



FINANCIAL STATEMENTS  
OF  
MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND  
FOR THE YEAR ENDED JUNE 30, 2025  
MANAGED BY MAHAANA WEALTH LIMITED

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## TRUSTEE REPORT TO THE UNIT HOLDERS

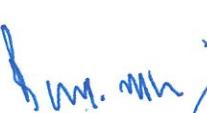
### MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND

#### **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 Mahaana Islamic Index Exchange Traded Fund (the Fund) are of the opinion that Mahaana Wealth Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2025 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 management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iii) 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.

We would like to draw unit holders attention towards the fact that Management Company has been granted extension by the Commission for filing audited financial statement as a result of which financial statement of the Fund has not been provided to the Trustee therefore we are neither able to obtain the assurances we get from the audited financial statement nor able to verify the methodology and procedures adopted by the Management Company for the calculation of the value of units as on June 30, 2025.

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: September 30, 2025



# Al-Hilal

Shariah Advisors

November 26, 2025



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

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

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

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

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. Based on the information provided by the management company, all operations of the fund for the year ended June 30, 2025 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in Mahaana Islamic Index Exchange Traded Fund managed by Mahanna Wealth Limited are halal and in accordance with Shariah principles.

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

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

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

Mufti Irshad Ahmad Ajaz  
Member Shariah Council



Faraz Younus Bandukda, CFA  
Chief Executive

## INDEPENDENT AUDITORS' REPORT TO THE UNITHOLDERS

### Report on the audit of the financial statements

#### Opinion

We have audited the annexed financial statements of Mahaana Islamic Index Exchange Traded Fund (the Fund), which comprise the statement of asset and liabilities as at June 30, 2025 and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund, the statement of cash flows for the year, 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, 2025, and of its financial position and its cash flows for the period then ended in accordance with the 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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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(s)   | How the matter was addressed in our audit  |
|-------|---|--|
| 1.    | <b>Existence and valuation of investments</b><br><br>As disclosed in note 7 to the accompanying financial statements of the Fund for the year ended June 30, 2025. Investments constitute the most significant component of the Net Assets Value. Investments of the Fund as at June 30, 2025 amounted to Rs. 343.361 million this represents 99.36% of the net assets. | <p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"><li>• Obtained independent confirmations for verifying the existence of the investment portfolio as at June 30, 2025 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; and</li><li>• Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies.</li></ul> |

|  |  |   |
|--|--|---|
|  | <p>In view of the significance of 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.</p> | <ul style="list-style-type: none"> <li>• We evaluated the appropriateness of the classification of investments in accordance with the requirements of IFRS 9.</li> <li>• We assessed the Funds' compliance with the requirements of the Regulations in relation to the concentration of investments and exposure limits prescribed in such Regulations and the applicability of disclosures in this regard.</li> <li>• We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment portfolio in accordance with the requirements of the Regulations and applicable financial reporting standards.</li> </ul> |
|--|--|---|

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

Management is responsible for 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 the accounting and reporting standards as applicable in Pakistan, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the 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 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 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 auditors' audit report is Tariq Feroz Khan.

KARACHI

DATE: December 2, 2025

UDIN: AR202510166JqoEKV0r1

A handwritten signature in blue ink, appearing to read 'BDO Ebrahim &amp; Co.'

BDO Ebrahim & Co.  
CHARTERED ACCOUNTANTS

MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND  
STATEMENT OF ASSETS AND LIABILITIES  
AS AT JUNE 30, 2025

|   |    | 2025<br>Note<br>(Rupees) | 2024<br>(Rupees)  |
|---|----|--------------------------|-------------------|
| <b>ASSETS</b>   |    |                          |                   |
| Balances with banks                                       | 6  | 10,324,880               | 1,948,587         |
| Investments   | 7  | 343,361,423              | 54,737,747        |
| Other receivable  | 8  | 1,321,374                | 142,183           |
| Preliminary expenses and floatation costs                 | 9  | 241,924                  | 355,929           |
| <b>TOTAL ASSETS</b>                                       |    | <b>355,249,601</b>       | <b>57,184,446</b> |
| <b>LIABILITIES</b>  |    |                          |                   |
| Payable to Management Company                             | 10 | 1,933,622                | 447,722           |
| Payable to the Trustee                                    | 11 | 152,766                  | 12,955            |
| Payable to Securities and Exchange Commission of Pakistan | 12 | 208,875                  | 3,788             |
| Dividend payable  | 13 | 175,732                  | 2,270,000         |
| Accrued expenses and other liabilities                    | 14 | 7,189,486                | 133,775           |
| <b>TOTAL LIABILITIES</b>                                  |    | <b>9,660,481</b>         | <b>2,868,240</b>  |
| <b>NET ASSETS</b>   |    | <b>345,589,120</b>       | <b>54,316,206</b> |
| <b>UNIT HOLDERS'S FUND (AS PER STATEMENT ATTACHED)</b>    |    | <b>345,589,120</b>       | <b>54,316,206</b> |
| <b>CONTINGENCIES AND COMMITMENTS</b>                      | 15 | (Number of units)        | (Number of units) |
| <b>NUMBER OF UNITS IN ISSUE</b>                           |    | <b>25,860,000</b>        | <b>4,960,000</b>  |
| <b>NET ASSET VALUE PER UNIT</b>                           |    | <b>13.36</b>             | <b>10.95</b>      |

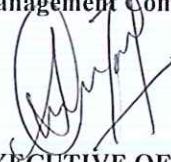
The annexed notes from 1 to 31 form an integral part of these financial statements.

Mahaana Wealth Limited  
(Management Company)

