

**JS FUND OF FUNDS
ANNUAL REPORT 2026**

GROWING STRONGER.

**SCALING
SMARTER**

CONTENT AT A GLANCE

COMPANY INFORMATION

01

Company Information	02
Vision	03
Mission	
Directors' Report to the Unit Holders	04
Fund Manager's Report	10
Performance Table / Key Financial Data	12
Trustee Report to the Unit Holders	13
Independent Auditors' Report to the Unit Holders	14

FINANCIAL STATEMENTS

02

Statement of Assets And Liabilities	18
Statement of Income	19
Statement of Comprehensive Income	20
Statement of Movement In Unit Holders' Fund	21
Statement of Cash Flows	22
Notes to and Forming Part of the Financial Statements	23

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani
Non-Executive Director / Chairman

Ms. Iffat Zehra Mankani
Chief Executive Officer

Mr. Hasan Shahid
Non-Executive Director

Syed Kazim Raza
Non-Executive Director

Mr. Atif Salim Malik**
Non-Executive Director

Ms. Maria Mittermair
Independent Director

Ms. Mediha Kamal Afsar
Independent Director

Mr. Ahsan Jamal
Non-Executive Director

Mr. Faisal Anwar*
Non-Executive Director

Chief Executive Officer
Ms. Iffat Zehra Mankani

Chief Financial Officer
Mr. Raheel Rehman

Chief Investment Officer
Syed Hussain Haider

Chief Operating Officer & Company Secretary
Mr. Muhammad Khawar Iqbal

Statutory Auditors
A.F. Ferguson Co Chartered Accountants

Legal Advisors
Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee
Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Ms. Maria Mittermair

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

* Mr. Faisal Anwar resigned from the board on April 27, 2026.

** Mr. Atif Salim Malik joined the board on May 07, 2026.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.

MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.



DIRECTORS' REPORT TO THE UNITHOLDERS

The Board of Directors of JS Investments Limited, the Management Company of **JS Fund of Funds** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2026.

ECONOMIC REVIEW

FY2026 marked a further strengthening of Pakistan's macroeconomic foundations despite a more challenging external environment. The resurgence of geopolitical tensions in the Middle East temporarily disrupted the disinflation process and heightened external uncertainty; however, continued policy discipline, progress under the IMF-supported reform programme and improving investor confidence helped preserve macroeconomic stability and reinforce policy credibility through the year.

Real GDP growth accelerated to 3.7%, the strongest pace in four years, supported by a broad-based recovery in manufacturing and services. While inflation reaccelerated toward year-end amid higher global energy prices, average inflation remained contained at 7.1%. Fiscal consolidation continued, supported by stronger revenue collection and an improved primary balance, while record remittances, reserve accumulation and renewed access to international capital markets strengthened the external position despite a widening trade deficit.

The year also witnessed a further improvement in Pakistan's sovereign credit profile, with international rating upgrades reinforcing the progress achieved under the macroeconomic adjustment agenda and supporting renewed access to global capital markets. While these developments provide a firmer macroeconomic foundation, the challenge ahead extends beyond preserving stability. Sustaining higher long-term growth will require continued reform implementation, stronger private-sector investment, productivity enhancement and a gradual transition from stabilization-led recovery to a more competitive, investment- and export-oriented economy.

EQUITY MARKET REVIEW

Pakistan's equity market delivered another year of exceptional performance in FY2026, demonstrating remarkable resilience despite heightened geopolitical uncertainty during the latter part of the year. As concerns over regional tensions gradually gave way to improving confidence in the domestic macroeconomic outlook, investors increasingly focused on strengthening economic fundamentals, policy continuity and improving sovereign credit perceptions. Against this backdrop, the KSE-100 Index advanced 44% to close at 180,302 points, while the KSE-30 Total Return and KMI-30 indices also generated robust returns, reinforcing Pakistan's position among the region's strongest-performing equity markets.

Market participation strengthened meaningfully during the year, reflected in a notable increase in trading volumes and turnover, alongside a revival in primary market activity. These developments point to improving investor confidence and a gradual deepening of domestic capital markets. Sector performance remained broad-based, with financials, cyclicals and selected industrial sectors leading the advance as investors positioned for an improving macroeconomic environment.

Flow dynamics continued to highlight an important structural shift in market ownership. Persistent foreign selling was comfortably absorbed by domestic investors, reaffirming the increasingly dominant role of local liquidity in shaping market direction. This growing depth of the domestic investor base has enhanced the market's resilience to external shocks while providing a more stable foundation for long-term capital formation.

The medium-term outlook for the equity market remains favourable. Continued resilience in corporate earnings, strengthening macroeconomic fundamentals and supportive valuations provide a solid foundation for market performance, although the pace of further gains will continue to be influenced by the external environment.

INCOME / MONEY MARKET REVIEW

Domestic fixed income markets moved through two distinct phases during FY2026. The year began with contained inflation and continued monetary easing, with the State Bank of Pakistan reducing the policy rate by 50 basis points to 10.5% in December. However, higher global energy prices following renewed Middle East tensions altered the inflation outlook, prompting a 100-basis point increase in the policy rate to 11.5% in April.

Government security yields initially benefited from the improving inflation outlook before repricing higher as geopolitical tensions intensified, and subsequently partially retraced as tensions eased and oil prices moderated. The 3-month, 12-month and 5-year benchmark yields closed the year at 11.60%, 11.60% and 11.80%, respectively. The relatively contained adjustment in longer-tenor yields suggested that investors continued to view the inflation shock as largely transitory rather than structural.

The outlook for domestic fixed income remains broadly constructive. A gradual normalization in inflation should provide scope for monetary conditions to ease over time, although the pace of any future policy adjustment will remain contingent upon sustained geopolitical de-escalation, continued fiscal discipline and inflation converging toward the SBP's medium-term target range. Against this backdrop, duration positioning is expected to remain selective, with valuation opportunities likely to emerge as policy visibility improves and inflation risks become more balanced.

REVIEW OF FUND PERFORMANCE

The Fund return was 11.57% for the year ended June 30, 2026, against the benchmark return of 14.75%. The Fund's Net Assets decreased from PKR. 2,247.61 million as at June 30, 2025, to PKR. 2,111.23 million as at June 30, 2026. The total expense ratio is 0.35%, which includes 0.12% of government levies on the Fund.

ASSET MANAGER RATING

Pakistan Credit Rating Agency Limited (PACRA) upgraded JS Investments Limited's Asset Manager Rating to 'AM1' with a 'Stable Outlook' on November 5, 2025 — the highest management-quality assessment, reflecting sound governance, institutionalized investment processes and consistent operational performance.

AUDITORS

The external auditors of the Fund, M/s. A.F Ferguson & Co. Chartered Accountants, retired and, being eligible, offered themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board, has approved the appointment of M/s. A.F Ferguson & Co. Chartered Accountants as the Fund's auditors for the ensuing year ending June 30, 2027.

ADDITIONAL MATTERS

- Annexed to the Annual Report is the Fund Manager's Report, providing a description of principal risks and uncertainties along with a reasonable indication of future profit prospects.
- The Pattern of Unit holding as of June 30, 2026, is annexed to this annual report.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- A performance table/key financial data is annexed to this annual report.

ACKNOWLEDGMENT

The Board of Directors expresses its gratitude to the Securities and Exchange Commission of Pakistan and Central Depository Company of Pakistan Limited for their continued support, assistance and guidance. The Board also places on record its appreciation for the dedication and commitment of the employees of the Management Company and thanks the unitholders for their continued confidence in the Management Company.

On behalf of the Board



Director



Chief Executive Officer

August 23, 2026
Karachi

اضافی معلومات:

- الف - سالانہ رپورٹ کے ساتھ فنڈ مینیجر کی رپورٹ منسلک ہے، جس میں اہم خطرات اور غیر یقینی عوامل کی وضاحت کے ساتھ مستقبل کے منافع کے امکانات کی نشاندہی کی گئی ہے۔
- ب - 30 جون 2026 تک یونٹ ہولڈنگ کا پیٹرن اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
- ج - اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- د - کارکردگی کا جدول / کلیدی مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

اظہار تشکر:

ڈائریکٹر پاکستان سیکورٹیز اینڈ ایکسچینج کمیشن اور ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ مینجمنٹ کمپنی کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون ہے۔

بورڈ کی جانب سے



چیف ایگزیکٹو آفیسر



ڈائریکٹر

کراچی، 23 اگست 2026

مسئلے کے بجائے بڑی حد تک عارضی نوعیت کا جھٹکا سمجھتے رہے۔

ملکی فلسفہ انکم مارکیٹ کا آئندہ منظر نامہ مجموعی طور پر حوصلہ افزا ہے۔ افراط زر میں بتدریج معمول کی سطح کی جانب واپسی سے وقت کے ساتھ مانیٹری حالات میں مزید نرمی کی گنجائش پیدا ہو سکتی ہے، تاہم مستقبل میں پالیسی میں کسی بھی ممکنہ تبدیلی کی رفتار کا انحصار جغرافیائی سیاسی کشیدگی میں پائیدار کمی، مسلسل مالیاتی نظم و ضبط اور افراط زر کے اسٹیٹ بینک آف پاکستان (SBP) کی درمیانی مدت کی ہدفی حد کی جانب واپس آنے پر ہوگا۔ اس پس منظر میں سرمایہ کاری کی مدت کے حوالے سے حکمت عملی محتاط اور منتخب بنیادوں پر برقرار رہنے کی توقع ہے، جبکہ پالیسی کے حوالے سے صورتحال مزید واضح ہونے اور افراط زر کے خطرات میں توازن پیدا ہونے کے ساتھ ویلیویشن کی بنیاد پر سرمایہ کاری کے مواقع بھی سامنے آنے کا امکان ہے۔

فنڈ کی کارکردگی کا جائزہ

30 جون 2026 کو اختتام پذیر ہونے والی مدت کے دوران فنڈ نے 11.57 فیصد منافع حاصل کیا، جبکہ بینچ مارک کا منافع 14.75 فیصد رہا۔ فنڈ کے خالص اثاثوں میں بھی کمی واقع ہوئی، جو 30 جون 2025 کو 2,247.61 ملین پاکستانی روپے سے کم ہو کر 30 جون 2026 کو 2,111.23 ملین پاکستانی روپے رہ گئے۔ فنڈ کا مجموعی اخراجاتی تناسب 0.35 فیصد رہا، جس میں فنڈ پر عائد 0.12 فیصد حکومتی محصولات بھی شامل ہیں۔

ایسیٹ مینیجر اور فنڈ ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 5 نومبر 2025 کو بے ایس انویسٹمنٹ لمیٹڈ کی اثاثہ جاتی انتظامی ریٹنگ کو بڑھا کر "AM1" کر دیا، جبکہ آؤٹ لک مستحکم برقرار رکھا گیا۔ "AM1" انتظامی معیار کی اعلیٰ ترین درجہ بندی ہے، جو مضبوط طرز حکمرانی، ادارہ جاتی بنیادوں پر استوار سرمایہ کاری کے طریقہ کار اور مسلسل موثر عملی کارکردگی کی عکاسی کرتی ہے۔

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور از سر نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2027 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

یہ 180,302 پوائنٹس پر بند ہوا، جبکہ KSE-30 ٹوٹل ریٹرن اور KMI-30 انڈیکس نے بھی مضبوط منافع فراہم کیا، جس سے پاکستان کا شمار خطے کی بہترین کارکردگی دکھانے والی ایکویٹی مارکیٹوں میں مزید مستحکم ہوا۔

سال کے دوران مارکیٹ میں سرمایہ کاروں کی شرکت میں نمایاں بہتری آئی، جس کا اظہار ٹریڈنگ کے حجم اور کاروباری مالیت میں قابل ذکر اضافے کے ساتھ ساتھ پرائمری مارکیٹ کی سرگرمیوں میں دوبارہ تیزی سے ہوا۔ یہ پیش رفت سرمایہ کاروں کے اعتماد میں بہتری اور ملکی کپٹل مارکیٹ کی بتدریج وسعت اور گہرائی کی عکاسی کرتی ہے۔ مختلف شعبوں کی کارکردگی بھی مجموعی طور پر وسیع البیاد رہی، تاہم مالیاتی شعبے، سائیکلیکل شعبے اور بعض منتخب صنعتی شعبوں نے مارکیٹ کی تیزی میں نمایاں کردار ادا کیا، کیونکہ سرمایہ کاروں نے بہتر ہوتے ہوئے معاشی ماحول کو مد نظر رکھتے ہوئے اپنی سرمایہ کاری کی پوزیشنز تشکیل دیں۔

سرمایہ کے بھاؤ میں بھی مارکیٹ کی ملکیت کے اسٹرکچر میں ایک اہم ساختی تبدیلی نمایاں ہوئی۔ غیر ملکی سرمایہ کاروں کی جانب سے مسلسل فروخت کے دباؤ کو ملکی سرمایہ کاروں نے با آسانی جذب کیا، جس سے مارکیٹ کی سمت متعین کرنے میں مقامی لیکویڈیٹی کے بڑھتے ہوئے اور غالب کردار کی مزید تصدیق ہوئی۔ ملکی سرمایہ کاروں کی بنیاد میں اس بڑھتی ہوئی گہرائی نے بیرونی خطرات کے مقابلے میں مارکیٹ کی مضبوطی میں اضافہ کیا ہے اور طویل مدتی سرمایہ کی تشکیل کے لیے زیادہ مستحکم بنیاد فراہم کی ہے۔

ایکویٹی مارکیٹ کے لیے درمیانی مدت کا منظر نامہ بدستور سازگار ہے۔ کارپوریٹ آمدنی میں مسلسل مضبوطی، میکرو اکنامک بنیادی عوامل میں بہتری اور معاون و بلیو ایشنز مارکیٹ کی کارکردگی کے لیے ایک مضبوط بنیاد فراہم کر رہے ہیں، تاہم مستقبل میں مزید اضافے کی رفتار بدستور بیرونی معاشی ماحول سے متاثر ہوتی رہے گی۔

انکم/مضی مارکیٹ کا جائزہ

مالی سال 2026 کے دوران ملکی فکسڈ انکم مارکیٹ کو دو نمایاں مراحل سے گزرنا پڑا۔ سال کا آغاز قابو میں رہنے والی افراط زر اور مسلسل مانیٹری پالیسی میں نرمی کے ساتھ ہوا، جبکہ دسمبر میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50 پیس پوائنٹس کی کمی کر کے اسے 10.5 فیصد کر دیا۔ تاہم، مشرق وسطیٰ میں کشیدگی میں دوبارہ اضافے کے بعد عالمی سطح پر توانائی کی قیمتوں میں ہونے والے اضافے نے افراط زر کے منظر نامے کو تبدیل کر دیا، جس کے نتیجے میں اپریل میں پالیسی ریٹ میں 100 پیس پوائنٹس کا اضافہ کر کے اسے 11.5 فیصد کر دیا گیا۔

حکومتی سیکورٹیز کی بییلڈز نے ابتدا میں افراط زر کے بہتر ہوتے ہوئے منظر نامے سے فائدہ اٹھایا، تاہم جغرافیائی سیاسی کشیدگی میں اضافے کے باعث ان میں دوبارہ اضافہ ہوا۔ بعد ازاں کشیدگی میں کمی اور تیل کی قیمتوں میں اعتدال آنے کے ساتھ بییلڈز میں جزوی طور پر کمی واقع ہوئی۔ 3 ماہ، 12 ماہ اور 5 سالہ بینچ مارک بییلڈز بالترتیب 11.60 فیصد، 11.60 فیصد اور 11.80 فیصد کی سطح پر سال کے اختتام پر بند ہوئیں۔ طویل مدتی میچورٹی والی سیکورٹیز کی بییلڈز میں نسبتاً محدود تبدیلی اس امر کی عکاسی کرتی ہے کہ سرمایہ کار افراط زر میں اس اضافے کو ایک ساختی

پنٹ ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمپنی برائے جے ایس فنڈ آف فنڈز فنڈ کی سالانہ رپورٹ پیش کرتے ہوئے پرمسرت ہیں۔

معاشی جائزہ:

مالی سال 2026 کے دوران پاکستان کی مجموعی معاشی بنیادوں میں مزید استحکام آیا، اگرچہ بیرونی معاشی ماحول پہلے کے مقابلے میں زیادہ مشکل رہا۔ مشرق وسطیٰ میں جغرافیائی سیاسی کشیدگی میں دوبارہ اضافے کے باعث افراط زر میں کمی کا عمل عارضی طور پر متاثر ہوا اور بیرونی غیر یقینی صورتحال میں اضافہ ہوا۔ تاہم، پالیسیوں میں مسلسل نظم و ضبط، آئی ایم ایف کے تعاون سے جاری اصلاحاتی پروگرام میں پیش رفت اور سرمایہ کاروں کے اعتماد میں بہتری نے سال بھر معاشی استحکام برقرار رکھنے اور پالیسیوں کی سادھ کو مزید مضبوط بنانے میں مدد دی۔

حقیقی مجموعی ملکی پیداوار کی شرح نمونہ بڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سالوں میں بلند ترین شرح نمونہ ہے۔ اس بہتری کو مینوفیکچرنگ اور خدمات کے شعبوں میں وسیع البیاد بحالی سے تقویت ملی۔ اگرچہ عالمی توانائی کی قیمتوں میں اضافے کے باعث سال کے اختتام پر افراط زر کی شرح میں دوبارہ اضافہ ہوا، تاہم سال کی اوسط افراط زر 7.1 فیصد کی سطح پر قابو میں رہی۔ مالیاتی استحکام کا عمل بھی جاری رہا، جسے محصولات کی بہتر وصولی اور بنیادی مالیاتی توازن میں بہتری سے مدد ملی۔ دوسری جانب، ریکارڈ تریسیلات زر، زرمبادلہ کے ذخائر میں اضافہ اور عالمی سرمایہ مارکیٹوں تک دوبارہ رسائی نے بڑھتے ہوئے تجارتی خسارے کے باوجود ملک کی بیرونی مالی پوزیشن کو مزید مضبوط کیا۔

سال کے دوران پاکستان کے خود مختار کریڈٹ پروفائل میں بھی مزید بہتری آئی۔ بین الاقوامی کریڈٹ ریٹنگ اداروں کی جانب سے ریٹنگ میں بہتری نے میکرو اکنامک ایڈجسٹمنٹ کے تحت حاصل ہونے والی پیش رفت کو تقویت دی اور عالمی سرمایہ مارکیٹوں تک ملک کی دوبارہ رسائی میں معاونت فراہم کی۔ اگرچہ یہ پیش رفت پاکستان کے لیے زیادہ مضبوط معاشی بنیاد فراہم کرتی ہے، تاہم مستقبل کا چیلنج محض معاشی استحکام برقرار رکھنے تک محدود نہیں۔ طویل مدت میں بلند شرح نمو کو برقرار رکھنے کے لیے اصلاحات پر مسلسل عمل درآمد، نجی شعبے کی سرمایہ کاری میں اضافہ، پیداواری صلاحیت میں بہتری اور معیشت کو بتدریج استحکام پر مبنی بحالی سے ایک زیادہ مسابقتی، سرمایہ کاری اور برآمدات پر مرکوز معیشت کی جانب منتقل کرنا ضروری ہوگا۔

ایکویٹی مارکیٹ کا جائزہ:

پاکستان کی ایکویٹی مارکیٹ نے مالی سال 2026 کے دوران ایک مرتبہ پھر غیر معمولی کارکردگی کا مظاہرہ کیا اور سال کے آخری حصے میں بڑھتی ہوئی جغرافیائی سیاسی غیر یقینی صورتحال کے باوجود قابل ذکر مضبوطی کا ثبوت دیا۔ علاقائی کشیدگی سے متعلق خدشات میں بتدریج کمی اور ملکی معاشی صورتحال کے حوالے سے اعتماد میں بہتری آنے کے ساتھ سرمایہ کاروں کی توجہ مضبوط ہوتے ہوئے معاشی بنیادی عوامل، پالیسیوں کے تسلسل اور خود مختار کریڈٹ کے حوالے سے بہتر ہوتے ہوئے تاثر پر مرکوز رہی۔ اس پس منظر میں KSE-100 انڈیکس میں 44 فیصد اضافہ ہوا اور

FUND MANAGER REPORT

Annual Report 2026 JS FUND OF FUNDS

- Description of the Collective Investment Scheme category and type**

Fund of Fund Scheme / Open end

- Statement of Collective Investment Scheme's investment objective**

JS FoF is a fund of funds that aims to grow investor's capital in the long term while diversifying the asset manager risk bundled together with the benefits of an asset allocation fund. The fund operates a diverse portfolio of equity, balanced, fixed income and money market funds (both open and closed ended) with the option to adjust the asset mix as equity markets rise or fall and the economy strengthens or weakens.

- Explanation as to whether the Collective Investment Scheme has achieved its stated objective**

The collective investment scheme achieved its stated objective.

- Statement of benchmark(s) relevant to the Collective Investment Scheme**

Benchmark of the respective category of Fund of Funds.

Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	FY26
JSFoF	0.85%	0.84%	0.97%	0.94%	0.82%	0.98%	0.87%	0.89%	0.62%	-0.58%	2.18%	1.63%	11.57%
Benchmark	0.87%	0.90%	0.86%	0.90%	0.87%	0.88%	0.84%	0.74%	0.89%	2.38%	1.99%	1.73%	14.75%
Diff.	-0.02%	-0.06%	0.11%	0.04%	-0.04%	0.10%	0.03%	0.15%	-0.27%	-2.97%	0.18%	-0.09%	-3.18%

- Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**

During the fiscal year, the fund adhered to a diversified allocation across both conventional and Shariah-compliant equity and fixed-income mutual funds. However, in the latter part of the year, the strategy was realigned in view of investor risk appetite, with allocation largely shifted toward fixed-income mutual funds. The focus remained on capturing consistently higher yields, leading to a marked preference for the income fund category.

- Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	Jun-26	Jun-25
Open-end	99.78%	96.06%
Equity	0.00%	0.00%
Cash	0.13%	3.89%
Other including receivables	0.09%	0.05%
Total	100.00%	100.00%

- Analysis of the Collective Investment Scheme's performance**

	Fund		Fund	BM
Monthly Portfolio Turnover Ratio	19.2%	Largest Month Gain	19.0%	16.3%
Information Ratio	-0.07	Largest Month Loss	-21.0%	-25.1%
Standard Deviation	15.7%	% Positive Months	66.1%	67.7%
Beta	0.9			

- Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)

	Net Assets (PKR mn)	NAV per Unit (PKR)
30-Jun-26	2,111	148.85
30-Jun-25	2,248	133.41

- Disclosure of the markets that the Collective Investment Scheme has invested in:**
JS Fund of Funds invests in Equity, Fixed Income and Money market Collective Investment Schemes including deposits with banks.
- Disclosure on distribution (if any), comprising:-**
 - Particulars of income distribution or other forms of distribution made and proposed during the period; and
 - Statement on effects on the NAV before and after distribution is made

Distribution	
Nil	
NAV per unit as on June 30, 2026	
Cum NAV (PKR)	148.85
Ex-NAV (PKR)	148.85

- Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

There were no significant changes in the state of affairs during the year under review.

- Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Fund of Funds	0.0001	to	9,999.9999	90
	10,000.0000	to	49,999.9999	3
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	1
	500,000.0000	&	above	1
			Total	95

- Disclosure on unit split (if any), comprising:-**
The Fund has not carried out any unit split exercise during the year.
- Disclosure of circumstances that materially affect any interests of the unit holders**
Investment is subject to market risk.
- Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**
The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

JS FUND OF FUNDS PERFORMANCE TABLE

		Years				
		2026	2025	2024	2023	2022
Net assets - Rs. In "million"	Rs.	2,111.23	2,247.61	836.82	360.56	101.89
Net income / (loss) - Rs. In "million"	Rs.	223.32	281.90	202.16	31.39	(31.31)
Total return of the Fund	%	11.57	30.19	64.68	10.87	(13.61)
Annual dividend distribution	%	-	0.75	-	-	-
Capital Growth	%	11.57	29.44	64.68	10.87	(13.61)
Average annual return						
- One Year	%	11.57	30.19	64.68	10.87	(13.61)
- Two Years	%	20.88	47.44	37.78	(1.37)	6.36
- Three Years	%	35.48	35.25	20.65	7.86	5.14
NAV per unit	Rs.	148.85	133.41	103.63	62.93	56.76
Highest offer price per unit	Rs.	153.99	138.92	107.61	65.18	69.34
Lowest offer price per unit	Rs.	138.09	106.77	65.54	57.29	55.68
Highest repurchase price per unit	Rs.	148.85	134.28	104.08	63.04	67.06
Lowest repurchase price per unit	Rs.	133.48	104.35	63.39	55.41	53.85
Interim distribution	Rs.	-	1.00	-	-	-
Announcement date	Rs.		27-June-2025	-	-	-
Total distribution as % of per value	%	-	0.75	-	-	-

Notes

- JS Fund of Funds was launched on October 31, 2005.
- Units have par value of Rs. 100/- each.
- Investment portfolio composition of the Fund is disclosed in note 5 of the financial statements.

