.

The Fund's investments in equity securities are publicly traded and are valued at the rates quoted on the relevant stock exchanges.

In case of 5% increase / decrease in the fair value of the Fund's equity securities at fair value through profit or loss on June 30, 2026, net income for the year would increase / decrease by Rs. 32.652 million (2025: Rs. 20.2961 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the PSX 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI index, is expected to change over the time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of PSX 100 Index.

20.1.4 Credit risk

Management of credit risk

The Fund keeps deposits with reputed financial institutions. All transactions in units are settled / paid for upon delivery using the system of Trustee. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

20.1.5 The analysis below summarizes the credit quality of the Fund's financial assets as at June 30, 2026.

Bank	2026				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-	Latest available published	Rating agency
	---------- Rupees in '000 ----------				
Bank Al Habib Limited	31,615	40,020	150,510	A1+	PACRA
Allied Bank Limited	10			A1+	PACRA
United Bank Limited		31,394		A1+	PACRA
Bank Alfalah Limited			11	A1+	PACRA
	31,625	71,414	150,521		

Bank	2025				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-	Latest available published	Rating agency
	---------- Rupees in '000 ----------				
Bank Al Habib Limited	31,346	22,580	73,924	A1+	PACRA
Allied Bank Limited	10			A1+	PACRA
Bank Alfalah Limited			11	A1+	PACRA
	31,356	22,580	73,935		

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Fund's major asset balances are held with a single bank. The management believes that these banks are reputed institution.

20.1.6 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to non-payment of redemptions request on a regular basis. Units are redeemable at the holder’s option based on the Fund’s net asset value per unit at the time of redemption calculated in accordance with the Fund’s constitutive document and guidelines laid down by the SECP.

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed off.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realizable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarizes the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including balances with bank have been included in the maturity grouping of one month.

The following table analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	2026								
	EquitySub-Fund			DebtSub-Fund			Money Market Sub-Fund		
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year
	---------- Rupees in '000 ----------								
Financial liabilities									
Payable to the Management Company	1,253	-	-	314	-	-	508	-	-
Payable to the Trustee (CDC)	152	-	-	64	-	-	94	-	-
Payable to Securities and Exchange Commission of Pakistan	257	-	-	137	-	-	182	-	-
Accrued expenses and other liabilities	8,156	-	-	97	-	-	3,137	-	-
Total Liabilities	**9,818**	**-**	**-**	**612**	**-**	**-**	**3,921**	**-**	**-**

21 PARTICIPANTS' SUB FUND RISK MANAGEMENT

All units and fractions thereof represent an undivided share in the respective sub fund and rank pari passu as to their rights in the net assets and earnings of that sub-fund. The relevant movements are shown on the 'statement of movement in participants' sub funds'.

Each participant has the beneficial interest in the Fund proportionate to the units held by such participant in the respective in the respective sub-fund in the Individual pension account (IPA). The liability of the participant is limited to the number of units, held by each participant in his IPA. These are only redeemable in case of retirement, premature encashment / redemption, death of the participant, and change of Pension Fund Manager, change of allocation scheme and / or rebalancing of the IPA according to the percentages selected allocated scheme.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

22 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- For level 1 fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities

- For level 2 fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

- For level 3 fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs)

The table below analyze financial instruments measured at the end of the reporting year by the level in the fair value hierarchy into which the fair value measurement is categorized:

	2026			
	Fair value			
	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss	(Rupees in '000)			
Equity Sub-Fund				
Listed equity securities	655,454	-	-	655,454
Debt Sub-Fund				
Market Treasury Bills	-	329,254	-	329,254
Money Market Sub-Fund				
Market Treasury Bills	-	439,266	-	439,266
	655,454	768,520	-	1,423,974

	2025			
	Fair value			
	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss	(Rupees in '000)			
Equity Sub-Fund				
Listed equity securities	405,922	-	-	405,922
Debt Sub-Fund				
Market Treasury Bills	-	291,503	-	291,503
Money Market Sub-Fund				
Market Treasury Bills	-	320,293	-	320,293
	405,922	611,796	-	1,017,718

22.1 VALUATION TECHNIQUES

22.1.1 For level 1 investments at fair value through profit or loss in units of mutual funds, Fund uses daily quotations which are taken from PSX, for the purpose of computation of Market value at the reporting date.

22.1.2 For level 2 investments at fair value through profit or loss, Fund uses PKRV and PKFRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

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

22.2 TRANSFERS DURING THE YEAR

No transfers were made between various levels of fair value hierarchy during the year.

23. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

23.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

23.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Cash Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Government Securities Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Islamic Gopk Pension Fund
- Al Habib Gokp Pension Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic Money Market Fund
- Al Habib Islamic Income Fund
- Al Habib Islamic Savings Fund
- Al Habib Islamic Munafa Fund
- Al Habib Islamic Pension Fund

24. PATTERN OF UNITHOLDING

Unit holding pattern of the Fund as at 30 June 2026 is as follows:

Category	2026											
	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund			
	No. of unit holders	Number of units held	Investment amount	Percentage	No. of unit holders	Number of units held	Investment amount	Percentage	No. of unit holders	Number of units held	Investment amount	Percentage
			Rupees in '000				Rupees in '000				Rupees in '000	
Individuals	342	1,232,425	677,218	100.00%	337	1,845,790	345,237	86.02%	297	2,917,336	532,793	90.68%
Associated Companies	-	-	-		1	300,000	56,112	13.98%	1	300,000	54,789	9.32%
	342	**1,232,425**	**677,218**	**100%**	**338**	**2,145,790**	**401,349**	**100%**	**298**	**3,217,336**	**587,582**	**100%**

25. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 4, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

26. TOTAL EXPENSE RATIO

As per Part V regulations 67G of NBFC regulations issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the equity sub fund, debt sub fund and money market sub fund for the year ended June 30, 2026 is 3.63%, 0.89% and 0.81% (2025: 1.92%, 1.46% and 1.43%) respectively which includes 0.50%, 0.14% and 0.14% (2025: 0.22%, 0.22% and 0.27%) respectively representing Government levy and SECP fee.

27. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the current year.

28. GENERAL

28.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective:

The objective of AHPF is to provide individuals with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHPF maintained its strategy of reaping maximum benefits emanating from volatility experienced in both equity and debt markets. The selection criterion for equity securities is based upon hybrid investment approach with companies having sound financial history backed by strong fundamentals. The exposure in debt portion was also in line with the investment objectives with preference given to highly rated and liquid debt securities.

Performance of the fund with benchmark:

Debt: The Fund underperformed its benchmark by 10 bps, as it posted a YTD return of 10.49% as against the benchmark of 10.59%.

Money Market: The Fund underperformed its benchmark by 5 bps, as it posted a YTD return of 10.68% as against the benchmark of 10.73%.

Equity: The Fund underperformed its benchmark by 342 bps, as it posted a YTD return of 40.10% as against the benchmark of 43.52%.

Fund Description

Fund Type & Category	Open Ended - Voluntary Pension Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	June 30, 2022	**Management Fee**	Equity Sub Fund (2.50%), Debt Sub Fund (0.52) & Money Market Sub Fund (0.53%)
Pricing Mechanism	Forward Pricing	**Sales Load**	Up to 3% on all Contributions
Dealing Days/Timings	Monday to Friday 4:30 pm	**Minimum Investment**	Initial investment of Rs. 1,000/- Subsequently Rs. 1,000/- per transaction
AMC Rating	"AM1" by PACRA (August 12, 2025)	**Risk Profile**	Allocation Dependent
Trustee	Central Depository Company of Pakistan Limited.		

Monthly Returns:

	July-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26
AHPF-Debt	10.06%	9.94%	9.15%	9.69%	10.18%	14.96%	10.17%	8.85%	4.23%	10.48%	9.69%	12.82%
AHPF-Money Market	9.95%	10.26%	9.74%	10.80%	10.42%	11.69%	10.33%	9.33%	7.97%	9.53%	9.63%	12.66%
AHPF-Equity	9.80%	7.99%	10.47%	(3.09%)	2.25%	6.11%	8.25%	(10.41%)	(13.66%)	9.00%	6.69%	4.45%

Economic Review:

Pakistan's economy concluded FY26 on a strong footing, with provisional real GDP growth expected at 3.7% compared to 3.2% in FY25. Domestic production remained robust, as Large-Scale Manufacturing (LSM) expanded by 6.4% during 9M of FY26, compared to 1.5% contraction in same period last year.

Consumer prices faced periodic shocks, with headline inflation rising to 11.7% in May 2026 and maintaining its mark at 11.1% in June 2026, stemming from the out-turns of Middle East conflict on international crude oil prices, freight costs and global supply chain disruptions. While regional diplomatic efforts successfully triggered a sharp reversal in international crude oil prices, any sustained downward trend depends entirely on an unpredictable peace process. Therefore, the Monetary Policy Committee (MPC) kept the policy rate unchanged at 11.5% to guide inflation back toward its 5.0% to 7.0% medium-term target.

External stability remained firmly intact driven by IMF program and record high $4.3 billion in monthly remittance during May 2026. The current account recorded an aggregate surplus of $255 million for 9M of FY26. This allowed the State Bank of Pakistan (SBP) to manage its foreign exchange reserves to $15.9 billion. Concurrently, strict expenditure management delivered a primary fiscal surplus of 3.5% of GDP for 9M of FY26. This external and fiscal stability prompted rating upgrades from international rating agencies like Fitch and Moody's leading to successful issuance of international bonds and unlocking further upside in the KSE-100 index.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

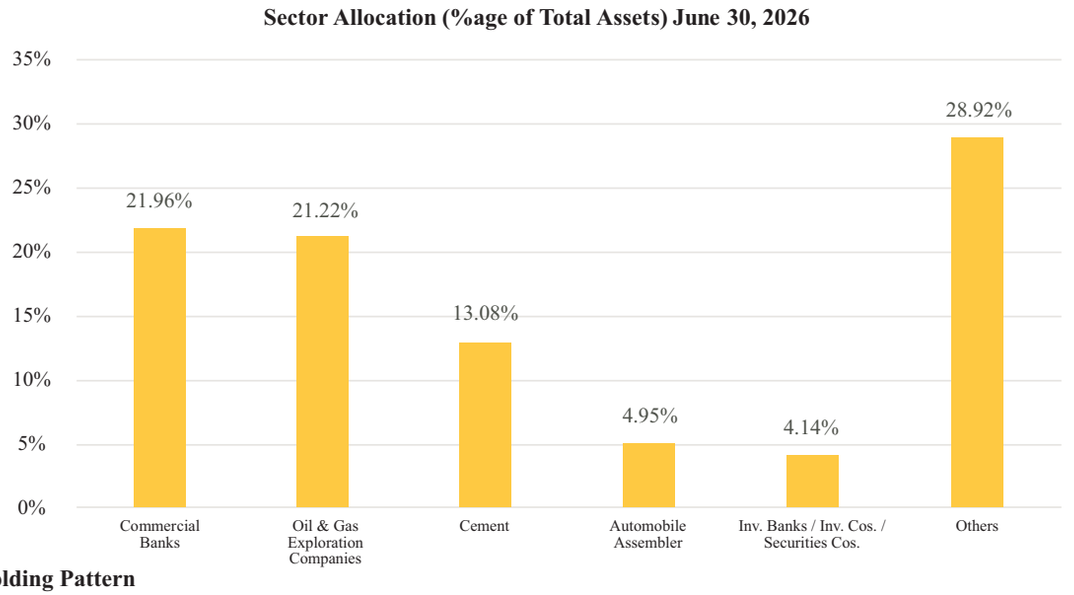
AHPF-Fund	30-Jun-26	30-Jun-25
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

AHPF-Debt Sub Fund	30-Jun-26	30-Jun-25
Cash	17.76%	7.15%
T-Bills	78.19%	87.56%
PIBs	3.71%	4.71%
Others	0.33%	0.58%

AHPF-Money Market Sub Fund	30-Jun-26	30-Jun-25
Cash	25.44%	15.64%
T-Bills	74.25%	54.27%
PIBs	0.00%	28.63%
Others	0.30%	1.46%

AHPF-Equity Sub Fund	30-Jun-26	30-Jun-25
Cash	4.55%	7.88%
Equity	94.26%	91.84%
Others	1.19%	0.28%



Unit Holding Pattern

Debt Sub Fund:

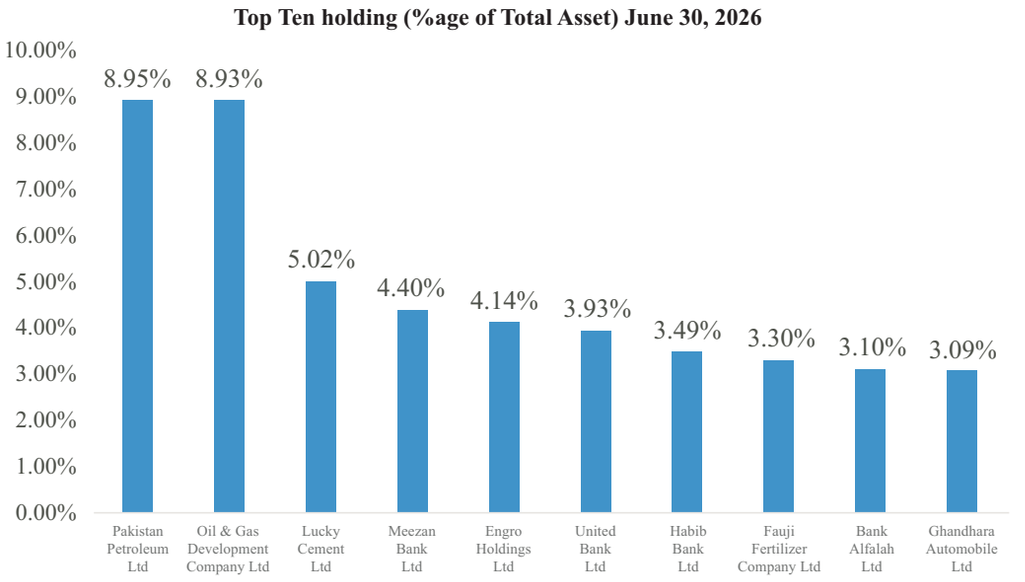
Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	211
1001-5000	68
5001-10000	21
10001-50000	28
50001-100000	5
100001-500000	5
Grand Total	**338**

Money Market Sub Fund:

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	173
1001-5000	48
5001-10000	28
10001-50000	35
50001-100000	4
100001-500000	10
Grand Total	**298**

Equity Sub Fund:

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	247
1001-5000	63
5001-10000	14
10001-50000	14
50001-100000	1
100001-500000	3
Grand Total	**342**



During the period under question:

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units (Debt Sub Fund)

During the period, 698,465 units valued Rs 125 million were sold, while 130,213 units valued Rs. 23 million were redeemed, resulting in to a net sale of 568,252 units valued Rs. 102 million.

Sales and Redemptions of Units (Equity Sub Fund)

During the period, 406,234 units valued Rs. 205 million were sold, while 308,102 units valued Rs. 146 million were redeemed, resulting in to a net sale of 98,132 units valued Rs. 59 million.

Sales and Redemptions of Units (Money Market Sub Fund)

During the period, 1,095,737 units valued Rs. 191 million were sold, while 467,940 units valued Rs. 80 million were redeemed, resulting in to a net sale of 627,798 units valued Rs. 110 million.

Fund Performance at a Glance

AHPF-Debt Sub Fund	2026	2025
Net Assets as at June 30 (Rs. in Million)	401.35	315.44
NAV per unit as at June 30 (Rs.)	187.0389	169.2798
Annual Return	10.49%	16.97%

AHPF-Money Market Sub Fund	2026	2025
Net Assets as at June 30 (Rs. in Million)	587.57	394.28
NAV per unit as at June 30 (Rs.)	182.6256	164.9991
Annual Return	10.68%	14.87%

AHPF-Equity Sub Fund	2026	2025
Net Assets as at June 30 (Rs. in Million)	677.22	436.43
NAV per unit as at June 30 (Rs.)	549.5024	392.2177
Annual Return	40.10%	80.64%

AL HABIB ISLAMIC PENSION FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200
Karachi.

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton,

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,

Main Shahra-e-Faisal, Karachi.

Rating

AM1 Management Company
Quality

Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE PARTICIPANTS

AL HABIB ISLAMIC PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Islamic Pension Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 21, 2026

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of the **AL Habib Islamic Pension Fund**, I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah
Shariah Advisor

Date: June 30, 2026



BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. Introduction

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

2. Applicable Criteria

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. Management's Responsibility for Shariah Compliance

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

6. Conclusion

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

BDO EBRAHIM & CO.
CHARTERED Accountants

Engagement Partner
Tariq Feroz Khan

Date: 25 SEP 2026
Place: Karachi

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF FINANCIAL STATEMENTS TO THE PARTICIPANTS' OF AL HABIB ISLAMIC PENSION FUND

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of Al Habib Islamic Pension Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, statement of comprehensive income, statement of movement in Participants sub funds and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for opinion

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

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

The Management Company 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 of the Management Company for the Financial Statements

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

In preparing the financial statements, management is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the management's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Report on other legal and regulatory requirements

Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166P1xqLJh6o

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	June 30, 2026				June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		---------- Rupees in '000 ----------							
ASSETS									
Balances with bank	5	17,374	102,003	130,611	249,988	23,153	9,993	18,750	51,896
Investments	6	249,297	193,335	288,726	731,358	193,927	186,157	205,968	586,052
Dividend and other receivable	7	115	3,275	2,787	6,177	102	8,613	7,465	16,180
TOTAL ASSETS		266,786	298,613	422,124	987,523	217,182	204,763	232,183	654,128
LIABILITIES									
Payable to AL Habib Asset Management Limited - Management Company	8	484	324	488	1,296	158	195	231	584
Payable to Central Depository Company of Pakistan Limited - Trustee	9	67	61	104	232	29	31	39	99
Payable to Securities and Exchange Commission of Pakistan	10	101	98	124	323	64	63	65	192
Accrued expenses and other liabilities	11	6,748	151	479	7,378	3,251	114	132	3,497
TOTAL LIABILITIES		7,400	634	1,195	9,229	3,502	403	467	4,372
NET ASSETS		259,386	297,979	420,929	978,294	213,680	204,360	231,716	649,757
PARTICIPANTS' SUB FUND (AS PER STATEMENT ATTACHED)		259,386	297,979	420,929	978,294	213,681	204,360	231,716	649,757
CONTINGENCIES AND COMMITMENTS	12								
Number of units in issue	13	554,923	1,767,917	2,517,876	4,840,716	559,575	1,303,198	1,503,152	3,365,925
Net assets value per unit		467.43	168.55	167.18		381.86	156.81	154.15	

The annexed notes from 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026				June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		---------- Rupees in '000 ----------							
Income									
Realised gain / (loss) on sale of investments - net		31,972	(2,380)	(525)	29,067	49,797	1,669	(942)	50,524
Profit on Government Ijarah Sukuks		-	14,395	19,599	33,994	-	16,189	19,814	36,003
Dividend income		8,975	-	-	8,975	7,976	-	-	7,976
Mark-up on bank deposits		1,231	9,246	10,048	20,525	954	2,269	2,926	6,149
		42,178	21,261	29,122	92,561	58,727	20,127	21,798	100,652
Unrealised appreciation / (diminution) on re-measurement of investments classified at 'fair value through profit or loss' - net		14,527	(1,222)	(835)	12,470	25,728	(160)	(994)	24,574
		56,705	20,039	28,287	105,031	84,455	19,967	20,804	125,226
Expenses									
Remuneration of AL Habib Asset Management Limited - Management Company	8.1	6,301	1,338	1,818	9,457	1,597	1,602	1,662	4,861
Sindh Sales Tax on remuneration of Management Company	8.2	947	198	274	1,419	239	239	249	727
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	362	360	462	1,184	242	238	255	735
Sindh Sales Tax on remuneration of Trustee	9.2	73	60	79	212	38	30	31	99
Annual fee to the Securities and Exchange Commission of Pakistan	10.1	101	99	125	325	64	64	66	194
Auditors' remuneration	14	145	141	141	427	152	98	152	402
Brokerage Expense		1,613	9	6	1,628	980	5	1	986
Printing charges		-	-	-	-	-	-	-	-
Bank charges		28	18	29	75	6	-	-	6
Charity		414	-	-	414	195	-	-	195
Other expense		536	747	838	2,121	186	11	-	197
		10,520	2,970	3,772	17,262	3,699	2,287	2,416	8,402
Net income for the year before taxation		46,185	17,069	24,515	87,769	80,756	17,680	18,388	116,824
Taxation	15	-	-	-	-	-	-	-	-
Net income for the year after taxation		46,185	17,069	24,515	87,769	80,756	17,680	18,388	116,824
Earnings per unit	16								

The annexed notes from 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
Net income for the year after taxation	46,185	17,069	24,515	87,769	80,756	17,680	18,388	116,824
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year / period	46,185	17,069	24,515	87,769	80,756	17,680	18,388	116,824

The annexed notes from 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND
FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
Net assets at the beginning of the year	213,681	204,360	231,716	649,757	105,607	123,957	130,942	360,506
Issue of units*	1,213,156	659,531	1,401,536	3,274,223	406,284	535,518	530,010	1,471,812
Redemption of units*	(1,213,637)	(582,982)	(1,236,839)	(3,033,457)	(378,966)	(472,795)	(447,624)	(1,299,385)
	(481)	76,549	164,697	240,766	27,318	62,723	82,386	172,427
Gain on sale of investments - net	31,972	(2,380)	(525)	29,067	49,797	1,669	(942)	50,524
Unrealised appreciation / (diminution) on re-measurement of investments classified at 'fair value through profit or loss' - net	14,527	(1,222)	(835)	12,470	25,728	(160)	(994)	24,574
Other income for the year - net	(314)	20,671	25,875	46,232	5,231	16,171	20,324	41,726
Total comprehensive income for the year	46,185	17,069	24,515	87,769	80,756	17,680	18,388	116,824
Net assets at the end of the year	259,386	297,979	420,929	978,292	213,681	204,360	231,716	649,757

* Total number of units issued and redeemed during the year is disclosed in note 13 of these financial statements.

The annexed notes from 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the year / period before taxation	46,185	17,069	24,515	87,769	80,756	17,680	18,388	116,824
Adjustments for:								
Unrealised (appreciation) / (diminution) on re-measurement of investments classified at 'fair value through profit or loss' - net	(14,527)	1,222	835	(12,470)	(25,728)	160	994	(24,574)
	31,658	18,291	25,350	75,299	55,028	17,840	19,382	92,250
(Increase) / decrease in assets								
Investments - net	(40,843)	(8,400)	(83,593)	(132,836)	(71,889)	(88,280)	(99,413)	(259,582)
Dividend and profit receivable	(13)	5,338	4,678	10,003	120	285	2,213	2,618
	(40,856)	(3,062)	(78,915)	(122,833)	(71,769)	(87,995)	(97,200)	(256,964)
Increase / (decrease) in liabilities								
Payable to AL Habib Asset Management Limited - Management Company	326	129	257	712	80	82	100	262
Payable to Central Depository Company of Pakistan Limited - Trustee	38	30	65	133	17	3	13	33
Payable to Securities and Exchange Commission of Pakistan	37	35	59	131	39	26	22	87
Payable against purchase of investments	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	3,497	37	347	3,881	(912)	40	37	(835)
	3,898	231	728	4,857	(776)	151	172	(453)
Net cash (used in) / generated from operating activities	(5,300)	15,460	(52,837)	(42,677)	(17,517)	(70,004)	(77,646)	(165,167)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts from issue of units	1,213,156	659,531	1,401,538	3,274,225	406,284	535,518	530,010	1,471,812
Payment against redemption of units	(1,213,637)	(582,982)	(1,236,839)	(3,033,457)	(378,966)	(472,795)	(447,624)	(1,299,385)
Net cash generated from financing activities	(481)	76,549	164,699	240,768	27,318	62,723	82,386	172,427
Net increase / (decrease) in cash and cash equivalents during the year	(5,781)	92,009	111,862	198,091	9,801	(7,281)	4,740	7,260
Cash and cash equivalents at the beginning of the year	23,153	9,993	18,750	51,897	13,353	17,274	14,010	44,637
Cash and cash equivalents at the end of the year	17,372	102,003	130,612	249,988	23,153	9,993	18,750	51,897

The annexed notes from 1 to 28 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Al Habib Islamic Pension Fund (the Fund) was established under a Trust Deed executed between AL Habib Asset Management Company Limited as the Management Company, and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SCD/AMCW/AHFRF/7/2022 dated September 21, 2022 and the Trust Deed was executed on November 17, 2022.

1.2 The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely “Sindh Trusts Act, 2020” (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.3 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.

1.4 The Fund is an Open-End Shariah complaint Collective Investment Scheme (CIS) as per SECP’s Circular No.3 of 2022 dated February 10, 2022 with Allocation Plans. The Allocation Plans under the Fund may have different Shariah compliant investment avenues and different maturity dates. The Allocation Plans under the Fund may have a set timeframe or perpetual.

1.5 The core objective of the Fund is to provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity.

1.6 The Fund consists of three sub-funds namely, AL Habib Islamic Pension Fund Equity Sub-Fund (Equity Sub-Fund), AL Habib Islamic Pension Fund Debt Sub-Fund (Debt Sub-Fund) and AL Habib Islamic Pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

1.6.1 AL Habib Islamic Pension Fund - Equity Sub-Fund

The investment objective of the Equity Sub Fund of the Islamic Pension Fund is to earn returns from investments in Pakistani Capital Markets. Assets of Equity Sub-fund shall be invested in equity securities which are listed on Pakistan Stock Exchange (PSX) or for the listing of which an application has been approved by PSX and the Equity Sub Fund also eligible to invest in units of Real Estate Investment Trusts (REITs) and Exchange Traded Funds (ETFs) provided that entity/sector/group exposure limits as prescribed are complied with at least ninety percent (90%) of Net Assets of Equity sub fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis.

1.6.2 AL Habib Islamic Pension Fund - Debt Sub-Fund

The investment objective of the Debt sub fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than Equity sub fund. The Investment limits of the Debt Sub Fund are determined by the Commission. The current Investment policy/limits for Debt sub fund as stated below:

The Debt Sub-fund shall consist of government securities, placement in the banks, money market placements, deposits, Certificate of Deposits (COD), Certificate of Musharakas (COM), TDRs, TFC / Sukuk or any other mode of placement, deposits/placements with any other approved debt/money market security issued from time to time.

1.6.3 AL Habib Islamic Pension Fund - Money Market Sub-Fund

The Investment Objective of the Money Market sub fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than Debt Sub Fund. The Investment limits of the Money Market Sub Fund are determined by the Commission. The current Investment policy/limits for Money Market Sub Fund are stated below:

Investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, Certificate of Deposits (COD), Certificate of Musharakas (COM) or any other mode of placement, TDRs, reverse repo.