CHIEF FINANCIAL OFFICER

CHIEF EXECUTIVE OFFICER

DIRECTOR


MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND  
INCOME STATEMENT  
FOR THE YEAR ENDED JUNE 30, 2025

|   | Note | 2025<br>(Rupees)   | 2024<br>(Rupees) |
|---|------|--------------------|------------------|
| <b>Income</b>   |      |                    |                  |
| Profit on savings account   |      | 318,890            | 38,141           |
| Dividend income   |      | 6,030,717          | 819,115          |
| Realised gain on sale of investments  |      | 27,649,890         | 189,576          |
|   |      | 33,999,497         | 1,046,832        |
| Unrealized gain on investments  | 7.1  | 34,382,355         | 3,913,492        |
| <b>Total Income</b>   |      | <u>68,381,852</u>  | <u>4,960,324</u> |
| <b>Expenses</b>   |      |                    |                  |
| Remuneration of Mahaana Wealth Limited - Management Company   | 10.1 | 1,292,222          | 51,801           |
| Sindh Sales Tax on remuneration of the Management Company   | 10.2 | 193,678            | 6,734            |
| Remuneration of Central Depository Company of Pakistan Limited - The Trustee                              | 11.1 | 220,120            | 11,465           |
| Sales Tax on Trustee Fee  | 11.2 | 33,018             | 1,490            |
| Annual fee of the Securities and Exchange Commission of Pakistan  | 12   | 208,875            | 10,922           |
| Amortisation of preliminary expenses and floatation costs   | 9    | 114,005            | 23,258           |
| Bank charges  |      | 4,500              | 5,508            |
| Legal & Professional Charges  |      | 466,850            | 18,400           |
| <b>Total expenses</b>   |      | <u>2,533,268</u>   | <u>129,578</u>   |
| <b>Net income from operating activities during the year</b>   |      | <u>65,848,584</u>  | <u>4,830,746</u> |
| Element of income and capital gains included in prices of units issued less those in units redeemed - net |      | 38,244,112         | 2,155,458        |
| <b>Net income before taxation</b>   |      | <u>104,092,696</u> | <u>6,986,204</u> |
| Taxation  | 18   | -                  | -                |
| <b>Net income for the year</b>  |      | <u>104,092,696</u> | <u>6,986,204</u> |
| <b>Accounting income available for distribution</b>   |      |                    |                  |
| - Relating to capital gains   |      | 62,032,245         | 4,103,068        |
| - Excluding capital gains   |      | 42,060,451         | 2,883,136        |
| <b>Earnings per unit</b>  | 19   | <u>104,092,696</u> | <u>6,986,204</u> |

The annexed notes from 1 to 31 form an integral part of these financial statements.

  
CHIEF FINANCIAL OFFICER

Mahaana Wealth Limited  
(Management Company)

  
CHIEF EXECUTIVE OFFICER

  
DIRECTOR

MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2025

|   | 2025<br>(Rupees)   | 2024<br>(Rupees) |
|---|--------------------|------------------|
| Net income for the year                 | 104,092,696        | 6,986,204        |
| Other comprehensive income for the year | -                  | -                |
| Total comprehensive income for the year | <u>104,092,696</u> | <u>6,986,204</u> |

The annexed notes from 1 to 31 form an integral part of these financial statements.

Mahaana Wealth Limited  
(Management Company)



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR



MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND  
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND  
FOR THE YEAR ENDED JUNE 30, 2025

|   | 2025          |                      |              | 2024          |                      |             |
|---|---------------|----------------------|--------------|---------------|----------------------|-------------|
|   | Capital value | Undistributed income | Net Aseet    | Capital value | Undistributed income | Net Aseet   |
|   | (Rupees)      |                      |              | (Rupees)      |                      |             |
| Net assets at beginning of the year   | 49,600,000    | 4,716,204            | 54,316,204   |               |                      |             |
| Issuance of 32,620,000 units (2024: 5,370,000 units)  |               |                      |              |               |                      |             |
| Capital Value   | 357,216,661   | -                    | 357,216,661  | 53,700,000    | -                    | 53,700,000  |
| Element of Income   | 69,461,808    | -                    | 69,461,808   | 2,302,695     | -                    | 2,302,695   |
| Total proceeds on issuance of units   | 426,678,469   | -                    | 426,678,470  | 56,002,695    | -                    | 56,002,695  |
| Redemption of 11,720,000 units (2024: 410,000 units)  |               |                      |              |               |                      |             |
| Capital Value   | 128,343,940   | -                    | 128,343,940  | 4,100,000     | -                    | 4,100,000   |
| Element of Income   | 31,217,697    | -                    | 31,217,697   | 147,237       | -                    | 147,237     |
| Total payments on redemption of units   | 159,561,637   | -                    | 159,561,637  | 4,247,237     | -                    | 4,247,237   |
| Element of income and capital gains included in prices of units issued less those in units redeemed - net | (38,244,112)  | -                    | (38,244,112) | (2,155,458)   | -                    | (2,155,458) |
| Total comprehensive income for the year   |               | 104,092,696          | 104,092,696  |               | 6,986,204            | 6,986,204   |
| Distribution during the year  |               | (41,692,500)         | (41,692,500) |               | (2,270,000)          | (2,270,000) |
| Net assets at end of the year   | 278,472,720   | 67,116,400           | 345,589,120  | 49,600,000    | 4,716,204            | 54,316,204  |
| Accounting income available for distribution  |               |                      |              |               |                      |             |
| - Relating to capital gains   | 62,032,245    |                      |              | 4,103,068     |                      |             |
| - Excluding capital gains   | 42,060,451    |                      |              | 2,883,136     |                      |             |
| Distribution during the year  | 104,092,696   |                      |              | 6,986,204     |                      |             |
| Undistributed income carried forward  | (41,692,500)  |                      |              | (2,270,000)   |                      |             |
| Undistributed income carried forward  | 62,400,196    |                      |              | 4,716,204     |                      |             |
| - Realised income   | 34,750,306    |                      |              | 802,712       |                      |             |
| - Unrealised income   | 27,649,890    |                      |              | 3,913,492     |                      |             |
| Net asset value per unit at beginning of the year   | 62,400,196    |                      |              | 4,716,204     |                      |             |
| Net asset value per unit at end of the year   |               |                      |              |               |                      |             |
|   |               |                      | (Rupees)     |               |                      | (Rupees)    |
|   |               |                      | 10.95        |               |                      | 10.95       |
|   |               |                      | 13.36        |               |                      |             |

The annexed notes from 1 to 31 form an integral part of these financial statements.

CHIEF FINANCIAL OFFICER

Mahaana Wealth Limited  
(Management Company)  
  
CHIEF EXECUTIVE OFFICER

DIRECTOR

MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2025

|   | Note | 2025<br>(Rupees)     | 2024<br>(Rupees)    |
|---|------|----------------------|---------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>               |      |                      |                     |
| Net income before taxation                                |      | 104,092,696          | 6,986,204           |
| Adjustments for:  |      |                      |                     |
| Net unrealised gain on investments                        |      | (34,382,355)         | (3,913,492)         |
| Element of income and capital gains included in prices    |      | (38,244,112)         | (2,155,458)         |
| Amortisation of preliminary expenses and floatation costs |      | 114,005              | 23,258              |
|   |      | <u>31,580,234</u>    | <u>940,512</u>      |
| <b>Increase in assets</b>                                 |      |                      |                     |
| Investments - net   |      | (254,241,321)        | (50,824,254)        |
| Amortisation of preliminary expenses and floatation cost  |      | (1,179,191)          | (379,187)           |
| Other Receivable  |      | (255,420,512)        | (142,183)           |
|   |      | <u>(51,345,624)</u>  | <u>(49,806,872)</u> |
| <b>Decrease in liabilities</b>                            |      |                      |                     |
| Payable to Management Company                             |      | 1,485,900            | 447,722             |
| Payable to the Trustee                                    |      | 139,811              | 12,955              |
| Payable to Securities and Exchange Commission of Pakistan |      | 205,087              | 3,788               |
| Accrued expenses and other liabilities                    |      | 7,055,711            | 133,775             |
|   |      | <u>8,886,509</u>     | <u>598,240</u>      |
| Net cash used in operating activities                     |      | <u>(214,953,769)</u> | <u>(49,806,872)</u> |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>               |      |                      |                     |
| Amounts received against issuance of units                |      | 426,678,469          | 56,002,696          |
| Dividend paid   |      | (43,786,769)         | (4,247,237)         |
| Payments made against redemption of units                 |      | (159,561,637)        |                     |
| Net cash generated from financing activities              |      | <u>223,330,063</u>   | <u>51,755,459</u>   |
| Net increase in cash and cash equivalents during the year |      | 8,376,293            | 1,948,587           |
| Cash and cash equivalents at beginning of the year        |      | 1,948,587            | -                   |
| Cash and cash equivalents at the end of the year          | 6    | <u>10,324,880</u>    | <u>1,948,587</u>    |