Disclaimer

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

JS FUND OF FUNDS

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 JS Fund of Funds (the Fund) are of the opinion that JS Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 8, 2026

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of JS Fund of Funds

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the year then ended in accordance with 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 Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 4 and 5 to the financial statements)	
	The bank balances and investments constitute the most significant components of the net asset value. The bank balances of the fund as at June 30, 2026 aggregated to Rs. 3.092 million and investments amounted to Rs. 2,109.162 million. The existence of bank balances and the existence and the proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others, included the following: - Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2026 and traced the confirmed balances to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; - Re-performed the valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and - Obtained bank reconciliation statements and tested reconciling items on a sample basis.



A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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

The Management Company (JS Investments Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Management Company and Board of Directors of Management Company for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 Company.

A handwritten signature in blue ink, appearing to read 'M. F. Fergusson'.

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

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

We also provide 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.

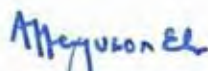
From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law 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, we further report that in our opinion:

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations 2008;
- b) proper books and records have been kept by the Collective Investment Scheme or the financial statements prepared are in agreement with the books and records of Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: September 25, 2026
UDIN: AR202610061yY8BXfxep

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
Assets			
Bank balances	4	3,092,147	67,195,696
Investments	5	2,109,161,885	2,186,476,882
Profit receivable	6	1,114,038	988,563
Advances and deposits	7	434,248	241,800
Total assets		2,113,802,318	2,254,902,941
Liabilities			
Payable to JS Investments Limited - Management Company	8	523,070	701,752
Payable to Central Depository Company of Pakistan Limited - Trustee	9	292,382	311,605
Payable to the Securities and Exchange Commission of Pakistan (SECP)	10	162,984	175,200
Accrued expenses and other liabilities	11	1,596,928	6,106,509
Total liabilities		2,575,364	7,295,066
Net assets		2,111,226,954	2,247,607,875
Unit holders' fund (as per statement attached)		2,111,226,954	2,247,607,875
Contingencies and commitments	12		
		----- Number of units -----	
Number of units in issue	13	14,183,801	16,847,918
		----- Rupees -----	
Net asset value per unit		148.85	133.41

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
INCOME			
Gain on sale of investments - net		161,255,254	241,494,356
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.3	64,242,544	3,233,973
Dividend income		380,997	37,647,453
Profit on savings accounts with banks		2,392,734	8,530,791
Other income	5.4	2,308,894	-
Total income		230,580,423	290,906,573
EXPENSES			
Remuneration of JS Investments Limited - Management Company	8.1	293,637	692,771
Sindh sales tax on remuneration of the Management Company	8.2	44,045	103,916
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	3,009,661	2,072,326
Sindh sales tax on remuneration of the Trustee	9.2	451,449	310,849
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	10	1,959,515	1,171,160
Allocated expenses		-	859,299
Auditors' remuneration	14	1,425,600	1,055,160
Listing fee		62,500	28,250
Brokerage expense		-	2,523,602
Printing and stationery charges		-	136,655
Bank and settlement charges		13,876	50,614
Total expenses		7,260,283	9,004,602
Net income for the year before taxation		223,320,140	281,901,971
Taxation	16	-	-
Net income for the year after taxation		223,320,140	281,901,971
Allocation of net income for the year			
Net income for the year after taxation		223,320,140	281,901,971
Income already paid on units redeemed		(146,086,231)	(192,610,019)
		77,233,909	89,291,952
Accounting income available for distribution:			
- Relating to capital gains		77,233,909	244,728,329
- Excluding capital gains		-	(155,436,377)
		77,233,909	89,291,952

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026 ----- (Rupees) -----	2025 -----
Net income for the year after taxation	223,320,140	281,901,971
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>223,320,140</u>	<u>281,901,971</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENTS IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2026

	2026			2025		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)					
Net assets at the beginning of the year	2,050,081,397	197,526,478	2,247,607,875	703,501,422	133,319,505	836,820,927
Issuance of 13,942,181 (2025: 16,807,355) units						
- Capital value (at net asset value per unit at the beginning of the year)	1,860,026,367	-	1,860,026,367	1,741,746,199	-	1,741,746,199
- Element of income	141,867,306	-	141,867,306	443,557,808	-	443,557,808
Total proceeds on issuance of units	2,001,893,673	-	2,001,893,673	2,185,304,007	-	2,185,304,007
Redemption of 16,606,298 (2025: 8,034,162) units						
- Capital value (at net asset value per unit at the beginning of the year)	(2,215,446,216)	-	(2,215,446,216)	(832,580,208)	-	(832,580,208)
- Element of loss	(62,287)	(146,086,231)	(146,148,518)	(6,143,680)	(192,610,019)	(198,753,699)
Total payments on redemption of units	(2,215,508,503)	(146,086,231)	(2,361,594,734)	(838,723,888)	(192,610,019)	(1,031,333,907)
Total comprehensive income for the year	-	223,320,140	223,320,140	-	281,901,971	281,901,971
Distribution for the year ended June 30, 2025 on May 26, 2025 @ Rs. 0.5 per unit	-	-	-	-	(8,343,878)	(8,343,878)
Distribution for the year ended June 30, 2025 on June 27, 2025 @ Rs. 1 per unit	-	-	-	-	(16,741,101)	(16,741,101)
Refund of capital	-	-	-	(144)	-	(144)
Net assets at the end of the year	<u>1,836,466,567</u>	<u>274,760,387</u>	<u>2,111,226,954</u>	<u>2,050,081,397</u>	<u>197,526,478</u>	<u>2,247,607,875</u>
Undistributed income brought forward:						
- Realised income		194,292,505			81,499,683	
- Unrealised income		3,233,973			51,819,822	
		197,526,478			133,319,505	
Accounting income available for distribution						
- Relating to capital gains		77,233,909			244,728,329	
- Excluding capital gains		-			(155,436,377)	
		77,233,909			89,291,952	
Distribution for the year ended June 30, 2025 on May 26, 2025 @ Rs. 0.5 per unit		-			(8,343,878)	
Distribution for the year ended June 30, 2025 on June 27, 2025 @ Rs. 1 per unit		-			(16,741,101)	
Undistributed income carried forward		<u>274,760,387</u>			<u>197,526,478</u>	
Undistributed income carried forward:						
- Realised income		210,517,843			194,292,505	
- Unrealised income		64,242,544			3,233,973	
		<u>274,760,387</u>			<u>197,526,478</u>	
			Rupees			Rupees
Net asset value per unit at the beginning of the year			<u>133.41</u>			<u>103.63</u>
Net asset value per unit at the end of the year			<u>148.85</u>			<u>133.41</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

Note	2026 ----- (Rupees) -----	2025 -----
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	223,320,140	281,901,971
Adjustments for:		
Gain on sale of investments - net	(161,255,254)	(241,494,356)
Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net	(64,242,544)	(3,233,973)
Dividend income	(380,997)	(37,647,453)
Profit on bank balances	(2,392,734)	(8,530,791)
	(228,271,529)	(290,906,573)
Decrease / (increase) in assets		
Investments - net	302,812,795	(1,161,389,243)
Advances and deposits	(192,448)	-
	302,620,347	(1,161,389,243)
(Decrease) / increase in liabilities		
Payable to JS Investments Limited - Management Company	(178,682)	(28,010)
Payable to Central Depository Company of Pakistan Limited - Trustee	(19,223)	159,482
Payable to the Securities and Exchange Commission of Pakistan (SECP)	(12,216)	111,492
Payable against purchase of investments	-	(88,587,304)
Accrued expenses and other liabilities	(4,509,581)	5,123,192
	(4,719,702)	(83,221,148)
Profit received on savings accounts with banks	2,267,259	8,757,167
Dividend income received	380,997	37,895,501
Net cash generated from / (used in) operating activities	295,597,512	(1,206,962,325)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(25,084,979)
Receipts against issuance of units	2,001,893,673	2,185,303,863
Payments against redemption of units	(2,361,594,734)	(1,031,333,907)
Net cash (used in) / generated from financing activities	(359,701,061)	1,128,884,977
Net decrease in cash and cash equivalents	(64,103,549)	(78,077,348)
Cash and cash equivalents at the beginning of the year	67,195,696	145,273,044
Cash and cash equivalents at end of the year	3,092,147	67,195,696

18

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** JS Fund of Funds (the Fund) was established under a Trust Deed, dated April 19, 2005 executed between JS Investments Limited (JSIL) as the Asset Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on April 19, 2005 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) as an open-ended unit trust scheme. The Fund commenced its operations from October 31, 2005.
- 1.2** During the year ended June 30, 2021, The Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trusts Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was required to be registered under the Sindh Trusts Act. Accordingly, on September 3, 2021, the above-mentioned Trust Deed was registered under the Sindh Trusts Act.
- 1.3** The Fund is an open-ended mutual fund categorised as "Asset Allocation Fund of Funds scheme" and the Fund is listed on Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund's primary activity is to invest in the leading equity, fixed income, money market and balanced funds, including funds managed by JS Investments Limited, and provide investors an opportunity to gain from the performance of these funds through one investment in the Fund. Under the Securities and Exchange Commission of Pakistan's (SECP's) guidelines, the Fund is also allowed to maintain balance with banks.
- 1.4** The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at The Centre, 19th Floor, Plot No. 28 SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.
- 1.5** Pakistan Credit Rating Agency (PACRA) has upgraded the credit rating of the Management Company to 'AM1 with stable outlook' dated November 05, 2025 (2025: 'AM2++ with stable outlook' dated November 30, 2024).
- 1.6** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2.2 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these do not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these financial statements.

2.3 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) effective for annual periods beginning on or after January 1, 2027. IFRS 18 when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Fund.

2.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 3.1 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 22 to these financial statements.

2.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Financial assets

3.1.1 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".

3.1.2 Classification and subsequent measurement

3.1.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL);

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.1.2.2 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 recognized 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.

3.1.2.3 Subsequent measurement

Subsequent to initial recognition, financial assets are valued as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Financial assets 'at fair value through profit or loss'

Basis of valuation in the units of mutual funds

The investments of the Fund in the collective investment scheme are valued on the basis of daily net assets value (NAV) announced by the Management Company.

The fair value of financial instruments i.e. investment in mutual funds is based on their net asset value at the reporting date without any deduction for estimated future selling costs.

Net gains and losses arising from changes in the fair value of financial assets carried 'at fair value through profit or loss' are taken to the Income Statement.

3.1.3 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Assets and Liabilities at amortised cost. These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

3.1.4 Impairment

The Fund assesses on a forward looking basis the expected credit loss (ECL) associated with its financial assets carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount 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.

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

3.1.5 Regular way contracts

All regular way purchases and sales of financial assets are recognized on the trade date i.e. the date on which the Fund commits to purchase or sell the asset.

3.1.6 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 arising on derecognition of financial assets is taken to the Income Statement.

3.2 Financial liabilities

Financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.3 Offsetting of financial assets and financial liabilities

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

Income and expenses are presented on a net basis only when permitted by the accounting and reporting standards as applicable in Pakistan.

3.4 Provisions

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

3.5 Net asset value per unit

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

3.7 Issuance and redemption of units

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

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

3.8 Distribution to unit holders

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

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

3.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

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. Further, element of income / (loss) is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.10 Revenue recognition

- Realised gains / (losses) arising on sale of investments are included in the Income Statement and are recognised when the transaction takes place.
- Unrealised appreciation / (diminution) arising on remeasurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the year in which these 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 savings accounts with banks is recognised on a time proportion basis using the effective yield method.

3.11 Expenses

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

3.12 Taxation

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 realized or unrealized, 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.

4 BANK BALANCES

In savings accounts

Note	2026	2025
	Rupees	

4.1	<u>3,092,147</u>	<u>67,195,696</u>
-----	------------------	-------------------

4.1 These include a bank balance of Rs. 2.445 million (2025: Rs. 66.856 million) maintained with the JS Bank Limited (a related party) that carries profit at the rate of 9.00% (2025: 9.00%) per annum and a balance of Rs. 0.018 million (2025: Rs. 0.017 million) with BankIslami Pakistan Limited (a related party) that carries profit at the rate of 0.10% (2025: 0.10%) per annum. Other saving accounts of the fund carry profit rates ranging from 9.00% to 12.00% (2025: 8.25% to 11.50%) per annum.

Note	2026	2025
	Rupees	

5 INVESTMENTS

At fair value through profit or loss

Units of open-ended mutual funds

5.1	<u>2,109,161,885</u>	<u>2,186,476,882</u>
-----	----------------------	----------------------

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

5.1 Financial assets 'at fair value through profit or loss' - units of open-ended mutual funds

Collective investment scheme	As at July 01, 2025	Purchased / bonus during the year	Sold during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of	
					Carrying value	Market value	Unrealised appreciation	net assets of the fund	total investments of the fund
	(Number of units)				(Rupees)			%	
Managed by JS Investments Limited - Related party									
JS Microfinance Sector Fund	20,215,212	17,901,727	27,437,371	10,679,568	1,244,538,806	1,288,489,838	43,951,032	61.03	61.09
JS Growth Fund	-	194,943	-	194,943	100,000,000	100,997,914	997,914	4.78	4.79
JS Large Cap Fund	-	1,632,212	194,666	1,437,546	600,000,000	619,079,255	19,079,255	29.32	29.35
Unit Trust of Pakistan	-	235,035	-	235,035	100,380,535	100,594,878	214,343	4.76	4.77
Investments as at June 30, 2026					2,044,919,341	2,109,161,885	64,242,544		
Investments as at June 30, 2025					2,183,242,909	2,186,476,882	3,233,973		

5.2 As per the Offering Document, the Fund is authorised to invest up to 100% (2025: 100%) of its net assets in funds managed by JS Investments Limited. As at June 30, 2026, exposure of the Fund in funds managed by JS Investments Limited (the Management Company) is 99.89% (2025: 97.28%) of the net assets of the Fund.

Note	2026	2025
	Rupees	Rupees

5.3 Net unrealised appreciation on remeasurement of investments classified as financial assets 'at fair value through profit or loss'

Market value of investments	5.1	2,109,161,885	2,186,476,882
Less: carrying value of investments	5.1	(2,044,919,341)	(2,183,242,909)
		64,242,544	3,233,973

5.4 The Fund previously held units in JS Principal Secure Fund I, which matured on June 11, 2012. During the year, the Fund received Rs. 2.097 million representing its proportionate share of recoveries from the underlying assets of the matured fund. Accordingly, the amount has been recognised as other income in the Income Statement.

Note	2026	2025
	Rupees	Rupees

6 PROFIT RECEIVABLE

Profit receivable on savings accounts with banks	6.1	1,114,038	988,563
--	-----	------------------	---------

6.1 These include profit receivable of Rs. 1.114 million (2025: Rs. 0.726 million) maintained with the JS Bank Limited (a related party).

Note	2026	2025
	Rupees	Rupees

7 ADVANCES AND DEPOSITS

Security deposit with Central Depository Company of Pakistan Limited - Trustee		100,000	100,000
Advance tax	7.1	334,248	141,800
		434,248	241,800

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

7.1 Advance tax

As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 150 and 151. However, withholding tax on profit on bank balances paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide its Circular C. No.1 (43) DG (WHT) / 2008 - Vol.II - 66417 - R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on bank balances amounted to Rs. 0.334 million (2025: Rs. 0.142 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court of Pakistan granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on bank balances has been shown as advance tax as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

		2026	2025
	Note	Rupees	
8 PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY			
Remuneration payable to the Management Company	8.1	4,569	55,597
Sindh sales tax payable on remuneration of the Management Company	8.2	685	8,339
Federal excise duty payable on the remuneration of the Management Company including Sindh sales tax	8.3	517,816	517,816
Printing and stationery charges payable		-	120,000
		<u>523,070</u>	<u>701,752</u>

8.1 As per Regulation 61 of NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document and subject to the capping of 1% for a collective investment scheme categorised as an "Asset Allocation Fund of Funds scheme". Keeping in view the maximum allowable threshold, the Management Company has charged 1% (2025: 1%) per annum of average daily net assets of the Fund during the year ended June 30, 2026. However, no remuneration is charged on that part of the net assets which have been invested in the mutual funds managed by the Management Company. The remuneration is payable to the Management Company in arrears.

8.2 Sindh sales tax is levied at the rate of 15% (2025: 15%) under the Sindh Sales Tax on Services Act, 2011 on the Management Company's remuneration and any reimbursable expenditure to the Management Company.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 0.452 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2026 would have been higher by Re. 0.04 (2025: Re. 0.03) per unit.

	Note	2026 Rupees	2025 Rupees
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration payable to the Trustee	9.1	253,754	266,613
Sindh sales tax payable on remuneration of the Trustee	9.2	38,063	39,992
Settlement charges payable		565	5,000
		292,382	311,605

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. Remuneration was charged at the following rates during the year ended June 30, 2026:

Net Assets (Rs.)	Rate
up to Rupees one billion	0.2% per annum of the daily net assets
exceeding Rupees one billion	Rs. 2,000,000 plus 0.1% per annum of the daily net assets of the Fund exceeding rupees one billion

9.2 Sindh sales tax on remuneration of the Trustee levied through the Sindh Sale Tax Act on Services, 2011 has been charged at the rate of 15% (2025: 15%).

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% (2025: 0.095%) per annum of the daily net assets of the Fund during the year.

The Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025
11	ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditors' remuneration payable		891,000	653,400
Zakat payable		-	12,878
Withholding tax payable		70,688	3,787,701
Capital gain tax payable		47,160	-
Brokerage payable		188,992	1,211,848
Other payable		399,088	440,682
		<u>1,596,928</u>	<u>6,106,509</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.

	Note	2026 Number of units	2025
13	NUMBER OF UNITS IN ISSUE		
Total units in issue at the beginning of the year		16,847,918	8,074,725
Add: units issued during the year		13,942,181	16,807,355
Less : units redeemed during the year		(16,606,298)	(8,034,162)
Total units in issue at the end of the year		<u>14,183,801</u>	<u>16,847,918</u>

	Note	2026 Rupees	2025
14	AUDITORS' REMUNERATION		
Fee for annual audit and half yearly review		1,008,000	750,000
Income certification		150,000	100,000
Out of pocket expenses		162,000	127,000
Sindh sales tax		105,600	78,160
		<u>1,425,600</u>	<u>1,055,160</u>

15 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the fund as at June 30, 2026 based on the current year results is 0.35% (2025: 0.73%), which includes 0.12% (2025: 0.16%) representing government levies such as sales taxes and SECP fee, etc.

During the year ended June 30, 2025, the Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 600(I)/2025 dated April 10, 2025, amended the previously applicable Total Expense Ratio (TER) caps. Effective July 1, 2025, this amendment replaced the earlier TER-based cap structure with a direct cap on the management fee, irrespective of the scheme's overall expense ratio. The revised management fee limits are disclosed in note 8.1 to these financial statements.

16 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in a manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

17 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include JS Investments Limited (JSIL) being the Management Company of the Fund, Central Depository Company of Pakistan Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Management Company - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20 % shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL - 75.12% shares are held by JS Bank Limited, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL - 92.90% shares are held by JS Bank Limited and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other Funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at June 30, 2026. It also includes staff retirement benefit Funds of the above related parties / connected persons.

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. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates. The management considers that the transactions between the related parties / connected persons are executed in accordance with the parameters defined in the Offering Document, Trust Deed and NBFC Regulations which are publicly available documents and hence, the transactions are considered to be on an arm's length basis.

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

	Note	2026 Rupees	2025 Rupees
17.1 Details of the transactions with connected persons and related parties are as follows:			
JS Investments Limited - Management Company			
Remuneration of JS Investments Limited - Management Company		293,637	692,771
Sindh sales tax on remuneration of the Management Company		44,045	103,916
Redemption of units: Nil (2025: 7,824,503)		-	1,003,357,891
Allocated expenses		-	859,299
Printing and stationery charges		-	136,655
Central Depository Company of Pakistan Limited - Trustee			
Remuneration of the Trustee		3,009,661	2,072,326
Sindh sales tax on remuneration of the Trustee		451,449	310,849
Settlement charges		12,800	50,614
JS Bank Limited - Parent Company of JSIL			
Profit on bank balances		2,345,180	4,118,527
BankIslami Pakistan Limited - Fellow subsidiary of JSBL			
Profit on bank balances		1,137	-
JS Global Capital Limited - Fellow Subsidiary of JSBL			
Brokerage expense		-	547,287

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	----- Rupees -----	
JS Cash Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: Nil (2025: 5,370,545) units	-	595,110,114
Redemption by the Fund: Nil (2025: 5,370,545) units	-	608,362,519
Net gain on disposal of investments by the Fund	-	13,252,422
JS Growth Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: 189,937 (2025: 737,102) units	100,000,000	255,000,000
Redemption by the Fund: Nil (2025: 1,178,340) units	-	385,779,118
Net gain on disposal of investments by the Fund	-	17,477,986
JS Income Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: Nil (2025: 1,211,123) units	-	125,000,000
Redemption by the Fund: Nil (2025: 1,725,755) units	-	186,675,042
Net gain on disposal of investments by the Fund	-	8,950,856
JS Islamic Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: Nil (2025: 96,341) units	-	18,000,000
Redemption by the Fund: Nil (2025: 96,341) units	-	19,312,517
Net gain on disposal of investments by the Fund	-	1,312,592
JS Momentum Factor Exchange Traded Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: Nil (2025: 30,599,500) units	-	375,705,589
Redemption by the Fund: Nil (2025: 40,359,000) units	-	620,909,425
Net gain on disposal of investments by the Fund	-	56,650,241
JS Microfinance Sector Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: 17,901,727 (2025: 37,345,930) units	2,082,923,886	4,274,988,308
Redemption by the Fund: 27,437,371 (2025: 19,729,657) units	3,193,193,791	2,274,979,636
Dividend reinvest: Nil (2025: 197,104)	-	21,287,179
Net gain on disposal of investments by the Fund	-	54,566,871
Unit Trust of Pakistan - Associate (Fund under JSIL Management)		
Investment by the Fund: 232,315 (2025: 418,515) units	100,000,000	100,000,000
Redemption by the Fund: Nil (2025: 1,479,067) units	-	384,345,059
Dividend reinvest: 892 (2025: Nil) units	380,997	-
Capital refund units : 1,828 (2025: Nil) units	780,578	-
Net gain on disposal of investments by the Fund	-	43,291,735
JS Large Cap. Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: 1,632,212 (2025: 1,073,857) units	680,000,000	284,344,843
Redemption by the Fund: 194,666 (2025: 1,444,769) units	72,923,886	393,143,790
Net gain on disposal of investments by the Fund	-	34,089,210

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees	
JS Government Securities Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: Nil (2025: 2,454,994) units	-	271,129,531
Redemption by the Fund: Nil (2025: 2,454,994) units	-	274,468,323
Net gain on disposal of investments by the Fund	-	3,338,787
JS Islamic Money Market Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: Nil (2025: 3,750,000) units	-	375,000,000
Redemption by the Fund: Nil (2025: 3,791,729) units	-	381,130,134
Dividend reinvest: Nil (2025: 41,729) units	-	4,172,914
Net gain on disposal of investments by the Fund	-	1,956,616
JS Islamic Premium Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: Nil (2025: 97,485) units	-	10,000,000
Redemption by the Fund: Nil (2025: 97,485) units	-	5,943,020
Net loss on disposal of investments by the Fund	-	4,056,969
JS Money Market Fund - Associate (Fund under JSIL Management)		
Investment by the Fund: Nil (2025: 4,218,680) units	-	450,000,000
Redemption by the Fund: Nil (2025: 4,218,680) units	-	455,942,950
Net loss on disposal of investments by the Fund	-	5,942,947
JS Global Banking Sector Exchange Traded Fund - Associate (Fund under JS Global Limited)		
Investment by the Fund: Nil (2025: 1,400,000) units	-	25,138,995
Redemption by the Fund: Nil (2025: 1,400,000) units	-	29,325,240
Net gain on disposal of investments by the Fund	-	4,186,245
Entities held 10% or more of units of the Fund		
Units held: 13,928,547 (2025: Nil) units	1,931,053,695	-
17.2 Amounts outstanding as at year end are as follows:	2026	2025
JS Investments Limited - Management Company		
Remuneration payable to the Management Company	685	55,597
Sindh sales tax payable on remuneration of the Management Company	4,569	74,322
Federal excise duty payable on the remuneration of the Management Company	517,816	451,833
Printing and stationery charges payable	-	120,000
JS Global Capital Limited - Fellow Subsidiary of JSBL		
Brokerage payable	-	315,864
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to the Trustee	253,754	266,613
Sindh sales tax payable on remuneration of the Trustee	38,063	39,992
Settlement charges payable	565	5,000
Security deposit	100,000	100,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees	
JS Bank Limited - Parent Company of JSIL		
Bank balances	2,445,400	66,856,405
Profit receivable	1,114,036	726,242
BankIslami Pakistan Limited - Fellow subsidiary of JSBL		
Bank balances in savings account	18,457	17,320
JS Growth Fund - Associate (Fund under JSIL Management)		
Investment held by the Fund: 194,943 (2025: Nil) units	100,997,914	-
JS Microfinance Sector Fund - Associate (Fund under JSIL Management)		
Investment held by the Fund: 10,679,568 (2025: 20,215,212) units	1,288,489,838	2,186,476,882
Unit Trust of Pakistan - Associate (Fund under JSIL Management)		
Investment held by the Fund: 235,035 (2025: Nil) units	100,594,878	-
JS Large Cap. Fund - Associate (Fund under JSIL Management)		
Investment held by the Fund: 1,437,546 (2025: Nil) units	619,079,255	-
Entities held 10% or more of units of the Fund		
Units held: 13,928,547 (2025: Nil) units	2,073,264,155	-

	2026	2025
Note	Number of units	

18 CASH AND CASH EQUIVALENTS

Bank balances	4	3,092,147	67,195,696
---------------	---	-----------	------------

	2026	
	At amortised cost	At fair value through profit or loss
	Total	
	Rupees	

19 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Bank balances	3,092,147	-	3,092,147
Investments	-	2,109,161,885	2,109,161,885
Profit receivable	1,114,038	-	1,114,038
Deposits	100,000	-	100,000
	4,306,185	2,109,161,885	2,113,468,070

Financial liabilities

Payable to JS Investments Limited - Management Company	523,070	-	523,070
Payable to Central Depository Company of Pakistan Limited - Trustee	292,382	-	292,382
Accrued expenses and other liabilities	1,479,080	-	1,479,080
	2,294,532	-	2,294,532

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025		
At amortised cost	At fair value through profit or loss	Total
Rupees		

Financial assets

Bank balances	67,195,696	-	67,195,696
Investments	-	2,186,476,882	2,186,476,882
Profit receivable	988,563	-	988,563
Deposits	100,000	-	100,000
	<u>68,284,259</u>	<u>2,186,476,882</u>	<u>2,254,761,141</u>

Financial liabilities

Payable to JS Investments Limited - Management Company	701,752	-	701,752
Payable to Central Depository Company of Pakistan Limited - Trustee	311,605	-	311,605
Accrued expenses and other liabilities	2,305,930	-	2,305,930
	<u>3,319,287</u>	<u>-</u>	<u>3,319,287</u>

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

Risk management framework

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

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

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

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

20.1 Market risk

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund does not have any financial instruments in foreign currencies and hence it is not exposed to such risk.