1.7 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

1.8 The title to the assets of the Fund is held in the name of CDC as trustee of the Fund.

1.9 The management company has been assigned a rating of 'AM1' by Pakistan Credit Rating Agency PACRA dated August 12, 2025.

2 BASIS OF PREPARATION

2.1 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 as applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The requirements of the Constitutive Documents, Voluntary Pension System Rules, 2005 (VPS Rules), the Non-Banking Finance Companies (Establishment and Regulation) rules, 2003(the NBFC rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations').

Wherever the requirements of the Constitutive Documents, the VPS Rules, NBFC Regulations or the directives issued by the SECP differ with the requirements of IFRS, the requirements of the Trust Deed, the VPS Rules (2005) or the requirements of the said directives prevail.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates,assumption and judgements

The preparation of financial statements in conformity with approved accounting and reporting standards, as applicable in Pakistan, requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates judgements and associated assumptions are based on historical experience and various other factors including expectation of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of the revision and future year if the revision affects both current and future years.

Estimates and judgments that have significant effect on the financial statements relates to classification, valuation and impairment of financial assets are as follows:

2.4.1 Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.1.1 and 6 to these financial statements.

2.4.2 Impairment of financial assets

For details please refer notes 4.2.2 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026.

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument for other entity.

4.2.1 Financial assets

Financials assets are classified into appropriate categories at amortized cost, fair value through other comprehensive income and at fair value through profit or loss.The management determines the classification of financial assets into categories based on fund's business model for managing the financial and the contractual terms of the cash flows.

4.2.1.1 Classification

4.2.1.1.1 Equity Instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in other comprehensive income (FVOCI). This election is made on an investment-by-investment basis. An equity instrument held for trading purposes or in which FVOCI election is not taken is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

4.2.1.1.2 Debt Instruments

Amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Financial assets not classified as measured at amortised cost as described above are measured at FVTPL.These are initially measured at fair value and transaction costs that are directly attributable to its acquisition are charged to income statement.

Subsequent, the financial measured at:

Debt investments at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement.

Equity investments at FVTPL

These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment.

4.2.1.2 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.1.3 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.2.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of second schedule to the income Tax Ordinance, 2001.

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

4.5 Proposed distributions

Distributions declared subsequent to the year end reporting date are subject to the approval of Board of directors of the management company and are considered as non-adjusting events and are recognised in the financial statements in the year in which such distributions are declared.

4.6 Issuance and redemption of units

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

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company / Distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.7 Net asset value per unit

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

4.8 Revenue recognition

- Gains / losses arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Mark-up / profit / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.
- Unrealised gains / losses arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Dividend income from equity securities is recognised when the right to receive the dividend is established.

4.9 Expenses

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

4.10 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

		June 30, 2026				June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
5. BALANCES WITH BANK	**Note**	---------- Rupees in '000 ----------							
Saving accounts	5.1	17,374	102,003	130,611	249,988	23,153	9,993	18,750	51,896
		17,374	102,003	130,611	249,988	23,153	9,993	18,750	51,896

5.1 These carries mark-up at the rates ranging between 8.75% to 11.5% (2025: 8.3% to 10.8%) per annum for all sub funds. These represents balances held with Bank AL Habib Limited, a related party.

6. INVESTMENTS

At fair value through profit or loss

Listed equity securities	6.1	249,297	-	-	249,297	193,927	-	-	193,927
Government Securitie:									
GOP Ijara sukuk (GIS)	6.2	-	53,439	54,054	107,493	-	186,157	205,968	392,125
Market Treasury Bills	6.2	-	139,897	234,672	374,569	-	-	-	-
		249,297	193,336	288,726	731,359	193,927	186,157	205,968	586,052

6.1 Listed equity securities

Ordinary shares having face value of Rs. 10 each unless stated otherwise.

Name of the Investee	As at July 01, 2025	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (dimunation) as at June 30, 2026	Market Value as a percentage of Net Asset of Equity Sub Fund	Market Value as a percentage of Investment of Equity Sub Fund
	---------- No. of shares ----------					---------- (Rupees in '000) ----------			---------- (%) ----------	
AUTOMOBILE ASSEMBLER										
Ghandhara Industries Limited	2,500	11,061	-	11,483	2,078	1,747	2,013	266	0.78%	0.81%
Ghandhara Automobiles Limited	4,500	19,000	-	10,700	12,800	6,590	7,194	604	2.77%	2.89%
Sazgar Engineering Works	3,375	-	-	2,300	1,075	2,341	2,218	(123)	0.86%	0.89%
	10,375	**30,061**		**24,483**	**15,953**	**10,678**	**11,425**	**747**		
AUTOMOBILE PARTS & ACCESSORIES										
SLM	-	220,998	-		220,998	5,052	5,609	557	2.16%	2.25%
Exide Pakistan Limited	2,000		-	2,000	-	-	-	-	0.00%	0.00%
	2,000	**220,998**		**2,000**	**220,998**	**5,052**	**5,609**	**557**		
CEMENT										
Bestway Cement Limited	10,000	-	-	10,000	-			-	0.00%	0.00%
Cherat Cement Pakistan Limited	15,500	11,000	-	14,500	12,000	3,689	4,151	462	1.60%	1.67%
Fauji Cement Co Limited	75,000	313,500	-	217,500	171,000	9,429	9,841	412	3.79%	3.95%
Kohat Cement Limited	50,000	-	-	35,000	15,000	1,822	1,652	(170)	0.64%	0.66%

Name of the Investee	As at July 01, 2025	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (dimunation) as at June 30, 2026	Market Value as a percentage of Net Asset of Equity Sub Fund	Market Value as a percentage of Investment of Equity Sub Fund
	No. of shares					(Rupees in '000)			(%)	
D.G. Khan Cement Company Limited	28,000	38,300	-	38,500	27,800	5,352	6,207	855	2.39%	2.49%
Lucky Cement Limited	33,500	83,672	-	83,697	33,475	15,167	15,717	550	6.06%	6.30%
Maple Leaf Cement Factory Limited	95,000	82,500	-	137,500	40,000	3,849	4,276	428	1.65%	1.72%
Pioneer Cement Limited	19,000	-	-	19,000	-	-	-	-	0.00%	0.00%
	326,000	**528,972**		**555,697**	**299,275**	**39,307**	**41,844**	**2,537**		
CHEMICAL										
Biafo Industries Limited	17,500	-	-	17,500	-	-	-	-	0.00%	0.00%
	17,500	**-**	**-**	**17,500**	**-**	**-**	**-**	**-**		
COMMERCIAL BANKS										
Meezan Bank Limited	36,000	133,900	-	117,700	52,200	24,951	26,959	2,008	10.39%	10.81%
	36,000	**133,900**		**117,700**	**52,200**	**24,951**	**26,959**	**2,008**		
ENGINEERING										
International Industries Limited	6,000	8,000	-	14,000	-	-	-	-	0.00%	0.00%
International Steels Limited	10,000	-	-	10,000	-	-	-	-	0.00%	0.00%
ASL	-	250,000	-	250,000	-	-	-	-	0.00%	0.00%
Mughal Iron & Steel Industries Limited	-	65,000	-	65,000	-	-	-	-	0.00%	0.00%
	16,000	**323,000**	**-**	**339,000**	**-**	**-**	**-**	**-**		
FERTILIZER										
FFC	48,975	-	-	27,000	21,975	12,234	12,602	369	4.86%	5.06%
Fatima Fertilizer Company Limited	80,000	30,000	-	94,000	16,000	1,830	2,645	814	1.02%	1.06%
Engro Fertilizers Limited	30,000	66,000	-	96,000	-	-	-	-	0.00%	0.00%
	158,975	**96,000**		**217,000**	**37,975**	**14,064**	**15,247**	**1,183**		
FOOD & PERSONAL CARE PRODUCTS										
National Foods Limited	15,000	14,140	-	29,140	-	-	-	-	0.00%	0.00%
FCEPL	-	35,000	-	35,000	-	-	-	-	0.00%	0.00%
GDL	-	725,000	-	525,000	200,000	6,600	3,990	(2,610)	1.54%	1.60%
Barkat Frisian Agro Limited	80,000	40,000	-	80,000	40,000	1,383	1,457	75	0.56%	0.58%
	95,000	**814,140**	**-**	**669,140**	**240,000**	**7,983**	**5,447**	**(2,535)**		
GLASS & CERAMICS										
Tariq Glass Industries Limited	14,340	2,000	-	16,340	-	-	-	-	0.00%	0.00%
	14,340	**2,000**	**-**	**16,340**	**-**	**-**	**-**	**-**		
MISCELLANEOUS										
Shifa International Hospitals Limited	6,000	2,070	-	4,100	3,970	1,927	2,007	80	0.77%	0.80%
	6,000	**2,070**	**-**	**4,100**	**3,970**	**1,927**	**2,007**	**80**		

Name of the Investee	Note	As at July 01, 2025	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (dimunation) as at June 30, 2026	Market Value as a percentage of Net Asset of Equity Sub Fund	Market Value as a percentage of Investment of Equity Sub Fund
		No. of shares					(Rupees in '000)			(%)	
OIL & GAS EXPLORATION COMPANIES											
Mari Energies Limited	6.1.1	4,480	31,440	-	24,980	10,940	7,481	7,377	(104)	2.84%	2.96%
Oil and Gas Development Company Limited		81,650	188,750	-	176,150	94,250	27,931	31,561	3,630	12.17%	12.66%
Pakistan Petroleum Limited		85,000	285,750	-	240,500	130,250	29,831	31,601	1,770	12.18%	12.68%
		171,130	**505,940**	**20,160**	**441,630**	**235,440**	**65,243**	**70,539**	**5,296**		
OIL & GAS MARKETING COMPANIES											
Attock Petroleum Limited		7,000	-	-	7,000	-	-	-	-	0.00%	0.00%
Pakistan State Oil Company Limited		23,500	32,000	-	52,500	3,000	1,326	1,027	(299)	0.40%	0.41%
Sui Nouthern Gas Pipelines Limied		48,000	67,500	-	73,000	42,500	4,787	5,140	352	1.98%	2.06%
		37,000	**99,500**	**-**	**132,500**	**45,500**	**6,113**	**6,167**	**53**		
PHARMACEUTICALS											
Abbott Laboratories		5,800	-	-	4,300	1,500	1,458	1,477	19	0.57%	0.59%
Highnoon Laboratories Limited		3,255	-	-	3,255	-	-	-	-	0.00%	0.00%
Haleon Pakistan Limited		8,500	-	-	7,100	1,400	1,031	1,127	96	0.43%	0.45%
GlaxoSmithKline Pakistan Limited		16,000	1,000	-	12,000	5,000	1,972	1,851	(121)	0.71%	0.74%
Hoechst Pakistan Limited		1,600	-	-	-	1,600	5,252	6,456	1,204	2.49%	2.59%
		-	**1,000**	**-**	**26,655**	**9,500**	**9,713**	**10,911**	**1,198**		
POWER GENERATION & DISTRIBUTION											
Hub Power Company Limited		66,000	108,000	-	147,000	27,000	5,388	6,303	915	2.43%	2.53%
Engro Powergen Qadirpur Limited		-	-	-		-	-	-	-	0.00%	0.00%
		66,000	**108,000**	**-**	**147,000**	**27,000**	**5,388**	**6,303**	**915**		
CABLE AND ELECTRICAL GOODS											
Fast Cables Limited		150,000	-	-	150,000	-	-	-	-	0.00%	0.00%
		150,000	**-**	**-**	**150,000**	**-**	**-**	**-**	**-**		
TRANSPORT											
SLGL		-	160,000	-	100,000	60,000	1,517	985	(532)	0.38%	0.39%
		-	**160,000**	**-**	**100,000**	**60,000**	**1,517**	**985**	**(532)**		
LEATHER AND TANNERIES											
SGF		-	50,000	-	-	50,000	6,328	6,096.00	(232)	2.35%	2.45%
		-	**50,000**	**-**	**-**	**50,000**	**6,328**	**6,096**	**(232)**		
REFINERY											
ATRL		-	25,000	-	15,500	9,500	8,111	8,081	(30)	3.12%	3.24%
		-	**25,000**	**-**	**15,500**	**9,500**	**8,111**	**8,081**	**(30)**		
TECHNOLOGY AND COMMUNICATIONS											
Engro Holdings Limited		-	60,180	-	60,180	-	-	-	-	0.00%	0.00%
		-	**60,180**	**-**	**60,180**	**-**	**-**	**-**	**-**		

Name of the Investee	Note	As at July 01, 2025	Purchased during the year	Bonus received during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (dimunation) as at June 30, 2026	Market Value as a percentage of Net Asset of Equity Sub Fund	Market Value as a percentage of Investment of Equity Sub Fund
		---------- No. of shares ----------					---------- (Rupees in '000) ----------			---------- (%) ----------	
INVESTMENT BANKS/COMPANIES/SECURITIES											
Engro Holdings Limited		62,500	166,000	-	172,700	55,800	14,773	16,055	1,282	6.19%	6.44%
		62,500	**166,000**	**-**	**172,700**	**55,800**	**14,773**	**16,055**	**1,282**		
TEXTILE COMPOSITE											
Interloop Limited		45,000	85,200	-	62,000	68,200	5,813	7,334	1,521	2.83%	2.94%
Nishat Mills Limited		24,000	56,000	-	27,500	52,500	7,807	8,288	480	3.20%	3.32%
		69,000	**141,200**	**-**	**89,500**	**120,700**	**13,621**	**15,622**	**2,001**		
Total equity securities as at June 30, 2026						**1,467,811**	**234,771**	**249,297**	**14,527**		
Total equity securities as at June 30, 2025						1,057,471	77,900	96,310	18,410		

6.1.1 During the tax year 2023, section 236Z of the Income Tax Ordinance, 2001 introduced for levy a withholding tax at the rate of 10% of amount of bonus shares declared by company. During the period, the Fund has received 22,400 bonus shares from Mari Petroleum Company Limited, against which 2,240 shares were withheld by the investee company as withholding tax under section 236Z of the Income Tax Ordinance, 2001. The Management Company in consultation with other Collective Investment Scheme (CISs), has formed a considered view that since the fund is a pass through entity and its income, upon distribution of 90% to unit holders, is not subject to tax. Therefore, the provision of Section 236Z - withholding tax is not applicable to the Fund as no tax incidence will eventually arise.

Further, a Petition having reference no. C.P. No. D-4747 of 2024 and C.P. No D-5461 of 2024 have been filed by the Central Depository Company of Pakistan Limited (CDC) as Trustee on behalf of CISs and management companies against the investee companies before the Honorable High Court of Sindh (SHC) against implementation of Section 236Z on CISs and to seek exemption certificates from Income tax authorities. The Court has issued order and directed the investee companies to retain 10% of the bonus shares being issued to petitioners (i.e. investment management companies) and shall not pay any tax to Inland Revenue Department until further order received from the Court. In order to cater the fair value differences and resulting withholding tax amount as requested by the investee company, the Court has further directed to retain additional 10% shares. Accordingly, the CDC being the custodian of the shares has frozen additional 10% shares in the investment account held with them.

Based on Honorable Islamabad High Court order, Mari Energies Limited has disposed of the shares withheld and the proceeds has been deposited with government treasury except those entities which are in litigation with SHC. As a result, CDC released frozen additional 10% shares in the investment account held by CDC irrespective of litigation. However, SHC decision is still pending adjudication.

6.2 Government Securities

6.2.1 GOP Ijara Sukuk (GIS)

6.2.1.1 Debt Sub Fund

Particulars	As at July 01, 2025	Purchased during the year	Sold/ matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market Value as a percentage of Net Asset of Debt Sub Fund	Market Value as a percentage of Investment
	---------- No. of instruments ----------				---------- (Rupees in '000) ----------			---------- (%) ----------	
GOP IJARA SUKUK - VRR (26-10-2022)	200	-	-	200	20,168	20,020	(148)	6.72%	10.36%
GOP IJARA SUKUK - 03 YEAR FRR (26-06-2023)	-	120	120	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 YEAR VRR (17-04-2023)	450	-	450	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 05 YEAR FRR (30-09-2025)	-	1,200	-	1,200	6,000	5,920	(80)	1.99%	3.06%
GOP IJARA SUKUK - 01 FRR (07-08-2023)	860	-	860	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 05 YEAR VRR (29-07-2020)	1,175	-	1,175	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 05 YEAR FRR (29-07-2020)	485	-	485	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 03 YEAR FRR (22-01-2026)	-	600	600	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 YEAR VVR (07-08-2023)	260	-	260	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 05 YEAR FRR (21-10-2024)	-	400	-	400	2,041	1,973	(68)	0.66%	1.02%
GOP IJARA SUKUK - 01 YEAR FRR (09-10-2023)	1,140	-	1,140	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 05 YEAR FRR (30-05-2025)	-	8,600	8,600	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 YEAR VRR (26-06-2023)	550	-	550	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 05 YEAR FRR (22-01-2026)	-	600	-	600	3,000	2,822	(178)	0.95%	1.46%
GOP IJARA SUKUK 03 YEAR FRR (30-05-2025)	-	4,600	-	4,600	23,227	22,703	(523)	7.62%	11.74%
GOP IJARA SUKUK - 01 YEAR VRR (04-12-2023)	380	-	380	-	-	-	-	0.00%	0.00%
Total GOP Ijarah Sukuk as at June 30, 2026				**7,000**	**54,436**	**53,439**	**(997)**		
Total GOP Ijarah Sukuk as at June 30, 2025				1,860	186,317	186,157	(160)		

Particulars	As at July 01, 2025	Purchased during the year	Sold/ matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market Value as a percentage of Net Asset of Debt Sub Fund	Market Value as a percentage of Investment of Debt Sub Fund
TBills									
GIS 1 YEAR DISCOUNTED(24-06-2026)	-	900000	-	900,000	80,785	80,802	17	27.12%	41.79%
GIS 1 YEAR DISCOUNTED(02-05-2025)	-	500000	500,000	-	-	-	-	0.00%	0.00%
GIS 1 YEAR DISCOUNTED(14-11-2025)	-	300000	-	300,000	28,941	28,803	(138)	9.67%	14.90%
GIS 1 YEAR DISCOUNTED(21-08-2025)	-	220000	10000	210,000	20,728	20,687	(41)	6.94%	10.70%
GIS 1 YEAR DISCOUNTED(22-01-2025)	-	40000	-	40,000	3,807	3,762	(44)	1.26%	1.95%
GIS 1 YEAR DISCOUNTED(30-09-2025)	-	60000	-	60,000	5,860	5,842	(18)	1.96%	3.02%
Total GIS as at June 30, 2026				**2,010,000**	**140,121**	**139,897**	**(225)**		
Total GISas at June 30, 2025				-	-	-	-		

6.2.2 Money Market Sub Fund

Particulars	As at July 01, 2025	Purchased during the year	Sold/ matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market Value as a percentage of Net Asset of Money Market Sub Fund	Market Value as a percentage of Investment of Money Market Sub Fund
	---------- No. of instruments ----------				---------- (Rupees in '000) ----------			---------- (%) ----------	
GOP IJARA SUKUK - VRR (26-10-2022)	540	-	-	540	54,453	54,054	(399)	12.84%	18.72%
GOP IJARA SUKUK - 01 YEAR VRR (04-12-2023)	1,220	-	1,220	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 YEAR VRR (17-04-2023)	490	-	490	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 FRR (07-08-2023)	600	-	600	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 05 YEAR VRR (29-07-2020)	435	-	435	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 05 YEAR FRR (29-07-2020)	1,080	-	1,080	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 03 YEAR FRR (26-06-2023)	-	480	480	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 YEAR VRR (08-03-2023)	620	-	620	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 YEAR FRR (09-10-2023)	1,010	-	1,010	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 03 YEAR VRR (18-09-2024)	-	4,200	4,200	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 05 YEAR FRR (30-05-2025)	-	2,000	2,000	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 YEAR VRR (26-06-2023)	570	-	570	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK - 01 YEAR VVR (07-08-2023)	555	-	555	-	-	-	-	0.00%	0.00%
Total GOP Ijarah Sukuk as at June 30, 2026				**540**	**54,452**	**54,054**	**(399)**		
Total GOP Ijarah Sukuk as at June 30, 2025				2,055	206,962	205,968	(994)		

Particulars	As at July 01, 2025	Purchased during the year	Sold/ matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Market Value as a percentage of Net Asset of Money Market Sub Fund	Market Value as a percentage of Investment of Money Market Sub Fund
TBills									
GHS 1 YEAR DISCOUNTED(24-06-2026)	-	1,000,000	-	1,000,000	89,762	89,780	18	30.13%	46.44%
GIS 1 YEAR DISCOUNTED(02-05-2025)	-	500,000	-	500,000	48,235	48,005	(230)	16.11%	24.83%
GIS 1 YEAR DISCOUNTED(14-11-2025)	-		500,000	-	-	-	-	-	-
GIS 1 YEAR DISCOUNTED(21-08-2025)	-	290,000	-	290,000	28,624	28,568	(56)	9.59%	14.78%
GIS 1 YEAR DISCOUNTED(22-01-2025)	-	50,000	-	50,000	4,758	4,703	(55)	1.58%	2.43%
GIS 1 YEAR DISCOUNTED(24-07-2025)	-	414,950	-	414,950	41,265	41,221	(43)	13.83%	21.32%
GIS 1 YEAR DISCOUNTED(30-09-2025)	-	230,000	-	230,000	22,464	22,395	(69)	7.52%	11.58%
Total GIS as at June 30, 2026				**2,484,950**	**235,108**	**234,672**	**(435)**		
Total GIS as at June 30, 2025				-	-	-	-		

	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
7. DIVIDEND AND PROFIT RECEIVABLE	---------- Rupees in '000 ----------							
Advances and other receivables	-	100	100	200	-	67	108	175
Profit receivable on:								
GOP Ijara Sukuk (GIS)	-	917	1,045	1,962	-	8,409	7,236	15,645
Savings deposits	115	2,258	1,642	4,015	102	137	121	360
	115	3,275	2,787	6,177	102	8,613	7,465	16,180

8. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY								
Remuneration payable to Management Company	419	273	424	1,116	137	156	202	495
Sindh Sales Tax payable	65	51	64	180	21	39	29	89
	484	324	488	1,296	158	195	231	584

8.1 As per Rule 67F of the NBFC Regulations, 2008, Pension Fund Manager may charge variable fee or ?xed fee or the combination of both which shall not exceed the limit disclosed in the offering document, further subject to the guidelines as may be issued by the Commission from time to time.Based on offering document, the fee is being charged at the following rate of the average daily net assets of the sub funds. the fee is payable.

	Equity sub fund	Debt sub fund	Money Market sub fund
From July 01,2025 till June 30, 2026	2.50%	1.25%	1.00%

8.2 The Sindh Sales Tax is charged at the rate of 15% (2025: 15%) on the remuneration as per Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		June 30, 2026				June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Note	---------- Rupees in '000 ----------							
Remuneration payable to Trustee	9.1	44	48	82	174	24	27	34	85
Sindh Sales Tax payable	9.2	23	13	22	58	5	4	5	14
		67	61	104	232	29	31	39	99

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified there in, based on the daily Net Asset Value (NAV) of the Fund. The remuneration is paid to the trustee monthly in arrears.

Net assets	Tariff per annum
Up to Rs. 1,000 million	Rs. 0.3 million or 0.15% of NAV, whichever is higher
Exceeding Rs. 1,000 million up to Rs. 3,000 million	Rs. 1.5 million plus 0.10% of NAV exceeding Rs. 1,000 million
Exceeding Rs. 3,000 million up to Rs. 6,000 million	Rs. 3.5 million plus 0.08% of NAV exceeding Rs, 3,000 million
Exceeding Rs. 6,000 million	Rs. 5.9 million plus 0.06% of NAV exceeding Rs. 6,000 million

9.2 The Sindh Sales Tax is charged at the rate of 15% (2025: 15%) on the remuneration as per Sindh Sales Tax on Services Act, 2011.

10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		June 30, 2026				June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Note	---------- Rupees in '000 ----------							
Annual fee payable to SECP	10.1	101	98	124	323	64	63	65	192
		101	98	124	323	64	63	65	192

10.1 As per Clause 36 of the VPS Rules, 2005 the Pension Fund Manager shall pay an annual fee to the Commission an amount equal to one twenty-fifth of one per cent of the average annual net asset value of the pension fund. The fees is chargeable to the fund under Regulation 60 (3)(f) and 67G (3) of the NBFC Regulations and is payable in arrears.

	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
11. ACCRUED EXPENSES AND OTHER LIABILITIES	---------- Rupees in '000 ----------							
Withholding tax	-	-	-	-	-	-	-	-
Auditors' remuneration payable	103	103	103	309	99	99	99	297
Printing charges	-	-	-	-	10	13	33	56
Charity Payable	414	-	-	414	203	-	-	203
Others	6,231	48	376	6,655	2,939	2	-	2,941
	6,748	151	479	7,378	3,251	114	132	3,497

12. CONTINGENCIES AND COMMITMENTS

Contingencies

There are no contingencies as at June 30, 2026 (2025: Nil)

Commitments

There are no commitments as at June 30, 2026. (2025: Nil)

13. NUMBER OF UNITS IN ISSUE	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
Total units in issue at the beginning of the year	559,575	1,303,198	1,503,152	3,365,925	492,323	887,318	953,526	2,333,167
Add: Units issued during the year	2,633,203	3,983,183	8,596,049	15,212,435	1,276,981	3,511,166	3,494,306	8,282,453
Less: units redeemed during the year	(2,637,855)	(3,518,464)	(7,581,325)	(13,737,644)	(1,209,730)	(3,095,286)	(2,944,680)	(7,249,695)
Total units in issue at the end of the year	554,923	1,767,917	2,517,876	4,840,716	559,575	1,303,198	1,503,152	3,365,925

14. AUDITORS' REMUNERATION	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
Annual audit fee	210	136	210	556	152	98	152	402

15. TAXATION

The income of the fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further, the Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A Part IV to Second Schedule of the Income Tax Ordinance 2001.

16. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

17. FINANCIAL INSTRUMENTS BY CATEGORY

Particular	June 30, 2026								
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000 ----------								
Financial assets									
Bank balances	-	17,374	17,374	-	102,003	102,003	-	130,611	130,611
Investments	249,297	-	249,297	193,335	-	193,335	288,726	-	288,726
Dividend and other receivable	-	115	115	-	3,275	3,275	-	2,787	2,787
	249,297	17,489	266,786	193,335	105,278	298,613	288,726	133,398	422,124
Financial liabilities									
Payable to AL Habib Asset Management Limited - Management Company	-	419	419	-	273	273	-	424	424
Payable to Central Depository Company of Pakistan Limited - Trustee	-	44	44	-	48	48	-	82	82
Payable to Securities and Exchange Commission of Pakistan	-	101	101	-	98	98	-	124	124
Accrued expenses and other liabilities	-	6,748	6,748	-	151	151	-	479	479
	-	7,312	7,312	-	570	570	-	1,109	1,109

Particular	June 30, 2025								
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000 ----------								
Financial assets									
Bank balances	-	23,153	23,153	-	9,993	9,993	-	18,750	18,750
Investments	193,927	-	193,927	186,157	-	186,157	205,968	-	205,968
Dividend and other receivable	-	102	102	-	8,613	8,613	-	7,465	7,465
	193,927	23,255	217,182	186,157	18,606	204,763	205,968	26,215	232,183

Particular	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000 ----------								
Financial liabilities									
Payable to AL Habib Asset Management Limited - Management Company	-	137	137	-	156	156	-	202	231
Payable to Central Depository Company of Pakistan Limited - Trustee	-	24	24	-	27	27	-	34	34
Payable to Securities and Exchange Commission of Pakistan	-	64	64	-	63	63	-	65	65
Accrued expenses and other liabilities	-	3,251	3,251	-	114	114	-	132	132
	-	3,476	3,476	-	360	360	-	433	462

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES/ CONNECTED PARTIES

Related parties/ Connected persons include Al Habib Asset Management Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Related parties/connected persons include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above companies.

	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
18.1 Transactions during the period								
Al Habib Asset Management Limited - Management Company								
Remuneration of Management company	6,301	1,338	1,818	9,457	1,597	1,602	1,662	4,861
Sindh Sales Tax	947	198	274	1,419	239	239	249	727
Central Depository Company of Pakistan Limited - Trustee								
Remuneration of the Trustee	362	360	462	1,184	242	238	255	735
Sindh Sales Tax	73	60	79	212	38	30	31	99
Bank Al Habib Limited - Sponsor								
Mark-up on bank deposits	1,231	9,246	10,048	20,525	954	2,269	2,926	6,149
AL Habib Capital Markets (Pvt) Ltd								
Brokerage	37	-	-	37	37	-	-	37

	2026				2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	---------- Rupees in '000 ----------							
18.2 Balances outstanding								
Al Habib Asset Management Limited - Management Company								
Management company fee payable	419	273	424	1,116	137	156	202	495
Sindh Sales Tax	65	51	64	180	21	39	29	89
Central Depository Company of Pakistan Limited - Trustee								
Trustee fee payable	44	48	82	174	24	27	34	85
Sindh Sales Tax	23	13	22	58	5	4	5	14
Bank Al Habib Limited - Sponsor								
Balances with bank	17,374	102,003	130,611	249,988	23,153	9,993	18,750	51,896
Profit Receivable	115	2,258	1,642	4,015	102	137	121	360

	2026						2025					
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
Units issued to:												
Management Company												
- AL Habib Asset Management Limited	-	-	-	-	-	-	-	-	-	-	-	-
Directors & Their Relatives of the Management Company												
- Directors & their relatives	-	-	-	-	-	-	747,499	12,000	849,040	9,000	2,028,343	15,000
Key Management Personnel of the Management Company												
-Key Management Personnel	-	-	-	-	-	-	263,663	22,000	1,259,447	27,000	-	-
Units redeemed by:												
Management Company												
- AL Habib Asset Management Limited	300,000	123,492	-	-	-	-	-	-	-	-	-	-
Directors & Their Relatives of the Management Company												
- Directors & their relatives	-	-	-	-	-	-	769,508	8,000	749,996	5,000	1,787,013	7,000
Key Management Personnel of the Management Company												
-Key Management Personnel	-	-	-	-	-	-	228,111	12,000	1,240,715	15,000	-	-
Units held by:												
Management Company												
- AL Habib Asset Management Limited	-	-	-	-	-	-	300,000	114,558	300,000	47,044	300,000	46,246
Directors & Their Relatives of the Management Company												
- Directors & their relatives	-	-	-	-	-	-	1,464,560	212,499	454,328	56,170	628,801	96,390
Key Management Personnel of the Management Company												
-Key Management Personnel	168,914	78,954	-	-	-	-	29,424	5,085	117,641	15,753	-	-
Connected persons holding 10% or more of the units in issue):	198,929	92,975	952,261	160,501	1,284,677	214,767	412,177	157,394	652,592	102,336	837,878	129,161

19. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

19.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies, and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk.

19.1.2 Interest rate risk

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

a) Sensitivity analysis for variable rate instruments

As at the reporting date, the fund holds variable profit based investment and balances with bank exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in interest rates at period end with all other variables held constant, the net income for the period and the net assets of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund would have been higher / lower by Rs. 2.667 million, Rs. 1.220 million and Rs. 1.847 million respectively (2025: Rs. 2.171 million, Rs. 1.478 million and Rs. 2.247 million respectively).

b) Sensitivity analysis for fixed rate instruments

As at the reporting date, the fund holds fixed profit based investment exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in interest rates at period end with all other variables held constant, the net income for the period and the net assets of the Debt Sub-Fund and Money Market Sub-Fund would have been higher / lower by Rs. 0.334 million and Rs. Nill respectively (2025: Rs. 0.48 million and Rs. 1.08 million respectively).

In case of 100 basis points increase in interest rates on June 30, 2023, with all other variables held constant, the net income for the period and the net assets Debt Sub-Fund and Money Marker Sub-Fund would have been lower / higher by Rs 0.328 million and Rs 0.354 million respectively.

c) Fair value interest rate risk

Yield / Interest rate sensitivity position for financial instrument is as follows:

Particulars	Effective yield / interest rate	June 30, 2026												
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Total
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		
	Note	Rupees in '000												
On-balance sheet financial instruments														
Financial assets														
Balances with bank	8.3%-10.8%	17,374	-	-	-	102,003	-	-	-	130,611	-	-	-	249,988
Investments - net		-	-	-	249,297	-	-	-	193,335	-	-	-	288,726	731,358
Dividend and other receivable		115	-	-	-	3,275	-	-	-	2,787	-	-	-	6,177
		17,489	-	-	249,297		-	-	193,335	133,398	-	-	288,726	987,523
Financial liabilities														
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	419	-	-	-	273	-	-	-	424	1,116
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	44	-	-	-	48	-	-	-	82	174
Payable to Securities and Exchange Commission of Pakistan		-	-	-	101	-	-	-	98	-	-	-	124	323
Accrued expenses and other liabilities		-	-	-	6,748	-	-	-	151	-	-	-	479	7,378
		-	-	-	7,312	-	-	-	570	-	-	-	1,109	8,991
On-balance sheet gap (a)		17,489	-	-	241,985	105,278	-	-	192,765	133,398	-	-	287,617	978,532
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Effective yield / interest rate	June 30, 2025												
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				Total
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		
	Note	Rupees in '000												
On-balance sheet financial instruments														
Financial assets														
Bank balances	8.3%-10.8%	23,153	-	-	-	9,993	-	-	-	18,750	-	-	-	51,896
Investments - net		-	-	-	193,927	-	-	-	186,157	-	-	-	205,968	586,052
Dividend and other receivable		102	-	-	-	8,613	-	-	-	7,465	-	-	-	16,180
		23,255	-	-	193,927	18,606	-	-	186,157	26,215	-	-	205,968	654,128
Financial liabilities														
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	137	-	-	-	156	-	-	-	202	495
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	24	-	-	-	27	-	-	-	34	85
Payable to Securities and Exchange Commission of Pakistan		-	-	-	64	-	-	-	63	-	-	-	65	192
Accrued expenses and other liabilities		-	-	-	3,251	-	-	-	114	-	-	-	132	3,497
		-	-	-	3,476	-	-	-	360	-	-	-	433	4,269
On-balance sheet gap (a)		23,255	-	-	190,451	18,606	-	-	185,797	26,215	-	-	205,535	649,859
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-	-	-	-

19.1.3 Other price risk

Price risk is 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 instruments traded in the market.

A summary analysis of local investments by industry sector, the percentage in relation to Fund's assets and the issued capital of the investee company is presented in note 6.1 to these financial statements. Further, the Fund's policy requires that the overall Fund position is monitored on a daily basis by the Fund Manager and is reviewed on bi-monthly basis by the Investment Committee and by the Board of Directors in every meeting of the Board. Non - compliance with the Fund's investment policies is reported to the Board of Directors.

The Fund's investments in equity securities are publicly traded and are valued at the rates quoted on the relevant stock exchanges.

In case of 5% increase / decrease in the fair value of the Fund's equity securities at fair value through profit or loss on June 30, 2026, the net income for the year would increase / decrease by Rs. 12.465 million (2025: Rs. 9.696 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the PSX 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KMI index, is expected to change over the time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of PSX 100 Index.

19.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to balances with bank (financial institutions) and receivables from banks.

Management of credit risk

The Fund keeps deposits with reputed financial institutions. All transactions in units are settled / paid for upon delivery using the system of Trustee. The risk of default in these transactions is considered minimal due to inherent systematic measures taken therein. The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC rules and the regulations and the guidelines given by the SECP from time to time.

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

Bank	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Latest available published rating as at June 30, 2025	Rating agency
	---------- Rupees in '000 ----------				
Bank Al Habib Limited	17,374	88,932	57,484	A1+	PACRA
United Bank Limited		13,071	73,127	AAA	VIS
	17,374	102,003	130,611		

Bank	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Latest available published rating as at June 30, 2025	Rating agency
	---------- Rupees in '000 ----------				
Bank Al Habib Limited	23,153	9,993	18,750	A1+	PACRA
	23,153	9,993	18,750		

19.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

	June 30, 2026			June 30, 2025		
Ratings	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	---------- (%) ----------					
A1+	100%	50%	50%	100%	100%	100%
AAA		50%	50%	0%	0%	0%
	100%	100%	100%	100%	100%	100%

As of the previous report date, the sovereign entity had never defaults on any of its securities. Therefore, the fund has determined that it is not exposed to credit risk.

Concentration of credit risk

Concentration of credit risk arises when a number of financial instruments or contracts are entered into with the same counterparty, or where a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions.

The Fund's major asset balances are held with a single bank, and management believes that there is no concentration of credit risk as this bank is reputed institution.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligations will have to be settled in a manner disadvantageous to the Fund. The Fund is exposed to non-payment of redemptions request on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by the SECP.

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed off.

The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

The following table analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	June 30, 2026								
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	Upto three months	More than three months and upto one year	More than one year	Upto three months	More than three months and upto one year	More than one year	Upto three months	More than three months and upto one year	More than one year
	---------- Rupees in '000 ----------								
Financial liabilities									
Payable to AL Habib Asset Management Limited - Management Company	484	-	-	324	-	-	488	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	67	-	-	61	-	-	104	-	-
Payable to Securities and Exchange Commission of Pakistan	101	-	-	98	-	-	124	-	-
Accrued expenses and other liabilities	6,748	-	-	151	-	-	479	-	-
Total liabilities	**7,400**	**-**	**-**	**634**	**-**	**-**	**1,195**	**-**	**-**

20 PARTICIPANTS' SUB FUND RISK MANAGEMENT

All units and fractions thereof represent an individed share in the respective sub fund and rank pari passu as to their rights in the net assets and earnings of that sub-fund. The relevent movements are shown on the 'statement of movement in participants' sub funds'.

Each participant has the beneficial interest in the Fund proportionate to the units held by such participant in the respective in the respective sub-fund in the Individual pension account (IPA). The liability of the participant is limited to the number of units, held by each participant in his IPA. These are only redeemable in case of retirement, premature encashment / redemption, death of the participant, and change of Pension Fund Manager, change of allocation scheme and / or rebalancing of the IPA according to the percentages selected allocated scheme. As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Note No 19 is the Financial Risk Management.

21 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. Consequently, differences can arise between carrying amount and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

	2026			
	Fair value			
	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss	(Rupees in '000)			
Equity Sub-Fund				
Listed equity securities	249,297	-	-	249,297
Debt Sub-Fund				
GoP Ijarah Sukuk Certificates	-	193,335	-	193,335
Money Market Sub-Fund				
GoP Ijarah Sukuk Certificates	-	288,726	-	288,726
	249,297	482,061	-	731,358

	2025			
	Fair value			
	Level 1	Level 2	Level 3	Total
Investments at fair value through profit or loss	(Rupees in '000)			
Equity Sub-Fund				
Listed equity securities	193,927	-	-	193,927
Debt Sub-Fund				
GoP Ijarah Sukuk Certificates	-	186,157	-	186,157
Money Market Sub-Fund				
GoP Ijarah Sukuk Certificates	-	205,968	-	205,968
	193,927	392,125	-	586,052

21.1 Valuation techniques

21.1.1 For level 1 investments at fair value through profit or loss in units of mutual funds, Fund uses daily quotations which are taken from PSX, for the purpose of computation of Market value at the reporting date.

21.1.2 For level 2 investments at fair value through profit or loss, Fund uses PKISRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

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

21.2 Transfers during the year

No transfer were made between various levels of fair value hierarchy during the year.

22. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

22.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

22.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Cash Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Government Securities Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Pension Fund
- Al Habib Gokp Pension Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic Money Market Fund
- Al Habib Islamic Income Fund
- Al Habib Islamic Savings Fund
- Al Habib Islamic Munafa Fund
- Al Habib Islamic GOKP Pension Fund

23. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25,2025 and October 24, 2025, February 4, 2026, and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

24. PATTERN OF UNITHOLDING

Category	2026			
	Number of unit holders	Number of units held	Investment amount	Percentage
	---------- Rupees in '000 ----------			
AL Habib Islamic Pension Fund - Debt Sub Fund				
Director	-	-	-	0.00%
Associated Companies	1	300,000	50,564	16.97%
Retirement Funds	-	-	-	0.00%
Other Corporate	-	-	-	0.00%
Others	385	1,467,917	247,415	83.03%
	386	1,767,917	297,979	100.00%

Category	2026 Number of unit holders	Number of units held	Investment amount	Percentage
AL Habib Islamic Pension Fund - Equity Sub Fund	---------- Rupees in '000 ----------			
Director	-	-	-	0.00%
Associated Companies	-	-	-	0.00%
Retirement Funds	-	-	-	0.00%
Other Corporate	-	-	-	0.00%
Others	394	554,923	259,387	100.00%
	394	554,923	259,387	100.00%
AL Habib Islamic Pension Fund - Money Market Sub Fund				
Director	-	-	-	0.00%
Associated Companies	1	300,000	50,153	11.91%
Retirement Funds	-	-	-	0.00%
Other Corporate	-	-	-	0.00%
Others	282	2,217,875	370,776	88.09%
	283	2,517,875	420,929	100.00%

25. TOTAL EXPENSE RATIO

As per Part V Regulation 67G of NBFC regulations issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the equity sub fund, debt sub fund and money market sub fund for the year ended June 30, 2026 is 1.37%, 1.46% and 4.19% (2024: 2.39%, 1.28% and 1.16%) respectively which includes 0.14%, 0.15% and 0.54% (2025: 0.32%, 0.22% and 0.22%) respectively representing Government levy and SECP fee.

26. CORRESPONDING FIGURES

26.1 Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

27. GENERAL

27.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

28. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective:

The objective of AHIPF is to provide individuals with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional Investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHIPF maintained its strategy of reaping maximum benefits emanating from volatility experienced in both equity and debt markets. The selection criterion for equity securities is based upon hybrid investment approach with companies having sound financial history backed by strong fundamentals. The exposure in debt portion was also in line with the investment objectives with preference given to highly rated and liquid debt securities.

Performance of the fund with benchmark

Debt: The Fund underperformed its benchmark by 236 bps, as it posted a YTD return of 7.48% as against the benchmark of 9.84%.

Money Market: The Fund underperformed its benchmark by 92 bps, as it posted a YTD return of 8.45% as against the benchmark of 9.37%.

Equity: The Fund underperformed its benchmark by 1,660 bps, as it posted a YTD return of 22.41% as against the benchmark of 39.01%.

Fund Description

Fund Type & Category	Open Ended - Shariah Compliant Voluntary Pension Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	September 05, 2022	**Management Fee**	Equity Sub Fund (2.50%), Debt Sub Fund (0.54) & Money Market Sub Fund (0.58%)
Pricing Mechanism	Forward Pricing	**Sales Load**	Up to 3% on all Contributions
Dealing Days/Timings	Monday to Friday 4:30 pm	**Minimum Investment**	Initial investment of Rs. 1,000/- Subsequently Rs. 1,000/- per transaction
AMC Rating	"AM1" by PACRA (August 12, 2025)	**Risk Profile**	Allocation Dependent
Trustee	Central Depository Company of Pakistan Limited.		

Monthly Returns:

	July-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26
AHIPF-Debt	10.07%	7.84%	8.69%	7.70%	0.06%	19.98%	14.64%	4.74%	-6.91%	1.13%	6.29%	12.38%
AHIPF-Money Market	11.25%	8.32%	7.66%	8.41%	9.22%	11.54%	9.51%	6.66%	1.09%	7.50%	7.32%	9.11%
AHIPF-Equity	4.84%	9.25%	11.43%	(5.73%)	1.56%	2.75%	7.27%	(11.14%)	(12.53%)	7.46%	5.24%	3.39%

Economic Review:

Pakistan's economy concluded FY26 on a strong footing, with provisional real GDP growth expected at 3.7% compared to 3.2% in FY25. Domestic production remained robust, as Large-Scale Manufacturing (LSM) expanded by 6.4% during 9M of FY26, compared to 1.5% contraction in same period last year.

Consumer prices faced periodic shocks, with headline inflation rising to 11.7% in May 2026 and maintaining its mark at 11.1% in June 2026, stemming from the out-turns of Middle East conflict on international crude oil prices, freight costs and global supply chain disruptions. While regional diplomatic efforts successfully triggered a sharp reversal in international crude oil prices, any sustained downward trend depends entirely on an unpredictable peace process. Therefore, the Monetary Policy Committee (MPC) kept the policy rate unchanged at 11.5% to guide inflation back toward its 5.0% to 7.0% medium-term target.

External stability remained firmly intact driven by IMF program and record high $4.3 billion in monthly remittance during May 2026. The current account recorded an aggregate surplus of $255 million for 9M of FY26. This allowed the State Bank of Pakistan (SBP) to manage its foreign exchange reserves to $15.9 billion. Concurrently, strict expenditure management delivered a primary fiscal surplus of 3.5% of GDP for 9M of FY26. This external and fiscal stability prompted rating upgrades from international rating agencies like Fitch and Moody's leading to successful issuance of international bonds and unlocking further upside in the KSE-100 index.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
1 Month	13.02	10.59	243
3 Months	11.15	11.17	-2
6 Months	10.37	12.05	-168
9 Months	10.76	11.20	-44
1 Year	10.85	11.29	-44

AHIPF-Fund	30-Jun-26	30-Jun-25
16-Dec-25	34.16%	-50
28-Apr-26	64.75%	100
	1.09%	

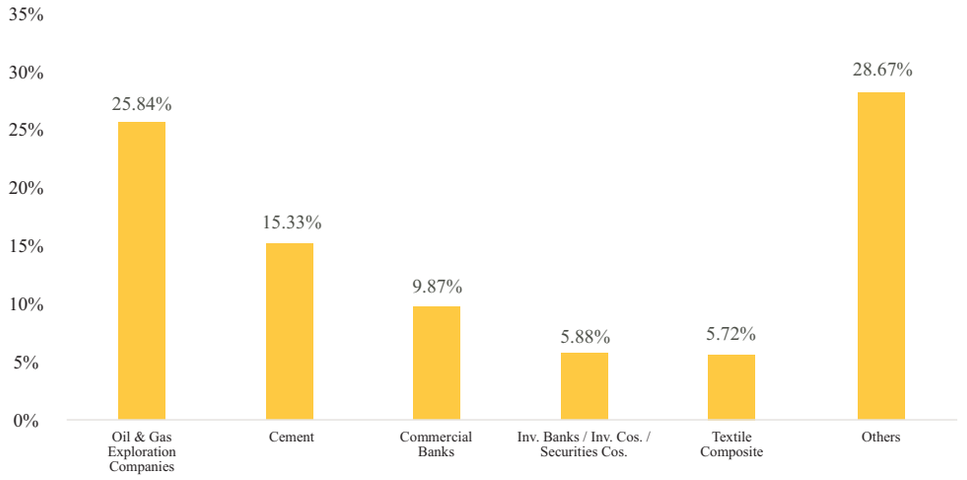
Asset Allocation of Fund (as a % of total assets)

AHIPF-Debt Sub Fund	30-Jun-26	30-Jun-25
Cash	34.16%	4.88%
GOP Ijarah	64.75%	90.93%
Others	1.09%	4.19%

AHIPF-Money Market Sub Fund	30-Jun-26	30-Jun-25
Cash	30.94%	8.08%
GOP Ijarah	68.40%	88.71%
Others	0.66%	3.21%

AHIPF-Equity Sub Fund	30-Jun-26	30-Jun-25
Cash	6.36%	10.66%
Equity	91.31%	89.29%
Others	2.32%	0.05%

Sector Allocation (%age of Total Assets) June 30, 2026



Unit Holding Pattern

Debt Sub Fund:

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	285
1001-5000	69
5001-10000	16
10001-50000	9
50001-100000	2
100001-500000	5
Grand Total	**386**

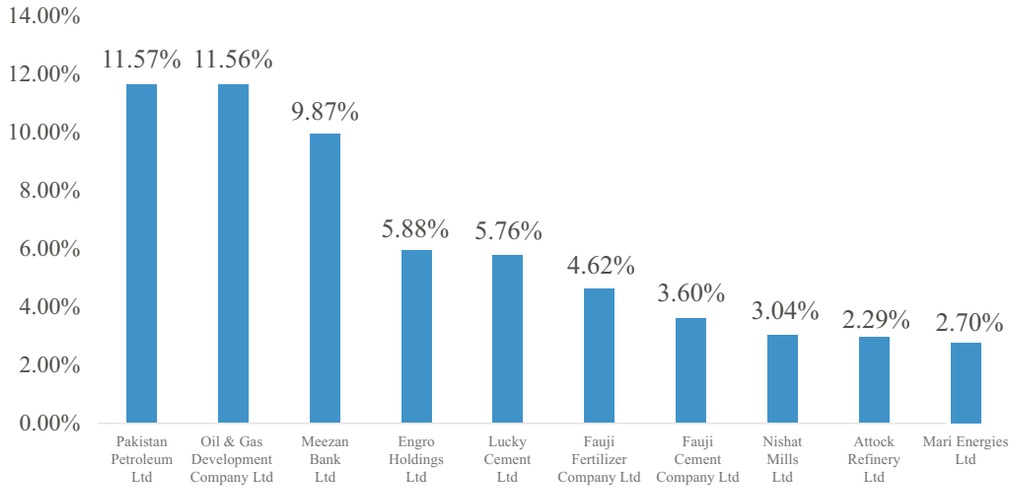
Money Market Sub Fund:

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	194
1001-5000	51
5001-10000	15
10001-50000	11
50001-100000	8
100001-500000	3
500001-1000000	1
Grand Total	**283**

Equity Sub Fund:

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	316
1001-5000	59
5001-10000	12
10001-50000	5
50001-100000	1
100001-500000	1
Grand Total	**394**

Top Ten holding (%age of Total Asset) June 30, 2026



During the period under question:

During the period there has been no significant change in the state of affairs of the Fund, other than stated above. During the year there were no circumstances that materially affected any interests of the unit holders. The fund does not have any soft commission arrangement with any broker in the industry.

Sales and Redemptions of Units (Debt Sub fund)

During the period, 853,079 units valued Rs. 140 million were sold, while 115,733 units valued Rs. 19 million were redeemed, resulting in to a net sale of 737,347 units valued Rs. 121 million.

Sales and Redemptions of Units (Equity Sub fund)

During the period, 180,162 units valued Rs. 83 million were sold, while 327,697 units valued Rs. 137 million were redeemed, resulting in to a net redemption of 147,535 units valued Rs. 54 million.

Sales and Redemptions of Units (Money Market Sub Fund)

During the period, 1,323,430 units valued Rs. 215 million were sold, while 221,893 units valued Rs. 36 million were redeemed, resulting in to a net sale of 1,101,537 units valued Rs. 180 million.

Fund Performance at a Glance

AHIPF-Debt Sub Fund	2026	2025
Net Assets as at June 30 (Rs. in Million)	297.98	204.36
NAV per unit as at June 30 (Rs.)	168.5477	156.8142
Annual Return	7.48%	12.25%

AHIPF-Money Market Sub Fund	2026	2025
Net Assets as at June 30 (Rs. in Million)	420.93	231.71
NAV per unit as at June 30 (Rs.)	167.1761	154.1521
Annual Return	8.45%	12.25%

AHIPF-Equity Sub Fund	2026	2025
Net Assets as at June 30 (Rs. in Million)	259.39	213.68
NAV per unit as at June 30 (Rs.)	467.4260	381.8607
Annual Return	22.41%	78.02%

AL HABIB GOKP PENSION FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200
Karachi.