The annexed notes from 1 to 31 form an integral part of these financial statements.

Mahaana Wealth Limited  
(Management Company)



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR

**MAHAANA ISLAMIC INDEX EXCHANGE TRADED FUND  
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 The Mahaana Islamic Index Exchange Traded Fund (The fund) has been established under a Trust Deed executed between Mahaana Wealth Management and the Central Depository Company of Pakistan Limited (CDC) as the trustee. The Trust Deed was executed on October 20, 2023 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Regulations). The Management Company has been granted license by the SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The Fund commenced its operations from March 11, 2024. The registered office of the Company is situated at Suite 203 2nd Floor, The Forum Clifton Block 9, Khayaban-e-Roomi, Karachi.
- 1.2 The Fund is a Shariah Compliant Exchange Traded Fund that aims to provide investors an opportunity to track the performance of Mahaana Islamic Index (MII) that has been constituted and is maintained by the Management Company, and comprises of shariah compliant equity securities selected with high consideration towards market capitalisation and traded value. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah principles. The Management Company has appointed Al Hilal Securities as its Shariah Advisor to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.3 The Fund is a Open Ended Exchange Traded Mutual Fund categorised as "Listed Index Tracking Fund". A new concept of "Authorised Participants "APs" has been introduced who will also act as market makers. The Management Company will only have contact with the APs for issuance and redemption of units. The Fund is listed on Pakistan Stock Exchange Limited (PSX) Limited. The units of the Fund are tradeable in the Pakistan Stock Exchange Limited (PSX). The APs to whom the units are issued may either keep the units with themselves or trade in the PSX. Consequently, upon trading, the holder of the units keeps on changing. Moreover, on issuance and redemption of units, the basket of shares will be exchanged between AP and Management Company and cash will be paid / received if there is a difference in the applicable net asset value of a creation unit and the market value of the portfolio deposit.
- 1.4 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.

**2. BASIS OF PRESENTATION**

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred 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 applicable in Pakistan comprise of

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

#### **3.2 Basis of measurement**

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

#### **3.3 Functional and presentation currency**

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

#### **3.4 Use of judgments and estimates**

The preparation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

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

#### **Classification and valuation of investment**

For details please refer notes 4.2.1.1 and 24 to these financial statements.

#### **Impairment of investment**

For details please refer notes 4.2.1.1 and 24 to these financial statements.

### **4. APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS APPLICABLE IN PAKISTAN**

#### **4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025**

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. 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.

|  | <b>Effective date<br/>(annual periods<br/>beginning on or<br/>after)</b> |
|--|--|
| Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements  | January 01, 2024   |
| Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions | January 01, 2024   |
| Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current             | January 01, 2024   |
| Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants                              | January 01, 2024   |

#### **4.2 New accounting standards, amendments and interpretations that are not yet effective**

The following accounting 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 Funds' operations or are not expected to have significant impact on the Funds' financial statements other than certain additional disclosures.

|  | <b>Effective date<br/>(annual periods<br/>beginning on or<br/>after)</b> |
|--|--|
| Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements  | January 01, 2026   |
| Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments  | January 01, 2026   |
| Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability  | 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   |
| IFRS 17 Insurance Contracts  | January 01, 2026   |
| 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, 2026. |  |
| IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)                            |  |
| IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)                         |  |

## 5. 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.

### 5.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks.

## 5.2 Financial assets

### 5.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised 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 recognised at fair value and transaction costs are recognised in the income statement.

### 5.2.2 Classification and subsequent measurement

#### a) Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

#### b) Impairment

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets (other than debt instruments) 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 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 date about past events, current conditions and forecasts of future economic conditions.

### **5.2.3 Regular way contracts**

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

### **5.2.4 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. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

## **5.3 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.

## **5.4 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 realize the assets and settle the liabilities simultaneously.

## **5.5 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.

## **5.6 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.

## **5.7 Issue and redemption of units**

Authorised Participant can purchase the units at the offer price and redeem at the redemption price at any of the authorised distribution offices during business hours.

The offer price shall be equal to the sum of:

- The Net Asset Value (NAV) as of the close of the previous business day (historical pricing);
- Such amount as the Management Company may consider an appropriate provision for duties and charges

Units of the Fund may be acquired or redeemed directly from the Fund only in Creation Units lot size or multiples thereof as mentioned in the Offering Document. Investors can sell the units at market prices on PSX which may be above or below actual NAV of the Fund.

## **5.8 Distributions to unit holders**

Distributions to the unit holders are recognised upon declaration and approval by the Board of Directors of the Management Company.

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

## **5.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units**

Element of income represents the difference between net asset value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period.

As clarified by the SECP vide its letter no. SCD/AMCW/ETF/240/2020 dated March 2, 2020 that element of income in case of Exchange Traded Funds shall be taken to Income Statement both at the time of issuance and redemption of units to the extent it pertains to Income Statement.

## **5.10 Revenue recognition**

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- 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 is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend.
- Profit on saving accounts is recognised using

## 5.11 Expenses

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

## 5.12 Taxation

### Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

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 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

### Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

### **5.13 Earnings/ (loss) per unit**

Earnings / (loss) per unit is calculated by dividing the net income/ (loss) for the year after taxation of the Fund by the weighted average number of units outstanding during the year.