20.1.2 Interest / profit rate risk

Interest /profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2026, the Fund is mainly exposed to interest rate risk on balances held with banks. The Investment Committee of the Fund reviews the portfolio on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instrument

As at June 30, 2026, the Fund holds balances in savings accounts amounting to Rs 3.092 million (2025: Rs 67.196 million) exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / (decrease) in interest rates at the reporting date, the net assets of the Fund and net income for the year would have been higher / lower by Rs 0.031 million (2025: Rs. 0.672 million). The analysis assumes that all other variables remain constant.

b) Sensitivity analysis for fixed rate instrument

As at June 30, 2026, the Fund does not hold any fixed rate instrument that may expose the Fund to fixed interest rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

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 financial instruments is based on the settlement date.

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

	2026				Total
	Exposed to yield / interest risk			Not exposed to yield / interest rate risk	
Effective yield / interest rate	Upto three months	More than three months and up to one year	More than one year		
----- % -----	----- (Rupees) -----				
Financial assets					
Bank balances	0.1%-12%	3,092,147	-	-	3,092,147
Investments		-	-	2,109,161,885	2,109,161,885
Profit receivable		-	-	1,114,038	1,114,038
Deposits		-	-	100,000	100,000
Sub total		3,092,147	-	2,110,375,923	2,113,468,070
Financial liabilities					
Payable to JS Investments Limited - Management Company		-	-	523,070	523,070
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	292,382	292,382
Accrued expenses and other liabilities		-	-	1,479,080	1,479,080
Sub total		-	-	2,294,532	2,294,532
On-balance sheet gap (a)		<u>3,092,147</u>	<u>-</u>	<u>2,108,081,391</u>	<u>2,111,173,538</u>
Off-balance sheet financial instruments		-	-	-	-
On-balance sheet gap (b)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total interest rate sensitivity gap (a + b)		<u>3,092,147</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cumulative interest rate sensitivity gap		<u>3,092,147</u>	<u>3,092,147</u>	<u>3,092,147</u>	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2026					
Effective yield / interest rate	Exposed to yield / interest risk			Not exposed to yield / interest rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- % -----	(Rupees) -----				
Financial assets					
Bank balances	0.1%-11.5%	67,195,696	-	-	67,195,696
Investments		-	-	2,186,476,882	2,186,476,882
Profit receivable		-	-	988,563	988,563
Deposits		-	-	100,000	100,000
Sub total		67,195,696	-	2,187,565,445	2,254,761,141
Financial liabilities					
Payable to JS Investments Limited - Management Company		-	-	701,752	701,752
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	311,605	311,605
Accrued expenses and other liabilities		-	-	2,305,930	2,305,930
Sub total		-	-	3,319,287	3,319,287
On-balance sheet gap (a)		<u>67,195,696</u>	<u>-</u>	<u>2,184,246,158</u>	<u>2,251,441,854</u>
Off-balance sheet financial instruments		-	-	-	-
On-balance sheet gap (b)		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total interest rate sensitivity gap (a + b)		<u>67,195,696</u>	<u>-</u>	<u>-</u>	
Cumulative interest rate sensitivity gap		67,195,696	67,195,696	67,195,696	

20.1.3 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 the Fund investments in open end mutual funds. The Fund manages its price risk arising from investments by diversifying its portfolio within the eligible limits prescribed in the Fund's Constitutive Documents, the NBFC Regulations and circulars issued by SECP from time to time.

In case of 1% increase / decrease in net asset value per unit of the funds on June 30, 2026, with all other variables held constant, the total income of the Fund for the year would increase / decrease by Rs. 21.091 million (2025: Rs. 21.860 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on investments classified as financial assets at fair value through profit or loss.

20.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due.

The table below analyses the Fund's maximum exposure to credit risk:

	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
	Rupees			
Bank balances	3,092,147	3,092,147	67,195,696	67,195,696
Investments	2,109,161,885	-	2,186,476,882	-
Profit receivable	1,114,038	1,114,038	988,563	988,563
Advances and deposits	434,248	100,000	241,800	100,000
	<u>2,113,802,318</u>	<u>4,306,185</u>	<u>2,254,902,941</u>	<u>68,284,259</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in units of open-ended mutual funds of Rs 2,109.161 million (2025: Rs 2,186.477 million) are not exposed to credit risk.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instrument guidelines approved by the Investment Committee.

20.2.1 Credit quality of financial assets

Name of bank	2026		
	Rating agency	Latest available published rating	% of financial assets exposed to credit risk
JS Bank Limited	PACRA	AA	79.09%
Allied Bank Limited	PACRA	AAA	0.25%
Faysal Bank Limited	PACRA	AA+	0.59%
Samba Bank Limited	PACRA	AA	0.69%
Dubai Islamic Bank Limited	VIS	AA	0.96%
BankIslami Pakistan Limited	PACRA	AA-	0.60%
U Microfinance Bank Limited	VIS	A+	15.50%
HBL Micro Finance Bank	VIS	A+	0.52%
Mobilink Finance Bank Ltd	PACRA	A	1.80%
			100.00%

Name of bank	2025		
	Rating agency	Latest available published rating	% of financial assets exposed to credit risk
JS Bank Limited	PACRA	AA	99.50%
Allied Bank Limited	PACRA	AAA	0.01%
Faysal Bank Limited	VIS	AA+	0.03%
Samba Bank Limited	PACRA	AA	0.02%
Dubai Islamic Bank Limited	VIS	AA	0.04%
Bank Islami Pakistan Limited	PACRA	AA-	0.03%
HBL Microfinance Bank Limited	VIS	A+	0.02%
U Microfinance Bank Limited	VIS	A+	0.23%
Mobilink Finance Bank Ltd	VIS	A	0.12%
			100.00%

20.2.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is broadly diversified and transactions are entered into with credit worthy counterparties thereby mitigating any significant concentration of credit risk.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on the terms that are materially disadvantageous to the Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The Fund is exposed to daily redemptions 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. The Fund's 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 subject to the maximum limit which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the year ended June 30, 2026.

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 redemption requests during the year ended June 30, 2026.

The table below summaries the maturity profile of the Fund's financial liabilities. 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 liabilities that are payable on demand including balances with banks have been included in the maturity grouping of one month:

2026						
Within one 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	Total
(Rupees)						

Financial liabilities

Payable to JS Investments Limited - Management Company
Payable to Central Depository Company of Pakistan Limited - Trustee
Accrued expenses and other liabilities
Total

523,070	-	-	-	-	-	523,070
292,382	-	-	-	-	-	292,382
588,080	891,000	-	-	-	-	1,479,080
1,403,532	891,000	-	-	-	-	2,294,532

2025						
Within one 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	Total
(Rupees)						

Financial liabilities

Payable to JS Investments Limited - Management Company
Payable to Central Depository Company of Pakistan Limited - Trustee
Accrued expenses and other liabilities
Total

701,752	-	-	-	-	-	701,752
311,605	-	-	-	-	-	311,605
1,652,530	653,400	-	-	-	-	2,305,930
2,665,887	653,400	-	-	-	-	3,319,287

21 UNIT 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 restrictions on the subscription and redemption of units. As required under the NBFC Regulations, 2008 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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

In accordance with the risk management policies as stated in note 20, 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.

22 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 on 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.

22.1 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 June 30, 2026 and June 30, 2025, the Fund held the following financial instruments measured at fair value:

2026			
Level 1	Level 2	Level 3	Total
----- Rupees -----			

Financial assets

At fair value through profit or loss

Units of open-ended mutual funds

-	2,109,161,885	-	2,109,161,885
---	---------------	---	---------------

2025			
Level 1	Level 2	Level 3	Total
----- Rupees -----			

Financial assets

At fair value through profit or loss

Units of open-ended mutual funds

-	2,186,476,882	-	2,186,476,882
---	---------------	---	---------------

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

22.2 Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Units of open-ended mutual funds	The valuation of open-ended mutual funds has been determined through closing rates announced by Mutual Funds Association of Pakistan (MUFAP).

22.3 During the year ended June 30, 2026, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

23 DETAILS OF MEMBERS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

S. No.	Name	Designation	Experience in years	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	25	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer & Company Secretary	34	MBA
3	Mr. Syed Hussain Haider	Chief Investment Officer	24	CFA / CIPM
4	Mr. Safdar Raza	Vice President - Fund Manager	10	B.Com
5	Mr. Yasin Muhammad Hanif	Assistant Vice President - Fund Manager	6	BBA

23.1 Name and qualification of the Fund Manager

Name	Designation	Qualification	Other funds managed by the Fund Manager
Mr. Yasin Muhammad Hanif	Assistant Vice President - Fund Manager	BBA	Unit Trust of Pakistan, JS Large Cap. Fund, JS Growth Fund, and JS Islamic Fund

24 PATTERN OF UNIT HOLDING

Category	2026			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Individuals	91	122,606	18,249,628	0.86
Retirement fund and others	4	14,061,195	2,092,977,326	99.14
	95	14,183,801	2,111,226,954	100.00

Category	2025			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Individuals	90	119,903	15,995,741	0.71
Retirement fund and others	4	16,728,015	2,231,612,134	99.29
	94	16,847,918	2,247,607,875	100.00

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

25 LIST OF BROKERS BY PERCENTAGE OF COMMISSION PAID

2025	
Name of broker	Percentage of commission paid
JS Global Capital Limited	24.96%
Multiline Securities (Pvt) Ltd	20.02%
Topline Securities Pvt Ltd	10.63%
Adam Securities Ltd	9.44%
Growth Securities (Pvt) Ltd.	8.82%
D.J.M Securities (Pvt.) Limited	7.05%
Chase Securities Pakistan (Private Limited)	6.14%
Optimus Capital Management (Pvt) Ltd	6.10%
Adam Haji Mohammad (Ahm) Securities Private Limited	5.47%
Shajar Capital Pakistan (Private) Limited	1.37%
	100.00%

No brokerage expense was incurred or paid by the Fund during the year.

26 MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year:

S.No.	Name of Directors	Meetings attended	Meetings held on				
			August 19, 2025	October 21, 2025	January 09, 2026	February 20, 2026	April 23, 2026
1	Mr. Suleman Lalani	5	✓	✓	✓	✓	✓
2	Ms. Iffat Zehra Mankani	5	✓	✓	✓	✓	✓
3	Mr. Hasan Shahid	5	✓	✓	✓	✓	✓
4	Ms. Aisha Fariel Salahuddin*	2	✓	✓	X	X	X
5	Ms. Mediha Kamal Afsar***	4	✓	✓	X	✓	✓
6	Mr. Faisal Anwar	5	✓	✓	✓	✓	✓
7	Mr. Farooq Ahmed Malik*	2	✓	✓	X	X	X
8	Syed Kazim Raza***	4	✓	✓	X	✓	✓
9	Mr. Ahsan Jamal**	3	X	X	✓	✓	✓
10	Ms. Maria Mittermair**	3	X	X	✓	✓	✓
			8	8	6	8	8

* Ms. Aisha Fariel Salahuddin and Mr. Farooq Ahmed Malik completed their term as directors on December 25, 2025.

** Mr. Ahsan Jamal and Ms. Maria Mittermair were elected as directors of the Company w.e.f. December 26, 2025.

***Ms. Mediha Kamal Afsar and Syed Kazim Raza were on leave of absence in the 184th Board meeting held on January 9, 2026.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

27 GENERAL

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

Corresponding figures have been reclassified and rearranged in these financial statements, wherever necessary, for the purpose of better presentation. No significant rearrangements or reclassifications were made in these financial statements.

28 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 23, 2026 by Board of Directors of the Management Company.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.
- **Regional Office - Lahore**
1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094
- **Wealth Centre - Lahore**
Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094
- **Wealth Centre - Peshawar**
Ground Floor, Shop #10-A,
Fakhr e Alam Road, Super Market, Peshawar

☎ 0800-00887 ✉ "Invest to 8027" ✉ ir@jsil.com 🌐 www.jsil.com
f www.facebook.com/jsinvestments t http://twitter.com/JSinvestment
in http://www.linkedin.com/company/js-investment-limited



QR Code for
website access

**JS INCOME FUND
ANNUAL REPORT 2026**

GROWING STRONGER.

**SCALING
SMARTER**

CONTENT AT A GLANCE

COMPANY INFORMATION

01

Company Information	02
Vision	03
Mission	
Directors' Report to the Unit Holders	04
Fund Manager's Report	09
Performance Table / Key Financial Data	11
Trustee Report to the Unit Holders	12
Independent Auditors' Report to the Unit Holders	14

FINANCIAL STATEMENTS

02

Statement of Assets And Liabilities	18
Statement of Income	19
Statement of Comprehensive Income	20
Statement of Movement In Unit Holders' Fund	21
Statement of Cash Flows	22
Notes to and Forming Part of the Financial Statements	23

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani
Non-Executive Director / Chairman

Ms. Iffat Zehra Mankani
Chief Executive Officer

Mr. Hasan Shahid
Non-Executive Director

Syed Kazim Raza
Non-Executive Director

Mr. Atif Salim Malik**
Non-Executive Director

Ms. Maria Mittermair
Independent Director

Ms. Mediha Kamal Afsar
Independent Director

Mr. Ahsan Jamal
Non-Executive Director

Mr. Faisal Anwar*
Non-Executive Director

Chief Executive Officer
Ms. Iffat Zehra Mankani

Chief Financial Officer
Mr. Raheel Rehman

Chief Investment Officer
Syed Hussain Haider

Chief Operating Officer & Company Secretary
Mr. Muhammad Khawar Iqbal

Statutory Auditors
A.F. Ferguson Co Chartered Accountants

Legal Advisors
Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee
Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Ms. Maria Mittermair

Trustee
Digital Custodian Company Limited
4th Floor, Perdesi House 2/1, R-Y-16,
Old Queens Road, Karachi - 75530

* Mr. Faisal Anwar resigned from the board on April 27, 2026.

** Mr. Atif Salim Malik joined the board on May 07, 2026.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.

MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.



DIRECTORS' REPORT TO THE UNITHOLDERS

The Board of Directors of JS Investments Limited, the Management Company of **JS Income Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2026.

ECONOMIC REVIEW

FY2026 marked a further strengthening of Pakistan's macroeconomic foundations despite a more challenging external environment. The resurgence of geopolitical tensions in the Middle East temporarily disrupted the disinflation process and heightened external uncertainty; however, continued policy discipline, progress under the IMF-supported reform programme and improving investor confidence helped preserve macroeconomic stability and reinforce policy credibility through the year.

Real GDP growth accelerated to 3.7%, the strongest pace in four years, supported by a broad-based recovery in manufacturing and services. While inflation reaccelerated toward year-end amid higher global energy prices, average inflation remained contained at 7.1%. Fiscal consolidation continued, supported by stronger revenue collection and an improved primary balance, while record remittances, reserve accumulation and renewed access to international capital markets strengthened the external position despite a widening trade deficit.

The year also witnessed a further improvement in Pakistan's sovereign credit profile, with international rating upgrades reinforcing the progress achieved under the macroeconomic adjustment agenda and supporting renewed access to global capital markets. While these developments provide a firmer macroeconomic foundation, the challenge ahead extends beyond preserving stability. Sustaining higher long-term growth will require continued reform implementation, stronger private-sector investment, productivity enhancement and a gradual transition from stabilization-led recovery to a more competitive, investment- and export-oriented economy.

INCOME / MONEY MARKET REVIEW

Domestic fixed income markets moved through two distinct phases during FY2026. The year began with contained inflation and continued monetary easing, with the State Bank of Pakistan reducing the policy rate by 50 basis points to 10.5% in December. However, higher global energy prices following renewed Middle East tensions altered the inflation outlook, prompting a 100-basis point increase in the policy rate to 11.5% in April.

Government security yields initially benefited from the improving inflation outlook before repricing higher as geopolitical tensions intensified, and subsequently partially retraced as tensions eased and oil prices moderated. The 3-month, 12-month and 5-year benchmark yields closed the year at 11.60%, 11.60% and 11.80%, respectively. The relatively contained adjustment in longer-tenor yields suggested that investors continued to view the inflation shock as largely transitory rather than structural.

The outlook for domestic fixed income remains broadly constructive. A gradual normalization in inflation should provide scope for monetary conditions to ease over time, although the pace of any future policy adjustment will remain contingent upon sustained geopolitical de-escalation, continued fiscal discipline and inflation converging toward the SBP's medium-term target range. Against this backdrop, duration positioning is expected to remain selective, with valuation opportunities likely to emerge as policy visibility improves and inflation risks become more balanced.

REVIEW OF FUND PERFORMANCE

The Fund generated a return of 8.46% for the year ended June 30, 2026, compared with the benchmark return of 11.14%. During the year, the Fund maintained a relatively higher average duration, which increased its sensitivity to movements in market yields. The repricing of government securities, corporate debt and other fixed-income instruments resulted in mark-to-market valuation losses that adversely affected the Fund's return. The benchmark methodology does not reflect the same capital price impact arising from such market movements, contributing to the performance differential.

Net assets stood at PKR 4.13 billion as of June 30, 2026, compared with PKR 7.57 billion a year earlier. The Fund's total expense ratio was 1.95%, including 0.32% in government levies.

DIVIDEND

The Fund paid an interim cash dividend of Rs 1.00 per unit during the year ended June 30, 2026.

ASSET MANAGER & FUND RATING

Pakistan Credit Rating Agency Limited (PACRA) upgraded JS Investments Limited's Asset Manager Rating to 'AM1' with a 'Stable Outlook' on November 5, 2025 — the highest management-quality assessment, reflecting sound governance, institutionalized investment processes and consistent operational performance. PACRA has also reaffirmed the stability rating of "A + (f)" with 'stable outlook' dated May 04, 2026 (June 10, 2025: "A + (f)" with 'stable outlook') to the Fund.

AUDITORS

The external auditors of the Fund, M/s. A.F Ferguson & Co. Chartered Accountants, retired and, being eligible, offered themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board, has approved the appointment of M/s. A.F Ferguson & Co. Chartered Accountants as the Fund's auditors for the ensuing year ending June 30, 2027.

ADDITIONAL INFORMATION

- a. Annexed to the Annual Report is the Fund Manager's Report, providing a description of principal risks and uncertainties along with a reasonable indication of future yield prospects.
- b. The Pattern of Unit holding as of June 30, 2026, is annexed to this annual report.
- c. The system of internal control is sound in design and has been effectively implemented and monitored.
- d. A performance table/key financial data is annexed to this annual report.

ACKNOWLEDGMENT

The Board of Directors expresses its gratitude to the Securities and Exchange Commission of Pakistan and Digital Custodian Company Limited for their continued support, assistance and guidance. The Board also places on record its appreciation for the dedication and commitment of the employees of the Management Company and thanks the unitholders for their continued confidence in the Management Company.