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton,

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AM1 Management Company Quality

Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE PARTICIPANTS

AL HABIB GOKP PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib GoKP Pension Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 14, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE PARTICIPANTS OF AL HABIB GOKP PENSION FUND

Opinion

We have audited the financial statements of **AL Habib GOKP Pension Fund** ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in participants' sub fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for opinion

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

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

The Management Company 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 the Management and Board of Directors for the Financial Statements

The Management Company ("AL Habib Asset Management Limited") of the Fund is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management Company is responsible for assessing the Fund'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 Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

From the matters communicated with the Board of Directors of the Management Company, 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

UDIN: AR202610166ukIZz4C9Q

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026				
		Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
		----------Rupees in '000----------				
Assets						
Balances with bank	5	11,180	500	500	500	12,680
Investments	6	100,181	-	-	-	100,181
Dividend and profit receivable		234	190	190	190	804
Total assets		111,595	690	690	690	113,665
Liabilities						
Payable to AL Habib Asset Management Limited - Management Company	7	19	190	190	190	589
Payable to Central Depository Company of Pakistan Limited - Trustee Fee	8	26	-	-	-	26
Payable to the Securities and Exchange Commission of Pakistan	9	29	-	-	-	29
Accrued expenses and other liabilities	10	223	-	-	-	223
Total liabilities		297	190	190	190	867
Net assets		111,298	500	500	500	112,798
PARTICIPANTS' SUB FUNDS (as per statement attached)		111,298	500	500	500	112,798
CONTINGENCIES AND COMMITMENTS	11					
		---------- Number of units ----------				
Number of units in issue	12	794,562	5,000	5,000	5,000	809,562
		---------- Rupees----------				
Net asset value per unit		140.07	100.00	100.00	100.00	

The annexed notes 1 to 28 form an integral part of these financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2025				
		Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
		----------Rupees in '000----------				
Assets						
Balances with bank	5	2,081	-	-	-	2,081
Investments	6	47,770	-	-	-	47,770
Dividend and profit receivable		232	-	-	-	232
Total assets		50,083	-	-		50,083
Liabilities						
Payable to AL Habib Asset Management Limited - Management Company	7	17	-	-	-	17
Payable to Central Depository Company of Pakistan Limited - Trustee Fee	8	13	-	-	-	13
Payable to the Securities and Exchange Commission of Pakistan	9	17	-	-	-	17
Accrued expenses and other liabilities	10	114	-	-	-	114
Total liabilities		161	-	-		161
Net assets		49,922	-	-	-	49,922
PARTICIPANTS' SUB FUNDS (as per statement attached)		49,922	-	-	-	49,922
CONTINGENCIES AND COMMITMENTS	11					
		---------- Number of units ----------				
Number of units in issue	12	393,194	-	-	-	393,194
		---------- Rupees----------				
Net asset value per unit		126.97	-	-	-	

The annexed notes 1 to 28 form an integral part of these financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
		June-2026				
		----------Rupees in '000----------				
Income						
Profit on bank deposit	13	656	190	190	190	1,226
Income from government securities		7,038	-	-	-	7,038
Net realized gain on sale of investments		27	-	-	-	27
Unrealised appreciation on re-measurement of investments classified at fair value through profit or loss' - net	6.2	91	-	-	-	91
		7,812	190	190	190	8,382
Expenses						
Remuneration of Al Habib Asset Management Company Limited - Management Company		71	161	161	161	554
Sindh Sales Tax on remuneration of the Management		11	29	29	29	98
Remuneration of Central Depository Company of Pakistan Limited - Trustee		97	-	-	-	97
Sindh Sales Tax on remuneration of the Trustee		16	-	-	-	16
Annual fees to the Securities and Exchange Commission of Pakistan		29	-	-	-	29
Auditors' remuneration	14	388	-	-	-	388
Accrued expenses		31				31
		10	-	-	-	10
Total expenses		653	190	190	190	1,223
Net income for the year before taxation		7,159	-	-	-	7,159
Taxation	15	-	-	-	-	-
Net income for the year after taxation		7,159	-	-	-	7,159
Earnings per unit	16					

The annexed notes 1 to 28 form an integral part of these financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	June-2025				
		Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
		----------Rupees in '000----------				
Income						
Profit on bank deposit	13	441	-	-	-	441
Income from government securities		5,354	-	-	-	5,354
Net realized gain on sale of investments		277	-	-	-	277
Unrealised appreciation on re-measurement of investments classified at fair value through profit or loss' - net	6.2	7	-	-	-	7
		6,079	-	-	-	6,079
Expenses						
Remuneration of Al Habib Asset Management Company Limited - Management Company		97	-	-	-	97
Sindh Sales Tax on remuneration of the Management		15	-	-	-	15
Remuneration of Central Depository Company of Pakistan Limited - Trustee		65	-	-	-	65
Sindh Sales Tax on remuneration of the Trustee		10	-	-	-	10
Annual fees to the Securities and Exchange Commission of Pakistan		17	-	-	-	17
Auditors' remuneration	14	102	-	-	-	102
Accrued expenses		1				1
		13	-	-	-	13
Total expenses		320	-	-	-	320
Net income for the year before taxation		5,759	-	-	-	5,759
Taxation	15	-	-	-	-	-
Net income for the year after taxation		5,759	-	-	-	5,759
Earnings per unit	16					

The annexed notes 1 to 28 form an integral part of these financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026				
	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
	---------- Rupees in '000 ----------				
Net income for the year after taxation	7,159	-	-	-	7,159
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	7,159	-	-	-	7,159

The annexed notes 1 to 28 form an integral part of these financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2025				
	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
Net income for the year after taxation	5,759	-	-	-	5,759
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	5,759	-	-	-	5,759

The annexed notes 1 to 28 form an integral part of these financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND
FOR THE YEAR ENDED JUNE 30, 2026

	June-2026				
	Money Market Sub Fund	**Debt Sub Fund**	**Equity Sub Fund**	**Equity Index Sub Fund**	**Total**
Net assets at the beginning of the period	49,922	-	-	-	49,922
Issue of units	54,423	500	500	500	55,923
Redemption of units	(206)	-	-	-	(206)
	54,217	500	500	500	55,717
Gain on sale of investments - net	27	-	-	-	27
Unrealised (dimunition) on 're-measurement 'of investments classified at fair value 'through profit or loss' - net	(91)	-	-	-	(91)
Other income for the period - net	7,223	-	-	-	7,223
Total comprehensive income for the year	7,159	-	-	-	7,159
Net assets at the end of the year	111,298	500	500	500	112,798

Total number of units issued and redeemed during the year is disclosed in note 12 of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND
FOR THE YEAR ENDED JUNE 30, 2026

	June-2025				
	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
Net assets at the beginning of the period	34,576	-	-	-	34,576
Issue of units	9,589	-	-	-	9,589
Redemption of units	-	-	-	-	-
	9,589	-	-	-	9,589
Gain on sale of investments - net	-	-	-	-	-
Unrealised (dimunition) on 're-measurement 'of investments classified at fair value 'through profit or loss' - net	(7)	-	-	-	(7)
Other income for the period - net	5,764	-	-	-	5,764
Total comprehensive income for the year	5,757				5,757
Net assets at the end of the year	49,922	-	-	-	49,922

Total number of units issued and redeemed during the year is disclosed in note 12 of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	June-2026				
	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
	-------(Rupees in '000)------				
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the year before taxation	7,159	-	-	-	7,159
Adjustments for:					
Unrealised appreciation on re-measurement of investments classified at fair value through profit or loss' - net	(91)	-	-	-	(91)
	7,068				7,068
Decrease / (Increase) in assets					
Investments	(52,320)	-	-	-	(52,320)
Dividend and profit receivable	(2)	(190)	(190)	(190)	(572)
	(52,322)	(190)	(190)	(190)	(52,892)
Increase in liabilities					
Payable to AL Habib Asset Management Limited - Management Company	2	190	190	190	572
Payable to Central Depository Company of Pakistan Limited - Trustee	13	-	-	-	13
Payable to the Securities and Exchange Commission of Pakistan	12	-	-	-	12
Accrued and other liabilities	109	-	-	-	109
	136	190	190	190	706
Net cash generated from operating activities	(45,118)	-	-	-	(45,118)
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts from issuance of units	54,217	500	500	500	55,717
Net cash generated from financing activities	54,217	500	500	500	55,717
Net increase in cash and cash equivalents	9,099	500	500	500	10,599
Cash and cash equivalents at the beginning of the year	2,081	-	-	-	2,081
Cash and cash equivalents at the end of the year	11,180	500	500	500	12,680

The annexed notes 1 to 28 form an integral part of these financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	June-2025				
	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
	-------(Rupees in '000)------				
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the year before taxation	5,759	-	-	-	5,759
Adjustments for:					
Unrealised appreciation on re-measurement of investments classified at fair value through profit or loss' - net	(7)	-	-	-	(7)
	5,752				5,752
Decrease / (Increase) in assets					
Investments	(15,151)	-	-	-	(15,151)
Dividend and profit receivable	569	-	-	-	569
	(14,582)	-	-	-	(14,582)
Increase in liabilities					
Payable to AL Habib Asset Management Limited - Management Company	11	-	-	-	11
Payable to Central Depository Company of Pakistan Limited - Trustee	11	-	-	-	11
Payable to the Securities and Exchange Commission of Pakistan	10	-	-	-	10
Accrued and other liabilities	50	-	-	-	50
	82	-	-	-	82
Net cash generated from operating activities	(8,748)	-	-	-	(8,748)
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts from issuance of units	9,589	-	-	-	9,589
Net cash generated from financing activities	9,589	-	-	-	9,589
Net increase in cash and cash equivalents	841	-	-	-	841
Cash and cash equivalents at the beginning of the year	1,240	-	-	-	1,240
Cash and cash equivalents at the end of the year	2,081	-	-	-	2,081

The annexed notes 1 to 28 form an integral part of these financial information.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib GOKP Pension Fund is established under a Trust deed executed between AL Habib Asset Management Company Limited as a Pension Fund Manager and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed is approved by the Securities and Exchange Commission of Pakistan (SECP) on June 27, 2023 under the Voluntary Pension System (VPS) Rules, 2005. Central Depository Company of Pakistan Limited was appointed as a trustee for the Fund by SECP on June 27, 2023. The Fund is registered under the Sindh Trust Act, 2020, as amended vide Sindh Trusts (Amendment) Act, 2021 and was launched on January 04, 2024.

1.2 The Pension Fund Manager is a Non-Banking Finance Company licensed by the Commission under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through and Non-Banking Finance Companies and Notified Entities Regulations 2008 (“Regulations”) through license No. SECP/LRD/2/AMC/AHML/2022/98 dated April 18, 2023 to carry out Asset Management Services and is registered with the Commission under the Voluntary Pension System Rules, 2005 under Certificate of Registration No. 44/SEC/PRDD/VPS/ALHAML/2022 dated May 16, 2022 as a Pension Fund Manager and is a designated fund manager appointed by the Government of Khyber Pakhtunkhwa (the “KPK Government”) through the Secretary to the Government Finance Department through an Agreement dated December 22, 2022 pursuant to Khyber Pakhtunkhwa Contributory Provident Fund Rules, 2022 (the “KPK Rules” as amended from time to time). The registered office of the Pension Fund Manager is situated at 3rd Floor Mackinnon's Building I, I Chundrigar Road Karachi.

1.3 All Employees of KPK Government appointed/recruited under the Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 or an employee of the KPK Government, regularized as civil servant through any legal instrument, issued after coming into force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 irrespective of the effective date of regularization shall be eligible to contribute to the Pension Fund.

1.4 The objective of Fund is to provide participants with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

1.5 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

1.6 The Fund consists of four sub-funds namely, AL Habib GoKP- Equity Sub Fund (the Equity Sub Fund) , AL Habib GoKP - Debt Sub Fund (the Debt Sub Fund), AL Habib GoKP - Money Market Sub Fund (the Money Market Sub Fund) and AL Habib GoKP - Equity Index Sub Fund (the Equity Index Sub Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

1.7 AL Habib GOKP Pension Fund - Money Market Sub-Fund

The objective of Fund is to provide Participants with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

1.8 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

1.9 The management company has been assigned a rating of "AM1" by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025

2 BASIS OF PREPARATION

2.1 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:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealesd Companies Ordinance, 1984; and

- The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of,deractives and notifications issued under the Companies Act, 2017, part VIIIA of the repealesd Companies Ordinance, 1984, the NBFC Rules and the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Standards, the provisions of directives and notification issued under the Companies Act, 2017, part VIIIA of the repealesd Companies Ordinance, 1984, constitutive documents, the VPS Rules, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani rupee ("Rupees" or "Rs."), which is the Fund's functional currency and presentation currency.

2.4 Significant accounting estimates, assumptions and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assetsis as follow:

2.4.1 Classification and valuation of investment

For details please refer notes 4.2.2.1 and 6 to these financial statements.

2.4.2 Impairment of investment

For details please refer note 4.2.2.5 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026

	Effective date (annual periods beginning on or after)
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability and equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

4.2.2.1 Classification

Debt Instruments

Amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Other Comprehensive Income

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.2.2.2 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortised cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in income statement. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognized in income statement.

4.2.2.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.2.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.5 Impairment (other than debt securities)

The Fund asses on a forward-looking basis the expected credit losses (ECL) aasociated with its financial assets carried at amortised cost and FVOCI.The Fund recognises loss allowances for such losses at each reporting date.The measurement of ECL reflects:

- an unbiased and probability weighted amount is determined by evaluating a range of possible outcomes:
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting dateabout past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial assest in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assests are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Impairment of financial assets on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the income statement.

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has been placed on the Management Company 's website as required under SECP's circular.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.Any gain or loss on derecognition of financial liabilities is taken to the income statement.

4.2.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements. 'The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company.

Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year. Distributions declared subsequent to the period end reporting date are considered as non adjusting events and are recognised in the financial statements of the period in which such distributions are declared and approved by the Board of Directors of the Management Company.

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors.

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any duties. Charge on redemption as provision for transaction cost if applicable.

4.7 Net asset value per unit

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

4.8 Revenue recognition

- Gains or losses arising on the sale of investments are recorded at the date at which the transaction take place;
- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.
- Income on government securities is recognised on a time proportionate basis using the effective yield method.
- Profit on bank balances is recognised on an accrual basis.

4.9 Expenses

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

4.10 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

			2026					2025				
			Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub	Total	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub	Total
5.	**BALANCES WITH BANK**	**Note**	----------Rupees in '000----------					----------Rupees in '000----------				
	Savings accounts	5.1	11,180	500	500	500	12,680	2,081	-	-	-	2,081
			11,180	500	500	500	12,680	2,081	-	-	-	2,081

5.1 This carry mark-up at the rates ranging between 9.25% to 11.25% (2025: 10.00% to 11.05%) per annum. This represent balances held with Bank AL Habib Limited, a related party.

6. INVESTMENTS

Financial assets at fair value through profit or loss												
Government securities												
Pakistan investment Bond	6.1	-	-	-	-	-	-	-	-	-	-	-
Market Treasury Bills	6.2	100,181	-	-	-	100,181	47,770	-	-	-	47,770
		100,181	-	-	-	100,181	47,770	-	-	-	47,770

6.1 Pakistan Investment Bonds

Description	As at July 1, 2025	Purchased during the period	Sold / matured during the period	As at June 30, 2026	As at June 30, 2026				
					Carrying value	Market value	Unrealised appreciation/ (diminution)	Market value as a percentage of net assets	Market value as a percentage of total investments
	---------- (Number of units) ----------				----------(Rupees in '000)----------				
PIB 05 YEAR (06-05-2021) - FLOATER	-	200	200	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					-	-	-		
Total as at June 30, 2025					-	-	-		

6.1.1 These carries markup at the rate 10.94% to 11.97% (2025: 19.75%) per annum.

6.2 Market Treasury Bills

T-BILL 01 MONTHS (02-04-2026)	-	210,000	210,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (16-04-2026)	-	470,000	470,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (17-03-2026)	-	250,000	250,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (24-06-2026)	-	130,000	-	130,000	12,909	12,910	1	80.37%	12.89%
T-BILL 01 MONTHS (26-06-2025)	150,000	-	150,000	-	-	-	-	0.00%	0.00%
T-BILL 01 MONTHS (30-04-2026)	-	670,000	670,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (02-04-2026)	-	220,000	220,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (11-06-2026)	-	1,370,000	685,000	685,000	67,040	67,137	97	417.93%	67.02%
T-BILL 03 MONTHS (11-12-2025)	-	80,000	80,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (12-06-2025)	110,000	-	110,000				-	0.00%	0.00%
T-BILL 03 MONTHS (13-11-2025)	-	3,000	3,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (16-10-2025)	-	150,000	150,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (24-06-2026)	-	130,000	-	130,000	12,684	12,686	2	78.97%	12.66%
T-BILL 03 MONTHS (24-07-2025)	-	150,000	150,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (26-12-2025)	-	150,000	150,000	-	-	-	-	0.00%	0.00%
T-BILL 03 MONTHS (30-10-2025)	-	60,000	60,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (02-10-2025)	-	10,000	10,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (04-09-2025)	-	125,000	25,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (06-03-2025)	30,000	-	30,000	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (10-07-2025)	-	750	750	-	-	-	-	0.00%	0.00%
T-BILL 06 MONTHS (22-01-2026)	-	75,000	-	75,000	7,457	7,448	(9)	46.36%	7.43%
T-BILL 06 MONTHS (29-05-2025)	-	75,000	75,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (17-04-2025)	-	220,000	220,000	-	-	-	-	0.00%	0.00%
T-BILL 12 MONTHS (28-11-2024)	200,000	-	200,000	-	-	-	-	0.00%	0.00%
Total as at June 30, 2026					100,090	100,181	91		
Total as at June 30, 2025					20,137	20,139	2		

	Note	2026					2025				
		Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub	Total
7 PAYABLE TO ALHABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY		----------Rupees in '000----------					----------Rupees in '000----------				
Managenent remuneration	7.1	17	190	190	190	587	15	-	-	-	15
Sales Tax payable	7.2	2	-	-	-	2	2	-	-	-	2
		19	190	190	190	589	17	-	-	-	17

7.1 As per Rule 67F of the NBFC Regulations, 2008, Pension Fund Manager may charge variable fee or ?xed fee or the combination of both which shall not exceed the limit disclosed in the offering document. Further subject to the guidelines as may be issued by the Commission from time to time.

Based on offering document, the fee is being charged at the rate of 1% of the average annual net assets accordingly. The fee is payable monthly in arrears.

7.2 The Sindh Sales Tax at the rate of 15% was charged on the management company's remuneration during the year (2025: 15%).

8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE											
Trustee Remuneration	8.1	21	-	-	-	21	15	-	-	-	15
Sales Tax Payable on Trustee Remuneration	8.2	5	-	-	-	5	2	-	-	-	2
		26	-	-	-	26	17	-	-	-	17

8.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified below, based on the daily Net Asset Value (NAV) of the Fund. The remuneration is paid to the trustee monthly in arrears.

Based on the Trust Deed, the tariff structure applicable to the Fund as at June 30, 2026 is as follows:

Net Assets (Rupees)	Tariff
Up to 1 billion	Rs.0.3 million or 0.15% p.a. of Net Assets, whichever is higher.
1 billion to 3 billion	Rs.1.5 million plus 0.10% p.a. of Net Assets, on amount exceeding Rs.1 billion
3 billion to 6 billion	Rs.3.5 million plus 0.08% p.a. of Net Assets, on amount exceeding Rs.3 billion.
Over 6 billion	Rs.5.9 million plus 0.06% p.a. of Net Assets on amount exceeding Rs.6 billion.

8.2 The Sindh Sales Tax at the rate of 15% was charged on trustee remuneration during the year (2025: 15%).

		Note	2026 Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total	2025 Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub	Total
9	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		Rupees in '000					Rupees in '000				
	Fee payable	9.1	29	-	-	-	29	7	-	-	-	7
			29	-	-	-	29	7	-	-	-	7

9.1 This represents annual fee payable to Securities And Exchange Commission of Pakistan in accordance with the Rule 36 of the VPS Rules whereby the Fund is required to pay SECP an amount equal to one thirtieth (1/30) of 1% of average annual net asset value of each of the sub-fund.

		Note	2026 Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total	2025 Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub	Total
10	ACCRUED EXPENSES AND OTHER LIABILITIES		Rupees in '000					Rupees in '000				
	Auditors' remuneration payable		188	-	-	-	188	96	-	-	-	96
	Other payable		23	-	-	-	23	8	-	-	-	8
	Formation cost payable		10	-	-	-	10	10	-	-	-	10
	Brokerage payable		2	-	-	-	2	-	-	-	-	-
			223	-	-	-	223	114	-	-	-	114
11	CONTINGENCIES AND COMMITMENTS											
	There were no contingencies and commitments outstanding as at June 30, 2026 (2025: Nil).											
12	NUMBER OF UNITS IN ISSUE											
	Opening of units during the period		393,194	-	-	-	393,194	-	-	-	-	-
	Issue of units during the period		402,876	5,000	5,000	5,000	417,876	393,194	-	-	-	393,194
	Redemption of units during the period		(1,508)	-	-	-	(1,508)	-	-	-	-	-
	Total units in issue at the end of the period		794,562	5,000	5,000	5,000	809,562	393,194	-	-	-	393,194
13	PROFIT ON BANK DEPOSIT											
	Profit on saving account	13.1	656	190	190	190	1,226	441	-	-	-	441
			656	190	190	190	1,226	441	-	-	-	441

13.1 This represents profit on bank deposits with Bank AL Habib Limited, a related party of Rs. 1.226 million (2025: 0.441 million).

14	AUDITOR'S REMUNERATION											
	Audit fee	388	-	-	-	388	96	-	-	-	96
		388	-	-	-	388	96	-	-	-	96

15 TAXATION

The income of the Fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further through Finance Act, 2011, effective from July 01, 2011, pension funds are included in the list of entities on which the provisions of section 113 regarding minimum tax shall not apply.

16 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company, the determination of the weighted average unit for calculating EPU is not practicable.

17. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2026											
	Money Market Sub Fund			Debt Sub Fund			Equity Sub fund			Equity Index Sub fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------											
Financial assets												
Bank balances	-	11,180	11,180	-	500	500	-	500	500	-	500	500
Investments	100,181	-	100,181	-	-	-	-	-	-	-	-	-
Profit receivable	-	234	234		190	190	-	190	190	-	190	190
	100,181	11,414	111,595	-	690	690	-	690	690	-	690	690
Financial liabilities												
Payable to AL Habib Asset Management Limited - Management Company	-	19	19	-	190	190	-	190	190	-	190	190
Payable to Central Depository Company of Pakistan Limited - Trustee	-	26	26	-	-	-	-	-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	-	29	29	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	223	223	-	-	-	-	-	-	-	-	-
	-	297	297	-	190	190	-	190	190	-	190	190

Particulars	2025											
	Money Market Sub Fund			Debt Sub Fund			Equity Sub fund			Equity Index Sub fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------											
Financial assets												
Bank balances	-	2,081	2,081	-	-	-	-	-	-	-	-	-
Investments	47,770	-	47,770	-	-	-	-	-	-	-	-	-
Profit receivable	-	232	232	-	-	-	-	-	-	-	-	-
	47,770	2,313	50,083	-	-	-	-	-	-	-	-	-
Financial liabilities												
Payable to AL Habib Asset Management Limited - Management Company	-	17	17	-	-	-	-	-	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	13	13	-	-	-	-	-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	-	17	17	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	114	114	-	-	-	-	-	-	-	-	-
	-	161	161	-	-	-	-	-	-	-	-	-

18 TRANSACTIONS AND BALANCES WITH RELATED/CONNECTED PERSONS

Related parties/ Connected persons include Al Habib Asset Management Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other Collective Investment Schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having ten percent or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company

10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at June 30, 2026 and staff retirement benefit funds of the above companies.

		2026					2025				
		Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
		----------Rupees in '000----------									
18.1	**Details of transactions with connected persons / related parties during the period are as follows:**										
	AL Habib Asset Management Limited - Management Company										
	Remuneration of the management company	71	-	-	-	71	97	-	-	-	97
	Sindh Sales Tax on remuneration of the management company	11	-	-	-	11	15	-	-	-	15
	Central Depository Company of Pakistan Limited - Trustee										
	Remuneration of the Trustee	97	-	-	-	97	65	-	-	-	65
	Sindh Sales Tax on remuneration of the Trustee	16	-	-	-	16	10	-	-	-	10
	Bank AL Habib Limited										
	Bank charges	3	-	-	-	3	-	-	-	-	-
	Profit on savings account	656	190	190	190	1,226	441	-	-	-	441
18.2	**Details of balances with connected persons / related parties as at period end are as follows:**										
	Central Depository Company of Pakistan Limited - Trustee										
	Trustee fee payable (Inclusive of Sindh sales tax)	26	-	-	-	26	13	-	-	-	13
	Bank AL Habib Limited										
	Bank Balance	11,180	500	500	500	12,680	2,081	-	-	-	2,081
	Profit receivable on savings account	234	190	190	190	804	57	-	-	-	57
	Units held by:										
	Management Company										
	AL Habib Asset Management Company Limited - Pension Fund Manager	30,000	-	-	-	30,000	30,000	-	-	-	30,000

19 FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of investments such as Government securities, spread transactions and in other money market instruments. These activities expose the Fund to a variety of financial risks, such as market risk, credit risk and liquidity risk.

19.1 Market risk

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

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

Market risk comprises of three types of risk; currency risk, interest rate risk and price risk. The fund is exposed to market rate risk .

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk.

19.1.2 Interest rate risk

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

a) Sensitivity analysis for variable rate intsruments

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which is 9.25% to 11.25% per annum, and against investments in GOP Ijara Sukuk, Pakistan Investment Bonds and Market Treasury Bills, the interest rate on which range between 10.94% to 11.97%

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 78,120 (2025: Rs. 60,790).

b) Sensitivity analysis for fixed rate instruments

The Fund's investment in GOP Ijara Sukuk, Pakistan Investment Bonds and Market Treasury Bills exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs Nil (2025: Rs. 53,610).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

Particulars	Effective yield / interest rate	June 30, 2026																
		Money Market Sub-Fund				Debt Sub-Fund				Equity Sub-Fund				Equity Index Sub-Fund				Total
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		
	Note	Rupees in '000																
On-balance sheet financial instruments																		
Financial assets																		
Balances with bank	9.25%-11.25%	11,180	-	-	-	500	-	-	-	500	-	-	-	500	-	-	-	12,680
Investments - net																		
- Governmnet of pakistan (GOP) Ijara Sukuk		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Pakistan investment Bond		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Market Treasury Bills		92,733	7,448	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,181
Dividend and profit receivable		-	-	-	234	-	-	-	190	-	-	-	190	-	-	-	190	804
		103,913	7,448	-	234	500	-	-	190	500	-	-	190					113,665
Financial liabilities																		
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	19	-	-	-	190	-	-	-	190	-	-	-	190	589
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	26	-	-	-	-	-	-	-	-	-	-	-	-	26
Payable to Securities and Exchange Commission of Pakistan		-	-	-	29	-	-	-	-	-	-	-	-	-	-	-	-	29
Accrued expenses and other liabilities		-	-	-	223	-	-	-	-	-	-	-	-	-	-	-	-	223
		-	-	-	297	-	-	-	190	-	-	-	190					867
On-balance sheet gap (a)		103,913	7,448	-	(63)	500	-	-	-	500	-	-	-					112,798
Off-balance sheet financial instruments		-	-		-	-	-	-	-	-	-	-	-					-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-	-	-					-

Particulars	Effective yield / interest rate	June 30, 2025																
		Money Market Sub-Fund				Debt Sub-Fund				Equity Sub-Fund				Equity Index Sub-Fund				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		
	Note	Rupees in '000																
On-balance sheet financial instruments																		
Financial assets																		
Bank balances	11.05%	2,081	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,081
Investments - net																		
- Governmnet of pakistan (GOP) Ijara Sukuk		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Pakistan investment Bond		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Market Treasury Bills	10.87%-20.3%	-	-	47,770	-	-	-	-	-	-	-	-	-	-	-	-	-	47,770
Dividend and profit receivable		-	-	-	232	-	-	-	-	-	-	-	-	-	-	-	-	232
		2,081	-	47,770	232	-	-	-	-	-	-	-	-	-	-	-	-	50,083
Financial liabilities																		
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	17	-	-	-	-	-	-	-	-	-	-	-	-	17
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	13	-	-	-	-	-	-	-	-	-	-	-	-	13
Payable to Securities and Exchange Commission of Pakistan		-	-	-	17	-	-	-	-	-	-	-	-	-	-	-	-	17
Accrued expenses and other liabilities		-	-	-	114	-	-	-	-	-	-	-	-	-	-	-	-	114
		-	-	-	161	-	-	-	-	-	-	-	-					161
On-balance sheet gap (a)		2,081	-	47,770	71	-	-	-	-	-	-	-	-					49,922
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-					-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-	-	-					-

19.2.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2026 and June 30, 2025:

Name of Banks	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Balances held as at June 30, 2026	Latest available published rating as at June 30, 2026	Rating agency
Balances with banks by rating category							
Bank Al Habib Limited	11,180	500	500	500	12,680	AAA	PACRA
Rating by rating category							**2026**
AAA							100%
							100%

Name of Banks	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Balances held as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency
Balances with banks by rating category							
Bank Al Habib Limited	2,081	-	-	-	2,081	AAA	PACRA
Rating by rating category							**2025**
AAA							100%
							100%

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in Government securities and bank balances, having satisfactory credit rating, therefore the fund is not exposed to any concentration of credit risk.

Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting obligations arising from its financial liabilities that are settled by delivering cash or another financial asset, or that such obligation will have to be settled in a manner disadvantageous to the Fund.

The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder’s option based on the Fund’s net asset value per unit at the time of redemption calculated in accordance with the Fund’s constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the reporting date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

Particulars	As at June 30, 2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	Rupees in '000			
Financial liabilities				
Payable to AL Habib Asset Management Limited Management Company	19	-	-	19
Payable to Central Depository Company of Pakistan Limited - Management Fees	26	-	-	26
Payable to the Securities and Exchange Commission of Pakistan	29	-	-	29
Accrued expenses and other liabilities	223	-	-	223
	297	-	-	297

Particulars	As at June 30, 2025			
	Upto three months	More than three months and upto one year	More than one year	Total
	Rupees in '000			
Financial liabilities				
Payable to AL Habib Asset Management Limited Management Company	17	-	-	17
Payable to Central Depository Company of Pakistan Limited - Management Fees	13	-	-	13
Payable to the Securities and Exchange Commission of Pakistan	17	-	-	17
Accrued expenses and other liabilities	114	-	-	114
	161	-	-	161

20 PARTICIPANTS' FUND RISK MANAGEMENT

All units and fractions thereof represent an individed share in the respective sub fund and rank pari passu as to their rights in the net assets and earnings of that sub-fund. The relevent movements are shown on the 'statement of movement in participants' sub funds'.

Each participant has the beneficial interest in the Fund proportionate to the units held by such participant in the respective in the respective sub-fund in the Individual pension account (IPA). The liability of the participant is limited to the number of units, held by each participant in his IPA. These are only redeemable in case of retirement, premature encashment / redemption, death of the participant, and change of Pension Fund Manager, change of allocation scheme and / or rebalancing of the IPA according to the percentages selected allocated scheme.

In accordance with the risk management policies stated in Note 19, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet early withdrawal requests, such liquidity being augmented by disposal of investments where necessary.

21 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. Consequently, differences can arise between carrying values and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities;

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

- Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

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

Particulars	30-Jun-26						
	Carrying amount			Fair value			
	At fair value through profit or loss	Amortised	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees in '000)					
On-balance sheet financial instruments							
Financial assets - not measured at fair value	21.1						
GOP Ijara Sukuk	-	-	-	-	-	-	-
Pakistan Investment Bonds	-	-	-	-	-	-	-
Market Treasury Bills	100,181	-	100,181	-	100,181	-	-
	100,181	-	100,181	-	100,181	-	-

Particulars	30-Jun-25						
	Carrying amount			Fair value			
	At fair value through profit or loss	Amortised	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees in '000)					
On-balance sheet financial instruments							
Financial assets - not measured at fair value	21.1						
GOP Ijara Sukuk	-	-	-	-	-	-	-
Pakistan Investment Bonds	-	-	-	-	-	-	-
Market Treasury Bills	47,770	-	47,770	-	47,770	-	-
	47,770	-	47,770	-	47,770	-	-

21.1 Valuation techniques

For level 2 investments at fair value through profit or loss - investment in respect of Treasury Bills, Pakistan Investment Bonds and GOP Ijarah Sukuks, Fund uses the rates which are derived from PKRV, PKFRV and PKISRV rates at reporting date per certificate multiplied by the number of certificates held as at year end and for investment in respect of Term Finance Certificates, Fund uses the rates prescribed by MUFAP.

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

21.3 Transfers during the year

No transfers were made between various levels of fair value heriarchy during the year.

22 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

22.1 Details of investment committee members of the Fund are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

22.2 Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Cash Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Gokp Islamic Pension Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Pension Fund
- Al Habib Government Securities Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic Money Market Fund
- Al Habib Islamic Income Fund
- Al Habib Islamic Savings Fund
- Al Habib Islamic Munafa Fund
- Al Habib Islamic Pension Fund

23 PATTERN OF UNITHOLDING

Unit holding pattern of the Fund as at June 30, 2026 is as follows:

	2026			
Category	Number of unit holders	Number of units	Investment (Rupees in '000)	Percentage of total investment
Associated Companies	1	300,000	42,021	37.76%
Individuals	546	494,562	69,277	62.24%
	547	794,562	111,298	100.00%

	2025			
Category	Number of unit holders	Number of units	Investment (Rupees in '000)	Percentage of total investment
Associated Companies	1	300,000	38,090	76.30%
Individuals	168	93,194	11,832	23.70%
	169	393,194	49,922	100.00%

24 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025 and October 24, 2025 , February 04, 2026, April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

25 TOTAL EXPENSE RATIO

Total expense ratio of the Fund for the year ended June 30, 2026 is 0.92% (2025: 0.76%) which includes 0.18% (2025: 0.10%) representing Government levies and SECP fee. This ratio is within the maximum limit of 2.0% prescribed under the NBFC Regulations 67(G) for a Pension Fund categorised as a Money Market Scheme.

26 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified in these financial statement, whenever necessary to facilitate the comparison and to conform with the changes in presentation in the current year. No material rearrangements and reclassification have been made in these financial statements during the year.

27 GENERAL

27.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

28 DATE OF AUTHORIZATION FOR ISSUE

28.1 These financial statements were authorised for issue on _____ by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

_____	_____	_____
Chief Executive Officer	**Chief Financial Officer**	**Director**

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective:

The objective of AHGOKPPF is to provide Participants with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHGOKP maintained its strategy of reaping maximum benefits emanating from volatility experienced in debt markets. The selection criterion for equity securities is based upon hybrid investment approach with companies having sound financial history backed by strong fundamentals. The exposure in debt portion was also in line with the investment objectives with preference given to highly rated and liquid debt securities.

Fund Description

Fund Type & Category	Open Ended - Voluntary Pension Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	Jan 04, 2024	**Management Fee**	0.10%
Pricing Mechanism	Forward Pricing	**Sales Load**	Nil
Dealing Days/Timings	Monday to Thursday 4:00 pm | Friday 4:30 pm	**Minimum Investment**	Initial investment of Rs. 1,000/- Subsequently Rs. 1,000/- per transaction
AMC Rating	"AM1" by PACRA (August 12, 2025)	**Risk Profile**	Allocation Dependent
Trustee	Central Depository Company of Pakistan Limited.		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
3 Months	11.60	11.01	59
6 Months	11.63	10.89	74
12 Months	11.60	10.85	75
3 Years	11.69	11.15	54
5 Years	11.80	11.40	40

Asset Allocation of Fund (as a % of total assets)

AHGOKP	30-Jun-26	30-Jun-25
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

Particulars	30-Jun-26	30-Jun-25
Cash	10.02%	4.16%
GOP Ijarah	-	-
PIBs	-	-
T-Bills	89.77%	95.38%
Others	0.21%	0.46%

Unit Holding Pattern

Money Market Sub Fund:

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	284
1001-5000	262
100001-500000	1
Grand Total	**547**

During the period under question:

There has been no significant change in the state of affairs of the Fund. Furthermore, the fund does not have any soft commission arrangement with any broker in the industry.
Sales and Redemptions of Units

During the year, 402,876 units valued Rs. 54 million were sold, 1,509 units were redeemed resulting in to a net sale of 401,367 units valued Rs. 54 million during the year.

Fund Performance at a Glance

	2025	2024
Net Assets as at June 30 (Rs. in Million)	111.30	49.92
NAV per unit as at June 30 (Rs.)	140.0749	126.9656
Annual Return	10.33%	14.87%

AL HABIB ISLAMIC GOKP PENSION FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.

Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200
Karachi.

Legal Advisor

Mohsin Tayebaly & Co.

Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton,

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AM1 Management Company Quality

Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED
Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE PARTICIPANTS

AL HABIB ISLAMIC GOKP PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of Al Habib Islamic GoKP Pension Fund (the Fund) are of the opinion that Al Habib Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Securities and Exchange Commission of Pakistan and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 21, 2026

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of the **AL Habib Islamic GOKP Pension Fund**, I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah
Shariah Advisor

Date: June 30, 2026



BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. **Introduction**

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Al Habib Islamic GoKP Pension Fund** (the Fund) managed by Al Habib Asset Management Limited (the Management Company) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. **Applicable Criteria**

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. **Management's Responsibility for Shariah Compliance**

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

6. Conclusion

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

BDO EBRAHIM & CO.
CHARTERED Accountants

Engagement Partner
Tariq Feroz Khan

Date: 25 SEP 2026
Place: Karachi

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No. 1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE PARTICIPANTS OF AL HABIB ISLAMIC GOKP PENSION FUND

Opinion

We have audited the financial statements of AL Habib Islamic GOKP Pension Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in participants sub-funds and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

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

The Management Company 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 The Management Company and its Board of Directors of the Management Company 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 for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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 of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Report on Other Legal and Regulatory Requirements

Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

UDIN: AR202610166RbxgoNTQI

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member [illegible], a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
ASSETS						
Bank balances	5	37,852	500	500	500	39,352
Investments	6	49,156	-	-	-	49,156
Profit receivable	7	2,209	124	124	124	2,581
TOTAL ASSETS		89,217	624	624	624	91,089
LIABILITIES						
Payable to AL Habib Asset Management Limited - Management Company	8	47	124	124	124	419
Payable to Central Depository Company of Pakistan Limited - Trustee	9	18	-	-	-	18
Payable to the Securities and Exchange Commission of Pakistan	10	26	-	-	-	26
Accrued expenses and other liabilities	11	201	-	-	-	201
TOTAL LIABILITIES		292	124	124	124	664
NET ASSETS		88,925	500	500	500	90,425
PARTICIPANTS' SUB FUND AS PER STATEMENT ATTACHED		88,925	500	500	500	90,425
CONTINGENCIES AND COMMITMENTS	9					
		---------- Number of units ----------				
Number of units in issue per sub fund	13	657,674	5,000	5,000	5,000	672,674
		---------- Rupees----------				
Net asset value per unit		135.21	100.00	100.00	100.00	

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		---------- Rupees in '000 ----------				
ASSETS						
Bank balances	5	2,951	-	-	-	2,951
Investments	6	43,592	-	-	-	43,592
Profit receivable	7	1,591	-	-	-	1,591
TOTAL ASSETS		48,134	-	-	-	48,134
LIABILITIES						
Payable to AL Habib Asset Management Limited - Management Company	8	51	-	-	-	51
Payable to Central Depository Company of Pakistan Limited - Trustee	9	13	-	-	-	13
Payable to the Securities and Exchange Commission of Pakistan	10	17	-	-	-	17
Accrued expenses and other liabilities	11	113	-	-	-	113
TOTAL LIABILITIES		194	-	-		194
NET ASSETS		47,940	-	-	-	47,940
PARTICIPANTS' SUB FUND AS PER STATEMENT ATTACHED		47,940	-	-	-	47,940
CONTINGENCIES AND COMMITMENTS	9					
		---------- Number of units ----------				
Number of units in issue per sub fund	13	385,107	-	-	-	385,107
		---------- Rupees ----------				
Net asset value per unit		124.48	-	-	-	-

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Income						
Realised gain on sale of investments - net		(6)	-	-	-	(6)
Profit on Government Ijarah Sukuks		4,785	-	-	-	4,785
Profit on bank deposit		1,350	124	124	124	1,722
		6,129	124	124	124	6,501
Unrealised (diminution) / appreciation on re-measurement of investments classified at fair value through profit or loss - net	6.1	(266)	-	-	-	(266)
		5,863	124	124	124	6,235
Expenses						
Remuneration of Al Habib Asset Management Company - Management Company		58	108	108	108	382
Sindh sales tax on Management Company's remuneration		9	16	16	16	57
Remuneration of Central Depository Company of Pakistan Limited - Trustee		89	-	-	-	89
Sindh sales tax on Trustee's remuneration	13		-	-	-	13
Annual fees to the Securities and Exchange Commission of Pakistan		25	-	-	-	25
Auditors' remuneration		301	-	-	-	301
Bank charges		7				7
Other expenses		226	-	-	-	226
		728	124	124	124	1,100
Net income for the year before taxation		5,135	-	-	-	5,135
Taxation	15	-	-	-	-	-
Net income for the year after taxation		5,135	-	-	-	5,135
Earnings per unit	16					

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Income						
Realised gain on sale of investments - net		106	-	-	-	106
Profit on Government Ijarah Sukuks		4,700	-	-	-	4,700
Profit on bank deposit		612	-	-	-	612
		5,418	-	-	-	5,418
Unrealised (diminution) / appreciation on re-measurement of investments classified at fair value through profit or loss - net	6.1	(116)				(116)
		5,302	-	-	-	5,302
Expenses						
Remuneration of Al Habib Asset Management Company - Management Company		95	-	-	-	95
Sindh sales tax on Management Company's remuneration		14	-	-	-	14
Remuneration of Central Depository Company of Pakistan Limited - Trustee		64	-	-	-	64
Sindh sales tax on Trustee's remuneration	13	10	-	-	-	10
Annual fees to the Securities and Exchange Commission of Pakistan		17	-	-	-	17
Auditors' remuneration		102	-	-	-	102
Bank charges		3				3
Other expenses		11	-	-	-	11
		316	-	-	-	316
Net income for the year before taxation		4,986	-	-	-	4,986
Taxation	15	-	-	-	-	-
Net income for the year after taxation		4,986	-	-	-	4,986
Earnings per unit	16					

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net income for the year	5,135	-	-	-	5,135
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	5,135	-	-	-	5,135

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net income for the year	4,986	-	-	-	4,986
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	4,986	-	-	-	4,986

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net assets at the beginning of the year	47,941	-	-	-	47,941
Issuance of units (357,812 units)	35,849	500	500	500	37,349
(Loss) / gain on sale of Investments - net	(6)				(6)
Unrealised (diminution) on re-measurement of investments classified at fair value through profit or loss - net	(266)	-	-	-	(266)
Other income / (loss) for the year - net	5,407	-	-	-	5,407
Total comprehensive income for the year	5,135	-	-	-	5,135
Net assets at the end of the year	88,925	500	500	500	90,425

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net assets at the beginning of the year	34,739	-	-	-	34,739
Issuance of units (357,812 units)	8,216	-	-	-	8,216
(Loss) / gain on sale of Investments - net	106				
Unrealised (diminution) on re-measurement of investments classified at fair value through profit or loss - net	(116)	-	-	-	(116)
Other income / (loss) for the year - net	(4,764)	-	-	-	(4,764)
Total comprehensive income for the year	4,986	-	-	-	4,986
Net assets at the end of the year	47,941	-	-	-	47,941

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the year before taxation	5,135	-	-	-	5,135
Adjustments for:					
Unrealised appreciation on re-measurement of investments classified at fair value through profit or loss - net	266	-	-	-	266
	5,401				5,401
(Increase) in assets					
Profit receivable	(620)	-	-	-	(620)
Investments	(5,830)	-	-	-	(5,830)
	(6,450)	-	-	-	(6,450)
(Decrease) / increase in liabilities					
Payable to AL Habib Asset Management Limited - Management Company	(4)	-	-	-	(4)
Payable to Central Depository Company of Pakistan Limited - Trustee	5	-	-	-	5
Payable to the Securities and Exchange Commission of Pakistan	9	-	-	-	9
Accrued expenses and other liabilities	88	-	-	-	88
	98	-	-	-	98
Net cash used in operating activities	(951)	-	-	-	(952)
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from issuance of units	35,849	500	500	500	37,349
Net cash generated from financing activities	35,849	500	500	500	37,349
Net increase in cash and cash equivalents	34,898	500	500	500	36,398
Cash and cash equivalents at the beginning of the year	2,951	-	-	-	2,951
Cash and cash equivalents at the end of the year	37,849	500	500	500	39,34

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the year before taxation	4,986	-	-	-	4,986
Adjustments for:					
Unrealised appreciation on re-measurement of investments classified at fair value through profit or loss - net	116	-	-	-	116
	5,102				5,102
(Increase) in assets					
Profit receivable	1,212	-	-	-	1,212
Investments	(13,488)	-	-	-	(13,488)
	(12,276)	-	-	-	(12,276)
(Decrease) / increase in liabilities					
Payable to AL Habib Asset Management Limited - Management Company	50	-	-	-	50
Payable to Central Depository Company of Pakistan Limited - Trustee	10	-	-	-	10
Payable to the Securities and Exchange Commission of Pakistan	10	-	-	-	10
Accrued expenses and other liabilities	48	-	-	-	48
	118	-	-	-	118
Net cash used in operating activities	(7,056)	-	-	-	(7,056)
CASH FLOW FROM FINANCING ACTIVITIES					
Proceeds from issuance of units	8,216	-	-	-	8,216
Net cash generated from financing activities	8,216	-	-	-	8,216
Net increase in cash and cash equivalents	1,160	-	-	-	1,160
Cash and cash equivalents at the beginning of the year	1,792	-	-	-	1,792
Cash and cash equivalents at the end of the year	92,951	-	-	-	2,951

The annexed notes 1 to 29 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Islamic GOKP Pension Fund (the Fund) was established under a Trust deed executed between AL Habib Asset Management Company Limited as a Pension Fund Manager and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed is approved by the Securities and Exchange Commission of Pakistan (SECP) on June 27, 2023 under the Voluntary Pension System (VPS) Rules, 2005. Central Depository Company of Pakistan Limited was appointed as a trustee for the Fund by SECP on June 27, 2023. The Fund is registered under the Sindh Trust Act, 2020, as amended vide Sindh Trusts (Amendment) Act, 2021 and was launched on January 04, 2024.

1.2 The Pension Fund Manager is a Non-Banking Finance Company licensed by the Commission under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through and Non-Banking Finance Companies and Notified Entities Regulations 2008 ("Regulations") through license No. SECP/LRD/2/AMC/AHML/2022/98 dated April 18, 2023 to carry out Asset Management Services and is registered with the Commission under the Voluntary Pension System Rules, 2005 under Certificate of Registration No. 44/SEC/PRDD/VPS/ALHAML/2022 dated May 16, 2022 as a Pension Fund Manager and is a designated fund manager appointed by the Government of Khyber Pakhtunkhwa (the "KPK Government") through the Secretary to the Government Finance Department through an Agreement dated December 22, 2022 pursuant to Khyber Pakhtunkhwa Contributory Provident Fund Rules, 2022 (the "KPK Rules" as amended from time to time).

1.3 The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the Voluntary Pension Scheme Rules, 2005 (the VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 3rd Floor Mackinnon's Building I, I Chundrigar Road Karachi.

1.4 All Employees of KPK Government appointed/recruited under the Khyber Pakhtunkhwa Civil Servants (Amendment) Act.2022 or an employee of the KPK Government, regularized as civil servant through any legal instrument, issued after coming into force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 irrespective of the effective date of regularization shall be eligible to contribute to the Pension Fund.

1.5 The objective of the Fund is to provide a secure source of retirement savings and regular income after retirement to the Employee(s).

1.6 The objective of AL Habib Islamic GOKP Pension Fund is to provide participants with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

1.7 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the Sub-Funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

1.8 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The requirements of the Constitutive Documents, Voluntary Pension System Rules, 2005 (the VPS Rules), the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations)

Where provisions of, directives and notifications issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, constitutive documents, the VPS Rules, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from the IFRS Accounting Standards, the provisions of, directives and notifications issued under the Companies Act,

2017, part VIIIA of the repealed Companies Ordinance, 1984, Constitutive documents, the VPS Rules, the NBFC Rules, the NBFC Regulations have been followed.

2.2 Basis of measurement

These financial statements have been prepared under accrual basis of accounting except for cashflow information.

2.3 Functional and presentation currency

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

2.4 Significant accounting estimates, assumption and judgements

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets is as follow:

2.4.1 Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.1.1 and 6 to these financial statements.

2.4.2 Impairment of financial assets

For details please refer notes 4.2.2 to these financial statements.

3. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS AS APPLICABLE IN PAKISTAN

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the fund's operations or did not have significant impact on the fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026

	Effective date (annual periods beginning on or after)
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that give rise to a financial asset of one entity and a financial liability and equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.1.1 Classification

4.2.1.1.1 Debt Instruments

Amortized cost

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair value through profit or loss

Financial assets not classified as measured at amortized cost as described above are measured at FVTPL. A financial asset is at FVTPL initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

Subsequent, the financial measured at:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income, calculated using the effective interest method are recognized in income statement.

Equity investments at FVTPL

These assets are subsequently measured at fair value. Dividends are recognized as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment.

4.2.1.2 Regular way purchase and sale of financial asset

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.1.3 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.

- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.2.4 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or realise the assets and settle the liabilities simultaneously.

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of second schedule to the income Tax Ordinance, 2001.

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

4.5 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements in the year in which such distributions are declared.

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the Management Company / Distributors as processing fee. Units redeemed are recorded at the redemption price, applicable to units for which the Management Company / Distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

4.7 Net asset value per unit

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

4.8 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Mark-up / profit / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.

4.9 Expenses

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

4.10 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions. Remuneration to the Management Company and the Trustee is determined in accordance with the provision of NBFC Rules, NBFC Regulations and the Trust Deed respectively.

			2026					2025				
			Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
5.	**BALANCES WITH BANK**	**Note**	---------- Rupees in '000 ----------									
	Savings accounts	5.1	37,852	500	500	500	39,352	2951	-	-	-	2,951

5.1 This carry mark-up at the rates ranging between 9.25% to 11.25% per annum. This represent balances held with Bank AL Habib Limited, a related party.

6. INVESTMENTS	Note	2026 Money Market Sub Fund	2026 Equity Sub Fund	2026 Equity Index Sub Fund	2026 Debt Sub Fund	2026 Total	2025 Money Market Sub Fund	2025 Equity Sub Fund	2025 Equity Index Sub Fund	2025 Debt Sub Fund	2025 Total
		---------- Rupees in '000 ----------									
Financial assets classified at fair value through profit or loss											
GOP Ijarah Sukuks	6.1	12,923	-	-	-	12,923	43,592	-	-	-	43,592
Discounted Ijara Sukuks	6.1	36,233	-	-	-	36,233	-	-	-	-	-
		49,156	-	-	-	49,156	43,592	-	-	-	43,592

6.1 Government Securities

Particulars	As at July 01, 2025	Purchased during the period	Sold/ matured during the period	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) / appreciation as at June 30, 2026	Market Value as a percentage of Net Asset	Market Value as a percentage of Investment
	---------- No. of instruments ----------				---------- (Rupees in '000) ----------			---------- (%) ----------	
GOP Ijarah Sukuks									
GOP IJARA SUKUK - VRR (26-10-2022)	115	-	-	115	11,596	11,512	(85)	13%	23%
GOP IJARA SUKUK - 05 YEAR VRR (29-07-2020)	67	-	-	67	-	-	-	-	-
GOP IJARA SUKUK - 03 YEAR FRR (26-06-2023)	-	140	140	-	-	-	-	-	-
GOP IJARA SUKUK - 05 YEAR FRR (29-07-2020)	253	-	-	253	-	-	-	-	-
GOP IJARA SUKUK 05 YEAR FRR (22-01-2026)	-	300	-	300	1,500	1,411	(89)	2%	3%
Total as at June 30, 2026	435	440	140	735	13,096	12,923	(174)	15%	26%
Total as at June 30, 2025	302	2,270	2,137	435	43,709	43,592	(116)	91%	100%
Discounted Ijara Sukuks									
GIS 1 YEAR DISCOUNTED(14-11-2025)	-	50,000	-	50,000	4,824	4,801	(23)	5%	10%
GIS 1 YEAR DISCOUNTED(21-08-2025)	-	240,000	-	240,000	23,689	23,642	(46)	26%	48%
GIS 1 YEAR DISCOUNTED(30-09-2025)	-	80,000	-	80,000	7,814	7,790	(24)	9%	16%
Total as at June 30, 2026	-	370,000	-	370,000	36,327	36,233	(93)	40%	74%
Total as at June 30, 2025	-	-	-	-	-	-	-	0%	0%

7. PROFIT RECEIVABLE	Note	2026 Money Market Sub Fund	2026 Equity Sub Fund	2026 Equity Index Sub Fund	2026 Debt Sub Fund	2026 Total	2025 Money Market Sub Fund	2025 Equity Sub Fund	2025 Equity Index Sub Fund	2025 Debt Sub Fund	2025 Total
		---------- Rupees in '000 ----------									
Government Ijarah Sukuks		1,887	-	-	-	1,887	1,575	-	-	-	1,575
Savings accounts		322	124	124	124	694	16	-	-	-	16
		2,209	124	124	124	2,581	1,591	-	-	-	1,591

8. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY											
Remuneration payable to Management Company	8.1	41	108	108	108	365	44	-	-	-	44
Sindh Sales Tax on Management Company's remuneration	8.2	6	16	16	16	54	7	-	-	-	7
		47	124	124	124	419	51	-	-	-	51

8.1 As per Rule 67F of the NBFC Regulations, 2008, Pension Fund Manager may charge variable fee or ?xed fee or the combination of both which shall not exceed the limit disclosed in the offering document, further subject to the guidelines as may be issued by the Commission from time to time.

Based on offering document, the fee is being charged at the rate of 0.25% of the average annual net assets accordingly. The fee is payable monthly in arrears.

8.2 The Sindh Government has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	2026 Money Market Sub Fund	2026 Equity Sub Fund	2026 Equity Index Sub Fund	2026 Debt Sub Fund	2026 Total	2025 Money Market Sub Fund	2025 Equity Sub Fund	2025 Equity Index Sub Fund	2025 Debt Sub Fund	2025 Total
		---------- Rupees in '000 ----------									
Remuneration payable to Trustee	9.1	16	-	-	-	16	11	-	-	-	11
Sindh Sales Tax payable on remuneration of the Trustee	9.2	2	-	-	-	2	2	-	-	-	2
		18	-	-	-	18	13	-	-	-	13

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified there in, based on the daily Net Asset Value (NAV) of the Fund. The remuneration is paid to the trustee monthly in arrears.