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

### **5.14 Foreign currency translation**

Transactions denominated in foreign currencies are accounted for in Pakistani Rupees at the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates for monetary assets and liabilities denominated in foreign currencies are recognised in the Income Statement.

|  |     | <b>Note</b> | <b>2025<br/>(Rupees)</b> | <b>2024<br/>(Rupees)</b> |
|--|-----|-------------|--------------------------|--------------------------|
| <b>6. BALANCES WITH BANKS</b>  |     |             |                          |                          |
| Savings account  | 4.1 |             | <u>10,324,880</u>        | <u>1,948,587</u>         |
| 6.1 This balance is maintained with Dubai Islamic Bank Limited that had a profit rate of per annum ranging between to 8% to 11% (2024:11% to 13%). |     |             |                          |                          |
| <b>7. INVESTMENTS</b>  |     |             |                          |                          |
| At fair value through profit or loss   |     |             |                          |                          |
| Investment in equity share   | 7.1 |             | <u>343,361,423</u>       | <u>54,737,747</u>        |

## 7.1 INVESTMENTS

| Name Of The Investee Company   | As At July 1, 2024 | Investments made during the year | Bonus / Right Shares | Sold during the year | As At June 30, 2025 | Carrying Value as at June 30, 2025 | Market Value as at June 30, 2025 | Unrealised appreciation/(diminution) as at June 30, 2025 | Percentage in Relation to |                                   |
|--|--------------------|----------------------------------|----------------------|----------------------|---------------------|------------------------------------|----------------------------------|--|---------------------------|-----------------------------------|
|  |                    |                                  |                      |                      |                     |                                    |                                  |  | Net Assets of the fund    | Total Market Value of Investments |
| Number of Units  |                    |                                  |                      |                      | Rupees              |                                    |                                  |  |                           | Percentage (%)                    |
| <b>Automobile Assembler</b>  |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Millat Tractors Limited  | 4,464              | 23,993                           | -                    | (15,527)             | 12,930              | 7,529,440                          | 7,223,474                        | (305,966)  | 2%                        | 2%                                |
| Sazgar Engineering Works Limited                                     | -                  | 8,638                            | -                    | (6,052)              | 2,586               | 2,855,305                          | 2,947,575                        | 92,269   | 1%                        | 1%                                |
| <b>Cable &amp; Electrical Goods</b>                                  |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Pak Elektron Limited   | -                  | 252,386                          | -                    | (154,118)            | 98,268              | 3,640,562                          | 4,025,057                        | 384,495  | 1%                        | 2%                                |
| <b>Cement</b>  |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Cherat Cement Company Limited  | 5,456              | 33,803                           | -                    | (15,985)             | 23,274              | 6,068,325                          | 6,756,442                        | 688,117  | 2%                        | 2%                                |
| D.G. Khan Cement Company Limited                                     | 9,920              | 66,702                           | -                    | (35,246)             | 41,376              | 4,962,620                          | 6,850,211                        | 1,887,591  | 2%                        | 2%                                |
| Fauji Cement Company Limited   | 36,704             | 265,951                          | -                    | (144,909)            | 157,746             | 6,063,413                          | 7,046,514                        | 983,101  | 2%                        | 2%                                |
| Kohat Cement Company Limited   | 2,480              | 15,890                           | -                    | (18,370)             | -                   | -                                  | -                                | -  | -                         | -                                 |
| Lucky Cement Limited   | 3,968              | 119,071                          | -                    | (42,873)             | 80,166              | 21,285,747                         | 28,478,170                       | 7,192,423  | 8%                        | 8%                                |
| Maple Leaf Cement Factory Limited                                    | 23,312             | 130,580                          | -                    | (65,968)             | 87,924              | 5,186,216                          | 7,410,235                        | 2,224,019  | 2%                        | 2%                                |
| Pioneer Cement Limited   | 4,464              | 27,008                           | -                    | (13,370)             | 18,102              | 3,562,201                          | 4,129,609                        | 567,408  | 1%                        | 1%                                |
| <b>Chemical</b>  |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Lucky Core Industries Limited  | -                  | 2,590                            | -                    | (2)                  | 2,588               | 4,018,948                          | 4,113,031                        | 94,083   | 1%                        | 1%                                |
| <b>Commercial Bank</b>   |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Faysal Bank Limited  | 14,880             | 107,334                          | -                    | (52,392)             | 69,822              | 3,602,011                          | 4,867,990                        | 1,265,979  | 1%                        | 1%                                |
| Meezan Bank Limited  | 18,352             | 114,244                          | -                    | (47,258)             | 85,338              | 22,654,103                         | 28,336,483                       | 5,682,380  | 8%                        | 8%                                |
| <b>Engineering</b>   |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| International Industries Limited                                     | -                  | 15,715                           | -                    | (15,715)             | -                   | -                                  | -                                | -  | -                         | -                                 |
| International Steels Limited   | -                  | 31,184                           | -                    | (31,184)             | -                   | -                                  | -                                | -  | -                         | -                                 |
| <b>Fertilizers</b>   |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Engro Corporation limited  | 11,904             | 33,080                           | -                    | (44,984)             | -                   | -                                  | -                                | -  | -                         | -                                 |
| Engro Fertilizers Limited  | 27,280             | 141,939                          | -                    | (60,607)             | 108,612             | 20,341,374                         | 20,157,301                       | (184,072)  | 6%                        | 6%                                |
| Fauji Fertilizer Bin Qasim Limited                                   | 18,352             | 43,196                           | -                    | (61,548)             | -                   | -                                  | -                                | -  | -                         | -                                 |
| Fatima Fertilizer Company Limited                                    | 12,896             | 79,292                           | -                    | (40,468)             | 51,720              | 3,948,509                          | 5,141,485                        | 1,192,976  | 1%                        | 1%                                |
| <b>Food &amp; Personal Care Products</b>                             |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Unity Foods Limited  | 22,320             | 1,080                            | -                    | (23,400)             | -                   | -                                  | -                                | -  | -                         | -                                 |
| National Foods Limited   | 2,976              | 144                              | -                    | (3,120)              | -                   | -                                  | -                                | -  | -                         | -                                 |
| <b>Glass &amp; Ceramics</b>  |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Tariq Glass Industries Limited                                       | -                  | 12,950                           | -                    | (10)                 | 12,940              | 2,796,087                          | 3,250,140                        | 454,052  | 1%                        | 1%                                |
| <b>Investment Bank / Investment Companies / Securities Companies</b> |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Engro Holdings Limited   | -                  | 176,771                          | -                    | (13,756)             | 163,015             | 29,357,207                         | 29,760,018                       | 402,812  | 9%                        | 9%                                |
| <b>Oil &amp; Gas Exploration Companies</b>                           |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Oil & Gas Development Company Limited                                | 28,272             | 177,827                          | -                    | (84,557)             | 121,542             | 26,061,550                         | 26,807,304                       | 745,753  | 8%                        | 8%                                |
| Pakistan Petroleum Limited   | 31,248             | 195,112                          | -                    | (97,060)             | 129,300             | 20,627,362                         | 22,002,981                       | 1,375,619  | 6%                        | 6%                                |
| Mari Petroleum Company Limited                                       | 992                | 64,235                           | 7,560                | (26,239)             | 46,548              | 26,870,407                         | 29,180,476                       | 2,310,068  | 8%                        | 8%                                |
| <b>Oil &amp; Gas Marketing Companies</b>                             |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Attock Petroleum Limited   | 1,488              | 72                               | -                    | (1,560)              | -                   | -                                  | -                                | -  | -                         | -                                 |
| Pakistan State Oil Company Limited                                   | 8,928              | 69,044                           | -                    | (39,182)             | 38,790              | 12,532,270                         | 14,644,389                       | 2,112,119  | 4%                        | 4%                                |
| Sui Northern Gas Pipelines Limited                                   | 13,888             | 78,381                           | -                    | (36,296)             | 55,973              | 5,444,056                          | 6,338,053                        | 893,997  | 2%                        | 2%                                |
| <b>Paper and Board</b>   |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Packages Limited   | 992                | 7,475                            | -                    | (8,467)              | -                   | -                                  | -                                | -  | -                         | -                                 |
| <b>Pharmaceuticals</b>   |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Abbott Laboratories (Pakistan) Limited                               | -                  | 8,565                            | -                    | (3,393)              | 5,172               | 5,187,466                          | 5,027,443                        | (160,024)  | 1%                        | 1%                                |
| GlaxoSmithKline Pakistan Limited                                     | -                  | 20,964                           | -                    | (8,034)              | 12,930              | 5,003,540                          | 5,052,010                        | 48,469   | 1%                        | 1%                                |
| Highnoon Laboratories Limited  | 992                | 6,100                            | -                    | (1,920)              | 5,172               | 4,476,891                          | 5,109,729                        | 632,838  | 1%                        | 1%                                |
| The Searle Company Limited   | 8,432              | 69,606                           | -                    | (36,662)             | 41,376              | 3,412,275                          | 3,628,675                        | 216,400  | 1%                        | 1%                                |
| <b>Power Generation &amp; Distribution</b>                           |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| The Hub Power Company Limited  | 40,176             | 300,087                          | -                    | (167,001)            | 173,262             | 22,162,769                         | 23,877,236                       | 1,714,467  | 7%                        | 7%                                |
| K-Electric Limited   | 145,328            | 487,394                          | -                    | (632,722)            | -                   | -                                  | -                                | -  | -                         | -                                 |
| <b>Refinery</b>  |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Attock Refinery Limited  | 1,984              | 11,979                           | -                    | (6,205)              | 7,758               | 4,377,642                          | 5,270,940                        | 893,298  | 2%                        | 2%                                |
| <b>Technology &amp; Communication</b>                                |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Air link Communication Limited                                       | -                  | 39,790                           | -                    | (39,790)             | -                   | -                                  | -                                | -  | -                         | -                                 |
| Systems Limited  | 8,432              | 237,704                          | -                    | (70,288)             | 175,848             | 18,422,026                         | 18,840,355                       | 418,329  | 5%                        | 5%                                |
| <b>Textile</b>   |                    |                                  |                      |                      |                     |                                    |                                  |  |                           |                                   |
| Interloop Limited  | 13,392             | 78,381                           | -                    | (40,053)             | 51,720              | 3,295,672                          | 3,504,547                        | 208,875  | 1%                        | 1%                                |
| Nishat Mills Limited   | -                  | 28,490                           | -                    | (22)                 | 28,468              | 3,233,075                          | 3,583,552                        | 350,477  | 1%                        | 1%                                |
| <b>Total as at June 30, 2025</b>                                     |                    |                                  |                      |                      | <b>308,979,068</b>  | <b>343,361,423</b>                 | <b>34,382,355</b>                | <b>98%</b>   | <b>100%</b>               |                                   |