On behalf of the Board



Director



Chief Executive Officer

August 23, 2026
Karachi

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور از سر نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2027 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

اضافی معلومات:

- الف۔ سالانہ رپورٹ کے ساتھ فنڈ مینجرج کی رپورٹ منسلک ہے، جس میں اہم خطرات اور غیر یقینی عوامل کی وضاحت کے ساتھ مستقبل کے منافع کے امکانات کی نشاندہی کی گئی ہے۔
- ب۔ 30 جون 2026 تک یونٹ ہولڈنگ کا پیٹرن اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
- ج۔ اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- د۔ کارکردگی کا جدول/کلیدی مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

اظہار تشکر:

ڈائریکٹرز پاکستان سکیورٹیز اینڈ ایکسچینج کمیشن اور ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ مینجمنٹ کمپنی کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون ہے۔

بورڈ کی جانب سے


چیف ایگزیکٹو آفیسر


ڈائریکٹر

کراچی، 23 اگست 2026

حکومتی سیکورٹیز کی ییلڈز نے ابتدا میں افراط زر کے بہتر ہوتے ہوئے منظر نامے سے فائدہ اٹھایا، تاہم جغرافیائی سیاسی کشیدگی میں اضافے کے باعث ان میں دوبارہ اضافہ ہوا۔ بعد ازاں کشیدگی میں کمی اور تیل کی قیمتوں میں اعتدال آنے کے ساتھ ییلڈز میں جزوی طور پر کمی واقع ہوئی۔ 3 ماہ، 12 ماہ اور 5 سالہ بینچ مارک ییلڈز بالترتیب 11.60 فیصد، 11.60 فیصد اور 11.80 فیصد کی سطح پر سال کے اختتام پر بند ہوئیں۔ طویل مدتی میچورٹی والی سیکورٹیز کی ییلڈز میں نسبتاً محدود تبدیلی اس امر کی عکاسی کرتی ہے کہ سرمایہ کار افراط زر میں اس اضافے کو ایک ساختی مسئلے کے بجائے بڑی حد تک عارضی نوعیت کا جھٹکا سمجھتے رہے۔

ملکی فکسڈ انکم مارکیٹ کا آئندہ منظر نامہ مجموعی طور پر حوصلہ افزا ہے۔ افراط زر میں بتدریج معمول کی سطح کی جانب واپسی سے وقت کے ساتھ مانیٹری حالات میں مزید نرمی کی گنجائش پیدا ہو سکتی ہے، تاہم مستقبل میں پالیسی میں کسی بھی ممکنہ تبدیلی کی رفتار کا انحصار جغرافیائی سیاسی کشیدگی میں پائیدار کمی، مسلسل مالیاتی نظم و ضبط اور افراط زر کے اسٹیٹ بینک آف پاکستان (SBP) کی درمیانی مدت کی ہدفی حد کی جانب واپس آنے پر ہوگا۔ اس پس منظر میں سرمایہ کاری کی مدت کے حوالے سے حکمت عملی محتاط اور منتخب بنیادوں پر برقرار رہنے کی توقع ہے، جبکہ پالیسی کے حوالے سے صورتحال مزید واضح ہونے اور افراط زر کے خطرات میں توازن پیدا ہونے کے ساتھ ویلیو ایڈیشن کی بنیاد پر سرمایہ کاری کے مواقع بھی سامنے آنے کا امکان ہے۔

فنڈ کی کارکردگی کا جائزہ:

فنڈ نے 30 جون 2026 کو ختم ہونے والے سال کے دوران 8.46 فیصد منافع حاصل کیا، جبکہ بینچ مارک کا منافع 11.14 فیصد رہا۔ سال کے دوران فنڈ نے نسبتاً زیادہ اوسط مدت برقرار رکھی، جس کے باعث مارکیٹ ییلڈز میں ہونے والی تبدیلیوں کے لیے فنڈ کی حساسیت میں اضافہ ہوا۔ حکومتی سیکورٹیز، کارپوریٹ قرضہ جاتی سیکورٹیز اور دیگر فکسڈ انکم آلات کی قیمتوں میں دوبارہ تعین کے نتیجے میں مارکیٹ ٹو مارکیٹ ویلیو ایڈیشن نقصانات ہوئے، جنہوں نے فنڈ کے منافع پر منفی اثر ڈالا۔ بینچ مارک کے طریقہ کار میں مارکیٹ کی ایسی تبدیلیوں کے نتیجے میں ہونے والے سرمائے کی قیمت کے یکساں اثرات شامل نہیں ہوتے، جس کے باعث فنڈ کی کارکردگی اور بینچ مارک کے درمیان فرق پیدا ہوا۔

30 جون 2026 تک فنڈ کے خالص اثاثے 4.13 ارب پاکستانی روپے رہے، جبکہ ایک سال قبل یہ 7.57 ارب پاکستانی روپے تھے۔ فنڈ کا کل اخراجاتی تناسب 1.95 فیصد رہا، جس میں 0.32 فیصد حکومتی محصولات شامل تھے۔

ڈویڈنڈ:

30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران فنڈ نے فی یونٹ 1.00 روپے کا عبوری نقد منافع ادا کیا۔

ایسٹ مینیجر اور فنڈ ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 5 نومبر 2025 کو بی ایس انویسٹمنٹ لمیٹڈ کی ایسٹ مینیجر ریٹنگ بڑھا کر "AM1" کر دی، جبکہ آؤٹ لک 'مستحکم' برقرار رکھا گیا۔ "AM1" انتظامی معیار کی اعلیٰ ترین درجہ بندی ہے، جو مضبوط طرز حکمرانی، ادارہ جاتی بنیادوں پر قائم سرمایہ کاری کے طریقہ کار اور مسلسل موثر آپریشنل کارکردگی کی عکاسی کرتی ہے۔ PACRA نے 4 مئی 2026 کو فنڈ کی "A+(f)" کی اسٹیکامی ریٹنگ بھی 'مستحکم' آؤٹ لک کے ساتھ برقرار رکھی، جبکہ 10 جون 2025 کو بھی فنڈ کی ریٹنگ "A+(f)" بمعہ 'مستحکم' آؤٹ لک تھی۔

یونٹ ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمپنی برائے جے ایس انکم فنڈ (فنڈ) کی سالانہ رپورٹ پیش کرتے ہوئے پُرمسرت ہیں۔

معاشی جائزہ:

مالی سال 2026 کے دوران پاکستان کی مجموعی معاشی بنیادوں میں مزید استحکام آیا، اگرچہ بیرونی معاشی ماحول پہلے کے مقابلے میں زیادہ مشکل رہا۔ مشرق وسطیٰ میں جغرافیائی سیاسی کشیدگی میں دوبارہ اضافے کے باعث افراط زر میں کمی کا عمل عارضی طور پر متاثر ہوا اور بیرونی غیر یقینی صورتحال میں اضافہ ہوا۔ تاہم، پالیسیوں میں مسلسل نظم و ضبط، آئی ایم ایف کے تعاون سے جاری اصلاحاتی پروگرام میں پیش رفت اور سرمایہ کاروں کے اعتماد میں بہتری نے سال بھر معاشی استحکام برقرار رکھنے اور پالیسیوں کی سادھ کو مزید مضبوط بنانے میں مدد دی۔

حقیقی مجموعی ملکی پیداوار کی شرح نموبڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سالوں میں بلند ترین شرح نمو ہے۔ اس بہتری کو مینوفیکچرنگ اور خدمات کے شعبوں میں وسیع الہیاد بحالی سے تقویت ملی۔ اگرچہ عالمی توانائی کی قیمتوں میں اضافے کے باعث سال کے اختتام پر افراط زر کی شرح میں دوبارہ اضافہ ہوا، تاہم سال کی اوسط افراط زر 7.1 فیصد کی سطح پر قابو میں رہی۔ مالیاتی استحکام کا عمل بھی جاری رہا، جسے محصولات کی بہتر وصولی اور بنیادی مالیاتی توازن میں بہتری سے مدد ملی۔ دوسری جانب، ریکارڈ تریسیلات زر، زرمبادلہ کے ذخائر میں اضافہ اور عالمی سرمایہ مارکیٹوں تک دوبارہ رسائی نے بڑھتے ہوئے تجارتی خسارے کے باوجود ملک کی بیرونی مالی پوزیشن کو مزید مضبوط کیا۔

سال کے دوران پاکستان کے خود مختار کریڈٹ پروفائل میں بھی مزید بہتری آئی۔ بین الاقوامی کریڈٹ ریٹنگ اداروں کی جانب سے ریٹنگ میں بہتری نے میکرو اکنامک ایڈجسٹمنٹ کے تحت حاصل ہونے والی پیش رفت کو تقویت دی اور عالمی سرمایہ مارکیٹوں تک ملک کی دوبارہ رسائی میں معاونت فراہم کی۔ اگرچہ یہ پیش رفت پاکستان کے لیے زیادہ مضبوط معاشی بنیاد فراہم کرتی ہے، تاہم مستقبل کا چیلنج محض معاشی استحکام برقرار رکھنے تک محدود نہیں۔ طویل مدت میں بلند شرح نمو کو برقرار رکھنے کے لیے اصلاحات پر مسلسل عمل درآمد، نجی شعبے کی سرمایہ کاری میں اضافہ، پیداواری صلاحیت میں بہتری اور معیشت کو بتدریج استحکام پر مبنی بحالی سے ایک زیادہ مسابقتی، سرمایہ کاری اور برآمدات پر مرکوز معیشت کی جانب منتقل کرنا ضروری ہوگا۔

انکم/منی مارکیٹ کا جائزہ

مالی سال 2026 کے دوران ملکی فکسڈ انکم مارکیٹ کو دو نمایاں مراحل سے گزرنا پڑا۔ سال کا آغاز قابو میں رہنے والی افراط زر اور مسلسل مانیٹری پالیسی میں نرمی کے ساتھ ہوا، جبکہ دسمبر میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50 پیس پوائنٹس کمی کی کر کے اسے 10.5 فیصد کر دیا۔ تاہم، مشرق وسطیٰ میں کشیدگی میں دوبارہ اضافے کے بعد عالمی سطح پر توانائی کی قیمتوں میں ہونے والے اضافے نے افراط زر کے منظر نامے کو تبدیل کر دیا، جس کے نتیجے میں اپریل میں پالیسی ریٹ میں 100 پیس پوائنٹس کا اضافہ کر کے اسے 11.5 فیصد کر دیا گیا۔

FUND MANAGER REPORT

Annual Report 2026

JS INCOME FUND

- **Description of the Collective Investment Scheme category and type**

Income Fund Scheme / Open end

- **Statement of Collective Investment Scheme's investment objective**

The main objective of JS Income Fund is to preserve investor's capital while providing a regular stream of current income on an annual basis, which is higher than that offered by commercial banks on deposits of a similar liquidity profile as this fund. The fund operates a diverse portfolio of investment-grade debt securities, government securities and money market instruments. The fund may maintain liquidity in the form of spread transactions and bank deposits.

- **Explanation as to whether the Collective Investment Scheme has achieved its stated objective**

The collective investment scheme achieved its stated objective.

- **Statement of benchmark(s) relevant to the Collective Investment Scheme**

75% six (6) months KIBOR + 25% six (6) months average of the highest rates on savings account of three (3) "AA" rated scheduled Banks as selected by MUFAP

- **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Ann. Returns	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	FY26
JSIF	8.71%	10.03%	13.02%	8.18%	9.55%	7.93%	6.77%	3.62%	1.18%	9.65%	5.62%	13.51%	8.46%
Benchmark	10.57%	10.58%	10.55%	10.60%	10.58%	10.36%	9.96%	10.05%	10.50%	10.81%	11.36%	11.39%	11.14%
Diff.	-1.86%	-0.55%	2.47%	-2.42%	-1.03%	-2.43%	-3.19%	-6.43%	-9.32%	-1.16%	-5.74%	2.12%	-2.69%

- **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**

During the year, the fund remained primarily invested across T-bills and PIBs. Asset allocation and portfolio duration were actively managed as interest-rate expectations evolved materially during the year, with heightened geopolitical uncertainty later reinforcing a more measured approach to duration, liquidity and selective capital-gain opportunities.

- **Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	Jun-26	Jun-25
Cash	28.67%	28.78%
TFCs / Sukuks	9.86%	5.22%
T Bills	0.00%	11.84%
PIBs	60.71%	52.40%
Other including receivables	0.76%	1.77%
Total	100.00%	100.00%

- **Analysis of the Collective Investment Scheme's performance**

	Fund		Fund
Monthly Portfolio Turnover Ratio	0.00%	Macaulay's Duration	0.75
Information Ratio	0.52	Modified Duration	0.70
Yield to Maturity (YTM)	11.83%	WAM (Yr)	0.75

- Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	4,129	125.34
30-Jun-25	7,568	116.50

- Disclosure of the markets that the Collective Investment Scheme has invested in:**
JS Income Fund invests in government securities, cash in bank accounts, money market placements, deposits, certificates of deposits (COD), certificates of Musharakah (COM), term deposit receipts (TDR), commercial paper, reverse repos, term-finance certificates, Sukuks, spread transactions, and Margin Trading System.
- Disclosure on distribution (if any), comprising:-**
 - Particulars of income distribution or other forms of distribution made and proposed during the period; and
 - Statement on effects on the NAV before and after distribution is made

Distribution

The fund has paid a interim distribution of Rs. 1.00 per unit of Rs. 100/- each i.e. 1.00%.
The cumulative distribution for FY26 is Rs. 1.00 per unit.

NAV per unit as on June 30, 2026	
Cum NAV (PKR)	125.34
Ex-NAV (PKR)	125.34

- Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**
There were no significant changes in the state of affairs during the year under review.
- Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Income Fund	0.0001	to	9,999.9999	565
	10,000.0000	to	49,999.9999	26
	50,000.0000	to	99,999.9999	7
	100,000.0000	to	499,999.9999	9
	500,000.0000	&	above	4
			Total	611

- Disclosure on unit split (if any), comprising:-**
The Fund has not carried out any unit split exercise during the year.
- Disclosure of circumstances that materially affect any interests of the unit holders**
Investment is subject to market risk.
- Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**
The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

JS Income Fund Performance Table

		Years				
		2026	2025	2024	2023	2022
Net assets - Rupees in 'million'	Rs.	4,128.90	7,568.49	8,520.97	942.20	1,250.08
Net income - Rupees in 'million'	Rs.	477.13	1,064.03	1,028.94	172.53	190.75
Total return of the Fund	%	8.46	14.69	20.65	16.01	9.51
Annual dividend distribution	%	0.80	1.00	19.62	10.40	8.00
Capital Growth	%	7.66	13.69	1.03	5.61	1.51
Average annual return						
- One Year	%	8.46	14.69	20.65	16.01	9.51
- Two Years	%	11.58	17.67	18.33	12.76	8.20
- Three Years	%	14.60	17.12	15.39	10.80	8.3
NAV per unit	Rs.	125.34	116.50	102.45	102.10	97.0
Highest offer price per unit	Rs.	128.65	119.63	116.09	114.43	107.2
Lowest offer price per unit	Rs.	119.28	104.85	104.41	99.33	98.1
Highest repurchase price per unit	Rs.	125.75	116.94	113.52	111.9	104.8
Lowest repurchase price per unit	Rs.	116.59	102.53	102.10	97.13	95.9
1st Interim distribution	Rs.	1.00	1.00	11.45	10.40	8.0
Announcement date		19-Jun-26	23-Jun-25	16-Jan-24	22-Jun-23	28-Jun-22
2nd Interim distribution	Rs.	-	-	4.95	-	-
Announcement date		-	-	25-Apr-24	-	-
3rd Interim distribution	Rs.	-	-	3.22	-	-
Announcement date		-	-	24-Jun-24	-	-
Total distribution as % of per value	%	0.80	0.86	19.15	10.19	8.25

Notes

- JS Income Fund was launched on August 26, 2002.
- Units have par value of Rs. 100/- each.
- Investment portfolio composition of the Fund is disclosed in note 5 of the financial statements.

Disclaimer

Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

JS INCOME FUND

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

JS Income Fund, an open-end scheme established under a trust deed executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was executed on July 18, 2002 and was approved by the Securities and Exchange Commission of Pakistan on August 22, 2002.

1. JS Investments Limited, the Management Company of JS Income Fund has, in all material respects, managed JS Income Fund during the year ended June 30, 2026 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement.
2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and

Statement

No short coming has been addressed during the year ended June 30, 2026.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the short coming(s).

Disclosure of the steps

We have critically examined the fund in accordance with circular, directives, NBFC Regulations 2008 and its constitutive documents. However, no shortcoming has been addressed.

4. Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

Dike



#MonetizeYourAssets

Trustee Opinion

“The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents”.

Dabeer Khan

Manager Compliance

Digital Custodian Company Limited

Karachi: September 15, 2026

ONLINE

+923-111-322-228

 digitalcustodian.co

    / digitalcustodian

LAHORE

LSE Plaza, 508

Kashmir Egerton Road

+92 42 3630 4406

KARACHI

Perdesi House

Old Queens Road

+92 21 3241 9770

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of JS Income Fund

Report on the Audit of the Financial Statements

Opinion

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

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the year then ended in accordance with 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 Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 4 and 5 to the financial statements)	
	The bank balances and investments constitute the most significant components of the net asset value. The bank balances of the fund as at June 30, 2026 aggregated to Rs. 1,198.682 million and investments amounted to Rs. 2,950.503 million. The existence of bank balances and the existence and the proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others, included the following: - Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2026 and traced the confirmed balances to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; - Re-performed the valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and - Obtained bank reconciliation statements and tested reconciling items on a sample basis.

MPL

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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

The Management Company (JS Investments Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Management Company and Board of Directors of Management Company for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 Company.



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

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

We also provide 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, we further report that in our opinion:

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations 2008;
- b) proper books and records have been kept by the Collective Investment Scheme or the financial statements prepared are in agreement with the books and records of Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 25, 2026

UDIN: AR2026100619NuW8fR0g

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

		2026	2025
Note		(Rupees)	
Assets			
	Bank balances	4 1,198,681,605	2,207,882,320
	Investments	5 2,950,502,558	5,358,938,744
	Mark-up / profit receivable	6 16,021,905	101,973,843
	Advance, deposits and prepayments	7 15,419,311	6,387,504
	Total assets	4,180,625,379	7,675,182,411
Liabilities			
	Payable to JS Investments Limited - Management Company	8 19,206,085	25,582,401
	Payable to Digital Custodian Company Limited - Trustee	9 251,365	531,601
	Payable to the Securities and Exchange Commission of Pakistan	10 218,578	462,262
	Accrued expenses and other liabilities	11 32,046,867	80,113,615
	Total liabilities	51,722,895	106,689,879
	Net assets	4,128,902,484	7,568,492,532
	Unit holders' fund (as per statement attached)	4,128,902,484	7,568,492,532
	Contingencies and commitments	12 ----- (Number of units) -----	
	Number of units in issue	15 32,941,426	64,968,119
		----- (Rupees) -----	
	Net asset value per unit	125.34	116.50

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



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
Income			
Profit on:			
- savings accounts with banks		131,956,685	277,514,816
- government securities		156,156,688	615,647,901
- listed and unlisted debt securities		61,957,214	128,042,870
- commercial paper		13,780,955	-
(Loss) / gain on sale of investments - net		(31,160,624)	119,407,735
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	5.11	241,294,602	65,886,881
		210,133,978	185,294,616
Loss on spread transactions	5.7.1	(1,717,276)	-
Dividend income		2,204,500	-
Income on spread transactions from Margin Trading System		-	468,344
Other income	5.8.2 & 13	12,818,681	6,903,525
Total income		587,291,425	1,213,872,072
Expenses			
Remuneration of JS Investments Limited - Management Company	8.1	83,752,440	86,028,558
Sindh sales tax on remuneration of Management Company	8.2	12,562,867	12,904,281
Allocated expenses by the Management Company		-	5,557,512
Selling and marketing expenses		-	26,985,299
Remuneration of Digital Custodian Company Limited - Trustee	9.1	4,233,762	5,548,092
Sindh sales tax on remuneration of the Trustee	9.2	635,064	832,214
Fee to the Securities and Exchange Commission of Pakistan	10.1	4,234,061	5,548,368
Auditors' remuneration	14	1,578,031	1,372,258
Mutual fund rating fee		618,917	522,030
PSX listing fee		57,815	28,134
SECP supervisory fee		5,000	2,500
Brokerage and settlement charges		1,715,873	3,496,008
Bank and settlement charges		764,685	841,583
Legal and professional charges		-	55,333
Printing and stationery charges		-	123,918
Total expenses		110,158,515	149,846,088
Net income for the year before taxation		477,132,910	1,064,025,984
Taxation	18	-	-
Net income for the year after taxation		477,132,910	1,064,025,984
Allocation of net income for the year			
Net income for the year after taxation		477,132,910	1,064,025,984
Income already paid on units redeemed		(438,914,311)	(840,909,710)
		38,218,599	223,116,274
Accounting income available for distribution			
- Relating to capital gain		210,133,978	185,294,616
- Excluding capital gain		(171,915,379)	37,821,658
		38,218,599	223,116,274

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

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	(Rupees)	
Net income for the year after taxation	477,132,910	1,064,025,984
Other comprehensive income for the year	-	-
Total comprehensive income for the year	477,132,910	1,064,025,984

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



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENTS IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2026

	2026			2025		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)			(Rupees)		
Net assets at beginning of the year	7,309,274,234	259,218,298	7,568,492,532	8,469,578,010	51,393,705	8,520,971,715
Issuance of units 103,349,527 (2025: 150,709,120 units)						
- Capital value (at net asset value per unit at the beginning of the year)	12,040,219,895	-	12,040,219,895	15,440,676,832	-	15,440,676,832
- Element of income	653,161,796	-	653,161,796	1,459,256,801	-	1,459,256,801
Total proceeds from issuance of units	12,693,381,691	-	12,693,381,691	16,899,933,633	-	16,899,933,633
Redemption of units 135,376,220 (2025: 168,910,164 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(15,771,329,630)	-	(15,771,329,630)	(17,305,437,453)	-	(17,305,437,453)
- Element of loss	(396,610,955)	(438,914,311)	(835,525,266)	(706,750,518)	(840,909,710)	(1,547,660,228)
Total payments on redemption of units	(16,167,940,585)	(438,914,311)	(16,606,854,896)	(18,012,187,971)	(840,909,710)	(18,853,097,681)
Total comprehensive income for the year	-	477,132,910	477,132,910	-	1,064,025,984	1,064,025,984
Interim distribution on June 19, 2026 @ Rs. 1 per unit	-	(3,249,753)	(3,249,753)	-	-	-
Interim distribution on June 23, 2025 @ Rs. 1 per unit	-	-	-	-	(15,291,681)	(15,291,681)
Refund of capital on distribution	-	-	-	(48,049,438)	-	(48,049,438)
Total distributions during the year	-	(3,249,753)	(3,249,753)	(48,049,438)	(15,291,681)	(63,341,119)
Net assets at end of the year	3,834,715,340	294,187,144	4,128,902,484	7,309,274,234	259,218,298	7,568,492,532
Undistributed income brought forward						
- Realised income		193,331,417			54,304,459	
- Unrealised income / (loss)		65,886,881			(2,910,754)	
		259,218,298			51,393,705	
Accounting income available for distribution						
- Relating to capital gains		210,133,978			185,294,616	
- Excluding capital gains		(171,915,379)			37,821,658	
		38,218,599			223,116,274	
Total distributions during the year		(3,249,753)			(15,291,681)	
Undistributed income carried forward		294,187,144			259,218,298	
Undistributed income carried forward						
- Realised income		52,892,542			193,331,417	
- Unrealised income		241,294,602			65,886,881	
		294,187,144			259,218,298	
			Rupees			Rupees
Net asset value per unit at beginning of the year			116.50			102.45
Net asset value per unit at end of the year			125.34			116.50

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

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		477,132,910	1,064,025,984
Adjustments for:			
Profit on savings accounts with banks and investments		(363,851,542)	(1,021,205,587)
Loss / (gain) on sale of investments - net		31,160,624	(119,407,735)
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	5.11	(241,294,602)	(65,886,881)
		(573,985,520)	(1,206,500,203)
Increase / (decrease) in assets			
Investments - net		2,618,570,164	659,219,817
Advance, deposits and prepayments		(9,031,807)	(57,891)
		2,609,538,357	659,161,926
(Decrease) / increase in liabilities			
Payable to JS Investments Limited - Management Company		(6,376,316)	(8,564,432)
Payable to Digital Custodian Company Limited - Trustee		(280,236)	(60,285)
Payable to the Securities and Exchange Commission of Pakistan		(243,684)	(61,531)
Accrued expenses and other liabilities		(48,066,748)	41,683,549
		(54,966,984)	32,997,301
Mark-up / profit received on savings accounts with banks and investments		449,803,480	1,186,924,212
Net cash generated from operating activities		2,907,522,243	1,736,609,220
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from issuance of units		12,693,381,691	16,851,884,195
Payments against redemption of units		(16,606,854,896)	(18,853,097,681)
Dividend paid in cash		(3,249,753)	(15,291,681)
Net cash used in financing activities		(3,916,722,958)	(2,016,505,167)
Net decrease in cash and cash equivalents during the year		(1,009,200,715)	(279,895,947)
Cash and cash equivalents at beginning of the year		2,207,882,320	2,487,778,267
Cash and cash equivalents at end of the year	16	1,198,681,605	2,207,882,320

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



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS Income Fund (“the Fund”) was established under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) as an open-end unit trust scheme. The Fund is governed under Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). JS Investments Limited is the Management Company of the Fund, and Digital Custodian Company Limited (DCCL) is the Trustee. The Trust Deed was executed on July 18, 2002 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 22, 2002.

The Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely “Sindh Trusts Act, 2020” (the Sindh Trust Act). Accordingly, on August 23, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Management Company of the Fund has been licensed by the SECP to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of JS Investments Limited is situated at 19th Floor, The Centre, Plot No. 28 SB-5, Abdullah Haroon Road, Saddar, Karachi.

1.3 The Fund is an open end mutual fund categorised as “Income Scheme” and is listed on the Pakistan Stock Exchange Limited. The objective of JS Income Fund is to generate competitive returns by investing in a diversified portfolio of Government securities, investment grade Term Finance Certificates (TFCs), rated corporate debts, spread transactions (including spread on equity transactions) and other money market instruments. The investment objectives and policies are explained in the Fund’s Offering Document.

1.4 Pakistan Credit Rating Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company to ‘AM1 with stable outlook’ dated November 05, 2025 (2025: ‘AM2++ with stable outlook’ dated November 30, 2024) and reaffirmed the stability rating of “A + (f)” with ‘stable outlook’ dated May 04, 2026 (June 10, 2025: “A + (f)” with ‘stable outlook’) to the Fund.

1.5 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these are not considered to be relevant or did not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these financial statements

2.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) effective for annual periods beginning on or after January 1, 2027. IFRS 18 when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Fund.

2.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (Notes 3.2 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 22.3.

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

3.2 Financial assets

3.2.1 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.

3.2.2 Classification and subsequent measurement

a) Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost ;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, may be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

b) 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 Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The management considers its investment in equity securities as a group of assets and assesses them on a fair value basis and hence has classified them as at FVPL. Accordingly, the irrevocable option has not been considered.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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".

The Fund can only invest in equity securities for the purpose of spread transactions.

3.2.3 Impairment of financial assets (other than debt securities)

The fund assesses on a forward-looking basis the expected credit losses (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.

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

3.2.4 Impairment loss on debt securities

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

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

3.2.5 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.