Based on the Trust Deed, the tariff structure applicable to the Fund as at June 30, 2026 is as follows:

Net assets	Tariff per annum
Up to Rs. 1,000 million	Rs. 0.3 million or 0.15% of NAV, whichever is higher
Exceeding Rs. 1,000 million up to Rs. 3,000 million	Rs. 1.5 million plus 0.10% of NAV exceeding Rs. 1,000 million
Exceeding Rs. 3,000 million up to Rs. 6,000 million	Rs. 3.5 million plus 0.08% of NAV exceeding Rs, 3,000 million
Exceeding Rs. 6,000 million	Rs. 5.9 million plus 0.06% of NAV exceeding Rs. 6,000 million

9.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the Trustee fee through the Sindh Sales Tax on Services Act, 2011.

	Note	2026 Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total	2025 Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		Rupees in '000									
10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN											
Annual fee payable	10.1	26	-	-	-	26	17	-	-	-	17

10.1 This represents annual fee payable to Securities And Exchange Commission of Pakistan in accordance with the Rule 36 of the VPS Rules whereby the Fund is required to pay SECP an annual fee amount of 0.04% (2025: 0.04%) of average annual net asset value. The fee is payable in arrears.

	2026 Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total	2025 Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	Rupees in '000									
11. ACCRUED EXPENSES AND OTHER LIABILITIES										
Auditors' remuneration	180	-	-	-	180	96	-	-	-	96
Other payables	21	-	-	-	21	17	-	-	-	17
	201	-	-	-	201	113	-	-	-	113

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at the reporting date. (2025: Nil)

	2026 Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total	2025 Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
13. NUMBER OF UNITS IN ISSUE										
Total units issue at the beginning of the year	385,107	-	-	-	385,107	314,711	-	-	-	314,711
Add: units issued during the year	272,567	5,000	5,000	5,000	287,567	70,396	-	-	-	70,396
Less: units redeemed during the year	-	-	-	-	-	-	-	-	-	-
Total units at the end of the year	657,674	5,000	5,000	5,000	672,674	385,107		-	-	385,107
14. AUDITORS' REMUNERATION										
Annual audit fee	180	-	-	-	180	100	-	-	-	100
Review of condensed interim financial information	116	-	-	-	116	-	-	-	-	-
Sales tax	-	-	-	-	-	-	-	-	-	-
Out of pocket expenses	5	-	-	-	5	2	-	-	-	2
	301	-	-	-	301	102	-	-	-	102

15. TAXATION

The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of second schedule to the income Tax Ordinance, 2001. The Fund is also exempt from section 113 (minimum tax) provision under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

16. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

17. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2026 Money Market Sub Fund: At fair value through profit or loss	Amortised cost	Total	Equity Sub Fund: At fair value through profit or loss	Amortised cost	Total	Equity Index Sub fund: At fair value through profit or loss	Amortised cost	Total	Debt Sub Fund: At fair value through profit or loss	Amortised cost	Total
	Rupees in '000'											
Financial assets												
Bank balances	-	37,852	37,852	-	500	500	-	500	500	-	500	500
Investments	49,156	-	49,156	-	-	-	-	-	-	-	-	-
Profit receivable	-	2,209	2,209	-	124	124	124	-	124	124	-	124
	49,156	40,061	89,217	-	624	624	124	500	624	124	500	624

Particulars	2026											
	Money Market Sub Fund			Equity Sub Fund			Equity Index Sub fund			Debt Sub Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------											
Financial liabilities												
Payable to AL Habib Asset Management Limited - Management Company	-	41	41	-	124	124	-	124	124	-	124	124
Payable to Central Depository Company of Pakistan Limited - Trustee	-	16	16	-	-	-	-	-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	-	26	26	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	201	201	-	-	-	-	-	-	-	-	-
	-	284	284	-	124	124	-	124	124	-	124	124

Particulars	2025											
	Money Market Sub Fund			Equity Sub Fund			Equity Index Sub fund			Debt Sub Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	---------- Rupees in '000' ----------											
Financial assets												
Bank balances	-	2,951	2,951	-	-	-	-	-	-			-
Investments	43,592	-	43,592	-	-	-	-	-	-			-
Profit receivable	-	1,591	1,591	-	-	-	-	-	-			-
	43,592	4,542	48,134	-	-	-	-	-	-	-	-	-
Financial liabilities												
Payable to AL Habib Asset Management Limited - Management Company	-	44	44	-	-	-	-	-	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	11	11	-	-	-	-	-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	-	17	17	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	113	113	-	-	-	-	-	-	-	-	-
	-	185	185	-	-	-	-	-	-	-	-	-

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES/ CONNECTED PARTIES

Related parties/ Connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Related parties/connected persons include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the financial statements are as follows:

		2026	2025
18.1	**Transactions during the year**	**---Rupees in '000---**	
	AL Habib Asset Management Limited - Management Company		
	Remuneration of Management company	382	95
	Sindh Sales Tax	9	14
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration of the Trustee	89	64
	Sindh Sales Tax	13	10
	Bank Al Habib Limited - Sponsor		
	Profit on bank deposits	1,350	612
	Bank charges	2	3
18.2	**Details of balances with connected persons at year end are as follows:**		
	Al Habib Asset Management Limited - Management Company		
	Management company fee payable (Inclusive of Sindh Sales Tax)	47	51
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee fee payable (Inclusive of Sindh Sales Tax)	18	13
	Bank Al Habib Limited - Sponsor		
	Bank balances	37,852	2,951
	Profit Receivable on savings account	694	16

19. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

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

19.1 Market risk

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

The Management Company manages market risk by monitoring exposure in marketable securities by following the internal risk management policies and investment guidelines approved by the Investment Committee of the Fund and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk.

19.1.2 Interest rate risk

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

a) Cash flow interest rate risk

The Fund is exposed to cash flow interest rate risk for balances in certain savings accounts, the interest rates on which range between 9.25% to 11.25% per annum, and against investments in GOP Ijara Sukuks, the interest rate on which range between 9.87% to 18.49% respectively.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 0.39 million (2025: Rs. 0.03 million).

b) Fair value interest rate risk

The Fund's investment in GOP Ijara Sukuk exposes it to fair value interest rate risk.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs. 0.49 million. (2025: 0.44 million).

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

Particulars	Effective yield / interest rate	2026				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%					
On-balance sheet financial instruments						
Financial assets						
Bank balances	9.25% to 11.25%	39,352	-	-	-	39,352
Investments	9.87% to 18.49%	-	-	49,156	-	49,156
Profit Receivable		694	-	1,887	-	2,582
		40,046	-	51,043	-	91,089
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	419	419
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	18	18
Payable to Securities and Exchange Commission of Pakistan		-	-	-	26	26
Accrued expenses and other liabilities		-	-	-	201	201
Sub total		-	-	-	664	664
On-balance sheet gap (a)		40,046	-	51,043	(664)	90,426
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		40,046	-	51,043	(664)	90,426
Cumulative interest rate sensitivity gap		40,046	-	51,043		

Particulars	Effective yield / interest rate	2025				
		Exposed to yield / interest rate risk			Not exposed to yield / Interest rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%					
On-balance sheet financial instruments						
Financial assets						
Bank balances	8.31% to 10.75%	2,951	-	-	-	2,951
Investments	8.37%-22.49%	-	-	43,592	-	43,592
Profit Receivable		16	-	1,575	-	1,591
		2,967	-	45,167	-	48,134
Financial liabilities						
Payable to AL Habib Asset Management Limited - Management Company		-	-	-	51	51
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	13	13
Payable to Securities and Exchange Commission of Pakistan		-	-	-	17	17
Accrued expenses and other liabilities		-	-	-	113	113
		-	-	-	194	194
On-balance sheet gap (a)		2,967	-	45,167	(194)	47,940
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		2,967	-	45,167	(194)	47,940
Cumulative interest rate sensitivity gap		2,967	-	45,167		

19.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to investment in debt securities such as GOP Ijara Sukuks and Bank balances. Bank balances are maintained with balance with a reasonably high credit rating. The risk of default is considered minimal due to inherent systematic measures taken therein.

19.2.1 The analysis below summarises the credit rating quality of the Fund's financial assets as at June 30, 2026 and June 30, 2025:

Bank	Amount	Latest available published rating as at June 30, 2026	Rating agency
	---Rupees in '000---		
Bank Al Habib Limited	39,352	A1+	PACRA

Bank	Amount	Latest available published rating as at June 30, 2025	Rating agency
	---Rupees in '000---		
Bank Al Habib Limited	2,951	A1+	PACRA

19.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category	2026	2025
	---------- (Percentage) ----------	
A1+	100%	100%

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure, while the remaining transactions are entered into with diverse credit-worthy counterparties, thereby mitigating any significant concentration of credit risk to counterparties. The fund is not exposed to a concentration of credit risk.

19.3 Liquidity risk

Liquidity risk is a risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the total net asset value of the Fund at the time of borrowing and shall be repayable within 90 days. The facility would bear interest at commercial rates and would be secured against the assets of the Fund. However, during the current year, no borrowings were made by the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of 10% of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below 10% of the units then in issue. However, no such instances were witnessed by the Fund during the current year (2025: None).

The table below summarizes the maturity profile for the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including balances with bank have been included in the maturity.

Particulars	2026			
	Upto three months	More than three months and upto one year	More than one year	Total
	---------- Rupees in '000 ----------			
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	419	-	-	419
Payable to Central Depository Company of Pakistan Limited - Trustee	18	-	-	18
Payable to Securities and Exchange Commission of Pakistan	26	-	-	26
Accrued expenses and other liabilities	201	-	-	201
Total liabilities	**664**	**-**	**-**	**664**

Particulars	2025			
	Upto three months	More than three months and upto one year	More than one year	Total
Financial liabilities				
Payable to AL Habib Asset Management Limited - Management Company	51	-	-	51
Payable to Central Depository Company of Pakistan Limited - Trustee	13	-	-	13
Payable to Securities and Exchange Commission of Pakistan	17	-	-	17
Accrued expenses and other liabilities	113	-	-	113
Total liabilities	**194**	**-**	**-**	**194**

20 PARTICIPANTS' SUB FUND RISK MANAGEMENT

All units and fractions thereof represent an in divided share in the respective sub fund and rank pari passu as to their rights in the net assets and earnings of that sub-fund. The relevant movements are shown on the 'statement of movement in participants' sub funds'.

Each participant has the beneficial interest in the Fund proportionate to the units held by such participant in the respective in the respective sub-fund in the Individual pension account (IPA). The liability of the participant is limited to the number of units, held by each participant in his IPA. These are only redeemable in case of retirement, premature encashment / redemption, death of the participant, and change of Pension Fund Manager, change of allocation scheme and / or rebalancing of the IPA according to the percentages selected allocated scheme.

In accordance with the risk management policies stated in Note 18, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet early withdrawal requests, such liquidity being augmented by disposal of investments where necessary.

21 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);

- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and

- Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs) (level 3).

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

Particulars	2026						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees in '000)					
On balance sheet financial instruments							
Financial assets measured at fair value	21.1						
GOP Ijarah Sukuks		12,923	-	12,923	-	12,923	- 12,923
Discounted Ijara Sukuks		36,233	-	36,233	-	36,233	- 36,233
		49,156	-	49,156	-	49,156	- 49,156

Particulars	2025						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	Note	(Rupees in '000)					
On balance sheet financial instruments							
Financial assets measured at fair value	21.1						
GoP Ijarah Sukuk Certificates		43,592	-	43,592	-	43,592	43,592
		43,592	-	43,592	-	43,592	43,592

21.1 Valuation techniques

21.1.1 For level 1 investments at fair value through profit or loss, Fund uses daily quotations which are taken from PSX, for the purpose of computation of Market value at the reporting date.

21.1.2 For level 2 investments at fair value through profit or loss, Fund uses PKISRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

21.2 Transfers during the year

No transfer were made between various levels of fair value hierarchy during the year.

22. LIST OF TOP BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID / PAYABLE

	2026	2025
	------ Percentage ------	
Top brokers during the year		
Invest One Markets Limited	100%	100%

23. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

23.1 Details of members of the Investment Committee of the Fund as on June 30, 2026 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

23.2 Other funds managed by the fund manager

Mr. Ahmed Abbas is the Manager of the Fund as at the year end. Other funds being managed by him are as follows:

- Al Habib Cash Fund
- Al Habib Money Market Fund
- Al Habib Income Fund
- Al Habib Government Securities Fund
- Al Habib Fixed Return Fund
- Al Habib Sovereign Income Fund
- Al Habib Pension Fund
- Al Habib Gokp Pension Fund
- Al Habib Islamic Cash Fund
- Al Habib Islamic Money Market Fund
- Al Habib Islamic Income Fund
- Al Habib Islamic Savings Fund
- Al Habib Islamic Munafa Fund
- Al Habib Islamic Pension Fund

24. PATTERN OF UNITHOLDING

	2026			
	Number of unit holders	Number of units held	Investment amount	Percentage
		-- Rupees in '000 --		
Associated Companies	1	300,000	40,563	45.62%
Others	464	357,657	48,359	54.38%
	465	657,657	88,922	100%

25. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 04, 2026, and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

26. TOTAL EXPENSE RATIO

Total expense ratio of the Fund for the year ended June 30, 2026 is 1.52% (2025: 0.75%) which includes 0.08% (2025: 0.07%) representing Government levies and SECP fee. This ratio is within the maximum limit of 2.0% prescribed under the NBFC Regulations 67(G) for a Pension Fund categorised as a Money Market Scheme.

27. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the current year.

28. GENERAL

28.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

ANNUAL FUND MANAGER REPORT
FINANCIAL YEAR 2026

Fund Objective:

The objective of AHIGOKPPF is to provide Participants with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

Fund Objective Achieved:

The Fund has achieved its stated objective.

Strategies and Policies Employed during the period under review:

The AHGOKP maintained its strategy of reaping maximum benefits emanating from volatility experienced in debt markets. The selection criterion for equity securities is based upon hybrid investment approach with companies having sound financial history backed by strong fundamentals. The exposure in debt portion was also in line with the investment objectives with preference given to highly rated and liquid debt securities.

Fund Description

Fund Type & Category	Open Ended - Voluntary Pension Scheme	**External Auditors**	BDO Ebrahim & Co. Chartered Accountants
Launch Date	Jan 04, 2024	**Management Fee**	0.10%
Pricing Mechanism	Forward Pricing	**Sales Load**	Nil
Dealing Days/Timings	Monday to Thursday 4:00 pm | Friday 4:30 pm	**Minimum Investment**	Initial investment of Rs. 1,000/- Subsequently Rs. 1,000/- per transaction
AMC Rating	"AM1" by PACRA (August 12, 2025)	**Risk Profile**	Allocation Dependent
Trustee	Central Depository Company of Pakistan Limited.		

Economic Review:

Pakistan's economy during Fiscal Year 2025-26 showed signs of macroeconomic stabilization after years of economic distress. The government's reform agenda, supported by the International Monetary Fund (IMF), focused on fiscal discipline, inflation control and exchange rate stability. Despite external pressures in the 2nd half emanating from Iran-US conflict, the country experienced improved investor confidence, moderate inflation, stronger foreign exchange reserves, and a gradual revival of industrial and services activities. Challenges such as low investment, public debt, unemployment, energy sector inefficiencies, and external vulnerabilities continued to constrain sustainable economic growth.

The current account deficit soared to USD139 Million on the back of higher import bill compared to a surplus of USD 2.1 Billion in the last fiscal period. The highest ever remittances of USD 41.6 Billion during the year provided cushion in the wake of higher trade deficit of USD 39.47 Billion, up 22% YoY. The foreign reserves held by the SBP increased by 18.5% to USD 17.23 billion compared to USD14.51 billion last year.

High energy prices due to Iran-US conflict reflected in the average CPI which increased to 7.1%YoY compared to 4.7% YoY increase last year, in line with SBP's expected range of 7%-8%YoY. The main contributors to price increase were mainly food (+9.4%), housing (+15.5%), clothing and footwear (+9.3%), transport (+25.7%) and miscellaneous goods and services (+12.2%).

Pakistan's real Gross Domestic Product (GDP) grew 3.7 percent in FY2025-26, compared to 3.2 percent in FY25. The services sector remained the largest contributor to GDP, while agriculture and industry also registered positive growth. Per capita income increased to US$1,901, up from 1751, indicating gradual improvement in overall economic performance.

PKRV Rates			
Tenor	**As at June 30, 2026**	**As at June 30, 2025**	**Change (Bps)**
1 Month	13.02	10.59	243
3 Months	11.15	11.17	-2
6 Months	10.37	12.05	-168
9 Months	10.76	11.20	-44
1 Year	10.85	11.29	-44

Asset Allocation of Fund (as a % of total assets)

AHGOKP	30-Jun-26	30-Jun-25
16-Dec-25	10.5	-50
28-Apr-26	11.5	100

Asset Allocation of Fund (as a % of total assets)

AHIGOKP	30-Jun-26	30-Jun-25
Cash	42.51%	6.13%
GOP Ijarah	55.21%	90.56%
Others	2.28%	3.31%

Unit Holding Pattern

Money Market Sub Fund:

Size of Unit Holding (Units)	# of Unit Holders
Upto 1000	281
1001-5000	183
100001-500000	1
Grand Total	**465**

During the period under question:

There has been no significant change in the state of affairs of the Fund. Furthermore, the fund does not have any soft commission arrangement with any broker in the industry.
Sales and Redemptions of Units

During the year, 272,410 units valued Rs. 36 million were sold, while 0 units were redeemed resulting in to a net sale of 272,410 units valued Rs. 36 million during the year.

Fund Performance at a Glance

	2026	2025
Net Assets as at June 30 (Rs. in Million)	88.92	47.94
NAV per unit as at June 30 (Rs.)	135.2090	124.4846
Annual ReturnA	8.62%	12.78%

AL HABIB PUNJAB PENSION FUND

Annual Report

For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.
Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.
Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE PARTICIPANTS' OF AL HABIB PUNJAB PENSION FUND

Opinion

We have audited the financial statements of **AL Habib Punjab Pension Fund** ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movement in participants' sub-funds and statement of cash flows and for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

The Management Company ("AL Habib Asset Management Limited") 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 the Management Company and Board of Directors of Management Company for the financial statements

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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.

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

We also provide the Board of Directors of the Management Company 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 of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED:

UDIN: AR202610166N7Q0fKJWa

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Assets						
Balances with bank	5	500	500	500	500	2,000
Other Receivable		36	36	40	40	152
Total assets		536	536	540	540	2,152
Liabilities						
Payable to AL Habib Asset Management Limited - Management Company	6	36	36	40	40	152
Total liabilities		36	36	40	40	152
Net Assets		500	500	500	500	2,000
Unit holders' fund (as per the statement attached)		500	500	500	500	2,000
Contingencies and Commitments	7					
		---------- Number of units ----------				
Number of Units in Issue per Sub-Fund	8	5,000	5,000	5,000	5,000	20,000
		---------- Rupees----------				
Net asset value per unit		100.00	100.00	100.00	100.00	

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Assets						
Balances with bank	5	-	-	-	-	-
Other Receivable		-	-	-	-	-
Total assets		-	-	-	-	-
Liabilities						
Payable to AL Habib Asset Management Limited - Management Company	6	-	-	-	-	-
Total liabilities		-	-	-		-
Net Assets		-	-	-	-	-
Unit holders' fund (as per the statement attached)		-	-	-	-	-
Contingencies and Commitments	7	---------- Number of units ----------				
Number of Units in Issue per Sub-Fund	8	-	-	-	-	-
		---------- Rupees----------				
Net asset value per unit		-	-	-	-	

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Income						
Profit on bank deposit		36	36	40	40	152
Total Income		36	36	40	40	152
Expenses						
Remuneration of Al Habib Asset Management Company - Management Company		31	31	34	34	130
Sindh Sales tax on remuneration of the Management Company		5	5	6	6	22
Auditors' remuneration	9	-	-	-	-	-
Total expenses		36	36	40	40	152
Net income for the year before taxation		-	-	-	-	-
Taxation	10	-	-	-	-	-
Net income for the year after taxation		-	-	-	-	-
Earnings per unit	11					

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Income						
Profit on bank deposit		-	-	-	-	-
Total Income		-	-	-	-	-
Expenses						
Remuneration of Al Habib Asset Management Company - Management Company		-	-	-	-	-
Sindh Sales tax on remuneration of the Management Company		-	-	-	-	-
Auditors' remuneration	9	-	-	-	-	-
Total expenses		-	-	-	-	-
Net income for the year before taxation		-	-	-	-	-
Taxation	10	-	-	-	-	-
Net income for the year after taxation		-	-	-	-	-
Earnings per unit	11					

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net income for the year after taxation	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net income for the year after taxation	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net assets at the beginning of the year	-	-	-	-	-
Issue of units	500	500	500	500	2,000
Redemption of units					
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
Net assets at the end of the year	500	500	500	500	2,000

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

STATEMENT OF MOVEMENT IN PARTICIPANTS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net assets at the beginning of the year	-	-	-	-	-
Issue of units	-	-	-	-	-
Redemption of units					
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
Net assets at the end of the year	-	-	-	-	-

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation	-	-	-	-	-
	-	-	-	-	-
Increase in assets					
Other Receivable	(36)	(36)	(40)	(40)	(152)
	(36)	(36)	(40)	(40)	(152)
Increase in liabilities					
Payable to AL Habib Asset Management Limited - Management Company	36	36	40	40	152
	36	36	40	40	152
Net cash generated from operating activities	-	-	-	-	-
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts from issuance of units	500	500	500	500	2,000
Net cash generated from financing activities	500	500	500	500	2,000
Net increase in cash and cash equivalents during the year	500	500	500	500	2,000
Cash and cash equivalents at the beginning of the year	-	-	-	-	-
Cash and cash equivalents at the end of the year	500	500	500	500	2,000

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation	-	-	-	-	-
	-	-	-	-	-
Increase in assets					
Other Receivable	-	-	-	-	-
	-	-	-	-	-
Increase in liabilities					
Payable to AL Habib Asset Management Limited - Management Company	-	-	-	-	-
	-	-	-	-	-
Net cash generated from operating activities	-	-	-	-	-
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts from issuance of units	-	-	-	-	-
Net cash generated from financing activities	-	-	-	-	-
Net increase in cash and cash equivalents during the year	-	-	-	-	-
Cash and cash equivalents at the beginning of the year	-	-	-	-	-
Cash and cash equivalents at the end of the year	-	-	-	-	-

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Punjab Pension Fund is established under a Trust deed executed between AL Habib Asset Management Company Limited as a Pension Fund Manager and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed is approved by the Securities and Exchange Commission of Pakistan (SECP) on September 10, 2025 under the Voluntary Pension System (VPS) Rules, 2005. Central Depository Company of Pakistan Limited was appointed as a trustee for the Fund by SECP on September 10, 2025. The Fund is registered under the Sindh Trust Act, 2020, as amended vide Sindh Trusts (Amendment) Act, 2021 and is not launched as of June 30, 2026.

1.2 The Pension Fund Manager is a Non-Banking Finance Company licensed by the Commission under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through and Non-Banking Finance Companies and Notified Entities Regulations 2008 (“Regulations”) through license No. SECP/LRD/2/AMC/AHML/2022/98 dated April 18, 2023 to carry out Asset Management Services and is registered with the Commission under the Voluntary Pension System Rules, 2005 under Certificate of Registration No. 44/SEC/PRDD/VPS/ALHAML/2022 dated May 16, 2022 as a Pension Fund Manager and is a designated fund manager appointed by the Government of Punjab through the Secretary to the Government Finance Department through an Agreement dated July 2025, pursuant to Punjab Defined Contribution Scheme Rules 2025.The registered office of the Pension Fund Manager is situated at 3rd Floor Mackinnon's Building I.I Chundrigar Road Karachi.

1.3 All Employees of the Government of Punjab appointed on or after the commencement of the Punjab Civil Servants (Amendment) Ordinance, 2023 (I of 2024), but not including any person who was appointed as a Government servant holding a pensionable post before the commencement of the said Ordinance and was subsequently inducted into any Provincial Service through proper channel after the coming into force of the Punjab Civil Servants (Amendment) Ordinance, 2023 (I of 2024), or an employee of the Government of Punjab regularized as a civil servant through any legal instrument issued on or after the commencement of the Punjab Civil Servants (Amendment) Ordinance, 2023 (I of 2024), irrespective of the effective date of regularization, shall be eligible to contribute to the Pension Fund.

1.4 The objective of Fund is to provide participants with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

1.5 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

1.6 The Fund consists of four sub-funds namely, AL Habib Punjab- Money Market Sub Fund (the Money Market Sub Fund) , AL Habib Punjab - Equity Sub Fund (the Equity Sub Fund), AL Habib Punjab - Equity Index Sub Fund (the Equity Index Sub Fund) and AL Habib Punjab - Debt Sub Fund (the Debt Sub Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

AL Habib Punjab Pension Fund - Money Market Sub-Fund

The investment objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund. The investment limits of the Money Market Sub Fund are determined by the Commission. The current investment policy / limits for money market sub-fund as stated below:

Investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, Certificate of Deposits (COD), Certificate of Musharakas (COM) or any other mode of placement, TDRs, commercial papers, reverse repo.

AL Habib Punjab Pension Fund - Equity Sub-Fund

The investment objective of the Equity Sub Fund of the Punjab Pension Fund is to earn returns from investments in Pakistani Capital Markets.

Assets of an equity active sub-fund shall be invested in equity securities which are listed on a Stock Exchange or for the listing of which an application has been approved by a Stock Exchange and Equity Active sub-fund shall be eligible to invest in units of Real Estate Investment Trusts / Ex change Traded Fund provided that entity/sector/group exposures limit as prescribed are complied with.

AL Habib Punjab Pension Fund - Equity Index Sub-Fund

The investment objective of the Equity index Sub Fund of the Punjab Pension Fund is to provide investors an opportunity to track closely the performance of the KSE 100 by investing in companies of the Index in proportion to their weightages. The Investment Objective of the Equity Index Sub-Fund is to provide investors an opportunity to track closely the performance of the KSE 100 by investing in companies of the Index in proportion to their weightages.

AL Habib Punjab Pension Fund - Debt Sub-Fund

The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The investment limits of the Debt Sub Fund are determined by the Commission. The current investment policy/limits for debt sub-fund as stated below:

The Debt Sub-fund shall consist of government securities, cash in bank accounts, money market placements, deposits, Certificate of Deposits (COD), Certificate of Musharakas (COM), TDRs, commercial papers, TFC / Sukuk or any other mode of placement, deposits/placements with Microfinance banks and any other approved debt/money market security issued from time to time.

1.7 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

1.8 The Management Company has been assigned a quality rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules),The Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations).