7.1.1 All Shares have a nominal value of Rs.10 each except for the shares of K-electric Limited which has nominal value of Rs. 3.5 each.

|   | Note | 2025<br>(Rupees) | 2024<br>(Rupees) |
|---|------|------------------|------------------|
| <b>8. OTHER RECEIVABLE</b>                                |      |                  |                  |
| Profit receivable from savings account                    |      | 12,779           | 12,779           |
| Tax Refundable on bank profits                            |      | 97,378           | 11,858           |
| Tax Refundable  |      | 1,143,792        | 117,546          |
| Cash Component receivable from<br>Authorized Participants |      | 67,425           | -                |
|   |      | <u>1,321,374</u> | <u>142,183</u>   |

## **9. PRELIMINARY EXPENSES AND FLOATATION COSTS**

|                                 |     |                |                |
|---------------------------------|-----|----------------|----------------|
| Opening Balance                 |     | 355,929        | -              |
| Add: Incurred during the year   |     | -              | 379,187        |
| Less: amortisation for the year |     | (114,005)      | (23,258)       |
| Closing balance                 | 9.1 | <u>241,924</u> | <u>355,929</u> |

- 9.1 The Fund has recorded all expenses incurred in connection with the incorporation, registration, establishment and authorization of the Fund as preliminary expenses and floatation costs which are being amortized by the Fund over a period of five years commencing from the end of the initial offering period as per the requirements set out in the Trust Deed of the Fund and NBFC Rules.

## **10. PAYABLE TO MANAGEMENT COMPANY**

|   |      |                  |                |
|---|------|------------------|----------------|
| Management fee                                    | 10.1 | 1,344,023        | 51,801         |
| Sindh sales tax payable on management fee         | 10.2 | 200,412          | 6,734          |
| Preliminary expenses and floatation costs payable |      | 379,187          | 379,187        |
| Payable to AMC for Bank Deposit                   |      | <u>10,000</u>    | <u>10,000</u>  |
|   |      | <u>1,933,622</u> | <u>447,722</u> |

- 10.1 As per Regulation 61 of the NBFC Regulations, the Asset Management Company may charge a variable fee, a fixed fee, or a combination of both, which shall not exceed the limit disclosed in the Offering Document. The maximum limit disclosed in the Offering Document is up to 1% per annum of the average annual net assets. During the period, the fee is being charged at a rate ranging between 0.02% to 0.05%. The fee is payable monthly in arrears.
- 10.2 The Sindh Government has levied Sindh Sales Tax at the rate of 15% (2024:13%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

|  |      | 2025<br>(Rupees) | 2024<br>(Rupees) |
|--|------|------------------|------------------|
|  | Note | 2025<br>(Rupees) | 2024<br>(Rupees) |
| <b>11. PAYABLE TO TRUSTEE</b>          |      |                  |                  |
| Trustee fee payable                    | 11.1 | 123,368          | 11,465           |
| Sindh sales tax payable on Trustee Fee | 11.2 | <u>29,397</u>    | 1,490            |
|  |      | <u>152,766</u>   | <u>12,955</u>    |

- 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 (i.e; 0.1% per annum on average net assets), The fee is paid to the Trustee monthly in arrears.
- 11.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 15% (2024:13%) on the Trustee fee through the Sindh Sales Tax on Services Act, 2011.