Up to February 8, 2026, regular way purchases / sales of assets required delivery of securities within two days from the transaction date (T+2) as per the stock exchange regulations. Effective from February 9, 2026, in accordance with the revised regulations of the Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL), the settlement cycle has transitioned to a Trade plus one day (T+1) basis, requiring delivery of securities within one day from the transaction date.

3.2.6 Derecognition

"Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the Income Statement .

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.3 Financial liabilities

3.3.1 Classification and subsequent measurement

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 values and subsequently measured at amortised cost.

3.3.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the 'Income Statement'.

3.4 Offsetting of financial assets and financial liabilities

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

Income and expenses arising on financial instruments are presented on a net basis only when permitted by the accounting and reporting standards as applicable in Pakistan.

3.5 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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.

3.6 Net asset value per unit

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

3.7 Issue and redemption of units

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

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

3.8 Distributions to unit holders

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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

3.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

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. Further, the element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.10 Revenue recognition

- Gains / (losses) arising on sale of investments classified as financial assets at 'fair value through profit or loss' are recognised in the 'Income Statement' at the date on which the transaction takes place;
- Unrealised appreciation / (diminution) arising on remeasurement of investments classified as financial assets 'at fair value through profit or loss' included in 'Income Statement' in the period in which they arise;
- Income on government securities, term finance certificates, corporate sukus and margin trading system (MTS) is recognised on a time proportionate basis using the effective yield method;
- Profit on savings accounts with banks is recognised on an accrual basis using effective rate method; and
- Income from non-performing debt securities is recognised in the 'Income Statement' in the period in which an amount is received from the issuer of that security.

3.11 Expenses

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

3.12 Margin Trading System

Transactions of purchase under Margin Trading System (MTS) of marketable securities are entered into at contracted rates for specified periods of time. Securities purchased under MTS are not recognised in the 'Statement of Assets and Liabilities'. The amount paid under such agreements is recognised as receivable in respect of MTS. Profit is recognised on an accrual basis using the effective interest method. Cash releases are adjusted against the receivable as a reduction in the amount of receivable. The maximum maturity of an MTS contract is 60 calendar days out of which 25 percent exposure is automatically released at expiry of every 15th day from the date of contract.

4 BANK BALANCES

In savings accounts

Note	2026	2025
	Rupees	Rupees
4.1	<u>1,198,681,605</u>	<u>2,207,882,320</u>

4.1 These include an amount of Rs. 386.384 million (2025: Rs. 101.996 million) and Rs. 0.045 million (2025: Rs. 0.051 million) maintained with JS Bank Limited and BankIslami Pakistan Limited, respectively, a related party and carries profit at the rate of 9.00% (2025: 9.00%) per annum and 0.10% (2025: 0.10%) per annum. Other savings accounts of the Fund carry profit rates ranging between 7.00% to 13.00% (2025: 6.00% to 12.25%) per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026	2025
		Rupees	
5 INVESTMENTS			
At fair value through profit or loss			
Government securities:			
- Market Treasury Bills	5.1	-	908,579,500
- Pakistan Investment Bonds	5.2	2,538,247,566	4,022,960,519
- GoP Ijarah Sukuks	5.3	-	-
Listed debt securities - Corporate Sukuks and Term Finance Certificates	5.4	151,369,000	103,018,600
Unlisted debt securities - Corporate Sukuks	5.5	260,885,992	297,441,645
Commercial paper	5.6	-	-
Listed equity securities	5.7	-	-
Debt security - non convertible, redeemable preference shares	5.9	-	26,938,480
		2,950,502,558	5,358,938,744
At amortised cost			
Unlisted debt securities - Term Finance Certificates	5.8	-	-
		2,950,502,558	5,358,938,744

5.1 Government Securities - Market Treasury Bills

Tenure	Issue date	Face value				Balance as at June 30, 2026			Market value as a percentage of	
		As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation	Net assets of the Fund	Total investments of the Fund
		(Rupees)							%	
Market Treasury Bills										
- 3 Months	November 27, 2025	-	500,000,000	500,000,000	-	-	-	-	-	-
- 3 Months	July 10, 2025	-	325,000,000	325,000,000	-	-	-	-	-	-
Market Treasury Bills										
- 12 Months	November 14, 2024	-	620,000,000	620,000,000	-	-	-	-	-	-
- 12 Months	May 15, 2025	-	300,000,000	300,000,000	-	-	-	-	-	-
- 12 Months	April 17, 2025	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
- 12 Months	October 31, 2024	-	600,000,000	600,000,000	-	-	-	-	-	-
- 12 Months	May 29, 2025	500,000,000	-	500,000,000	-	-	-	-	-	-
- 12 Months	June 12, 2025	500,000,000	-	500,000,000	-	-	-	-	-	-
Total as at June 30, 2026						-	-	-		
Total as at June 30, 2025						907,410,722	908,579,500	1,168,778		

5.2 Government Securities - Pakistan Investment Bonds

Tenure	Issue date	Face value			Balance as at June 30, 2026				Market value as a percentage of	
		As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation	Net assets of the Fund	Total investments of the Fund
		(Rupees)							%	
Pakistan Investment Bonds										
- 2 Years	September 20, 2024	-	1,750,000,000	1,750,000,000	-	-	-	243,718,791	-	-
- 2 Years	January 16, 2025	2,700,000,000	-	-	2,700,000,000	2,294,528,775	2,538,247,566		61.48%	76.15%
Pakistan Investment Bonds										
- 3 Years	September 20, 2024	-	950,000,000	950,000,000	-	-	-	-	-	-
- 3 Years	July 17, 2025	-	500,000,000	500,000,000	-	-	-	-	-	-
- 3 Years	July 4, 2023	-	200,000,000	200,000,000	-	-	-	-	-	-
Pakistan Investment Bonds										
- 5 Years	January 16, 2025	550,000,000	3,150,000,000	3,700,000,000	-	-	-	-	-	-
- 5 Years	July 17, 2025	-	500,000,000	500,000,000	-	-	-	-	-	-
- 5 Years	September 29, 2024	1,000,000,000	-	1,000,000,000	-	-	-	-	-	-
- 5 Years	October 19, 2023	-	155,000,000	155,000,000	-	-	-	-	-	-
- 5 Years	January 16, 2026	-	1,250,000,000	1,250,000,000	-	-	-	-	-	-
Pakistan Investment Bonds										
- 10 Years	April 21, 2016	78,000,000	-	78,000,000	-	-	-	-	-	-
Total as at June 30, 2026						2,294,528,775	2,538,247,566	243,718,791		
Total as at June 30, 2025						3,986,429,621	4,022,960,519	36,530,899		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

5.2.1 These carry effective yield at the rate of 11.28% (2025: 10.95% to 17.27%) per annum.

5.3 GoP Ijarah Sukuks

Name of the investee company	Issue date	Maturity date	Profit rates	As at July 1, 2025	Purchased during the year	Matured / sold during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
								Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investment of the Fund
----- (Number of certificates) -----								----- Rupees -----			----- % -----	
GoP Ijarah Sukuk VRR 22 (Face value: Rs. 100,000 per certificate)	December 29, 2020	December 29, 2025	11.01%	-	500	500	-	-	-	-	-	-
Total as at June 30, 2026								-	-	-		
Total as at June 30, 2025								-	-	-		

5.4 Listed debt securities - Term Finance Certificates and Corporate Sukuks

Name of the investee company	Issue date	Maturity date	Rate	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of		
								Carrying value	Market value	Unrealised diminution	Net assets of the Fund	Total investment of the Fund	
				----- (Number of certificates) -----				----- (Rupees) -----			----- % -----		
Corporate Sukuks													
Power generation & distribution													
Burj Clean Energy Modaraba (A1, PACRA) (Face value: Rs. 1,000,000 per certificate)	July 10, 2025	January 9, 2026	6 months KIBOR plus base rate of 1.75%	-	70	70	-	-	-	-	-	-	
Burj Clean Energy Modaraba (A1, PACRA) (Face value: Rs. 1,000,000 per certificate)	April 23, 2026	October 23, 2026	6 months KIBOR plus base rate of 1.75%	-	50	-	50	50,000,000	50,000,000	-	-	-	
Term Finance Certificates													
Commercial Banks													
Bank Al-Habib (AAA, PACRA) (Face value: Rs. 4,995 per certificate)	December 23, 2022	December 23, 2032	6 months KIBOR + 1.35%	20,000	-	-	20,000	102,978,600	101,369,000	(1,609,600)	2.46%	3.04%	
Textile Industry													
Sadaqat Limited (A1, PACRA) (Face value: Rs. 1,000,000 per certificate)	September 19, 2025	March 13, 2026	6 months KIBOR plus base rate of 1.75%	-	150	150	-	-	-	-	-	-	
Total as at June 30, 2026								152,978,600	151,369,000	(1,609,600)			
Total as at June 30, 2025								103,100,846	103,018,600	(82,246)			

5.5 Unlisted debt securities - Corporate Sukuks

Name of the investee company	Issue date	Maturity date	Profit rates	As at July 1, 2025	Purchased during the year	Matured / sold during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
								Carrying value	Market value	Unrealised (diminution) / appreciation	Net assets of the Fund	Total investment of the Fund
Corporate Sukuks												
Pharmaceutical												
OBS AGP Private Limited (A+, VIS) (Face value: Rs. 31,250 per certificate)	July 15, 2021	July 15, 2026	3 Month KIBOR + 1.55%	500	-	-	500	3,192,695	3,125,535	(67,160)	0.08%	0.09%
Power generation & distribution												
K-Electric Limited (AA+, VIS) (Face value: Rs. 90,000 per certificate)	November 23, 2022	November 23, 2029	3 months KIBOR + 1.70%	1,160	-	-	1,160	83,507,886	83,027,000	(480,886)	2.01%	2.49%
Food & personal care products												
Sunridge Foods (Private) Limited (AAA, VIS) (Face value: Rs. 100,000 per certificate)	May 19, 2025	May 19, 2030	6 months KIBOR plus base rate of 0.70%	175	-	-	175	175,000,000	174,733,457	(266,543)	4.23%	5.24%
Total as at June 30, 2026								261,700,581	260,885,992	(814,589)		
Total as at June 30, 2025								296,110,675	297,441,645	1,330,970		

FOR THE YEAR ENDED JUNE 30, 2026

				Amount placed				Balance as at June 30, 2026			Market value as a percentage of	
Name of the investee company	Rating	Maturity date	Profit rate	As at July 01, 2025	Purchased during the period	Sold / matured during the period	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
			%	(Rupees)							%	
Pakistan Microfinance Investment	AA	11-Mar-26	11.83%	-	250,000,000	250,000,000	-	-	-	-	-	-
Total as at June 30, 2026								-	-	-		
Total as at June 30, 2025								-	-	-		

Name of the Investee Company	Number of shares					Balance as at June 30, 2026			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company	
	As at July 01, 2025	Purchased during the year	Bonus issued during the year	Sold during the year	Balance as at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the Fund		
						----- (Rupees) -----			----- % -----			
Commercial Banks												
The Bank of Punjab	-	2,204,500	-	2,204,500	-	-	-	-	-	-	-	-
Total as at June 30, 2026						<u>-</u>	<u>-</u>	<u>-</u>				
Total as at June 30, 2025						<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>				

5.7.1 The movement in equity securities represents spread transactions entered into by the Fund. The Fund purchases equity securities in ready settlement market and sells the securities in future settlement market on the same day, resulting in spread income / (loss) due to difference in ready and future stock prices

Name of the investee company	Note	-----Number of certificates-----				Balance as at June 30, 2026			Market value as a percentage of		
		As at July 1, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the Fund	
-----Rupees-----									-----%-----		
Personal Goods											
Azgard Nine Limited -											
Privately placed 6th issue (a related party)	5.8.1 &	5,844	-	-	5,844	11,688,000	-	-	-	-	
Provision held	5.8.2					(11,688,000)	-	-	-	-	
						-					
Azgard Nine Limited -											
Privately placed 7th issue (a related party)	5.8.1 &	12,408	-	-	12,408	62,040,000	-	-	-	-	
Provision held	5.8.2					(62,040,000)	-	-	-	-	
						-					
Cement											
Dewan Cement Limited											
Pre-IPO Investment	5.8.1	5,000	-	-	5,000	50,000,000	-	-	-	-	
Provision held						(50,000,000)	-	-	-	-	
						-					
Total as at June 30, 2026						-	-	-			
Total as at June 30, 2025						-	-	-			

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

5.8.1 Due to non-recoverability of these investments, the Fund has classified these as non-performing securities and recognised full provision in accordance with circular 33 of 2012 issued by the SECP.

5.8.2 On April 29, 2021, the facility was restructured through approved scheme of arrangement ("Approved Scheme") under the terms approved by Honorable Lahore High Court. According to the arrangement the principal outstanding on TFC is payable starting from April 29, 2021 over a period of 10 years. Further, new zero coupon Privately Placed Term Finance Certificates (PPTFCs) were issued for the existing PPTFC and interest accrued on TFC and PPTFC till the date of restructuring on the existing TFC and PPTFC, having redemption of principal through bullet payment from 10th anniversary of the issuance date. During the year ended June 30, 2025, the Fund received four tranches of principal redemption and markup of Rs. 6.903 million on July 29, 2024, October 29, 2024, January 29, 2025 and April 29, 2025. However, in the current year, the Fund received four tranches of principal redemption payments on July 29, 2025, October 29, 2025, January 29, 2026 and April 29, 2026, amounting to Rs. 6.611 million. Moreover, the Fund also received payments of Rs. 4.887 million and Rs. 1.099 million in respect of principal redemption and profit, respectively, on the sale proceeds of Azgard Nine Limited's Muzaffargarh Unit. The aforesaid amount has been written back to income in accordance with the requirements of Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by the SECP.

Name of the investee company	Note	As at July 1, 2025	Issued during the year	Sold during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
						Carrying value	Market value	Unrealised appreciation	Net assets of the Fund	Total investment of the Fund
			(Number of certificates)				Rupees		%	

CHEMICAL

Agritech Limited - Class A	5.9.1	-	6,734,620	6,734,620	-	-	-	-	-	-
----------------------------	-------	---	-----------	-----------	---	---	---	---	---	---

Total as at June 30, 2026

- - -

Total as at June 30, 2025

- 26,938,480 26,938,480

5.9.1 In previous years, the Fund had made investment in Corporate sukuks and Privately Placed Term Finance Certificates of Agritech Limited (AGTL) having issue dates of August 8, 2008 and July 1, 2011, respectively. These Corporate sukuks and Term Finance Certificates were classified as non-performing asset by the Mutual Fund Association of Pakistan (MUFAP) on August 21, 2010 and January 17, 2012 respectively, on account of non-payment of the coupon on the due dates in the respective years. Accordingly, the Fund had booked 100% provision against these non-performing securities and had stopped making further accrual of profit on the aforesaid investments after the afore-mentioned dates.

In this respect, the creditors and the management of Agritech Limited held various meetings for the purpose of formulating a plan to discharge AGTL's liability and finally agreed in principle on the terms and conditions which are enumerated in the Scheme of Arrangement (SOA) as approved by the Honourable Lahore High Court on July 5, 2022, which took effect retrospectively from December 31, 2013. Accordingly, with respect to non-performing outstanding principal pertaining to sukuks and term finance certificates issued by AGTL, the creditors had a choice to opt between the two options provided in the Scheme of Arrangement.

Out of the two options available under the SOA, the Fund has elected option 2 as mentioned in 'Schedule F' of the Scheme of Arrangement for the settlement of Fund's outstanding liability including mark-up / profit accrued thereon. The key terms of the option 2 are as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- (i) Outstanding mark-up would be converted into zero-coupon TFCs, payable as a bullet payment at the end of FY 2026.
- (ii) Any unutilized cash flows, after payment to creditors of option 1, cash flows available for debt servicing (CFADS), would be used to partially settle principal liabilities and issue preference shares for the remaining portion of principal liabilities.

In compliance with the SOA, Agritech Limited has disbursed five tranches of cash flows available for debt servicing (CFADS) payments, starting from September 27, 2022 to December 28, 2023 aggregating to Rs. 6,310,996 to the Fund while the remaining liabilities are to be settled through the issuance of preference shares and zero-coupon PPTFCs.

In this regard, the Agritech Limited had to issue zero coupon PPTFCs for the overdue / outstanding profit amounting to Rs. 19,750,000 payable as a bullet payment by the end of FY 2026, which are pending as at the reporting date.

However, on December 23, 2024, AGTL has issued 6,734,620 Non-Convertible, Redeemable Class A Preference Shares of Agritech Limited to the Fund with limited voting rights in compliance with the SOA having face value of Rs. 67.346 million. The Fund had classified these preference shares as unlisted debt security in the financial statements for the year ended June 30, 2025, however, securities were sold during the current year.

5.10 Details of non-compliant investments with the investment criteria as specified by the SECP

In accordance with clause (v) of the investment criteria laid down for 'income scheme' in Circular No. 7 of 2009, the Fund is required to invest in any security having rating not lower than the investment grade (credit rating of BBB and above). However, as at June 30, 2026, the Fund is non-compliant with the above mentioned requirement in respect of the following investments. All the securities were in compliance with the circular (i.e. investment grade) at the time of purchase and were subsequently downgraded to non investment grade by MUFAP on default by the respective issuer at the time of repayment of coupon due on the respective dates.

Name of non-compliant security	Note	2026					
		Type of investment	Value of investment before provision	Provision held	Value of investment after provision	Percentage of	
						Net assets of the Fund	Total investments of the Fund
						%	
Azgard Nine Limited - PPTFCs 6th issue - restructured	5.10.1	Privately placed TFC	11,688,500	(11,688,500)	-	-	-
Azgard Nine Limited - PPTFCs 7th issue	5.10.2	Privately placed TFC	62,040,000	(62,040,000)	-	-	-
Dewan Cement Limited	5.10.3	Pre-IPO investment	50,000,000	(50,000,000)	-	-	-

5.10.1 The Fund received 5,844 zero coupon PPTFCs against interest receivable of listed and unlisted ANL TFCs. Since these PPTFCs are received against already defaulted securities and have non-performing status in MUFAP, therefore the management as a matter of prudence maintained the provision against the said PPTFCs. These PPTFCs are valued at zero but original cost is carried at Rs. 29,220,000.

5.10.2 The Fund received 12,408 zero coupon PPTFCs against interest receivable of listed and unlisted ANL TFCs. Since these PPTFCs are received against already defaulted securities and have non-performing status in MUFAP, therefore the management as a matter of prudence maintained the provision against the said PPTFCs. These PPTFCs are valued at zero but cost is carried at Rs. 62,040,000.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- 5.10.3** This represent Pre-IPO disbursement to Dewan Cement Limited (the Company) made on January 14, 2008. As per the requirement of the Trust Deed, the IPO was to take place within 270 days of the initial disbursement, however, the Company has not yet arranged the IPO. Accordingly, the Management Company decided to suspend mark-up on this placement from October 29, 2008 and has made a full provision of Rs. 50 million against the actual amount disbursed which is without prejudice to the Fund's claim against the above entire exposure, unrecognised mark-up and other charges etc

		2026	2025
	Note	(Rupees)	
5.11 Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net			
Market value of investments	5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.8 & 5.9	2,950,502,558	5,358,938,744
Less: carrying value of investments	5.1, 5.2, 5.3, 5.4, 5.5, 5.6, 5.7, 5.8 & 5.9	(2,709,207,956)	(5,293,051,863)
		241,294,602	65,886,881

6 MARK-UP / PROFIT RECEIVABLE

Mark-up / profit receivable on:

- Savings accounts with banks	6.1	11,688,457	27,418,877
- Government securities - Pakistan Investments Bonds		-	70,911,498
- Debt securities - Term Finance Certificates and Corporate Sukuks		4,333,448	3,643,468
		16,021,905	101,973,843

- 6.1** This includes a balance with JS Bank Limited (a related party) of Rs. 7.31 million (2025: Rs. 10.14 million).

		2026	2025
	Note	(Rupees)	
7 ADVANCE, DEPOSITS AND PREPAYMENTS			
Advance tax	7.1	12,103,973	3,115,249
Security deposit with:			
- Central Depository Company of Pakistan Limited (CDC)		100,000	100,000
- National Clearing Company of Pakistan Limited (NCCPL)		2,750,000	2,750,000
Prepaid fees		465,338	422,255
		15,419,311	6,387,504

- 7.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on mark-up on government securities and savings accounts with banks paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on mark-up on debt securities and savings accounts with banks amounts to Rs. 12.104 million (2025: Rs. 3.115 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on mark-up on debt securities and savings accounts with banks has been recorded as advance tax as at June 30, 2026, as in the opinion of the management, the amount of tax deducted at source will be refunded to the Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rupees)	2025
8 PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY			
Remuneration payable to the Management Company	8.1	13,556,180	17,533,892
Sindh sales tax payable on remuneration of Management Company	8.2	2,506,622	3,103,278
Federal exercise duty payable on remuneration of Management Company	8.3	3,143,283	3,143,283
Payable against selling and marketing expenses		-	1,661,621
Payable against printing and stationery charges		-	120,000
Sales load payable		-	20,327
		19,206,085	25,582,401

8.1 As per Regulation 61 of NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rates upto 1.50% (2025: 1.16%) per annum of average daily net assets of the Fund. The remuneration is payable to the Management Company in arrears.

8.2 Sindh sales tax is levied at the rate of 15% (2025: 15%) under the Sindh Sales Tax on Services Act, 2011 on the Management Company's remuneration and any reimbursable expenditure to the Management Company.

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 3.143 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision not been made, the NAV per unit of the Fund would have been higher by Re. 0.096 (2025: Re. 0.048) per unit.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	(Rupees)	
9	PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE		
Remuneration payable to the Trustee	9.1	218,579	462,262
Sindh sales tax payable on remuneration of the Trustee	9.2	32,786	69,339
		251,365	531,601

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at 0.075% (2025: 0.075%) per annum on the average annual net assets of the Fund calculated on a daily basis.

9.2 During the year, an amount of Rs 0.635 million (2025: Rs 0.832 million) was charged on account of sales tax on remuneration of the trustee levied through the Sindh Sales Tax on Services Act, 2011 at the applicable rate of 15% (2025: 15%).

		2026	2025
	Note	(Rupees)	
10	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN		
	10.1	218,578	462,262

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (2025: 0.075%) per annum of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

		2026	2025
		(Rupees)	
11	ACCRUED EXPENSES AND OTHER LIABILITIES		
Brokerage payable		-	152,243
Auditors' remuneration payable		1,194,703	889,560
Zakat payable		12,200	16,027
Withholding tax on dividend payable		437,707	3,249,622
Other payable		30,402,257	75,806,163
		32,046,867	80,113,615

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.

		2026	2025
	Note	(Rupees)	
13	OTHER INCOME		
Income received on fully provided TFC	13.1 & 13.2	12,818,681	6,903,525

13.1 This income pertains to amount of Rs. 12.597 million received during the year (2025: 6.903 million) from Azgard Nine Limited, a related party

13.2 The remaining amount of Rs. 0.221 million (2025: Nil) pertains to profit received from NCCPL during the year ended June 30, 2025.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 (Rupees)	2025
14 AUDITORS' REMUNERATION			
Annual audit fee		622,309	601,258
Fee for half yearly review		456,000	380,000
Fee for other certifications		250,000	180,000
Out of pocket expenses		132,831	113,000
Sindh sales tax		116,891	98,000
		<u>1,578,031</u>	<u>1,372,258</u>
15 NUMBER OF UNITS IN ISSUE			
Units in issue at the beginning of the year		64,968,119	83,169,163
Units issued during the year		103,349,527	150,709,120
Units redeemed during the year		(135,376,220)	(168,910,164)
Total units in issue at the end of the year		<u>32,941,426</u>	<u>64,968,119</u>
16 CASH AND CASH EQUIVALENTS			
Bank balances	4	<u>1,198,681,605</u>	<u>2,207,882,320</u>

17 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at June 30, 2026 based on the current year results is 1.95% (2025: 2.03%), which includes 0.32% (2025: 0.27%) representing government levies such as sales taxes and SECP fee etc.

During the year ended June 30, 2025, the Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 600(I)/2025 dated April 10, 2025, amended the previously applicable total expense ratio (TER) caps. Effective July 1, 2025, this amendment replaced the earlier TER-based cap structure with a direct cap on the management fee, irrespective of the scheme's overall expense ratio. The revised management fee limits are disclosed in Note 8.1 to these financial statements.