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani rupee ("Rupees" or "Rs."), which is the Fund's functional currency and presentation currency.

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assetsis as follow:

Classification and valuation of investment

For details please refer notes 4.2.1.1 to these financial statements.

Impairment of investment

For details please refer note 4.2.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

Financial assets are classified in appropriate category at amortized cost, fair value through comprehensive income and fair value through profit and loss. The Management determines the classification of financial assets in appropriate category based on fund's business model, managing the financial assets and the contractual terms of cashflows.

4.2.2 Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognized at fair value and transaction costs associated with these financial assets are charged to the Income Statement.

4.2.2.1 Classification

Debt Instruments

Amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

4.2.2.2 Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method.The impairment are recognized in income statement. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, and impairment are recognized in income, statement.

4.2.2.3 Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financialassets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowancesfor such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting dateabout past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Impairment of financial assets on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "Income Statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and abovethe minimum provision requirement prescribed by the SECP, considering the specific credit and financial conditionof the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors ofthe Management Company. The provisioning policy approved by the Board of Directors has also been placed onthe Management Company's website as required under the SECP's Circular.

4.2.2.4 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.6 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.Any gain or loss on derecognition of financial liabilities is taken to the "Income Statement".

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent (90%) of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

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

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, ifapplicable.

4.7 Element of income / (loss)

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

4.8 Net asset value per unit

The Net Assets Value (NAV) per unit as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.9 Revenue recognition

- Gains or (losses) arising on the sale of investments are recorded at the date at which the transaction take place;

- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.

- Income on government securities is recognised on a time proportionate basis using the effective yield method.

- Profit on bank balances is recognised on an accrual basis.

4.10 Expenses

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

		2026					2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub-Fund	Total	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
5 BALANCES WITH BANK	Note	Rupees in '000					Rupees in '000				
Saving accounts	5.1	500	500	500	500	2,000	-	-	-	-	-
		500	500	500	500	2,000	-	-	-	-	-

5.1 These carries mark-up at the rates ranging between 10.15% to 11.25 % (2025: nil) per annum for all sub funds. These represent balances held with Bank AL Habib Limited, a related party.

6	PAYABLE TO AL HABIB ASSET MANAGEMENT										
Remuneration payable		31	31	34	34	130	-	-	-	-	-
Sindh Sales Tax payable		5	5	6	6	22	-	-	-	-	-
		36	36	40	40	152	-	-	-	-	-

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2026 (2025: nil)

8	NUMBER OF UNITS IN ISSUE PER SUB-FUND										
Total units in issue at the beginning of the year		-	-	-	-	-	-	-	-	-	-
Add: Units issued during the year		5000	5000	5000	5000	20,000	-	-	-	-	-
Less: units redeemed during the year		-	-	-	-	-	-	-	-	-	-
Total units in issue at the end of the year		5000	5000	5000	5000	20,000	-	-	-	-	-

9	AUDITORS' REMUNERATION										
Annual audit fee		-	-	-	-	-	-	-	-	-	-
Sales tax		-	-	-	-	-	-	-	-	-	-
Out of pocket expenses		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-

10 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the Fund has not earned any net income during the year, no distribution has been made to the participants. Accordingly, no provision for taxation has been made in these financial statements for the year.

11 EARNINGS PER UNIT

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

12 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026											
	Money Market Sub Fund			EquitySub Fund			Equity Index Sub Fund			DebtSub-Fund		
	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Financial Assets												
Balances with bank	-	500	500	-	500	500	-	500	500	-	500	500
Other Receivable	-	36	36	-	36	36	-	40	40	-	40	40
	-	536	536	-	536	536	-	540	540	-	540	540
Financial liabilities												
Payable to AL Habib Asset Management Limited - Management Company	-	36	36	-	36	36	-	40	40	-	40	40
	-	36	36	-	36	36	-	40	40	-	40	40

Particulars	As at June 30, 2025											
	Money Market Sub Fund			Equity Sub Fund			Equity Index Sub Fund			Debt Sub-Fund		
	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Financial Assets												
Balances with bank	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivable	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities												
Payable to AL Habib Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-

13 TRANSACTIONS AND BALANCES WITH RELATED/CONNECTED PERSONS

Related parties/ Connected persons include AL Habib Fund Managers Limited being the Management Company, Bank AL Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates. Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent of the Management Company
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Management Company
5	AL Habib Islamic Income Fund	Managed by Management Company
6	AL Habib Islamic Stock Fund	Managed by Management Company
7	AL Habib Stock Fund	Managed by Management Company
8	AL Habib Income Fund	Managed by Management Company
9	AL Habib Money Market Fund	Managed by Management Company
10	AL Habib Islamic Cash Fund	Managed by Management Company
11	AL Habib Islamic Savings Fund	Managed by Management Company
12	AL Habib Pension Fund	Managed by Management Company
13	AL Habib Islamic Pension Fund	Managed by Management Company
14	AL Habib Fixed Return Fund	Managed by Management Company
15	AL Habib Islamic Munafa Fund	Managed by Management Company
16	AL Habib Government Securities Fund	Managed by Management Company
17	AL Habib GOKP Money Market Fund	Managed by Management Company
18	AL Habib Islamic GOKP Pension Fund	Managed by Management Company
19	AL Habib Sovereign Income Fund Plan	Managed by Management Company
20	AL Habib Punjab Pension Fund	Managed by Management Company
21	AL Habib Punjab Islamic Pension Fund	Managed by Management Company
22	AL Habib Islamic Money Market Fund	Managed by Management Company
23	Al Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central Depositary Company of Pakistan	Trustee

13.1 Details of the transactions with connected persons / related parties are as follows:

	2026	2025	2026	2025	2026	2025	2026	2025
	Money Market Sub Fund		Equity Sub Fund		Equity Index Sub Fund		Debt Sub-Fund	
	Rupees in '000		Rupees in '000		Rupees in '000		Rupees in '000	
13.1.1 AL Habib Asset Management Limited - Management Company								
- Management company remuneration	31	-	31	-	34	-	34	-
- Sindh sales tax	5	-	5	-	6	-	6	-
13.1.2 Central Depository Company of Pakistan Limited - Trustee								
- Remuneration to the Trustee	-	-	-	-	-	-	-	-
- Sindh sales tax	-	-	-	-	-	-	-	-
13.1.3 Bank AL Habib Limited								
- Profit on Bank deposit	36	-	36	-	40	-	40	-

13.2 Details of balances with connected persons / related parties at year end are as follows:

		2026	2025	2026	2025	2026	2025	2026	2025
		Money Market Sub		Equity Sub Fund		Equity Index Sub Fund		Debt Sub-Fund	
		----- Rupees in '000 ----------		Rupees in '000 -----		--------- Rupees in '000 ----------		Rupees in '000 -------	
13.2.3	**AL Habib Asset Management Limited - Management Company**								
	- Management Company payable (inclusive of Sindh sales tax)	36	-	36	-	40	-	40	-
13.2.4	**Central Depository Company of Pakistan Limited - Trustee**								
	- Remuneration payable (Inclusive of Sindh sales tax)	-	-	-	-	-	-	-	-
13.2.5	**Bank AL Habib Limited**								
	- Bank Balance	500	-	500	-	500	-	500	-
	- Bank Profit receivable	36	-	36	-	40	-	40	-

14 PARTICIPANTS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The participants' fund of open end schemes is represented by net assets attributable to participants. The risk in case of an open end scheme is that the amount of net assets attributable to participants can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to participants is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of participants' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

15 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities ;

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

- Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

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

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub-Fund	Total
	---------- Rupees in '000 ----------				
Financial assets not measured at fair value (Amortised cost)					
Balances with bank	500	500	500	500	2,000
Other receivable	36	36	40	40	152
	536	536	540	540	2,152
Financial liabilities not measured at fair value (Amortised cost)					
Payable to AL Habib Asset Management Limited - Management Company	36	36	40	40	152
	36	36	40	40	152

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub-Fund	Total
	---------- Rupees in '000 ----------				
Financial assets not measured at fair value (Amortised cost)					
Balances with bank	-	-	-	-	-
Other receivable	-	-	-	-	-
	-	-	-	-	-
Financial liabilities not measured at fair value (Amortised cost)					
Payable to AL Habib Asset Management Limited - Management Company	-	-	-	-	-
	-	-	-	-	-

15.1 Transfers during the year

No transfers were made between various levels of fair value heriarchy during the year.

16 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

16.1 Details of investment committee members of the Fund are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

17 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 04, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

18 CORRESPONDING FIGURES

Being the first reporting period of the Fund, corresponding figures have not been reported.

19 GENERAL

19.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

20 DATE OF AUTHORIZATION FOR ISSUE

20.1 These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

AL HABIB
PUNJAB ISLAMIC PENSION FUND
Annual Report
For the year ended June 30, 2026

FUND'S INFORMATION

Management Company

AL Habib Asset Management Limited

Board of Directors of the Management Company

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive Officer

Chief Financial Officer

Mr. Abbas Qurban

Company Secretary & Chief Operating Officer

Mr. Zahid Hussain Vasnani

Audit Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

Human Resource Committee

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

Auditors

BDO Ebrahim & Co.
Lakson Square Building No. 1, 9th Floor,
Block C Sarwar Shaheed Rd, Civil Lines,
Karachi, Karachi City, Sindh 74200

Legal Advisor

Mohsin Tayebaly & Co.
Barristers & Advocates,
2nd Floor, DIME Centre, BC-4,
Block 9, Kehkashan, Clifton, Karachi.

Trustee

Central Depository Company of Pakistan Limited
CDC House, 99-B, Block 'B', S.M.C.H.S,
Main Shahra-e-Faisal, Karachi.

Rating

AM1 Management Company Quality
Rating Assigned by PACRA.

Bankers to the Fund

Bank AL Habib Limited
Bank Alfalah Limited
Allied Bank Limited
Habib Bank Limited
United Bank Limited

Registered Office: 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

REVIEW REPORT OF THE SHARIAH ADVISOR

As a Shariah Advisor of the **AL Habib Punjab Islamic Pension Fund,** I am issuing this report. The scope of the report is to express an opinion on the Shariah compliance of the fund's activities.

It is the responsibility of the management of aforesaid fund to establish and maintain a system of internal control to ensure compliance with Shariah guidelines. My responsibility is to express an opinion, based on my review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, I hereby certify that:

- The modes of investments, transactions, relevant documentations, operations and the procedures adopted have been in accordance with the Shariah principles and rules.
- The provisions of the scheme, investments and affairs have been carried out in accordance with Shariah principles, rules and relevant Shariah opinions issued from time to time.
- The earnings that have been realized from sources and means prohibited by Shariah have been credited to the charity account.

Dr. Mufti Ismatullah Hamdullah

Shariah Advisor



Date: June 30, 2026

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Sarwar Shaheed Road
Karachi-74200
Pakistan

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

TO THE BOARD OF DIRECTORS OF AL HABIB ASSET MANAGEMENT LIMITED

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (the SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of Al Habib Punjab Islamic Pension Fund (the Fund) managed by Al Habib Asset Management Limited (the Management Company) for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar.

2. Applicable Criteria

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

1) Essentials, Regulations, Instructions and Guidelines issued by the SECP;
2) The rulings of Central Shariah Board as notified by the SECP;
3) Requirements of the applicable Islamic Financial Accounting Standards as notified by the SECP;
4) Approvals and rulings given by the Shariah Board (SB) directives, regulations, instructions and guidelines issued in accordance with the rulings of SECP's Shariah Board.

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

3. Management's Responsibility for Shariah Compliance

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

4. Our Independence and Quality Management

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

The firm applies International Standard on Quality Management (ISQM) 1 "Quality Management for forms that perform Audit or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

5. Our responsibility and summary of the work performed

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

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

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

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

6. Conclusion

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

Engagement Partner
Tariq Feroz Khan

Date: 25 SEP 2026
Place: Karachi

BDO EBRAHIM & CO.
CHARTERED Accountants

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

Tel: +92 21 3568 3030
Fax: +92 21 3568 4239
www.bdo.com.pk

2nd Floor, Block-C
Lakson Square, Building No.1
Serwar Shaheed Road
Karachi-74200
Pakistan

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE PARTICIPANTS' OF AL HABIB PUNJAB ISLAMIC PENSION FUND

Opinion

We have audited the financial statements of **AL Habib Punjab Islamic Pension Fund** ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movement in participants' sub-fund and statement of cash flows and for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

The Management Company ("AL Habib Asset Management Limited") 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 the Management Company and Board of Directors of the Management Company for the financial statements

The Management Company ("AL Habib Asset Management Limited") is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management Company is responsible for assessing the Fund'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 the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

BDO

The Board of Directors of the Management Company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company 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.

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

We also provide the Board of Directors of the Management Company 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 of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 25 SEP 2026

UDIN: AR202610166Gh2Oceb1L

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants
BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2026				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Assets						
Balances with bank	5	500	500	500	500	2,000
Other Receivable		8	8	8	6	30
Total assets		508	508	508	506	2,030
Liabilities						
Payable to AL Habib Asset Management Limited - Management Company	6	8	8	8	6	30
Total liabilities		8	8	8	6	30
Net Assets		500	500	500	500	2,000
Unit holders' fund (as per the statement attached)		500	500	500	500	2,000
Contingencies and Commitments	7					
		---------- Number of units ----------				
Number of Units in Issue per Sub-Fund	8	5,000	5,000	5,000	5,000	20,000
		---------- Rupees----------				
Net asset value per unit		100.00	100.00	100.00	100.00	

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	Note	2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Assets						
Balances with bank	5	-	-	-	-	-
Other Receivable		-	-	-	-	-
Total assets		-	-	-	-	-
Liabilities						
Payable to AL Habib Asset Management Limited - Management Company	6	-	-	-	-	-
Total liabilities		-	-	-		-
Net Assets		-	-	-	-	-
Unit holders' fund (as per the statement attached)		-	-	-	-	-
Contingencies and Commitments	7					
		---------- Number of units ----------				
Number of Units in Issue per Sub-Fund	8	-	-	-	-	-
		---------- Rupees----------				
Net asset value per unit		-	-	-	-	

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Income						
Profit on bank deposit		36	36	40	40	152
Total Income		36	36	40	40	152
Expenses						
Remuneration of Al Habib Asset Management Company - Management Company		7	7	7	5	26
Sindh Sales tax on remuneration of the Management Company		1	1	1	1	4
Auditors' remuneration	9	-	-	-	-	-
Total expenses		8	8	8	6	30
Net income for the year before taxation		-	-	-	-	-
Taxation	10	-	-	-	-	-
Net income for the year after taxation		-	-	-	-	-
Earnings per unit	11					

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
		----------Rupees in '000----------				
Income						
Profit on bank deposit		-	-	-	-	-
Total Income		-	-	-	-	-
Expenses						
Remuneration of Al Habib Asset Management Company - Management Company		-	-	-	-	-
Sindh Sales tax on remuneration of the Management Company		-	-	-	-	-
Auditors' remuneration	9	-	-	-	-	-
Total expenses		-	-	-	-	-
Net income for the year before taxation		-	-	-	-	-
Taxation	10	-	-	-	-	-
Net income for the year after taxation		-	-	-	-	-
Earnings per unit	11					

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net income for the year after taxation	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

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

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net income for the year after taxation	-	-	-	-	-
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net assets at the beginning of the year	-	-	-	-	-
Issue of units	500	500	500	500	2,000
Redemption of units					
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
Net assets at the end of the year	500	500	500	500	2,000

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**

STATEMENT OF MOVEMENT IN PARTICIPANTS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
	----------Rupees in '000----------				
Net assets at the beginning of the year	-	-	-	-	-
Issue of units	-	-	-	-	-
Redemption of units					
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-
Net assets at the end of the year	-	-	-	-	-

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation	-	-	-	-	-
	-	-	-	-	-
Increase in assets					
Other Receivable	(8)	(8)	(8)	(6)	(30)
	(8)	(8	(8)	(6)	(30)
Increase in liabilities					
Payable to AL Habib Asset Management Limited - Management Company	8	8	8	6	30
	8	8	8	6	30
Net cash generated from operating activities	-	-	-	-	-
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts from issuance of units	500	500	500	500	2,000
Net cash generated from financing activities	500	500	500	500	2,000
Net increase in cash and cash equivalents during the year	500	500	500	500	2,000
Cash and cash equivalents at the beginning of the year	-	-	-	-	-
Cash and cash equivalents at the end of the year	500	500	500	500	2,000

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation	-	-	-	-	-
	-	-	-	-	-
Increase in assets					
Other Receivable	-	-	-	-	-
	-	-	-	-	-
Increase in liabilities					
Payable to AL Habib Asset Management Limited - Management Company	-	-	-	-	-
	-	-	-	-	-
Net cash generated from operating activities	-	-	-	-	-
CASH FLOW FROM FINANCING ACTIVITIES					
Receipts from issuance of units	-	-	-	-	-
Net cash generated from financing activities	-	-	-	-	-
Net increase in cash and cash equivalents during the year	-	-	-	-	-
Cash and cash equivalents at the beginning of the year	-	-	-	-	-
Cash and cash equivalents at the end of the year	-	-	-	-	-

The annexed notes 1 to 20 form an integral part of these financial statements.

For AL Habib Asset Management Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 AL Habib Punjab Islamic Pension Fund is established under a Trust deed executed between AL Habib Asset Management Company Limited as a Pension Fund Manager and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed is approved by the Securities and Exchange Commission of Pakistan (SECP) on September 29, 2025 under the Voluntary Pension System (VPS) Rules, 2005. Central Depository Company of Pakistan Limited was appointed as a trustee for the Fund by SECP on September 29, 2025. The Fund is registered under the Sindh Trust Act, 2020, as amended vide Sindh Trusts (Amendment) Act, 2021 and is not launched as of June 30, 2026.

1.2 The Pension Fund Manager is a Non-Banking Finance Company licensed by the Commission under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through and Non-Banking Finance Companies and Notified Entities Regulations 2008 (“Regulations”) through license No. SECP/LRD/2/AMC/AHML/2022/98 dated April 18, 2023 to carry out Asset Management Services and is registered with the Commission under the Voluntary Pension System Rules, 2005 under Certificate of Registration No. 44/SEC/PRDD/VPS/ALHAML/2022 dated May 16, 2022 as a Pension Fund Manager and is a designated fund manager appointed by the Government of Punjab through the Secretary to the Government Finance Department through an Agreement dated July 2025, pursuant to Punjab Defined Contribution Scheme Rules 2025.The registered office of the Pension Fund Manager is situated at 3rd Floor Mackinnon's Building I.I Chundrigar Road Karachi.

1.3 All Employees of the Government of Punjab appointed on or after the commencement of the Punjab Civil Servants (Amendment) Ordinance, 2023 (I of 2024), but not including any person who was appointed as a Government servant holding a pensionable post before the commencement of the said Ordinance and was subsequently inducted into any Provincial Service through proper channel after the coming into force of the Punjab Civil Servants (Amendment) Ordinance, 2023 (I of 2024), or an employee of the Government of Punjab regularized as a civil servant through any legal instrument issued on or after the commencement of the Punjab Civil Servants (Amendment) Ordinance, 2023 (I of 2024), irrespective of the effective date of regularization, shall be eligible to contribute to the Pension Fund.

1.4 The objective of Fund is to provide participants with an individualized, funded (based on defined contribution) as well as flexible pension scheme which is managed by professional investment managers to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to invest their pensions as per their desired asset allocations.

1.5 The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

1.6 The Fund consists of four sub-funds namely, AL Habib Punjab Islamic - Money Market Sub Fund (the Money Market Sub Fund) , AL Habib Punjab Islamic - Equity Sub Fund (the Equity Sub Fund), AL Habib Punjab Islamic - Equity Index Sub Fund (the Equity Index Sub Fund) and AL Habib Punjab Islamic - Debt Sub Fund (the Debt Sub Fund) (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

AL Habib Punjab Islamic Pension Fund - Money Market Sub-Fund

The investment objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund. The investment limits of the Money Market Sub Fund are determined by the Commission. The current investment policy / limits for money market sub-fund as stated below:

Investment avenues - shahriah compliant government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, Certificate of Deposits (COD), Certificate of Musharakas (COM) or any other Islamic mode of placement, TDRs, Islamic commercial papers, reverse repo.

AL Habib Punjab Islamic Pension Fund - Equity Sub-Fund

The investment objective of the Equity Sub Fund of the Punjab Islamic Pension Fund is to earn returns from investments in Pakistani Capital Markets.

Assets of an equity active sub-fund shall be invested in shahriah compliant equity securities which are listed on a Stock Exchange or for the listing of which an application has been approved by a Stock Exchange and Equity Active sub-fund shall be eligible to invest in units of shahriah compliant Real Estate Investment Trusts / Exchange Traded Fund provided that entity/sector/group exposures limit as prescribed are complied with.

AL Habib Punjab Islamic Pension Fund - Equity Index Sub-Fund

The investment objective of the Equity index Sub Fund of the Punjab Islamic Pension Fund is to provide investors an opportunity to track closely the performance of the KMI 30 by investing in companies of the Index in proportion to their weightages. The Investment Objective of the Equity Index Sub-Fund is to provide investors an opportunity to track closely the performance of the KMI 30 by investing in companies of the Index in proportion to their weightages.

AL Habib Punjab Islamic Pension Fund - Debt Sub-Fund

The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The investment limits of the Debt Sub Fund are determined by the Commission. The current investment policy/limits for debt sub-fund as stated below:

The Debt Sub-fund shall consist of shahriah compliant government securities, cash in bank accounts, money market placements, deposits, Certificate of Deposits (COD), Certificate of Musharakas (COM), TDRs, Islamic commercial papers, Sukuk or any other Islamic mode of placement, reverse repo, deposits/placements with shahriah compliant Microfinance banks and any other approved debt/money market security issued from time to time.

1.7 The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

1.8 The Management Company has been assigned a quality rating of 'AM1' by Pakistan Credit Rating Agency (PACRA) dated August 12, 2025.

2 BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and

- The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules),The Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations).

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost basis, unless otherwise stated.

2.3 Functional and presentation currency

These financial statements are presented in Pakistani rupee ("Rupees" or "Rs."), which is the Fund's functional currency and presentation currency.

2.4 Significant accounting estimates, assumptions and judgments

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgements about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification,valuation and impairment of financial assetsis as follow:

Classification and valuation of investment

For details please refer notes 4.2.1.1 to these financial statements.

Impairment of investment

For details please refer note 4.2.2.3 to these financial statements.

3 APPLICATION OF NEW STANDARDS, AMENDSMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026

The following stantdards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendmends to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

4.2.2.3 Impairment (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financialassets (other than debt instruments) carried at amortised cost and FVOCI. The fund recognises loss allowancesfor such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting dateabout past events, current conditions and forecasts of future economic conditions.

The Fund considers that a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

Impairment of financial assets on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "Income Statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and abovethe minimum provision requirement prescribed by the SECP, considering the specific credit and financial conditionof the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors ofthe Management Company. The provisioning policy approved by the Board of Directors has also been placed onthe Management Company's website as required under the SECP's Circular.

4.2.2.4 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date, the date on which the Fund commits to purchase or sell the asset.

4.2.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.2.6 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.Any gain or loss on derecognition of financial liabilities is taken to the "Income Statement".

4.3 Provisions

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

4.4 Taxation

The Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90% of its accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future years by distributing at least ninety percent (90%) of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every year. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

4.5 Proposed distributions

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

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

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the application received during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as of the close of the business day, plus the allowable sales load and provision of any duties and charges if applicable. The sales load is payable to the Management Company / Distributors.

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, ifapplicable.

4.7 Element of income / (loss)

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

4.8 Net asset value per unit

The Net Assets Value (NAV) per unit as disclosed in the "Statement of Assets and Liabilities", is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.9 Revenue recognition

- Gains or (losses) arising on the sale of investments are recorded at the date at which the transaction take place;
- Unrealised gains / losses arising on remesurement of investments classified as financial assets 'at fair valuethrough profit or loss' included in Income Statement in the period in which they arise.
- Income on government securities is recognised on a time proportionate basis using the effective yield method.
- Profit on bank balances is recognised on an accrual basis.

4.10 Expenses

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

		2026					2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub-Fund	Total	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
5	**BALANCES WITH BANK**	**Note**	**Rupees in '000**				**Rupees in '000**				
	Saving accounts	5.1	500	500	500	500	2,000	-	-	-	-	-
			500	500	500	500	2,000	-	-	-	-	-

		2026					2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub-Fund	Total	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
6	PAYABLE TO AL HABIB ASSET MANAGEMENT	Note	Rupees in '000				Rupees in '000				
	Remuneration payable	7	7	7	5	26	-	-	-	-	-
	Sindh Sales Tax payable	1	1	1	1	4	-	-	-	-	-
		8	8	8	6	30	-	-	-	-	-

7 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2026 (2025: nil)

		2026					2025				
		Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub-Fund	Total	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub Fund	Total
8	NUMBER OF UNITS IN ISSUE PER SUB-FUND	Rupees in '000					Rupees in '000				
	Total units in issue at the beginning of the year	-	-	-	-	-	-	-	-	-	-
	Add: Units issued during the year	5000	5000	5000	5000	20,000	-	-	-	-	-
	Less: units redeemed during the year	-	-	-	-	-	-	-	-	-	-
	Total units in issue at the end of the year	5000	5000	5000	5000	20,000	-	-	-	-	-
9	AUDITORS' REMUNERATION										
	Annual audit fee	-	-	-	-	-	-	-	-	-	-
	Sales tax	-	-	-	-	-	-	-	-	-	-
	Out of pocket expenses	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-

10 TAXATION

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the participants, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the participants. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the Fund has not earned any net income during the year, no distribution has been made to the participants. Accordingly, no provision for taxation has been made in these financial statements for the year.

11 EARNINGS PER UNIT

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

12 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026											
	Money Market Sub Fund			Equity Sub Fund			Equity Index Sub Fund			Debt Sub-Fund		
	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Financial Assets												
Balances with bank	-	500	500	-	500	500	-	500	500	-	500	500
Other Receivable	-	8	8	-	8	8	-	8	8	-	6	6
	-	508	508	-	508	508	-	508	508	-	506	506
Financial liabilities												
Payable to AL Habib Asset Management Limited - Management Company	-	8	8	-	8	8	-	8	8	-	6	6
	-	8	8	-	8	8	-	8	8	-	6	6

Particulars	As at June 30, 2025											
	Money Market Sub Fund			Equity Sub Fund			Equity Index Sub Fund			Debt Sub-Fund		
	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total
	(Rupees in '000)			(Rupees in '000)			(Rupees in '000)			(Rupees in '000)		
Financial Assets												
Balances with bank	-	-	-	-	-	-	-	-	-	-	-	-
Other Receivable	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-
Financial liabilities												
Payable to AL Habib Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-

13 TRANSACTIONS AND BALANCES WITH RELATED/CONNECTED PERSONS

Related parties/ Connected persons include AL Habib Fund Managers Limited being the Management Company, Bank AL Habib Limited being the Sponsor, Central Depository Company of Pakistan Limited being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively, as disclosed in the offering document of the fund.