**12. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

|   |      |                |              |
|---|------|----------------|--------------|
| Annual fee payable  | 12.1 | <u>208,875</u> | <u>3,788</u> |
| 12.1 As per Regulation 62 of NBFC Regulations, an Asset Management Company managing a CIS shall pay SECP an annual fee of 0.095% of the average annual nets assets. The fee is payable annually in arrears. |      |                |              |

**13. DIVIDEND PAYABLE**

|                  |  |                |                  |
|------------------|--|----------------|------------------|
| Dividend payable |  | <u>175,732</u> | <u>2,270,000</u> |
|------------------|--|----------------|------------------|

**14. ACCRUED AND OTHER LIABILITIES**

|   |  |                  |                |
|---|--|------------------|----------------|
| Legal and Professional Charges                    |  | 13,251           | 13,251         |
| Cash component payable to Authorized Participants |  | -                | 120,524        |
| Tax withheld on dividend                          |  | 6,366,615        | -              |
| Zakat withheld on dividend                        |  | <u>809,620</u>   | <u>-</u>       |
|   |  | <u>7,189,486</u> | <u>133,775</u> |

**15. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at June 30, 2025 (2024:Nil)

|  | Note | 2025<br>(Rupees)  | 2024<br>(Rupees) |
|--|------|-------------------|------------------|
| <b>16. NUMBER OF UNITS IN ISSUE</b>                |      |                   |                  |
| Total units in issue at the beginning of the year  |      | 4,960,000         | -                |
| Add: Units issued                                  |      | 32,620,000        | 5,370,000        |
| Less: Units redeemed                               |      | (11,720,000)      | (410,000)        |
| <b>Total units in issue at the end of the year</b> |      | <b>25,860,000</b> | <b>4,960,000</b> |

## **17. TOTAL EXPENSE RATIO**

The total expense ratio (TER) of the Fund based on the current period results is 0.73% which includes 0.15% representing government levies on the Fund such as provision for Sindh Workers' Welfare Fund (if any), sales taxes, federal excise duties, annual fee to the SECP, etc. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an Index Tracking Fund.

## **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 percent 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, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements for the year.

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.

## **19. EARNINGS PER UNIT**

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

## 20 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

- 20.1 Connected persons and related parties include Mahaana Wealth Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, and other entities under common management and / or directorship and the directors, their close family members and officers of the Management Company and the Trustee, key management personnel, other associated undertakings and unit holders holding 10 percent or more units / net assets of the Fund.
- 20.2 Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. 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 to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.
- 20.4 Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 20.5 The details of transactions carried out by the Fund with connected persons / related parties during the year from March 11, 2024 to June 30, 2024 and balances with them as at year end are as follows:

### Transactions during the year:

|   | 2025<br>(Rupees) | 2024<br>(Rupees) |
|---|------------------|------------------|
| <b>Mahaana Wealth Limited - Management Company</b>                  |                  |                  |
| Remuneration of the Management Company                              | 1,344,023        | 51,801           |
| Sindh Sales Tax on remuneration of the Management Company           | 200,412          | 6,734            |
| Payable to AMC for fund Incorporation                               | 389,187          | 389,187          |
| Units issued: 2,500,000 units                                       |                  | 25,000,000       |
| Dividend Payable  |                  | (1,250,000)      |
| <br><b>Central Depository Company of Pakistan Limited - Trustee</b> |                  |                  |
| Remuneration of the Trustee   | 123,368          | 11,465           |
| Sindh Sales Tax on remuneration of the Trustee                      | 29,397           | 1,490            |

|   | 2025<br>(Rupees) | 2024<br>(Rupees) |
|---|------------------|------------------|
| <b>20.6 Balance outstanding as at year end</b>                    |                  |                  |
| <b>Mahaana Wealth Limited - Management Company</b>                |                  |                  |
| Remuneration payable  | 1,344,023        | 51,801           |
| Sindh sales tax payable on remuneration of the management company | 200,412          | 6,734            |
| Preliminary expenses and floatation costs payable                 | 389,187          | 389,187          |

|   |         |        |
|---|---------|--------|
| <b>Central Depository Company of Pakistan Limited - Trustee</b> |         |        |
| Remuneration of the Trustee                                     | 123,368 | 11,465 |
| Sindh sales tax payable on remuneration of the Trustee          | 29,397  | 1,490  |

## 21 FINANCIAL INSTRUMENTS BY CATEGORY

| Particulars             | 2025                              |                   |                    |
|-------------------------|-----------------------------------|-------------------|--------------------|
|                         | Fair value through profit or loss | Amortised Cost    | Total              |
|                         | Rupees                            |                   |                    |
| <b>Financial assets</b> |                                   |                   |                    |
| Bank balances           |                                   | 10,324,880        | 10,324,880         |
| Investments             | 343,361,423                       | -                 | 343,361,423        |
| Profit Receivable       |                                   | 12,779            | 12,779             |
|                         | <u>343,361,423</u>                | <u>10,337,659</u> | <u>353,699,082</u> |

|  |  |                  |                  |
|--|--|------------------|------------------|
| <b>Financial liabilities</b>           |  |                  |                  |
| Payable to the Management Company      |  | 589,599          | 589,599          |
| Payable to the Trustee                 |  | 29,398           | 29,398           |
| Accrued expenses and other liabilities |  | 822,871          | 822,871          |
|  |  | <u>1,441,868</u> | <u>1,441,868</u> |

| Particulars             | 2024                              |                  |                   |
|-------------------------|-----------------------------------|------------------|-------------------|
|                         | Fair value through profit or loss | Amortised Cost   | Total             |
|                         | Rupees                            |                  |                   |
| <b>Financial assets</b> |                                   |                  |                   |
| Bank balances           |                                   | 1,948,587        | 1,948,587         |
| Investments             | 54,737,747                        | -                | 54,737,747        |
| Profit Receivable       |                                   | 12,779           | 12,779            |
|                         | <u>54,737,747</u>                 | <u>1,961,367</u> | <u>56,699,113</u> |

|  |  |                |                |
|--|--|----------------|----------------|
| <b>Financial liabilities</b>           |  |                |                |
| Payable to the Management Company      |  | 395,921        | 395,921        |
| Payable to the Trustee                 |  | 1,490          | 1,490          |
| Accrued expenses and other liabilities |  | 133,775        | 133,775        |
|  |  | <u>531,187</u> | <u>531,187</u> |

## **22. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

The risk management policy of the Fund aims to maximise the return attributable to the unit holders and seeks to minimise potential adverse effects on the Fund's financial performance.

Risks of the Fund are being managed by the Fund manager in accordance with the approved policies of the Investment Committee which provides broad guidelines for management of risk pertaining to market risks (including price risk and profit rate risk) credit risk and liquidity risk. Further, the overall exposure of the Fund complies with the NBFC Regulations, and the directives issued by the SECP.

### **22.1 Market risk**

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

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.