18 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2026 to the unit holders in a manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons and related parties include JS Investments Limited (JSIL) being the Management Company of the Fund, Digital Custodian Company Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Management Company - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20% shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL - 75.12% shares are held by JS Bank Limited, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL - 92.90% shares are held by JS Bank Limited and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other Funds being managed by JSIL and includes entities holding 10% or more in the units of the fund as at June 30, 2026. It also includes staff retirement benefit funds of the above related parties and connected persons

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Offering Document.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

The details of transactions carried out by the Fund with related parties and connected persons, during the year ended June 30, 2026 and balances with them as at year end are as follows:

	2026	2025
	----- (Rupees) -----	-----
19.1 Transactions with related parties and connected persons during the year		
JS Investments Limited - Management Company		
Remuneration of the Management Company	83,752,440	86,028,558
Sindh sales tax on remuneration of Management Company	12,562,867	12,904,281
Sales load	246,284	423,017
Allocated expenses	-	5,557,512
Printing and stationery charges	-	123,918
Selling and marketing expenses	-	26,985,299
Issuance of units: 13,705,336 (2025: 5,480,205)	1,650,000,000	619,116,759
Redemption of units: 15,372,232 (2025: 7,847,187)	1,879,423,455	866,325,522
Units refunded as capital: Nil (2025: 10,713)	-	1,242,137
Digital Custodian Company Limited - Trustee		
Remuneration of the Trustee	4,233,762	5,548,092
Sindh sales tax on remuneration of the Trustee	635,064	832,214
JS Bank Limited (Holding Company of JSIL)		
Mark-up on savings accounts with banks	9,714,750	16,896,797
Transactions with related parties and connected persons during the year	2026	2025
	----- (Rupees) -----	-----
BankIslami Pakistan Limited (Fellow subsidiary of Parent Company)		
Mark-up on savings accounts with banks	-	1,865

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026 ----- (Rupees) -----	2025 -----
Azgard Nine Limited (Other related party)		
Mark-up received (Non Performing - ANL PPTFC)	767,325	1,059,525
Principal redemption against non-performing security	5,844,000	5,844,000
Payment received against Muzaffargarh settlement	5,985,836	-
JS Fund of Funds (Fund under JSIL Management)		
Issuance of units: Nil (2025: 1,211,123)	-	125,000,000
Redemption of units: Nil (2025: 1,725,755)	-	186,674,934
Speed (Private) Limited Staff Provident Fund (Other related party)		
Dividend reinvested units: 42 (2025: 53)	5,260	6,234
Key Management Personnel and Directors of the Management Company		
Issuance of units: 79,199 (2025: 249,004)	9,617,001	27,537,305
Redemption of units: 158,739 (2025: 243,610)	19,595,793	27,110,544
Dividend reinvested units: 12 (2025: 6)	1,463	713
Units refunded as capital: 49 (2025: 741)	6,107	-
Unitholders holding 10% or more of units in issue		
Issuance of units: 80,188,943 (2025: 90,173,883)	9,900,800,379	10,271,078,434
Redemption of units: 96,886,598 (2025: 96,233,460)	11,909,288,230	5,831,604,646
Dividend reinvested units: 3,447 (2025: Nil)	605,749	-
Units refunded as capital: 156,963 (2025: 383,947)	-	-
19.2 Amounts / balances outstanding with related parties and connected persons as at year end		
JS Investments Limited - Management Company		
Remuneration payable to Management Company	13,556,180	17,533,892
Sindh sales tax payable on remuneration of the Management Company	2,506,622	3,103,278
Payable against selling and marketing expenses	-	1,661,621
Payable against printing and stationery charges	-	120,000
Payable against Federal excise duty on Management Company's remuneration	3,143,283	3,143,283
Sales load payable	-	20,327
Outstanding units: Nil (2025: 1,666,896)	-	194,193,450
Digital Custodian Company Limited - Trustee		
Remuneration payable to the Trustee	218,579	462,262
Sindh sales tax payable on remuneration of the Trustee	32,786	69,339
JS Bank Limited (Parent Company of JSIL)		
Bank balances	386,384,366	101,995,742
Mark-up receivable on savings accounts with banks	7,306,986	10,140,811
BankIslami Pakistan Limited (Fellow subsidiary of Parent Company)		
Bank balances	44,541	51,488
Speed (Private) Limited - Staff Provident Fund (Other related party)		
Outstanding units: 12,564 (2025: 12,522)	1,574,772	1,458,813
Key Management Personnel and Directors of the Management Company		
Outstanding units: 8,119 (2025: 87,598)	1,017,635	10,205,167
Unitholders holding 10% or more of units in issue		
Outstanding units: 28,361,545 (2025: 44,898,790)	3,554,836,050	5,230,709,141

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2026		
At amortised cost	At fair value through profit or loss	Total
Rupees		

20 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

Bank balances	1,198,681,605	-	1,198,681,605
Investments	-	2,950,502,558	2,950,502,558
Mark-up / profit receivable	16,021,905	-	16,021,905
Advance, deposits and prepayments	2,850,000	-	2,850,000
	<u>1,217,553,510</u>	<u>2,950,502,558</u>	<u>4,168,056,068</u>

Financial liabilities

Payable to JS Investments Limited - Management Company	19,206,085	-	19,206,085
Payable to Digital Custodian Company Limited - Trustee	251,365	-	251,365
Accrued expenses and other liabilities	31,596,960	-	31,596,960
	<u>51,054,410</u>	<u>-</u>	<u>51,054,410</u>

2026		
At amortised cost	At fair value through profit or loss	Total
Rupees		

Financial assets

Bank balances	2,207,882,320	-	2,207,882,320
Investments	-	5,358,938,744	5,358,938,744
Mark-up / profit receivable	101,973,843	-	101,973,843
Accrued expenses and other liabilities	2,850,000	-	2,850,000
	<u>2,312,706,163</u>	<u>5,358,938,744</u>	<u>7,671,644,907</u>

Financial liabilities

Payable to JS Investments Limited - Management Company	25,582,401	-	25,582,401
Payable to Digital Custodian Company Limited - Trustee	531,601	-	531,601
Accrued expenses and other liabilities	76,847,966	-	76,847,966
	<u>102,961,968</u>	<u>-</u>	<u>102,961,968</u>

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

21.1 Market risk

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

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises of three types of : currency risk, yield / interest rate risk and price risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

21.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

21.1.2 Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market yield / interest rates. As of June 30, 2026, the Fund is exposed to such risk on its balances held with banks, market treasury bills, pakistan investment bonds, term finance certificates and corporate sukuk. The Investment Committee of the Management Company reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

Sensitivity analysis for variable rate instruments

Presently, the Fund holds balances with banks, term finance certificates and corporate sukuks, which expose the Fund to yield / interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 16.11 million (2025: Rs. 26.08 million).

The composition of the Fund's investment portfolio and interest rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

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

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

2026					
Yield / effective interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest risk	Total
	Upto three months	More than three months and upto one year	More than one year		
-----%-----	(Rupees)				
On-balance sheet financial instruments					
Financial assets					
Bank balances	0.10% to 14.38%	1,198,681,605	-	-	1,198,681,605
Investments	11.28%	3,125,535	2,588,247,566	359,129,457	2,950,502,558
Mark-up / profit receivable		-	-	-	16,021,905
Advance, deposits and prepayments		-	-	-	2,850,000
		1,201,807,140	2,588,247,566	359,129,457	18,871,905
					4,168,056,068
Financial liabilities					
Payable to JS Investments Limited - Management Company		-	-	-	19,206,085
Payable to Digital Custodian Company Limited - Trustee		-	-	-	251,365
Accrued expenses and other liabilities		-	-	-	31,596,960
		-	-	-	51,054,410
		1,201,807,140	2,588,247,566	359,129,457	(32,182,505)
					4,117,001,658
On-balance sheet gap					
Total interest rate sensitivity gap					
		1,201,807,140	2,588,247,566	359,129,457	(32,182,505)
					4,117,001,658
Cumulative interest rate sensitivity gap					
		1,201,807,140	3,790,054,706	4,149,184,163	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

-----2025-----					
Yield / effective interest rate	Exposed to yield / interest rate risk			Not exposed to yield / interest risk	Total
	Upto three months	More than three months and upto one year	More than one year		
-----%-----	----- (Rupees) -----				

On-balance sheet financial instruments

Financial assets

Bank balances	0.10% to 12.25%	2,207,882,320	-	-	-	2,207,882,320
Investments	10.89% to 17.27%	122,441,645	1,263,340,428	3,973,156,671	-	5,358,938,744
Mark-up / profit receivable		-	-	-	101,973,843	101,973,843
Advance, deposits and prepayments		-	-	-	2,850,000	2,850,000
		2,330,323,965	1,263,340,428	3,973,156,671	104,823,843	7,671,644,907

Financial liabilities

Payable to JS Investments Limited - Management Company		-	-	-	25,582,401	25,582,401
Payable to Digital Custodian Company Limited - Trustee		-	-	-	531,601	531,601
Accrued expenses and other liabilities		-	-	-	76,847,966	76,847,966
		-	-	-	102,961,968	102,961,968

On-balance sheet gap

2,330,323,965	1,263,340,428	3,973,156,671	1,861,875	7,568,682,939
---------------	---------------	---------------	-----------	---------------

Total interest rate sensitivity gap

2,330,323,965	1,263,340,428	3,973,156,671	1,861,875	7,568,682,939
---------------	---------------	---------------	-----------	---------------

Cumulative interest rate sensitivity gap

2,330,323,965	3,593,664,393	7,566,821,064
---------------	---------------	---------------

* There is no off-balance sheet financial instrument that existed as at year ended June 30, 2026 and June 30, 2025.

21.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not hold any investment in equity securities that expose it to price risk as of June 30, 2026.

21.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks, mark-up / profit receivable and deposits and other receivable.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

21.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	Rupees			
Bank balances	1,198,681,605	1,198,681,605	2,207,882,320	2,207,882,320
Investments	2,950,502,558	412,254,992	5,358,938,744	427,398,725
Mark-up / profit receivable	16,021,905	16,021,905	101,973,843	31,062,345
Advance, deposits and prepayments	2,850,000	2,850,000	2,850,000	2,850,000
	<u>4,168,056,068</u>	<u>1,629,808,502</u>	<u>7,671,644,907</u>	<u>2,669,193,390</u>

The difference in the balance of investments and mark-up / profit receivable as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in Government Securities and mark-up / profit receivable thereon amounts to Rs. 2,538.25 million (2025: Rs. 4,931.54 million) and Rs. Nil (2025: Rs. 70.91 million) respectively.

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets.

21.2.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its bank balances, investments other than Government securities, mark-up / profit receivable thereon and deposits and other receivables. The credit rating profile of balances with banks and accrued markup / profit thereon is as follows:

Bank balances

The Fund held bank balances at June 30, 2026 with banks having following credit ratings:

Name of the bank	Rating agency	Rating (Long term)	2026	2025
			% of bank balances exposed to credit risk	
JS Bank Limited	PACRA	AA	32.23%	4.62%
Mobilink Microfinance Bank Limited	PACRA	A	0.06%	0.43%
FINCA Microfinance Bank Limited	VIS	A-	0.23%	43.52%
Habib Bank Limited	VIS	AAA	3.41%	10.73%
U Microfinance Bank Limited	PACRA	A+	64.02%	40.68%
NRSP Microfinance Bank Limited *	PACRA	A-	0.00%	0.00%
HBL Microfinance Bank *	PACRA	A+	0.00%	0.00%
Bank of Punjab Limited *	PACRA	AAA	0.00%	0.00%
MCB Bank Limited *	PACRA	AAA	0.00%	0.00%
Allied Bank Limited	PACRA	AAA	0.01%	0.00%
Bankislami Pakistan Limited *	PACRA	AA-	0.00%	0.00%
United Bank Limited	VIS	AAA	0.01%	0.00%
Samba Bank Limited *	PACRA	AA	0.00%	0.00%
Sindh Bank Limited *	VIS	AA	0.00%	0.00%
Telenor Microfinance Bank Limited *	PACRA	A+	0.00%	0.00%
Dubai Islamic Bank Limited *	VIS	AA	0.00%	0.00%
Faysal Bank Limited *	PACRA	AA+	0.00%	0.00%
Bank Al Habib Limited *	PACRA	AAA	0.00%	0.00%
			<u>100.00%</u>	<u>100.00%</u>

Ratings of term finance certificates and corporate sukus are disclosed in related notes to the financial statements. Investments in market treasury bills and pakistan investment bonds are issued by the Government of Pakistan and therefore do not carry credit risk, owing to the sovereign guarantee associated with these instruments.

* Percentage shown as nil due to rounding off.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

21.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2026 and June 30, 2025 are unsecured and are not impaired.

21.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

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

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was obtained by the Fund during the current year.

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

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

	2026						
	Within one 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	Total
	(Rupees)						
Financial assets							
Bank balances	1,198,681,605	-	-	-	-	-	1,198,681,605
Investments	-	-	-	4,446,188,754	101,369,000	-	4,547,557,754
Mark-up / profit receivable	11,688,457	-	4,333,448	-	-	-	16,021,905
Advance, deposits and prepayments	-	-	-	-	-	2,850,000	2,850,000
	1,210,370,062	-	4,333,448	4,446,188,754	101,369,000	2,850,000	5,765,111,264
Financial liabilities							
Payable to JS Investments Limited - Management Company	19,206,085	-	-	-	-	-	19,206,085
Payable to Digital Custodian Company Limited - Trustee	251,365	-	-	-	-	-	251,365
Accrued expenses and other liabilities	31,596,960	-	-	-	-	-	31,596,960
	51,054,410	-	-	-	-	-	51,054,410
	1,159,315,652	-	4,333,448	4,446,188,754	101,369,000	2,850,000	5,714,056,854

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025						
Within one 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	Total
(Rupees)						

Financial assets

Bank balances	2,207,882,320	-	-	-	-	-	2,207,882,320
Investments	-	-	985,321,828	4,243,659,836	103,018,600	26,938,480	5,358,938,744
Mark-up / profit receivable	27,418,877	71,446,028	3,108,938	-	-	-	101,973,843
Advance, deposits and prepayments	-	-	-	-	-	2,850,000	2,850,000
	2,235,301,197	71,446,028	988,430,766	4,243,659,836	103,018,600	29,788,480	7,671,644,907

Financial liabilities

Payable to JS Investments Limited - Management Company	25,582,401	-	-	-	-	-	25,582,401
Payable to Digital Custodian Company Limited - Trustee	531,601	-	-	-	-	-	531,601
Accrued expenses and other liabilities	76,847,966	-	-	-	-	-	76,847,966
	102,961,968	-	-	-	-	-	102,961,968
	2,132,339,229	71,446,028	988,430,766	4,243,659,836	103,018,600	29,788,480	7,568,682,939

22 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 on 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.

22.1 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 June 30, 2026, the Fund held the following financial instruments measured at fair values:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Financial assets 'at fair value through profit or loss'

Government securities:

- Market Treasury Bills

- Pakistan Investment Bonds

Listed debt securities - Corporate Sukuks and Term Finance Certificates

Unlisted debt securities - Corporate Sukuks

2026			
Level 1	Level 2	Level 3	Total
Rupees			
-	-	-	-
-	2,538,247,566	-	2,538,247,566
151,369,000	-	-	151,369,000
-	260,885,992	-	260,885,992
151,369,000	2,799,133,558	-	2,950,502,558

Financial assets 'at fair value through profit or loss'

Government securities:

- Market Treasury Bills

- Pakistan Investment Bonds

Listed debt securities - Corporate Sukuks and Term Finance Certificates

Unlisted debt securities - Corporate Sukuks

Debt security - non convertible, redeemable preference shares

2025			
Level 1	Level 2	Level 3	Total
Rupees			
-	908,579,500	-	908,579,500
-	4,022,960,519	-	4,022,960,519
103,018,600	-	-	103,018,600
-	297,441,645	-	297,441,645
-	26,938,480	-	26,938,480
103,018,600	5,255,920,144	-	5,358,938,744

22.2 There were no transfers between level 1 and level 2 and no movement in or out of level 3 fair value hierarchy during the year ended June 30, 2026.

22.3 The following valuation techniques have been used in determination of fair values of the instruments during the year:

Item	Valuation approach and input used
Market Treasury Bills	The fair value of Market Treasury Bills have been derived using PKRV rates as on June 30, 2026. The PKRV rates are announced by FMA (Financial Market Association) daily through Reuters.
Pakistan Investment Bonds - Fixed Rate	The fair value of Pakistan Investment Bonds have been derived using PKRV rates as on June 30, 2026. The PKRV rates are announced by FMA (Financial Market Association) daily through Reuters.
Term Finance Certificates	The fair value of Term Finance Certificates have been determined through closing rates announced by MUFAP as on June 30, 2026.
Non convertible, redeemable preference shares	The valuation has been determined on the basis of a third party offer received.
Corporate sukuks	The valuation has been determined through closing rates announced by MUFAP as on June 30, 2026.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

23 UNIT HOLDING PATTERN OF THE FUND

Category	2026			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Individuals	571	2,528,983	316,982,783	7.68%
Associated Companies and Directors	2	18,911	2,370,306	0.06%
Retirement Funds	16	8,861,896	1,110,750,092	26.90%
Others	22	21,531,636	2,698,799,303	65.36%
	611	32,941,426	4,128,902,484	100.00%

Category	2025			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Individuals	585	6,462,307	752,858,767	9.95%
Associated Companies and Directors	3	89,138	10,384,566	0.14%
NBFCs	1	1,666,897	194,193,450	2.57%
Retirement Funds	20	6,815,736	794,033,252	10.49%
Public Limited Companies	15	47,916,343	5,582,253,944	73.76%
Others	10	2,017,698	234,768,553	3.10%
	634	64,968,119	7,568,492,532	100.00%

24 DETAILS OF MEMBERS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

S. No.	Name	Designation	Overall Experience	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	25	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer & Company Secretary	33	MBA
3	Ms. Samina Faisal	Country Head Business Development	35	MBA
4	Mr. Syed Hussain Haider	Chief Investment Officer	24	CFA / CIPM
5	Mr. Safdar Raza	Fund Manager	10	B.COM

24.1 Name and qualification of the Fund Manager

Name	Designation	Qualification	Other funds managed by the Fund Manager
Mr. Safdar Raza	Fund Manager	Bachelor's in Commerce	JS Government Securities Fund, JS Microfinance Sector Fund, JS Islamic Income Fund, JS Islamic Money Market Fund (Formerly JSIDDF), JS Cash Fund, JS Money Market Fund, JS Fixed Term Munafa Fund and JS Fixed Term Munafa Fund II

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

25 LIST OF TOP 10 BROKERS BY PERCENTAGE OF COMMISSION PAID

-----2026-----		-----2025-----	
Name of broker	Percentage of commission paid	Name of broker	Percentage of commission paid
K Trade Securities Limited	30.82%	Pearl Securities Limited	22.87%
BMA Capital Partners Limited	18.45%	C & M Management (Private) Limited	21.44%
C&M Management Private Limited	17.15%	Alfalah CLSA Securities (Private) Limited	17.42%
Currency Market Associates (Private) Limited	13.43%	Currency Market Associates (Private) Limited	9.12%
Multiline Securities Limited	11.10%	Vector Securities Limited	7.86%
Pearl Securities Limited	4.95%	Summit Capital (Private) Limited	6.37%
Summit Capital (Private) Limited	2.11%	Multiline Securities Limited	5.14%
Vector Capital (Private) Limited	1.98%	Optimus Capital Management (Private) Limited	5.08%
JS Investments Limited*	0.00%	K Trade Securities Limited	2.34%
JS Global Capital Limited*	0.00%	Magenta Capital (Private) Limited	1.45%

*Nil are due to rounding

26 MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Following is the analysis of attendance in the meetings of Board of Directors of the management committee during the period:

S.No.	Name of Directors	Meetings attended	Meetings held on				
			August 20, 2025	October 21, 2025	January 09, 2026	February 20, 2026	April 23, 2026
1	Mr. Suleman Lalani	5	✓	✓	✓	✓	✓
2	Ms. Iffat Zehra Mankani	5	✓	✓	✓	✓	✓
3	Mr. Hasan Shahid	5	✓	✓	✓	✓	✓
4	Ms. Aisha Fariel Salahuddin*	2	✓	✓	x	x	x
5	Ms. Mediha Kamal Afsar***	4	✓	✓	x	✓	✓
6	Mr. Faisal Anwar	5	✓	✓	✓	✓	✓
7	Mr. Farooq Ahmed Malik*	2	✓	✓	x	x	x
8	Syed Kazim Raza***	4	✓	✓	x	✓	✓
9	Mr. Ahsan Jamal**	3	x	x	✓	✓	✓
10	Ms. Maria Mittermair**	3	x	x	✓	✓	✓
			8	8	6	8	8

* Ms. Aisha Fariel Salahuddin and Mr. Farooq Ahmed Malik completed their term as directors on December 25, 2025

** Mr. Ahsan Jamal and Ms. Maria Mittermair were elected as directors of the Company w.e.f. December 26, 2025

*** Ms. Mediha Kamal Afsar and Syed Kazim Raza were on leave of absence in the 184th Board meeting held on January 9, 2026

27 UNIT HOLDER'S FUND RISK MANAGEMENT

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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

- Monitors the level of daily issuance and redemptions relative to liquid assets;
- Redeems and issues units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions as allowed under the rules and regulations; and
- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitors capital of the Fund on the basis of the value of net assets attributable to the unit holders and tracks the movement of Assets under Management as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors are updated about the Fund's yield and movement of net asset value and total Fund size at the end of each quarter.

In accordance with the NBFC Regulations, the Fund is required to distribute at least ninety percent of its income from sources other than capital gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund has maintained minimum size of one hundred million rupees at all times during the year.

28 GENERAL

28.1 Rounding off

Figures have been rounded off to the nearest rupee, unless otherwise stated.

28.2 Corresponding figures

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

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 23, 2026 by the Board of Directors of the Management Company.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**

19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.

- **Wealth Centre**

Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi

- **Regional Office - Islamabad**

Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.

- **Regional Office - Lahore**

1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Lahore**

Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Peshawar**

Ground Floor, Shop #10-A,
Fakhr e Alam Road, Super Market, Peshawar

☎ 0800-00887 ✉ "Invest to 8027" ✉ ir@jsil.com 🌐 www.jsil.com

📘 www.facebook.com/jsinvestments 🐦 http://twitter.com/JSInvestment

🌐 http://www.linkedin.com/company/js-investment-limited



QR Code for
website access



JS ISLAMIC PENSION SAVINGS FUND
ANNUAL REPORT 2026

GROWING STRONGER.

**SCALING
SMARTER**

CONTENT AT A GLANCE

COMPANY INFORMATION

01

Company Information	02
Vision	03
Mission	
Directors' Report to the Unit Holders	04
Fund Manager's Report	12
Report of the Shariah Advisory	15
Statement of Compliance with Shariah Principles	16
Independent Reasonable Assurance Report to the Unit Holders	17
Trustee Report to the Unit Holders	19
Independent Auditors' Report to the Unit Holders	20

FINANCIAL STATEMENTS

02

Statement of Assets And Liabilities	23
Statement of Income	25
Statement of Comprehensive Income	27
Statement of Movement In Unit Holders' Fund	29
Statement of Cash Flows	31
Notes to and Forming Part of the Financial Statements	33

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani
Non-Executive Director / Chairman

Ms. Iffat Zehra Mankani
Chief Executive Officer

Mr. Hasan Shahid
Non-Executive Director

Syed Kazim Raza
Non-Executive Director

Mr. Atif Salim Malik**
Non-Executive Director

Ms. Maria Mittermair
Independent Director

Ms. Mediha Kamal Afsar
Independent Director

Mr. Ahsan Jamal
Non-Executive Director

Mr. Faisal Anwar*
Non-Executive Director

Chief Executive Officer
Ms. Iffat Zehra Mankani

Chief Financial Officer
Mr. Raheel Rehman

Chief Investment Officer
Syed Hussain Haider

Chief Operating Officer & Company Secretary
Mr. Muhammad Khawar Iqbal

Statutory Auditors
A.F. Ferguson Co Chartered Accountants

Legal Advisors
Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee
Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Ms. Maria Mittermair

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

Shariah Advisors
AI - Hilal Shariah Advisors (Pvt) Limited.

* Mr. Faisal Anwar resigned from the board on April 27, 2026.

** Mr. Atif Salim Malik joined the board on May 07, 2026.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.

MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.



DIRECTORS REPORT TO THE PARTICIPANTS

The Board of Directors of JS Investments Limited, the Pension Fund Manager of **JS Islamic Pension Savings Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2026.

ECONOMIC REVIEW

FY2026 marked a further strengthening of Pakistan's macroeconomic foundations despite a more challenging external environment. The resurgence of geopolitical tensions in the Middle East temporarily disrupted the disinflation process and heightened external uncertainty; however, continued policy discipline, progress under the IMF-supported reform programme and improving investor confidence helped preserve macroeconomic stability and reinforce policy credibility through the year.