Connected persons / related parties include:

S.No	Company	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent Company of AL Habib Asset Management Limited
3	AL Habib Capital Markets (Private) Limited	Subsidiary of Bank AL Habib Limited
4	AL Habib Asset Allocation Fund	Subsidiary of Bank AL Habib Limited
5	AL Habib Islamic Income Fund	Managed by AL Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by AL Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by AL Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by AL Habib Asset Management Limited
9	AL Habib Islamic Savings Fund	Managed by AL Habib Asset Management Limited
10	AL Habib Islamic Cash Fund	Managed by AL Habib Asset Management Limited
11	AL Habib Income Fund	Managed by AL Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by AL Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by AL Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by AL Habib Asset Management Limited
15	AL Habib Islamic Munafa Fund	Managed by AL Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by AL Habib Asset Management Limited
17	AL Habib GOKP Money Market Fund	Managed by AL Habib Asset Management Limited
18	AL Habib Islamic GOKP Pension Fund	Managed by AL Habib Asset Management Limited
19	AL Habib Sovereign Income Fund Plan	Managed by AL Habib Asset Management Limited
20	AL Habib Money Market Fund	Managed by AL Habib Asset Management Limited
21	AL Habib Punjab Pension Fund	Managed by AL Habib Asset Management Limited
22	AL Habib Islamic Money Market Fund	Managed by AL Habib Asset Management Limited
23	AL Habib Currency Exchange Limited	Subsidiary of Bank Al Habib Limited
24	Central depositary Company Of Pakistan	Trustee

13.1 Details of the transactions with connected persons / related parties are as follows:

	Money Market Sub		Equity Sub Fund		Equity Index Sub Fund		Debt Sub-Fund	
	2026	2025	2026	2025	2026	2025	2026	2025
	------ Rupees in '000 ----------		Rupees in '000 -----		--------- Rupees in '000 ----------		Rupees in '000 ------	
13.1.1 AL Habib Asset Management Limited - Management Company								
- Management company remuneration	7	-	7	-	7	-	7	-
- Sindh sales tax	1	-	1	-	1	-	1	-
13.1.2 Central Depository Company of Pakistan Limited - Trustee								
- Remuneration to the Trustee	-	-	-	-	-	-	-	-
- Sindh sales tax	-	-	-	-	-	-	-	-
13.1.3 Bank AL Habib Limited								
- Profit on Bank deposit	8	-	8	-	8	-	6	-

13.2 Details of balances with connected persons / related parties at year end are as follows:

		2026	2025	2026	2025	2026	2025	2026	2025
		Money Market Sub		Equity Sub Fund		Equity Index Sub Fund		Debt Sub-Fund	
		----- Rupees in '000 ----------		Rupees in '000 -----		--------- Rupees in '000 ----------		Rupees in '000 -------	
13.2.3	**AL Habib Asset Management Limited - Management Company**								
	- Management Company payable (inclusive of Sindh sales tax)	8	-	8	-	8	-	8	-
13.2.4	**Central Depository Company of Pakistan Limited - Trustee**								
	- Remuneration payable (Inclusive of Sindh sales tax)	-	-	-	-	-	-	-	-
13.2.5	**Bank AL Habib Limited**								
	- Bank Balance	500	-	500	-	500	-	500	-
	- Bank Profit receivable	8	-	8	-	8	-	6	-

14 UNITS HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is that the amount of net assets attributable to unit holders can change significantly on daily basis as the Fund is subject to daily issuance and redemption of units at the discretion of the unit holders and occurrence of unexpected losses in investment portfolio which may cause adverse effects on the Fund's continuation as a going concern.

The Fund's objective when managing net assets attributable to unit holders is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders and to ensure reasonable safety of unit holders' fund. In order to maintain or adjust the unit holder fund structure, the Fund performs the following:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unit holders;

- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and

- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of ‘Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current year.

15 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. Consequently, differences can arise between carrying amount and the fair value estimates.

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm’s length basis.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), the Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities ;

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

- Level 3 Fair value measurements using inputs for assets or liability that are not based on observable market data (i.e. unobservable inputs).

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

	2026				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub-Fund	Total
	---------- Rupees in '000 ----------				
Financial assets not measured at fair value (Amortised cost)					
Balances with bank	500	500	500	500	2,000
Other receivable	8	8	8	6	30
	508	508	508	506	2,030
Financial liabilities not measured at fair value (Amortised cost)					
Payable to AL Habib Asset Management Limited - Management Company	8	8	8	6	30
	8	8	8	6	30

	2025				
	Money Market Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Debt Sub-Fund	Total
	---------- Rupees in '000 ----------				
Financial assets not measured at fair value (Amortised cost)					
Balances with bank	-	-	-	-	-
Other receivable	-	-	-	-	-
	-	-	-	-	-
Financial liabilities not measured at fair value (Amortised cost)					
Payable to AL Habib Asset Management Limited - Management Company	-	-	-	-	-
	-	-	-	-	-

15.1 Transfers during the year

No transfers were made between various levels of fair value heriarchy during the year.

16 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

16.1 Details of investment committee members of the Fund are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mr. Kashif Rafi	Chief Executive Officer	MBA - IBA	26
2	Mr. Zahid Hussain Vaswani	Chief Operating Officer & Company Secretary	CA- Affiliate	27
3	Mr. Fawad Javaid	Head of Fixed Income	ICMAP	15.5
4	Mr. Ahmed Abbas	Fund Manager	MBA	19
5	Mr. Faran Ul Haq	Head of Equity	CFA	15.5
6	Mr. Hamza Abdul Rehman Siddiqu	Fund Manager-Equity	Msc (Hons)	8

17 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

Four meetings of the Board of Directors were held on August 25, 2025, October 24, 2025, February 04, 2026 and April 24, 2026 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
	Name of Director				
1	Mr. Abbas D.Habib	4	4	-	-
2	Mr. Mansoor Ali Khan	4	4	-	-
3	Mr. Saeed Allawala	4	4	-	-
4	Ms. Zarine Aziz	4	4	-	-
5	Mr. Imran Azim	4	4	-	-
6	Mr. Kashif Rafi	4	4	-	-

18 CORRESPONDING FIGURES

Being the first reporting period of the Fund, corresponding figures have not been reported.

19 GENERAL

19.1 Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.

20 DATE OF AUTHORIZATION FOR ISSUE

20.1 These financial statements were authorised for issue on **August 21, 2026** by the Board of Directors of the Management Company.

For AL Habib Asset Management Limited
(Management Company)

_____	_____	_____
Chief Executive Officer	**Chief Financial Officer**	**Director**

DISCLOSURE OF PROXY VOTING
FOR THE YEAR ENDED JUNE 30, 2026

Regulation 38 A "Responsibilities towards Corporate Governance and Proxy Voting";

AL Habib Stock Fund

The Management Company on behalf of the Fund did not participate in 46 shareholder meetings of the Investee Companies. Moreover, details of the proxies voted are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	-	-	-	-	-
%	-	-	-	-	-

AL Habib Islamic Stock Fund

The Management Company on behalf of the Fund did not participate in 36 shareholder meetings of the Investee Companies. Moreover, details of the proxies voted are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	-	-	-	-	-
%	-	-	-	-	-

AL Habib Asset Allocation Fund

The Management Company on behalf of the Fund did not participate in 35 shareholder meetings of the Investee Companies. Moreover, details of the proxies voted are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	-	-	-	-	-
%	-	-	-	-	-

AL Habib Islamic Pension Fund

The Management Company on behalf of the Fund did not participate in 31 shareholder meetings of the Investee Companies. Moreover, details of the proxies voted are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	-	-	-	-	-
%	-	-	-	-	-

AL Habib Pension Fund

The Management Company on behalf of the Fund did not participate in 42 shareholder meetings of the Investee Companies. Moreover, details of the proxies voted are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	-	-	-	-	-
%	-	-	-	-	-

الحبیب جی او کے پی پینشن فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں منی مارکیٹ سب فنڈ سے 10.33 فیصد کا سالانہ خالص منافع حاصل کیا۔ منی مارکیٹ سب فنڈز کی مجموعی آمدنی 7.81 ملین روپے رہی جو بینک ڈپازٹس اور سرکاری سیکیورٹیز سے حاصل آمدنی پر مشتمل ہے۔

الحبیب اسلامک جی او کے پی پینشن فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں منی مارکیٹ سب فنڈ سے 8.62 فیصد کا سالانہ خالص منافع حاصل کیا۔ منی مارکیٹ سب فنڈز کی مجموعی آمدنی 5.86 ملین روپے رہی جو بینک ڈپازٹس اور سرکاری سیکیورٹیز سے حاصل آمدنی پر مشتمل ہے۔

الحبیب پنجاب پنشن فنڈز اور الحبیب پنجاب اسلامک پنشن فنڈز کا اجراء سال کے دوران کیا گیا۔ مینجمنٹ کمپنی نے دونوں فنڈز میں ابتدائی سرمایہ فراہم کیا، تاہم شراکت/کنٹری بیوشن کی ادائیگی کا عمل تا حال شروع نہیں ہوا۔

ہم اپنے یونٹ ہولڈرز کا مستقل اعتماد اور تعاون پر سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی رہنمائی اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کی معاونت کا شکریہ ادا کرتے ہیں۔ ہم اپنے تمام اسٹاف ممبران کی محنت، خلوص اور لگن کے لیے بھی شکر گزار ہیں۔

کاشف رفیع
چیف ایگزیکٹو

عباس ڈی۔حبیب
چیئرمین

کراچی:
۲۱ اگست ۲۰۲۶ء

الحبیب ایسیٹ ایلوکیشن فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 32.91 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 291.57 ملین روپے رہی جس میں بنیادی طور پر 17.03 ملین روپے بینک ڈپازٹس، 48.28 ملین روپے منقسمہ آمدنی اور 226.26 ملین روپے کی سرمایہ کاری میں کیپٹل گین (حقیقی اور غیر حقیقی) کی مد میں آمدنی شامل ہیں۔ سال کے دوران فنڈ نے 27.2036 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔

الحبیب اسٹاک فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 43.49 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 4,708.95 ملین روپے رہی جس میں بنیادی طور پر 590.22 ملین روپے منقسمہ آمدنی، 40.03 ملین روپے کے بینک ڈپازٹس اور 4,078.70 ملین روپے کی ایکویٹی سرمایہ کاری میں کیپٹل گین (حقیقی اور غیر حقیقی) کی مد میں آمدنی شامل ہیں۔ سال کے دوران فنڈ نے 26.5011 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔

الحبیب اسلامک اسٹاک فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 28.29 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 2,302.57 ملین روپے رہی جس میں بنیادی طور پر منقسمہ آمدنی سے حاصل ہونے والی 253.64 ملین روپے کی آمدنی، بینک ڈپازٹس سے حاصل 2.56 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاریوں پر 2,046.37 ملین روپے کے کیپٹل گین (حقیقی اور غیر حقیقی) کی مد میں آمدنی شامل ہیں۔ سال کے دوران فنڈ نے 16.6443 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔

الحبیب پینشن فنڈ نے 30 جون 2026 کو ختم ہونے والے سال کے لیے منی مارکیٹ اور ڈیٹ سب فنڈ کے لیے بالترتیب 10.68 فیصد اور 10.49 فیصد کا خالص سالانہ منافع اور ایکویٹی سب فنڈ نے 40.10 فیصد کا حقیقی منافع حاصل کیا۔ منی مارکیٹ اور ڈیٹ سب فنڈز کی مجموعی آمدنی بالترتیب 50.06 ملین روپے اور 37.40 ملین روپے رہی، جو بینک ڈپازٹس اور سرکاری سیکیورٹیز سے حاصل آمدنی پر مشتمل ہے۔ ایکویٹی سب فنڈز کا مجموعی منافع 199.79 ملین روپے رہا، جس میں بنیادی طور پر منقسمہ آمدنی سے 34.47 ملین روپے کی آمدنی، بینک ڈپازٹس سے 2.74 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاری پر 162.58 ملین روپے کی کیپٹل گین (حقیقی اور غیر حقیقی) کی مد میں آمدنی شامل ہے۔

الحبیب اسلامک پینشن فنڈ نے 30 جون 2026 کو ختم ہونے والے سال کے لیے منی مارکیٹ اور ڈیٹ سب فنڈ کے لیے بالترتیب 8.45 فیصد اور 7.48 فیصد کا خالص سالانہ منافع اور ایکویٹی سب فنڈ نے 22.41 فیصد کا حقیقی منافع حاصل کیا۔ منی مارکیٹ اور ڈیٹ سب فنڈز کی مجموعی آمدنی بالترتیب 28.29 ملین روپے اور 20.04 ملین روپے رہی جو بینک ڈپازٹس، ڈیٹ انسٹرومینٹس اور سرکاری سیکیورٹیز سے حاصل آمدنی پر مشتمل ہے۔ ایکویٹی سب فنڈز کی مجموعی آمدنی 56.70 ملین روپے رہی جس میں بنیادی طور پر منقسمہ آمدنی سے 8.97 ملین روپے کی آمدنی، بینک ڈپازٹس سے 1.23 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاری پر 46.50 ملین روپے کی کیپٹل گین (حقیقی اور غیر حقیقی) کی مد میں آمدنی شامل ہے۔

الحبیب گورنمنٹ سیکیورٹیز فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 10.29 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 1,714.78 ملین روپے رہی جس میں بنیادی طور پر 1,353.98 ملین روپے کی سرکاری سیکیورٹیز میں سرمایہ کاری اور 360.80 ملین روپے کے بینک ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران فنڈ نے 9.9063 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔ PACRA نے 25 مئی 2026 کو فنڈ اسٹیبیلیٹی ریٹنگ کے تحت الحبیب گورنمنٹ سیکیورٹیز فنڈ کو AAA (f) ریٹنگ پر برقرار رکھا۔

الحبیب سوورن انکم فنڈ۔ فنڈ کی مجموعی آمدنی 299.84 ملین روپے رہی جس میں بنیادی طور پر 240.67 ملین روپے کی سرکاری سیکیورٹیز میں سرمایہ کاری اور 59.17 ملین روپے کے بینک ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران فنڈ نے بالترتیب پلان-I، II اور III کیلئے فی یونٹ 10.55 روپے، 10.5865 روپے اور 10.7355 روپے کے منافع منقسمہ تقسیم کئے۔

الحبیب فکسڈ رٹرن فنڈ اس مدت میں پلان 23، پلان 24، پلان 25، پلان 26، پلان 28، پلان 29، پلان 30، پلان 31 اور پلان 32 متعارف کرائے جبکہ پلان 20، پلان 21، پلان 22، پلان 24، پلان 25، پلان 26، پلان 29 اور پلان 30 اسی سال کے دوران میچور ہوئے۔ فنڈ کی مجموعی آمدنی 1,574.84 ملین روپے رہی جس میں بنیادی طور پر سرکاری سیکیورٹیز میں سرمایہ کاری سے 1,345.66 ملین روپے اور 229.17 ملین روپے بینک ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہے۔

الحبیب اسلامک انکم فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 9.03 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 1,652.49 ملین روپے رہی جس میں بنیادی طور پر 769.43 ملین روپے صکوک میں سرمایہ کاری، 813.36 ملین روپے کے بینک ڈپازٹس اور 69.69 ملین روپے کے ٹرم ڈپازٹس رسپٹس سے حاصل ہونے والی آمدنی شامل ہیں۔ سال کے دوران فنڈ نے 8.8353 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔ PACRA نے 10 اپریل 2026 کو فنڈ اسٹیبیلیٹی ریٹنگ کے تحت الحبیب اسلامک انکم فنڈ کو AA(f) ریٹنگ پر برقرار رکھا۔

الحبیب اسلامک سیونگز فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 9.31 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 2,021.04 ملین روپے رہی جس میں بنیادی طور پر 942.15 ملین روپے صکوک میں سرمایہ کاری، 949.19 ملین روپے کے بینک ڈپازٹس اور 129.69 ملین روپے کے ٹرم ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران فنڈ نے 8.6087 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔ PACRA نے 10 اپریل 2026 کو فنڈ اسٹیبیلیٹی ریٹنگ کے تحت الحبیب اسلامک سیونگ فنڈ کو AA(f) ریٹنگ پر برقرار رکھا۔

الحبیب اسلامک منافع فنڈ کے پلان 5 اور پلان 8 کا اجراء کیا گیا، جبکہ سال کے دوران پلان 5 کی مدت مکمل ہوگئی۔ فنڈ کی مجموعی آمدنی 30.53 ملین روپے رہی جس میں بنیادی طور پر 30.37 ملین روپے بینک ڈپازٹس سے حاصل ہونے والی آمدنی اور 0.16 ملین روپے صکوک میں سرمایہ کاری سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران، فنڈ نے بالترتیب پلان 5 اور پلان 8 کے لیے فی یونٹ 1.0477 روپے اور 0.2583 روپے کے منافع منقسمہ تقسیم کیا۔

مستقبل میں، حکومت کی جانب سے سخت مالیاتی نظم وضبط برقرار رکھنے، خودمختار اصلاحاتی ایجنڈے پر پیش رفت کرنے اور محصولات میں اضافہ کرنے پر توجہ، پائیدار اقتصادی ترقی کیلئے ضروری بنیاد فراہم کرنے میں مدد دے گی اور اور ممکنہ تنازعات کے اثرات سے نمٹنے کیلئے معاشی حفاظتی وسائل پیدا کرے گی۔ تاہم تیل کی قیمتوں میں مسلسل اضافہ افراطِ زر، کرنٹ اکاؤنٹ، روپے کی قدر اور شرح سود پر دباؤ ڈال سکتا ہے۔

الحبیب کیش فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 10.36 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 8,210.36 ملین روپے رہی جس میں بنیادی طور پر 6,347.14 ملین روپے کی سرکاری سیکیورٹیز، 1,410.86 ملین روپے بینک ڈپازٹس سے اور 452.36 ملین روپے ٹرم ڈپازٹس رسپٹس سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران فنڈ نے 10.1502 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔ VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے 30 دسمبر 2025 کو فنڈ اسٹیبیلیٹی ریٹنگ کے تحت الحبیب کیش فنڈ کو AAA(f) ریٹنگ پر دوبارہ توسیع دی۔

الحبیب منی مارکیٹ فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 10.46 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 8,502.48 ملین روپے رہی جس میں بنیادی طور پر 6,674.36 ملین روپے کی سرکاری سیکیورٹیز، 1,510.56 ملین روپے بینک ڈپازٹس سے اور 317.56 ملین روپے ٹرم ڈپازٹ رسپٹس سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران فنڈ نے 9.7863 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔ VIS نے یکم جنوری 2026 کو فنڈ اسٹیبیلیٹی ریٹنگ کے تحت الحبیب منی مارکیٹ فنڈ کو AAA(f) ریٹنگ پر دوبارہ توسیع دی ہے۔

الحبیب اسلامک کیش فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 10.21 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 3,048.73 ملین روپے رہی جس میں بنیادی طور پر 1,330.42 ملین روپے کی سرکاری سیکیورٹیز، 1,330.96 ملین روپے کے بینک ڈپازٹس سے اور 387.34 ملین روپے کی ٹرم ڈپازٹس رسپٹس اور پلیسمینٹس سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران فنڈ نے 9.4587 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔ PACRA نے 10 اپریل 2026 کو فنڈ اسٹیبیلیٹی ریٹنگ کے تحت الحبیب اسلامک کیش فنڈ کو AA+ (f) ریٹنگ پر برقرار رکھا۔

الحبیب اسلامک منی مارکیٹ فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 9.61 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 58.43 ملین روپے رہی جس میں بنیادی طور پر 8.86 ملین روپے کی سرکاری سیکیورٹیز اور 49.57 ملین روپے بینک ڈپازٹ سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران فنڈ نے 2.7989 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔

الحبیب انکم فنڈ نے 30 جون 2026 کو ختم ہونے والے سال میں 10.56 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 2,541.22 ملین روپے رہی جس میں بنیادی طور پر 2,053.33 ملین روپے کی سرکاری سیکیورٹیز، ٹی ایف سیز اور صکوک میں سرمایہ کاری، 480.06 ملین روپے کے بینک ڈپازٹس اور 7.81 ملین روپے ٹرم ڈپازٹس رسپٹس سے حاصل ہونے والی آمدنی شامل ہے۔ سال کے دوران فنڈ نے 9.797 روپے فی یونٹ کا منافع منقسمہ تقسیم کیا۔ PACRA نے 10 اپریل 2026 کو فنڈ اسٹیبیلیٹی ریٹنگ کے تحت الحبیب انکم فنڈ کو AA (f) ریٹنگ پر برقرار رکھا۔

ڈائریکٹران کی جائزہ رپورٹ

الحبیب ایسیٹ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز بمسرت 30 جون 2026 کو ختم ہونے والے سال کے لیے اپنے زیر انتظام فنڈز کے غیر آڈٹ شدہ مالیاتی حسابات پیش کر رہے ہیں۔

پاکستان کی معیشت نے مالی سال 2026 کا اختتام مضبوط بنیادوں پر کیا، جس کے تحت حقیقی مجموعی ملکی پیداوار کی عبوری شرح نمو 3.7 فیصد متوقع ہے، یہی شرح نمو برائے سال 2025 میں 3.2 فیصد رہی۔ ملکی پیداوار کی صورتحال بھی مضبوط رہی، کیونکہ بڑے پیمانے کی صنعتی پیداوار میں مالی سال 2026 کے دوران 6.1 فیصد کا اضافہ ہوا، جبکہ گزشتہ سال کی اسی مدت میں 0.7 فیصد کمی ریکارڈ کی گئی تھی۔

مالیاتی سال 2025 میں مہنگائی (CPI) 4.5 فیصد سے بڑھ کر مالیاتی سال 2026 میں 7.1 فیصد ہوگئی۔ اس اضافے کی بنیادی وجوہات میں مشرقِ وسطیٰ کے تنازع کے باعث بین الاقوامی سطح پر خام تیل کی قیمتوں، مال برداری کے اخراجات اور بین الاقوامی سپلائی چین میں پیدا ہونے والی رکاوٹوں کے اثرات شامل ہیں۔ اگرچہ علاقائی سفارتی کوششوں کے نتیجے میں بین الاقوامی خام تیل کی قیمتوں میں نمایاں کمی واقع ہوئی، تاہم قیمتوں میں مستقل کمی کا رجحان مکمل طور پر ایک غیر یقینی امن عمل کی پیش رفت پر منحصر ہے۔ چنانچہ مانیٹری پالیسی کمیٹی نے جولائی 2026 میں پالیسی ریٹ 11.5 فیصد پر برقرار رکھا، تاکہ مہنگائی کو درمیانی مدت کے 5.0 فیصد تا 7.0 فیصد کے ہدف کی جانب واپس لایا جاسکے۔

مالیاتی سال 2026 میں کرنٹ اکاؤنٹ نے 139 ملین امریکی ڈالر کا خسارہ ریکارڈ کیا، جبکہ مالیاتی سال 2025 میں 1.8 بلین امریکی ڈالر کا سرپلس حاصل ہوا تھا۔ یہ تبدیلی بنیادی طور پر مالیاتی سال 2026 کے دوران تجارتی عدم توازن میں اضافے کی وجہ سے ہوئی۔ تاہم، بیرونِ ملک مقیم پاکستانیوں کی ترسیلاتِ زر اور آئی ٹی برآمدات میں اضافے نے مذکورہ منفی اثرات کو بڑی حد تک زائل کیا۔ اسٹیٹ بینک آف پاکستان کے زرمبادلہ کے ذخائر بھی مالیاتی سال 2025 کے 14.5 بلین امریکی ڈالر سے بڑھ کر مالیاتی سال 2026 میں 18.5 بلین امریکی ڈالر ہوگئے، جس کی بنیادی وجہ آئی ایم ایف کی اقساط اور دیگر قرضوں کا حصول رہی۔

اسی دوران، اخراجات کے سخت انتظام کے نتیجے میں مالی سال 2026 میں بنیادی مالیاتی سرپلس مجموعی ملکی پیداوار کا 2.9 فیصد رہا۔ بیرونی اور مالیاتی استحکام کے باعث بین الاقوامی ریٹنگ ایجنسیوں نے پاکستان کی ریٹنگ میں بہتری کی، جس کے نتیجے میں بین الاقوامی بانڈز کا کامیاب اجراء ممکن ہوا اور KSE-100 انڈیکس میں مزید اضافے کے امکانات پیدا ہوئے۔

مالیاتی سال 2027 کے بجٹ کا فریم ورک ہدفی ٹیکس ریلیف اور لیکویڈیٹی سے متعلق اقدامات کے ذریعے کاروباری مسابقتی صلاحیت کو بہتر بنانے پر توجہ مرکوز کرتا ہے۔ برآمدی ٹیکس کو کم کرکے 1.25 فیصد کرنا، آئی ٹی شعبے کے لیے 0.25 فیصد کی رعایتی ٹیکس شرح کو 2029 تک برقرار رکھنا، اور مختلف کاروباری شعبوں کے لیے سپر ٹیکس کا خاتمہ، معاشی ترقی کے اہم ساختی محرکات کے طور پر کام کریں گے۔

Our Branches

Head Office - Karachi
3rd Floor, Mackinnons Building,
I.I Chundrigar Road, Karachi, Pakistan.
UAN: 021-111-342-242
PABX: 021-32469115-19

Citi Tower Branch - Karachi
City Towers, Plot No. 33-A, Block-6,
PECHS Society, Shahrah-e-Faisal,
Karachi, Pakistan.
Tel: 021-34373151-3
Direct: 21-34373155-8

Lahore
20-Aurangzeb Block, New
Garden Town Lahore, Pakistan.
Tel: 042-35197181

Islamabad
2nd Floor, Office No. 219, ISE Towers,
55-B, Jinnah Avenue, Blue Area,
Islamabad, Pakistan.
Tel: 051-2344505-06

Multan
Mezzanine Floor, 128-C, Old
Bahawalpur Road, Multan, Pakistan.
Tel: 061-4543668

Gujranwala
B XII-75-145 Mohallah Faisalabad,
GT Road Gujranwala, Pakistan.
Tel: 055-3821148-50

Faisalabad
Khasra No. 1088/2/2, Khewat No. 2108
Khatooni No. 2135, Jail Road,
Faisalabad, Pakistan.
Tel: 041-2640930

Peshawar
2nd floor, FC trust Building, Sonehri
Masjid Road, Peshawar, Pakistan.
Tel: 091-5270031

Contact Us

021-111-342-242

support@alhabibfunds.com

www.alhabibfunds.com

Follow us

/ALHabibFunds