#### **22.1.1 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.

#### **22.1.2 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 8% to 11% per annum.

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. 0.318 million.

b) Fair value interest rate risk

As at June 30, 2025 the Fund does not hold any fixed rate instrument that may expose the Fund to fair value profit rate risk.

Profit 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 profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 can be determined as follows:

| 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                                |  |                    |   |             |  |
| <b>On-balance sheet financial instruments</b> |                                 |                                       |  |                    |   |             |  |
| Financial assets                              |                                 |                                       |  |                    |   |             |  |
| Bank balances                                 | 8% - 11%                        | 10,324,880                            |  |                    |   | 10,324,880  |  |
| Investments                                   |                                 |                                       |  |                    | 343,361,423                               | 343,361,423 |  |
| Profit receivable                             |                                 | 12,779                                |  |                    | 12,779                                    | 25,559      |  |
| Sub total                                     |                                 | 10,337,659                            |  |                    | 343,374,202                               | 353,711,862 |  |
| Financial liabilities                         |                                 |                                       |  |                    |   |             |  |
| Payable to the Management Company             |                                 |                                       |  |                    | 589,599                                   | 589,599     |  |
| Payable to the Trustee                        |                                 |                                       |  |                    | 29,398                                    | 29,398      |  |
| Accrued expenses and other liabilities        |                                 |                                       |  |                    | 822,871                                   | 822,871     |  |
| Sub total                                     |                                 |                                       |  |                    | 1,441,868                                 | 1,441,868   |  |
| On-balance sheet gap (a)                      |                                 | 10,337,659                            |  |                    | 341,932,334                               | 352,269,994 |  |
| Off-balance sheet financial instruments       |                                 |                                       |  |                    |   |             |  |
| Off-balance sheet gap (b)                     |                                 |                                       |  |                    | 341,932,334                               | 352,269,993 |  |
| Total interest rate sensitivity gap (a) + (b) |                                 | 10,337,659                            |  |                    |   |             |  |
| Cumulative interest rate sensitivity gap      |                                 | 10,337,659                            |  |                    |   |             |  |

| 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                                |  |                    |   |            |  |
| <b>On-balance sheet financial instruments</b> |                                 |                                       |  |                    |   |            |  |
| Financial assets                              |                                 |                                       |  |                    |   |            |  |
| Bank balances                                 | 5.5% to 9.4%                    | 1,948,587                             |  |                    |   | 1,948,587  |  |
| Investments                                   |                                 |                                       |  |                    | 54,737,747                                | 54,737,747 |  |
| Profit receivable                             |                                 |                                       |  |                    | 12,779                                    | 12,779     |  |
| Sub total                                     |                                 | 1,948,587                             |  |                    | 54,750,526                                | 56,699,113 |  |
| Financial liabilities                         |                                 |                                       |  |                    |   |            |  |
| Payable to the Management Company             |                                 |                                       |  |                    | 395,921                                   | 395,921    |  |
| Payable to the Trustee                        |                                 |                                       |  |                    | 1,490                                     | 1,490      |  |
| Accrued expenses and other liabilities        |                                 |                                       |  |                    | 133,775                                   | 133,775    |  |
| Sub total                                     |                                 |                                       |  |                    | 531,186                                   | 531,187    |  |
| On-balance sheet gap (a)                      |                                 | 1,948,587                             |  |                    | 54,219,340                                | 56,167,926 |  |
| Off-balance sheet financial instruments       |                                 |                                       |  |                    |   |            |  |
| Off-balance sheet gap (b)                     |                                 |                                       |  |                    | 54,219,340                                | 56,167,927 |  |
| Total interest rate sensitivity gap (a) + (b) |                                 | 1,948,587                             |  |                    |   |            |  |
| Cumulative interest rate sensitivity gap      |                                 | 1,948,587                             |  |                    |   |            |  |

### 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 profit 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 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 the SECP from time to time. The Fund's equity investments and their fair values exposed to price risk as at the period end are concentrated in the sectors given in note 7.1.

In case of 1% increase / decrease in MII30 on June 30, 2024, with all other variables held constant, the total comprehensive income of the Fund for the period from March 11, 2024 to June 30, 2024 would increase / decrease by Rs. 0.547 million and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 1% 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 MII30, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the MII30, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2024 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the MII30.

### 22.2 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.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum limit of which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund.

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 period from March 11, 2024 to June 30, 2024.

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 dates. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month:

| Particulars                            | 2025              |   |  |  |                      |  | Total              |
|--|-------------------|---|--|--|----------------------|--|--------------------|
|  | 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 five years | Financial instruments with no fixed maturity |                    |
| <b>Financial Assets</b>                |                   |   |  |  |                      |  |                    |
| Balance With Banks                     | 10,324,880        | -   | -  | -                                      | -                    | -  | 10,324,880         |
| Investments                            | -                 | -   | -  | -                                      | -                    | 343,361,423                                  | 343,361,423        |
| Other Receivable                       | 12,779            | -   | -  | -                                      | -                    | -  | 12,779             |
|  | <b>10,337,659</b> | -   | -  | -                                      | -                    | <b>343,361,423</b>                           | <b>353,699,082</b> |
| <b>Financial Liabilities</b>           |                   |   |  |  |                      |  |                    |
| Payable to the Management Company      | 1,933,622         | -   | -  | -                                      | -                    | -  | 1,933,622          |
| Payable to the Trustee                 | 152,766           | -   | -  | -                                      | -                    | -  | 152,766            |
| Accrued expenses and other liabilities | 7,189,486         | -   | -  | -                                      | -                    | -  | 7,189,486          |
|  | <b>9,275,875</b>  | -   | -  | -                                      | -                    | <b>343,361,423</b>                           | <b>344,423,208</b> |
|  | <b>1,061,785</b>  | -   | -  | -                                      | -                    | <b>343,361,423</b>                           | <b>344,423,208</b> |

| Particulars                            | 2024             |   |  |  |                      |  | Total             |
|--|------------------|---|--|--|----------------------|--|-------------------|
|  | 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 five years | Financial instruments with no fixed maturity |                   |
| <b>Financial Assets</b>                |                  |   |  |  |                      |  |                   |
| Balance With Banks                     | 1,948,587        | -   | -  | -                                      | -                    | -  | 1,948,587         |
| Investments                            | -                | -   | -  | -                                      | -                    | 54,737,747                                   | 54,737,747        |
| Other Receivable                       | 12,779           | -   | -  | -                                      | -                    | -  | 12,779            |
|  | <b>1,961,367</b> | -   | -  | -                                      | -                    | <b>54,737,747</b>                            | <b>56,699,113</b> |
| <b>Financial Liabilities</b>           |                  |   |  |  |                      |  |                   |
| Payable to the Management Company      | 447,722          | -   | -  | -                                      | -                    | -  | 447,722           |
| Payable to the Trustee                 | 12,955           | -   | -  | -                                      | -                    | -  | 12,955            |
| Accrued expenses and other liabilities | 133,775          | -   | -  | -                                      | -                    | -  | 133,775           |
|  | <b>594,453</b>   | -   | -  | -                                      | -                    | <b>54,737,747</b>                            | <b>56,104,660</b> |
|  | <b>1,366,914</b> | -   | -  | -                                      | -                    | <b>54,737,747</b>                            | <b>56,104,660</b> |

## 22.3 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. The Fund's policy is to enter into financial contracts with reputable counter parties in accordance with the internal guidelines, offering document and regulatory requirements.