Real GDP growth accelerated to 3.7%, the strongest pace in four years, supported by a broad-based recovery in manufacturing and services. While inflation reaccelerated toward year-end amid higher global energy prices, average inflation remained contained at 7.1%. Fiscal consolidation continued, supported by stronger revenue collection and an improved primary balance, while record remittances, reserve accumulation and renewed access to international capital markets strengthened the external position despite a widening trade deficit.

The year also witnessed a further improvement in Pakistan's sovereign credit profile, with international rating upgrades reinforcing the progress achieved under the macroeconomic adjustment agenda and supporting renewed access to global capital markets. While these developments provide a firmer macroeconomic foundation, the challenge ahead extends beyond preserving stability. Sustaining higher long-term growth will require continued reform implementation, stronger private-sector investment, productivity enhancement and a gradual transition from stabilization-led recovery to a more competitive, investment- and export-oriented economy.

EQUITY MARKET REVIEW

Pakistan's equity market delivered another year of exceptional performance in FY2026, demonstrating remarkable resilience despite heightened geopolitical uncertainty during the latter part of the year. As concerns over regional tensions gradually gave way to improving confidence in the domestic macroeconomic outlook, investors increasingly focused on strengthening economic fundamentals, policy continuity and improving sovereign credit perceptions. Against this backdrop, the KSE-100 Index advanced 44% to close at 180,302 points, while the KSE-30 Total Return and KMI-30 indices also generated robust returns, reinforcing Pakistan's position among the region's strongest-performing equity markets.

Market participation strengthened meaningfully during the year, reflected in a notable increase in trading volumes and turnover, alongside a revival in primary market activity. These developments point to improving investor confidence and a gradual deepening of domestic capital markets. Sector performance remained broad-based, with financials, cyclicals and selected industrial sectors leading the advance as investors positioned for an improving macroeconomic environment.

Flow dynamics continued to highlight an important structural shift in market ownership. Persistent foreign selling was comfortably absorbed by domestic investors, reaffirming the increasingly dominant role of local liquidity in shaping market direction. This growing depth of the domestic investor base has enhanced the market's resilience to external shocks while providing a more stable foundation for long-term capital formation.

The medium-term outlook for the equity market remains favourable. Continued resilience in corporate earnings, strengthening macroeconomic fundamentals and supportive valuations provide a solid foundation for market performance, although the pace of further gains will continue to be influenced by the external environment.

INCOME / MONEY MARKET REVIEW

Domestic fixed income markets moved through two distinct phases during FY2026. The year began with contained inflation and continued monetary easing, with the State Bank of Pakistan reducing the policy rate by 50 basis points to 10.5% in December. However, higher global energy prices following renewed Middle East tensions altered the inflation outlook, prompting a 100-basis point increase in the policy rate to 11.5% in April.

Government security yields initially benefited from the improving inflation outlook before repricing higher as geopolitical tensions intensified, and subsequently partially retraced as tensions eased and oil prices moderated. The 3-month, 12-month and 5-year benchmark yields closed the year at 11.60%, 11.60% and 11.80%, respectively. The relatively contained adjustment in longer-tenor yields suggested that investors continued to view the inflation shock as largely transitory rather than structural.

The outlook for domestic fixed income remains broadly constructive. A gradual normalization in inflation should provide scope for monetary conditions to ease over time, although the pace of any future policy adjustment will remain contingent upon sustained geopolitical de-escalation, continued fiscal discipline and inflation converging toward the SBP's medium-term target range. Against this backdrop, duration positioning is expected to remain selective, with valuation opportunities likely to emerge as policy visibility improves and inflation risks become more balanced.

REVIEW OF FUND PERFORMANCE

The Fund was launched on June 16, 2008 for contributions by eligible participants, under the Voluntary Pension System Rules, 2005 (VPS Rules, 2005), with the objective of assisting and facilitating them to plan for their retirement. The Fund presently has three sub-funds that are Equity Sub-Fund, Debt Sub-Fund, and Money Market Sub-Fund.

The Equity Sub-Fund return was 23.36% for the year ended June 30, 2026. The Equity Sub-Fund's Net Assets increased from PKR 56.14 million as of June 30, 2025, to PKR 107.35 million as of June 30, 2026. The Equity Sub-Fund's total expense ratio is 4.00% which includes 0.41% of government levies on the Fund.

The Debt Sub-Fund return was 6.14% for the year ended June 30, 2026. The Debt Sub-Fund's Net Assets increased from PKR 69.97 million as of June 30, 2025, to PKR 83.19 million as of June 30, 2026. The Debt Sub-Fund's total expense ratio is 2.05% which includes 0.26% of government levies on the Fund.

The Money Market Sub-Fund return was 10.38% for the year ended June 30, 2026. The Money Market Sub-Fund's Net Assets increased from PKR 213.83 million as of June 30, 2025 to PKR 325.14 million as of June 30, 2026. The Money Market Sub-Fund's total expense ratio is 0.99% which includes 0.15% of government levies on the Fund.

The Fund has 594 participants as of June 30, 2026.

PATTERN OF UNIT HOLDING:

JS Pension Islamic Savings Fund	No. of Unit holders	No. of Units held	Rupees in million	% of total investment
Equity Sub -Fund	139	54,380	107	20.78
Debt Sub -Fund	194	188,051	83	12.12
Money Market Sub -Fund	532	758,767	325	63.11
TOTAL			515	100.00

PENSION FUND MANAGER RATING

Pakistan Credit Rating Agency Limited (PACRA) upgraded JS Investments Limited's Asset Manager Rating to 'AM1' with a 'Stable Outlook' on November 5, 2025 — the highest management-quality assessment, reflecting sound governance, institutionalized investment processes and consistent operational performance.

AUDITORS

The external auditors of the Fund, M/s. A.F Ferguson & Co. Chartered Accountants, retired and, being eligible, offered themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board, has approved the appointment of M/s. A.F Ferguson & Co. Chartered Accountants as the Fund's auditors for the ensuing year ending June 30, 2027.

SHARIAH ADVISORS

M/s. Al-Hilal Shariah Advisors (Pvt.) Limited, completed its tenure. The Board of Directors of JS Investments Limited, the Management Company of the Fund, upon recommendation of the Audit Committee has approved the appointment of M/s. Al-Hilal Shariah Advisors for the ensuing year ending June 30, 2027.

ACKNOWLEDGMENT

The Board of Directors expresses its gratitude to the Securities and Exchange Commission of Pakistan and Central Depository Company of Pakistan Limited for their continued support, assistance and guidance. The Board also places on record its appreciation for the dedication and commitment of the employees of the Management Company and thanks the unitholders for their continued confidence in the Management Company.

On behalf of the Board



Director

August 23, 2026
Karachi



Chief Executive Officer

اظہار تشکر:

ڈائریکٹرز پاکستان سکیورٹیز اینڈ اینڈاکیمنٹ کمیشن آف پاکستان اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ مینجمنٹ کمپنی کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون ہے۔

بورڈ کی جانب سے



چیف ایگزیکٹو آفیسر



ڈائریکٹر

کراچی، 23 اگست 2026

یونٹ ہولڈنگ کا پتہ:

یونٹ ہولڈرز کی تعداد	حاصل کئے گئے یونٹس کی تعداد	روپے ملین میں	مجموعی سرمایہ کاری کا فیصد	جے ایس انشورنس اسلامک سیونگز فنڈ
139	54,380	107	20.78	ایکویٹی سب فنڈ
194	188,051	83	12.12	ڈیبٹ سب فنڈ
532	758,767	325	63.11	منی مارکیٹ سب فنڈ
		515	100.00	ٹوٹل

پنشن فنڈ مینیجر کی ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 5 نومبر 2025 کو جے ایس انویسٹمنٹ لمیٹڈ کی ایسیٹ مینیجر ریٹنگ بڑھا کر "AM1" کردی، جبکہ آؤٹ لک مستحکم برقرار رکھا گیا۔ "AM1" انتظامی معیار کی اعلیٰ ترین درجہ بندی ہے، جو مضبوط طرز حکمرانی، ادارہ جاتی بنیادوں پر قائم سرمایہ کاری کے طریقہ کار اور مسلسل موثر آپریشنل کارکردگی کی عکاسی کرتی ہے۔

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور اسر نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2027 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

شرعی مشیران:

میسرز الہلال شرعیہ ایڈوائزرز (پرائیویٹ) لمیٹڈ کی تقرری کی مدت مکمل ہوگئی۔ فنڈ کی مینجمنٹ کمپنی، جے ایس انویسٹمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر 30 جون 2027 کو اختتام پذیر ہونے والے آئندہ سال کے لیے میسرز الہلال شرعیہ ایڈوائزرز (پرائیویٹ) لمیٹڈ کی بطور شرعی مشیر تقرری کی منظوری دی ہے۔

ملکی فلسفہ انکم مارکیٹ کا آئندہ منظر نامہ مجموعی طور پر حوصلہ افزا ہے۔ افراط زر میں بتدریج معمول کی سطح کی جانب واپسی سے وقت کے ساتھ مانیٹری حالات میں مزید نرمی کی گنجائش پیدا ہو سکتی ہے، تاہم مستقبل میں پالیسی میں کسی بھی ممکنہ تبدیلی کی رفتار کا انحصار جغرافیائی سیاسی کشیدگی میں پائیدار کمی، مسلسل مالیاتی نظم و ضبط اور افراط زر کے اسٹیٹ بینک آف پاکستان (SBP) کی درمیانی مدت کی ہدفی حد کی جانب واپس آنے پر ہوگا۔ اس پس منظر میں سرمایہ کاری کی مدت کے حوالے سے حکمت عملی محتاط اور منتخب بنیادوں پر برقرار رہنے کی توقع ہے، جبکہ پالیسی کے حوالے سے صورتحال مزید واضح ہونے اور افراط زر کے خطرات میں توازن پیدا ہونے کے ساتھ ویلیو ایڈیشن کی بنیاد پر سرمایہ کاری کے مواقع بھی سامنے آنے کا امکان ہے۔

فنڈ کی کارکردگی کا جائزہ:

یہ فنڈ 16 جون 2008 کو اہل شرکاء کی جانب سے سرمایہ کاری کے لیے والینٹری پنشن سسٹم رولز 2005 (VPS Rules, 2005) کے تحت قائم کیا گیا تھا، جس کا مقصد شرکاء کو اپنی ریٹائرمنٹ کی منصوبہ بندی میں معاونت اور سہولت فراہم کرنا ہے۔ اس وقت فنڈ کے تین ذیلی فنڈز ہیں، جن میں ایکویٹی سب فنڈ، ڈیٹ سب فنڈ اور منی مارکیٹ سب فنڈ شامل ہیں۔

ایکویٹی سب فنڈ نے 30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران 23.36 فیصد منافع حاصل کیا۔ اس کے خالص اثاثوں میں اضافہ ہوا، جو 30 جون 2025 کو 56.14 ملین پاکستانی روپے سے بڑھ کر 30 جون 2026 کو 107.35 ملین پاکستانی روپے ہو گئے۔ ایکویٹی سب فنڈ کا مجموعی اخراجاتی تناسب 4.00 فیصد رہا، جس میں فنڈ پر عائد 0.41 فیصد حکومتی محصولات بھی شامل ہیں۔

ڈیٹ سب فنڈ نے 30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران 6.14 فیصد منافع حاصل کیا۔ اس کے خالص اثاثے 30 جون 2025 کو 69.97 ملین پاکستانی روپے سے بڑھ کر 30 جون 2026 کو 83.19 ملین پاکستانی روپے ہو گئے۔ ڈیٹ سب فنڈ کا مجموعی اخراجاتی تناسب 2.05 فیصد رہا، جس میں 0.26 فیصد حکومتی محصولات شامل ہیں۔

منی مارکیٹ سب فنڈ نے 30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران 10.38 فیصد منافع حاصل کیا۔ اس کے خالص اثاثوں میں بھی اضافہ ہوا، جو 30 جون 2025 کو 213.83 ملین پاکستانی روپے سے بڑھ کر 30 جون 2026 کو 325.14 ملین پاکستانی روپے ہو گئے۔ منی مارکیٹ سب فنڈ کا مجموعی اخراجاتی تناسب 0.99 فیصد رہا، جس میں 0.15 فیصد حکومتی محصولات شامل ہیں۔

30 جون 2026 تک فنڈ کے شرکاء کی مجموعی تعداد 594 تھی۔

یہ 180,302 پوائنٹس پر بند ہوا، جبکہ KSE-30 ٹوٹل ریٹرن اور KMI-30 انڈیکس نے بھی مضبوط منافع فراہم کیا، جس سے پاکستان کا شمار خطے کی بہترین کارکردگی دکھانے والی ایکویٹی مارکیٹوں میں مزید مستحکم ہوا۔

سال کے دوران مارکیٹ میں سرمایہ کاروں کی شرکت میں نمایاں بہتری آئی، جس کا اظہار ٹریڈنگ کے حجم اور کاروباری مالیت میں قابل ذکر اضافے کے ساتھ ساتھ پرائمری مارکیٹ کی سرگرمیوں میں دوبارہ تیزی سے ہوا۔ یہ پیش رفت سرمایہ کاروں کے اعتماد میں بہتری اور ملکی کیپٹل مارکیٹ کی بتدریج وسعت اور گہرائی کی عکاسی کرتی ہے۔ مختلف شعبوں کی کارکردگی بھی مجموعی طور پر وسیع البنیاد رہی، تاہم مالیاتی شعبے، سائیکلک شعبے اور بعض منتخب صنعتی شعبوں نے مارکیٹ کی تیزی میں نمایاں کردار ادا کیا، کیونکہ سرمایہ کاروں نے بہتر ہوتے ہوئے معاشی ماحول کو مد نظر رکھتے ہوئے اپنی سرمایہ کاری کی پوزیشنز تشکیل دیں۔

سرمایہ کے بہاؤ میں بھی مارکیٹ کی ملکیت کے اسٹرکچر میں ایک اہم ساختی تبدیلی نمایاں ہوئی۔ غیر ملکی سرمایہ کاروں کی جانب سے مسلسل فروخت کے دباؤ کو ملکی سرمایہ کاروں نے باآسانی جذب کیا، جس سے مارکیٹ کی سمت متعین کرنے میں مقامی لیکویڈٹی کے بڑھتے ہوئے اور غالب کردار کی مزید تصدیق ہوئی۔ ملکی سرمایہ کاروں کی بنیاد میں اس بڑھتی ہوئی گہرائی نے بیرونی خطرات کے مقابلے میں مارکیٹ کی مضبوطی میں اضافہ کیا ہے اور طویل مدتی سرمایہ کی تشکیل کے لیے زیادہ مستحکم بنیاد فراہم کی ہے۔

ایکویٹی مارکیٹ کے لیے درمیانی مدت کا منظر نامہ بدستور سازگار ہے۔ کارپوریٹ آمدنی میں مسلسل مضبوطی، میکرو اکنامک بنیادی عوامل میں بہتری اور معاون ویلیو ایڈیشنز مارکیٹ کی کارکردگی کے لیے ایک مضبوط بنیاد فراہم کر رہے ہیں، تاہم مستقبل میں مزید اضافے کی رفتار بدستور بیرونی معاشی ماحول سے متاثر ہوتی رہے گی۔

انکم/منی مارکیٹ کا جائزہ

مالی سال 2026 کے دوران ملکی فکسڈ انکم مارکیٹ کو دو نمایاں مراحل سے گزرنا پڑا۔ سال کا آغاز قابو میں رہنے والی افراط زر اور مسلسل مانیٹری پالیسی میں نرمی کے ساتھ ہوا، جبکہ دسمبر میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50 پیسے پوائنٹس کمی کر کے اسے 10.5 فیصد کر دیا۔ تاہم، مشرق وسطیٰ میں کشیدگی میں دوبارہ اضافے کے بعد عالمی سطح پر توانائی کی قیمتوں میں ہونے والے اضافے نے افراط زر کے منظر نامے کو تبدیل کر دیا، جس کے نتیجے میں اپریل میں پالیسی ریٹ میں 100 پیسے پوائنٹس کا اضافہ کر کے اسے 11.5 فیصد کر دیا گیا۔

حکومتی سیکورٹیز کی ییلڈز نے ابتدا میں افراط زر کے بہتر ہوتے ہوئے منظر نامے سے فائدہ اٹھایا، تاہم جغرافیائی سیاسی کشیدگی میں اضافے کے باعث ان میں دوبارہ اضافہ ہوا۔ بعد ازاں کشیدگی میں کمی اور تیل کی قیمتوں میں اعتدال آنے کے ساتھ ییلڈز میں جزوی طور پر کمی واقع ہوئی۔ 3 ماہ، 12 ماہ اور 5 سالہ بینچ مارک ییلڈز بالترتیب 11.60 فیصد، 11.60 فیصد اور 11.80 فیصد کی سطح پر سال کے اختتام پر بند ہوئیں۔ طویل مدتی میچورٹی والی سیکورٹیز کی ییلڈز میں نسبتاً محدود تبدیلی اس امر کی عکاسی کرتی ہے کہ سرمایہ کار افراط زر میں اس اضافے کو ایک ساختی مسئلے کے بجائے بڑی حد تک عارضی نوعیت کا جھٹکا سمجھتے رہے۔

یونٹ ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمپنی برائے جے ایس اسلامک پنشن سیونگز فنڈ (فنڈ) کی سالانہ رپورٹ پیش کرتے ہوئے پُرسرت ہیں۔

معاشی جائزہ:

مالی سال 2026 کے دوران پاکستان کی مجموعی معاشی بنیادوں میں مزید استحکام آیا، اگرچہ بیرونی معاشی ماحول پہلے کے مقابلے میں زیادہ مشکل رہا۔ مشرق وسطیٰ میں جغرافیائی سیاسی کشیدگی میں دوبارہ اضافے کے باعث افراط زر میں کمی کا عمل عارضی طور پر متاثر ہوا اور بیرونی غیر یقینی صورتحال میں اضافہ ہوا۔ تاہم، پالیسیوں میں مسلسل نظم و ضبط، آئی ایم ایف کے تعاون سے جاری اصلاحاتی پروگرام میں پیش رفت اور سرمایہ کاروں کے اعتماد میں بہتری نے سال بھر معاشی استحکام برقرار رکھنے اور پالیسیوں کی ساکھ کو مزید مضبوط بنانے میں مدد دی۔

حقیقی مجموعی ملکی پیداوار کی شرح نموبڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سالوں میں بلند ترین شرح نمو ہے۔ اس بہتری کو مینوفیکچرنگ اور خدمات کے شعبوں میں وسیع البیاد بحالی سے تقویت ملی۔ اگرچہ عالمی توانائی کی قیمتوں میں اضافے کے باعث سال کے اختتام پر افراط زر کی شرح میں دوبارہ اضافہ ہوا، تاہم سال کی اوسط افراط زر 7.1 فیصد کی سطح پر قابو میں رہی۔ مالیاتی استحکام کا عمل بھی جاری رہا، جسے محصولات کی بہتر وصولی اور بنیادی مالیاتی توازن میں بہتری سے مدد ملی۔ دوسری جانب، ریکارڈ ترسیلات زر، زرمبادلہ کے ذخائر میں اضافہ اور عالمی سرمایہ مارکیٹوں تک دوبارہ رسائی نے بڑھتے ہوئے تجارتی خسارے کے باوجود ملک کی بیرونی مالی پوزیشن کو مزید مضبوط کیا۔

سال کے دوران پاکستان کے خود مختار کریڈٹ پروفائل میں بھی مزید بہتری آئی۔ بین الاقوامی کریڈٹ ریٹنگ اداروں کی جانب سے ریٹنگ میں بہتری نے میکرو اکنامک ایڈجسٹمنٹ کے تحت حاصل ہونے والی پیش رفت کو تقویت دی اور عالمی سرمایہ مارکیٹوں تک ملک کی دوبارہ رسائی میں معاونت فراہم کی۔ اگرچہ یہ پیش رفت پاکستان کے لیے زیادہ مضبوط معاشی بنیاد فراہم کرتی ہے، تاہم مستقبل کا چیلنج محض معاشی استحکام برقرار رکھنے تک محدود نہیں۔ طویل مدت میں بلند شرح نمو کو برقرار رکھنے کے لیے اصلاحات پر مسلسل عمل درآمد، نجی شعبے کی سرمایہ کاری میں اضافہ، پیداواری صلاحیت میں بہتری اور معیشت کو بتدریج استحکام پر مبنی بحالی سے ایک زیادہ مسابقتی، سرمایہ کاری اور برآمدات پر مرکوز معیشت کی جانب منتقل کرنا ضروری ہوگا۔

ایکویٹی مارکیٹ کا جائزہ:

پاکستان کی ایکویٹی مارکیٹ نے مالی سال 2026 کے دوران ایک مرتبہ پھر غیر معمولی کارکردگی کا مظاہرہ کیا اور سال کے آخری حصے میں بڑھتی ہوئی جغرافیائی سیاسی غیر یقینی صورتحال کے باوجود قابل ذکر مضبوطی کا ثبوت دیا۔ علاقائی کشیدگی سے متعلق خدشات میں بتدریج کمی اور ملکی معاشی صورتحال کے حوالے سے اعتماد میں بہتری آنے کے ساتھ سرمایہ کاروں کی توجہ مضبوط ہوتے ہوئے معاشی بنیادی عوامل، پالیسیوں کے تسلسل اور خود مختار کریڈٹ کے حوالے سے بہتر ہوتے ہوئے تاثر پر مرکوز رہی۔ اس پس منظر میں KSE-100 انڈیکس میں 44 فیصد اضافہ ہوا اور

FUND MANAGER REPORT

Annual Report 2026

JS ISLAMIC PENSION SAVINGS FUND

- **Description of the Collective Investment Scheme/Voluntary Pension Scheme category and type**
Shariah Compliant Voluntary Pension Scheme

- **Statement of VPS's investment objective**

JS Islamic Pension Savings Fund is designed to provide a Halal and secure source of savings and retirement income to individuals according to the principles of Islamic Shariah. JS IPSF is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customization through allocation of such contributions among equity, fixed income and other Halal investment avenues suited to their specific needs and risk profile.

- **Explanation as to whether the VPS has achieved its stated objective**

The VPS achieved its stated objective.

- **Statement of benchmark(s) relevant to the VPS**

Money Market Sub-Fund: 90% three (3) months PKISRV rates + 10% three (3) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP.

Debt Sub-Fund: 75% Twelves (12) months PKISRV + 25% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by MUFAP

Equity Sub-Fund: KMI-30 Index

- Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	FY26
JSIPS-ESF	3.51%	8.66%	13.34%	-5.72%	2.13%	4.34%	3.75%	-12.19%	-10.06%	7.37%	6.50%	2.81%	23.36%
Benchmark	6.50%	7.85%	15.96%	-5.51%	2.84%	3.85%	5.03%	-9.85%	-8.18%	8.34%	7.01%	2.73%	39.17%
JSIPS-DSF	7.86%	7.71%	7.95%	8.02%	9.05%	8.26%	7.61%	8.68%	-15.19%	6.54%	8.27%	7.66%	6.14%
Benchmark	9.88%	9.62%	9.90%	10.26%	10.27%	10.24%	9.65%	9.64%	9.50%	9.76%	9.73%	9.68%	10.30%
JSIPS-MMSF	8.86%	8.99%	9.16%	9.07%	9.10%	14.86%	8.92%	8.24%	5.98%	9.74%	9.00%	17.07%	10.38%
Benchmark	10.07%	9.66%	9.49%	9.37%	9.66%	9.51%	8.52%	8.67%	8.59%	9.00%	9.44%	10.46%	9.79%

- **Description of the strategies and policies employed during the period under review in relation to the VPSs performance**

Money Market Sub-Fund: During the year, the fund focused on short-term Shariah-compliant bank placements and Sukuks. Prudent duration and liquidity positioning enabled the fund to capture prevailing short-term yields, while changing interest-rate expectations and heightened geopolitical uncertainty later in the year reinforced the emphasis on liquidity, credit quality and capital preservation.

Debt Sub-Fund: During the year, the fund maintained diversified exposure across Shariah-compliant corporate and government debt instruments. Asset allocation and portfolio duration were actively managed as interest-rate expectations evolved, while heightened geopolitical uncertainty later in the year reinforced a disciplined focus on credit quality, liquidity and fundamental analysis.

Equity Sub-Fund: Throughout the year, the fund maintained a balanced focus on growth and value opportunities across fundamentally strong sectors, selectively capitalizing on undervalued stocks with attractive recovery potential. Portfolio positioning remained aligned with the improving domestic economic backdrop, while becoming increasingly selective as heightened geopolitical and global macro uncertainty emerged later in the year.