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

| Name of Banks                                 | Balances held as at June 30, 2025 | Balances held as at June 30, 2024 | Latest available published rating as at June 30, 2025 | Rating agency |
|---|-----------------------------------|-----------------------------------|---|---------------|
| <b>Rupees</b>                                 |                                   |                                   |   |               |
| <b>Balances with banks by rating category</b> |                                   |                                   |   |               |
| Dubai Islamic Bank                            | 10,324,880                        | 1,948,587                         | AA/ A-1+  | VIS           |
|   | <u>10,324,880</u>                 | <u>1,948,587</u>                  |   |               |
| <b>Profit receivable</b>                      | <u>12,779</u>                     | <u>12,779</u>                     | AA/ A-1+  | VIS           |
|   |                                   |                                   |   |               |

The profit receivable is against the bank deposit.

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

| Rating by rating category | 2025<br>(Percentage) | 2024<br>(Percentage) |
|---------------------------|----------------------|----------------------|
| AA/ A-1+                  | 100%                 | 100%                 |

### 22.3.3 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 Funds portfolio of financial assets is mainly held with credit worthy counterparties thereby mitigating any credit risk.

## 23. UNITS HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends 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'.

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 22, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

## 24 FAIR VALUE MEASUREMENT

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.

Financial assets which are tradable in an open market are revalued at the market prices prevailing at the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### 24.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair value measurement' requires the Fund to classify assets 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).

As at the reporting date, the Fund held the following financial instruments measured at fair values:

| As at June 30, 2025  |         |         |
|----------------------|---------|---------|
| Level 1              | Level 2 | Level 3 |
| ----- (Rupees) ----- |         |         |
|                      |         |         |
|                      |         |         |

#### Financial assets 'at fair value through profit or loss'

Shares of listed companies -

|             |   |   |
|-------------|---|---|
| 343,361,423 | - | - |
| 343,361,423 | - | - |

| As at June 30, 2024 |         |         |
|---------------------|---------|---------|
| Level 1             | Level 2 | Level 3 |
| (Rupees)            |         |         |

Financial assets 'at fair value through profit or loss'

|                              |            |   |   |
|------------------------------|------------|---|---|
| Shares of listed companies - | 54,737,747 | - | - |
|                              | 54,737,747 | - | - |

## 25. UNIT HOLDING PATTERN OF THE FUND

| Category             | 2025                |                          |                     |
|----------------------|---------------------|--------------------------|---------------------|
|                      | No. of unit holders | Investment amount in Rs. | Percentage of Total |
| Associated Companies | 2,500,000           | 179,057,258              | 330%                |
| Others               | 686,000             | 49,133,312               | 90%                 |
| Individuals          | 1,774,000           | 127,059,031              | 234%                |
| Total                | 4,960,000           | 355,249,601              | 654%                |

| Category             | 2024                |                          |                     |
|----------------------|---------------------|--------------------------|---------------------|
|                      | No. of unit holders | Investment amount in Rs. | Percentage of Total |
| Associated Companies | 2,500,000           | 27,377,120               | 50%                 |
| Others               | 686,000             | 7,512,282                | 14%                 |
| Individuals          | 1,774,000           | 19,426,804               | 36%                 |
| Total                | 4,960,000           | 54,316,206               | 100%                |

## 26. LIST OF TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID/PAYABLE

The Fund has traded with only one broker during the year.

## 27. DETAILS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the details in respect of members of the Investment Committee of the Fund:

| Name                   | Designation              | Qualification | Overall Experience |
|------------------------|--------------------------|---------------|--------------------|
| Muhammad Shamoon Tariq | Chief Executive Officer  | CFA           | 14+                |
| Mubashir Zuberi        | Chief Investment Officer | CFA           | 11+                |
| Syed Shahzad Ali       | Fund Ops/Settlement      | B.COM         | 14+                |
| Syed Aqib Hussain      | Manager Compliance       | MBA           | 13+                |

Details of members of the Investment Committee of the Fund as on June 30, 2024 are as follows:

| Name                   | Designation              | Qualification | Overall Experience |
|------------------------|--------------------------|---------------|--------------------|
| Muhammad Shamoon Tariq | Chief Executive Officer  | CFA           | 13+                |
| Mubashir Zuberi        | Chief Investment Officer | CFA           | 10+                |
| Syed Shahzad Ali       | Fund Ops/Settlement      | B.COM         | 13+                |
| Syed Aqib Hussain      | Manager Compliance       | MBA           | 12+                |

## 28. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Eight meetings of the Board of Directors were held on September 28, 2024, October 23, 2024, December 20, 2024, February 18, 2025, February 28, 2025, April 28, 2025, June 17, 2025 and June 20, 2025 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

| Name of Director       | Number of meetings |          |               | Meetings not attended                         |
|------------------------|--------------------|----------|---------------|---|
|                        | Held               | Attended | Leave Granted |   |
| Shibli Islam Rehan     | 8                  | 8        | -             | -   |
| Osman Nasir            | 8                  | 5        | 3             | Dec 20, 2024<br>Feb 18, 2025<br>June 20, 2025 |
| Muhammad Shamoon Tariq | 8                  | 8        | -             | -   |
| Mubashir Zuberi        | 8                  | 8        | -             | -   |

Two meetings of the Board of Directors were held on April 29, 2024 and June 28, 2024, respectively. Information in respect of the attendance by the Directors in the meetings is given below:

| Name of Director       | Number of meetings |          |               | Meetings not attended           |
|------------------------|--------------------|----------|---------------|---------------------------------|
|                        | Held               | Attended | Leave Granted |                                 |
| Shibli Islam Rehan     | 2                  | 2        | -             | -                               |
| Osman Nasir            | 2                  | -        | 2             | April 29, 2024<br>June 28, 2024 |
| Muhammad Shamoon Tariq | 2                  | 2        | -             | -                               |
| Mubashir Zuberi        | 2                  | 2        | -             | -                               |

## 29. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever 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 October 31, 2025 by the Board of Directors of the Management Company. 

Mahaana Wealth Limited  
(Management Company)



CHIEF FINANCIAL OFFICER



CHIEF EXECUTIVE OFFICER



DIRECTOR