- **Disclosure of the VPS's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

Equity Sub Fund	Jun-26	Jun-25
Cash	5.35%	6.67%
Equity	92.09%	90.73%
Other including receivables	2.55%	2.60%
Total	100.00%	100.00%
Debt Sub Fund		
Cash	50.32%	32.99%
Sukuk	45.38%	12.71%
Other including receivables	4.31%	54.30%
Total	100.00%	100.00%
Money Market Sub Fund		
Cash	53.54%	89.77%
Sukuk	42.90%	9.32%
Other including receivables	3.56%	0.91%
Total	100.00%	100.00%

- **Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established VPS)**

Equity Sub Fund

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	107.35	1,974.16
30-Jun-25	56.14	1,600.26

Debt Sub Fund

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	83.19	442.37
30-Jun-25	70.97	416.77

Money Market Sub Fund

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	325.14	428.51
30-Jun-25	213.83	388.23

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**
Money Market Sub Fund: The fund invests in Shariah-compliant short-term government and corporate debt securities, as well as cash placements in bank accounts (excluding TDRs).

Debt Sub Fund: The fund invests in GoP Ijarah Sukuks, Shariah-compliant money market placements, deposits, certificate of Musharakah (COM), Shariah-compliant Term Deposit Receipts (TDR), Islamic commercial paper, reverse repo, and corporate Sukuks.

Equity Sub Fund: The fund invests in Shariah-compliant equity securities listed on the Pakistan Stock Exchange (PSX).

- **Description and explanation of any significant changes in the state of affairs of the VPS during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

There were no significant changes in the state of affairs during the year under review.

- **Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Islamic Pension Savings Fund-Equity Sub-Fund	0.0001	to	9,999.9999	139
	10,000.0000	to	49,999.9999	-
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	-
	500,000.0000	&	above	-
			Total	139
Fund Name	Ranges			Number of Folios
JS Islamic Pension Savings Fund-Debt Sub-Fund	0.0001	to	9,999.9999	192
	10,000.0000	to	49,999.9999	2
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	-
	500,000.0000	&	above	-
			Total	194

Fund Name	Ranges			Number of Folios
JS Islamic Pension Savings Fund-Money Market Sub-Fund	0.0001	to	9,999.9999	520
	10,000.0000	to	49,999.9999	12
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	-
	500,000.0000	&	above	-
			Total	532

- **Disclosure on unit split (if any), comprising:-**
The Fund has not carried out any unit split exercise during the year.
- **Disclosure of circumstances that materially affect any interests of the unit holders**
Investment is subject to market risk.
- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the VPS, disclosure of the following:-**
The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

September 23, 2026

AHSA/SSR/JSIPSF/660



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

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

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

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

Keeping in view the above; we certify that:

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

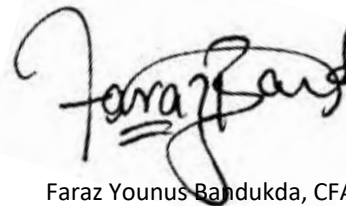
May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

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 Aijaz
Member Shariah Council

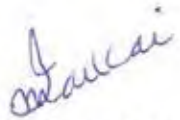



Faraz Younus Bandukda, CFA
Chief Executive

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

JS Islamic Pension Savings Fund (the Fund) has fully complied with Shariah Principles specified in the Trust Deed and in the guidelines issued by the Shariah Advisors for its operations, investments, bank accounts and placements made during the year ended June 30, 2026. The Shariah Advisors has also confirmed that the transactions were observed to be compliant with the guidelines laid down by Shariah Advisors.

Karachi: September 10, 2026


Iffat Zehra Mankani
Chief Executive Officer

**Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023
To the Board of Directors of JS Investments Limited****1. Introduction**

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

2. Applicable Criteria

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

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

The above criteria were evaluated for their implications on the financial statements of JS Islamic Pension Savings Fund for the year ended June 30, 2026, which are annexed.

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants (Revised 2024) issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Management (ISQM I) "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of JS Islamic Pension Savings Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2026 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board.

That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of JS Islamic Pension Savings Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

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

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

6. Conclusion

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



(Chartered Accountants)

Engagement Partner: Muhammad Shabbir Kasbati

Dated: September 25, 2026

Karachi.

Head Office:

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



TRUSTEE REPORT TO THE PARTICIPANTS

JS ISLAMIC PENSION SAVINGS FUND

**Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of
the Non-Banking Finance Companies and Notified Entities Regulations, 2008**

We, Central Depository Company of Pakistan Limited, being the Trustee of JS Islamic Pension Savings Fund (the Fund) are of the opinion that JS Investments Limited being the Pension Fund Manager has in all material respects managed the Fund, during the year ended June 30, 2026 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 8, 2026

INDEPENDENT AUDITOR'S REPORT

To the Participants of JS Islamic Pension Savings Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JS Islamic Pension Savings Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movement in participants' sub-funds and cash flow statement for the year then ended June 30, 2026, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the year 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 Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

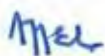
The Pension Fund Manager (JS Investments Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Pension Fund Manager and Board of Directors of Pension Fund Manager for the Financial Statements

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



A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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

Board of Directors of the Pension Fund Manager is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with the Board of Directors of the Pension Fund Manager 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.

Muel

Report on Other Legal and Regulatory Requirements

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

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed and Voluntary Pension System Rules, 2005;
- b) true and fair view is given of the disposition of the Fund at the end of the year and of the transactions of the Fund for the year then ended;
- c) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d) the cost and expenses debited to the Fund are as specified in the constitutive documents of the Fund;
- e) proper books and records have been kept by the Fund and the financial statements prepared are in agreement with the Fund's books and records; and
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

A handwritten signature in blue ink that reads 'A. F. Ferguson & Co.' with a stylized flourish at the end.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 25, 2026
UDIN: AR202610061fe8VrMPCd

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

		2026				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note		(Rupees)				
Assets						
	Bank balances	5	6,058,035	44,581,810	183,889,908	234,529,753
	Investments	6	104,213,875	38,166,600	139,944,000	282,324,475
	Profit receivable	7	-	966,771	2,048,776	3,015,547
	Receivable against sale of investment		-	-	-	-
	Advances, deposits and other receivables	8	2,890,136	366,575	295,553	3,552,264
	Total assets		113,162,046	84,081,756	326,178,237	523,422,039
Liabilities						
	Payable to JS Investments Limited - Pension Fund Manager	9	922,259	538,218	562,426	2,022,903
	Payable to Central Depository Company of Pakistan Limited - Trustee	10	23,279	12,149	45,215	80,643
	Payable to the Securities and Exchange Commission of Pakistan (SECP)	11	32,118	29,642	102,015	163,775
	Accrued expenses and other liabilities	12	4,829,841	314,465	330,995	5,475,301
	Total liabilities		5,807,497	894,474	1,040,651	7,742,622
	Net Assets		107,354,549	83,187,282	325,137,586	515,679,417
	Participants' Sub-Funds (as per statement attached)		107,354,549	83,187,282	325,137,586	515,679,417
	Contingencies and commitments	13	(Number of units)			
	Number of units in issue	14	54,380	188,051	758,767	
			(Rupees)			
	Net asset value per unit		1,974.16	442.37	428.51	

The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

		2025				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note		(Rupees)				
Assets						
	Bank balances	5	3,889,468	23,622,024	192,740,161	220,251,653
	Investments	6	52,938,136	8,999,938	20,000,000	81,938,074
	Profit receivable	7	5,822	807,498	1,739,304	2,552,624
	Receivable against sale of investment		-	37,112,466	-	37,112,466
	Advances, deposits and other receivables	8	1,514,160	250,446	219,878	1,984,484
	Total assets		58,347,586	70,792,372	214,699,343	343,839,301
Liabilities						
	Payable to JS Investments Limited - Pension Fund Manager	9	829,668	563,892	549,220	1,942,780
	Payable to Central Depository Company of Pakistan Limited - Trustee	10	18,321	9,813	29,219	57,353
	Payable to the Securities and Exchange Commission of Pakistan (SECP)	11	16,411	22,973	63,960	103,344
	Accrued expenses and other liabilities	12	1,341,352	228,224	228,003	1,797,579
	Total liabilities		2,205,752	824,902	870,402	3,901,056
	Net Assets		56,141,834	69,967,470	213,828,941	339,938,245
	Participants' Sub-Funds (as per statement attached)		56,141,834	69,967,470	213,828,941	339,938,245
	Contingencies and commitments	13	(Number of units)			
	Number of units in issue	14	35,083	167,879	550,783	
			(Rupees)			
	Net asset value per unit		1,600.26	416.77	388.23	

The annexed notes from 1 to 25 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

2026					
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	(Rupees)				
Income					
Profit on:					
- Bank balances	86,712	4,950,635	18,366,794	23,404,141	
- Government of Pakistan (GoP) Ijarah Sukuks	-	357,816	-	357,816	
- Sukuk certificates - listed	-	2,549,325	10,375,111	12,924,436	
Dividend income	2,602,225	-	-	2,602,225	
Gain on sale of investments - net	6,257,885	-	-	6,257,885	
Net unrealised appreciation / (diminution) in fair value of investments classified as financial assets 'at fair value through profit or loss'	6.5	10,243,253	(1,988,746)	(699,939)	7,554,568
Other income	10,128	10,128	10,128	30,384	
Total income	19,200,203	5,879,158	28,052,094	53,131,455	
Expenses					
Remuneration of JS Investments Limited - Pension Fund Manager	9.1	1,204,389	741,048	1,275,190	3,220,627
Sindh sales tax on remuneration of the Pension Fund Manager	9.2	180,659	111,157	191,278	483,094
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	121,086	112,122	381,877	615,085
Sindh sales tax on remuneration of the Trustee	10.2	17,913	15,316	56,635	89,864
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	11	32,143	29,667	102,040	163,850
Auditors' remuneration	16	425,519	425,519	425,519	1,276,557
Legal and professional charges		69,299	69,299	69,299	207,897
Printing and stationery charges		-	-	-	-
Securities transaction cost		460,276	-	-	460,276
Fee to National Clearing Company of Pakistan Limited		660,452	-	-	660,452
Bank and settlement charges		95,257	21,425	(46,970)	69,712
Total expenses		3,266,993	1,525,553	2,454,868	7,247,414
Net income for the year before taxation		15,933,210	4,353,605	25,597,226	45,884,041
Taxation	4.5	-	-	-	-
Net income for the year after taxation		15,933,210	4,353,605	25,597,226	45,884,041

The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees)			
Income					
Profit on:					
	- Bank balances	252,027	3,907,656	9,968,185	14,127,868
	- Government of Pakistan (GoP) Ijarah Sukuks	-	525,605	13,244,336	13,769,941
	- Sukuk certificates - listed	-	1,805,938	1,609,812	3,415,750
	Dividend income	1,713,801	-	-	1,713,801
	Gain on sale of investments - net	10,608,682	3,673,178	-	14,281,860
	Net unrealised appreciation / (diminution) in fair value of investments classified as financial assets 'at fair value through profit or loss'	6.5 5,879,424	(4,800)	-	5,874,624
	Other income	125,250	-	-	125,250
	Total income	18,579,184	9,907,577	24,822,333	53,309,094
Expenses					
	Remuneration of JS Investments Limited - Pension Fund Manager	9.1 103,787	527,299	680,933	1,312,019
	Sindh sales tax on remuneration of the Pension Fund Manager	9.2 15,568	79,096	102,140	196,804
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 60,417	86,101	239,665	386,183
	Sindh sales tax on remuneration of the Trustee	10.2 9,063	12,915	35,949	57,927
	Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	11 16,411	22,998	63,984	103,393
	Auditors' remuneration	16 336,599	336,599	336,600	1,009,798
	Legal and professional charges	31,227	31,225	31,217	93,669
	Printing and stationery charges	41,305	22,355	41,304	104,964
	Securities transaction cost	402,509	5,750	3,683	411,942
	Fee to National Clearing Company of Pakistan Limited	-	-	-	-
	Bank and settlement charges	36,409	29,827	13,991	80,227
	Total expenses	1,053,295	1,154,165	1,549,466	3,756,926
	Net income for the year before taxation	17,525,889	8,753,412	23,272,867	49,552,168
	Taxation	4.5 -	-	-	-
	Net income for the year after taxation	17,525,889	8,753,412	23,272,867	49,552,168

The annexed notes from 1 to 25 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	(Rupees)			
Net income for the year after taxation	15,933,210	4,353,605	25,597,226	45,884,041
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	<u>15,933,210</u>	<u>4,353,605</u>	<u>25,597,226</u>	<u>45,884,041</u>

The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2025		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	(Rupees)		
			Total
Net income for the year after taxation	17,525,889	8,753,412	23,272,867
Other comprehensive income	-	-	-
Total comprehensive income for the year	<u>17,525,889</u>	<u>8,753,412</u>	<u>23,272,867</u>
	<u>49,552,168</u>		

The annexed notes from 1 to 25 form an integral part of these financial statements.

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees)			
Net assets at beginning of the year		56,141,834	69,967,470	213,828,941	339,938,245
Amount received from issuance of units	15	32,319,643	31,872,445	173,674,950	237,867,038
Amount paid on redemption of units		(10,910,185)	(17,497,754)	(79,601,968)	(108,009,907)
Amount received / (paid) on reallocation of units		13,870,047	(5,508,484)	(8,361,563)	-
		35,279,505	8,866,207	85,711,419	129,857,131
Gain on sale of investments - net		6,257,885	-	-	6,257,885
Net unrealised appreciation / (diminution) in fair value of investments classified as financial assets 'at fair value through profit or loss'	6.5	10,243,253	(1,988,746)	(699,939)	7,554,568
Other income (net of expenses)		(567,928)	6,342,351	26,297,165	32,071,588
Total comprehensive income for the year		15,933,210	4,353,605	25,597,226	45,884,041
Net assets at end of the year		107,354,549	83,187,282	325,137,586	515,679,417

The annexed notes from 1 to 25 form an integral part of these financial statements.

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		----- (Rupees) -----			
Net assets at beginning of the year		30,924,925	45,335,370	126,498,467	202,758,762
Amount received from issuance of units	15	56,269,481	102,317,263	196,399,640	354,986,384
Amount paid on redemption of units		(44,609,520)	(94,006,588)	(128,742,961)	(267,359,069)
Amount paid on reallocation of units		(3,968,941)	7,568,013	(3,599,072)	-
		7,691,020	15,878,688	64,057,607	87,627,315
Gain on sale of investments - net		10,608,682	3,673,178	-	14,281,860
Net unrealised appreciation / (diminution) in fair value of investments classified as financial assets 'at fair value through profit or loss'	6.5	5,879,424	(4,800)	-	5,874,624
Other income (net of expenses)		1,037,783	5,085,034	23,272,867	29,395,684
Total comprehensive income for the year		17,525,889	8,753,412	23,272,867	49,552,168
Net assets at end of the year		56,141,834	69,967,470	213,828,941	339,938,245

The annexed notes from 1 to 25 form an integral part of these financial statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees)			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year before taxation	15,933,210	4,353,605	25,597,226	45,884,041
Adjustments for:				
Profit on bank balances and investments	(86,712)	(7,857,776)	(28,741,905)	(36,686,393)
Dividend income	(2,602,225)	-	-	(2,602,225)
Gain on sale of investments - net	(6,257,885)	-	-	(6,257,885)
Net unrealised (appreciation) / diminution in fair value of investments classified as financial assets 'at fair value through profit or loss'	6.5 (10,243,253)	1,988,746	699,939	(7,554,568)
	(3,256,865)	(1,515,425)	(2,444,740)	(7,217,030)
(Increase) / decrease in assets				
Investments - net	(34,774,601)	5,957,058	(120,643,939)	(149,461,482)
Advances, deposits and other receivables	(1,375,976)	(116,129)	(75,675)	(1,567,780)
	(36,150,577)	5,840,929	(120,719,614)	(151,029,262)
Increase / (decrease) in liabilities				
Payable to JS Investments Limited - Pension Fund Pension Fund Manager	92,591	(25,674)	13,206	80,123
Payable to Central Depository Company of Pakistan Pakistan Limited - Trustee	4,958	2,336	15,996	23,290
Payable to the Securities and Exchange Commission Exchange Commission of Pakistan (SECP)	15,707	6,669	38,055	60,431
Payable against redemption of units	-	-	-	-
Accrued expenses and other liabilities	3,488,489	86,241	102,992	3,677,722
	3,601,745	69,572	170,249	3,841,566
Profit received on bank balances and investments	92,534	7,698,503	28,432,433	36,223,470
Dividend income received	2,602,225	-	-	2,602,225
Net cash (used in) / generated from operating activities	(33,110,938)	12,093,579	(94,561,672)	(115,579,031)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts from issuance of units	32,319,643	31,872,445	173,674,950	237,867,038
Payments on redemption of units	(10,910,185)	(17,497,754)	(79,601,968)	(108,009,907)
Receipts / (payments) on reallocation of units	13,870,047	(5,508,484)	(8,361,563)	-
Net cash generated from financing activities	35,279,505	8,866,207	85,711,419	129,857,131
Net increase / (decrease) in cash and cash equivalents	2,168,567	20,959,786	(8,850,253)	14,278,100
Cash and cash equivalents at the beginning of the year	3,889,468	23,622,024	192,740,161	220,251,653
Cash and cash equivalents at the end of the year	18 6,058,035	44,581,810	183,889,908	234,529,753

The annexed notes from 1 to 25 form an integral part of these financial statements.

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees)			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year before taxation	17,525,889	8,753,412	23,272,867	49,552,168
Adjustments for:				
Profit on bank balances and investments	(252,027)	(6,239,199)	(24,822,333)	(31,313,559)
Dividend income	(1,713,801)	-	-	(1,713,801)
Gain on sale of investments - net	(10,608,682)	(3,673,178)	-	(14,281,860)
Net unrealised (appreciation) / diminution in fair value of investments classified as financial assets 'at fair value through profit or loss'	6.5 (5,879,424)	4,800	-	(5,874,624)
	(928,045)	(1,154,165)	(1,549,466)	(3,631,676)
(Increase) / decrease in assets				
Investments - net	(7,602,494)	(17,178,453)	28,120,384	3,339,437
Advances, deposits and other receivables	(1,125,250)	-	-	(1,125,250)
	(8,727,744)	(17,178,453)	28,120,384	2,214,187
(Decrease) / increase in liabilities				
Payable to JS Investments Limited - Pension Fund Pension Fund Manager	10,760	13,917	49,118	73,795
Payable to Central Depository Company of Pakistan Pakistan Limited - Trustee	8,064	3,217	11,311	22,592
Payable to the Securities and Exchange Commission Exchange Commission of Pakistan (SECP)	87	8,811	27,211	36,109
Payable against redemption of units	(72,769)	(43,553)	(394,171)	(510,493)
Accrued expenses and other liabilities	(264,095)	64,830	41,874	(157,391)
	(317,953)	47,222	(264,657)	(535,388)
Profit received on bank balances and investments	253,566	7,260,785	25,777,815	33,292,166
Dividend income received	1,713,801	-	-	1,713,801
Net cash (used in) / generated from operating activities	(8,006,375)	(11,024,611)	52,084,076	33,053,090
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts from issuance of units	56,269,481	102,317,263	196,399,640	354,986,384
Payments on redemption of units	(44,609,520)	(94,006,588)	(128,742,961)	(267,359,069)
(Payments) / receipts on reallocation of units	(3,968,941)	7,568,013	(3,599,072)	-
Net cash generated from financing activities	7,691,020	15,878,688	64,057,607	87,627,315
Net (decrease) / increase in cash and cash equivalents	(315,355)	4,854,077	116,141,683	120,680,405
Cash and cash equivalents at the beginning of the year	4,204,823	18,767,947	76,598,478	99,571,248
Cash and cash equivalents at the end of the year	18 3,889,468	23,622,024	192,740,161	220,251,653

The annexed notes from 1 to 25 form an integral part of these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** JS Islamic Pension Savings Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by the Securities and Exchange Commission of Pakistan (the SECP) on February 29, 2008. It has been constituted under a Trust Deed, dated January 08, 2008, between JS Investments Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited as the Trustee of the Fund. The Pension Fund Manager (PFM) of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of JS Investments Limited is situated at, 19th Floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi.

During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trusts Act). Consequently, the Fund was required to be registered under the Sindh Trusts Act. Accordingly, on September 03, 2021 the above-mentioned Trust Deed was registered under the Sindh Trusts Act.

- 1.2** The Fund is an open-end fund and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the offering document the Fund shall not distribute any income from the Fund whether in cash or otherwise from any of the Sub-Funds.
- 1.3** The objective of the Fund is to provide participants with a portable, individualized, Shariah compliant, funded (based on defined contribution) and flexible pension scheme which is managed by professional investment manager to assist them to plan and provide for their retirement. The design of the scheme empowers the participants to decide how much to invest in their pensions and how to invest it, as well as to continue investing in their pension accounts even if they change jobs.
- 1.4** Pakistan Credit Rating Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company to 'AM1' with 'stable outlook' dated November 05, 2025 (2025: 'AM2+' with 'stable outlook'). Further, the Fund is not rated by any rating agency as at June 30, 2026.
- 1.5** Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as Trustee of the Fund.
- 1.6** The Fund consists of three sub-funds namely, JS Islamic Pension Savings Fund Equity Sub-Fund (Equity Sub-Fund), JS Islamic Pension Savings Fund Debt Sub-Fund (Debt Sub-Fund) and JS Islamic Pension Savings Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the Sub-Funds). Investment policy for each of the Sub-Funds are as follows:

Equity Sub-Fund

Assets of an Equity Sub-Fund shall be invested in equity securities which are listed on the Pakistan Stock Exchange or in securities the application for listing has been approved by the Pakistan Stock Exchange. At least ninety percent (90%) of the net assets of an Equity Sub-Fund shall be invested in listed equity securities. Investments may be made in equity securities of any single company up to ten percent (10%) of net assets of an Equity Sub-Fund or paid-up capital of that single company, whichever is lower. The Pension Fund Manager (PFM) may invest up to maximum thirty percent (30%) or index weightage, whichever is higher subject to maximum thirty five percent (35%) of net asset of Equity Sub-Fund in equity securities of companies belonging to single sector as classified by the Stock Exchange and in case of shariah compliant Equity Sub-Fund, the PFM may invest up to thirty five percent (35%) or index weightage, whichever is higher subject to a maximum of forty percent (40%) of net assets of Equity Sub-Fund. The PFM may invest any surplus (un-invested) funds in government treasury bills or government securities having less than one year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than "A" by a rating agency registered with the SECP.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Debt Sub-Fund

The Debt Sub-Fund shall consist of debt securities and such other assets as specified herein below. The weighted average time to maturity of securities held in the portfolio of a Debt Sub-Fund shall not exceed five (5) years. At least twenty five per cent (25%) Net Assets of the Debt Sub-Fund shall be invested in debt securities issued by the Federal Government not exceeding ninety (90) days maturity or may be deposited with banks having not less than "A plus" rating with stable outlook. Exposure to a single entity shall not exceed fifteen percent (15%) of the net asset for shariah compliant Debt Sub-Fund. Furthermore, the exposure in debt security of a single entity shall not exceed fifteen percent (15%) of net asset of the Debt Sub-Fund or ten percent (10%) of size of issue of that security, whichever is lower.

Money Market Sub-Fund

The weighted average time to maturity of net assets of a Money Market Sub-Fund shall not exceed ninety (90) days except for assets of shariah compliant Money Market Sub-Fund, where time to maturity may be up to one year. Time to maturity of any asset in the portfolio of Money Market Sub-Fund shall not exceed six (6) months except in the case of shariah compliant Money Market Sub-Fund, where time to maturity of shariah compliant Government securities such as Government Ijarah Sukuks may be up to five (5) years. There shall be no limit with respect to investment in the Federal Government securities. Furthermore, there shall be no limits for deposits with commercial banks having "A Plus" or higher rating provided that deposit with all microfinance banks, NBFCs and modarbas shall not exceed twenty five percent (25%) of the net assets of the Money Market Sub-Fund. The exposure in securities of a single entity shall not exceed fifteen percent (15%) of the net assets of the Money Market Sub-Fund or ten percent (10%) of the size of the issue of the security and shall not exceed twenty five percent (25%) of net assets of Money Market Sub-Fund in a single sector.

- 1.7 The Fund offers four (4) types of allocation schemes, as prescribed by the SECP under the VPS Rules, 2005 vide its Circular no. 12 of 2021 dated April 06, 2021, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the Offering Document). Based on the minimum allocation, the funds are allocated to the above stated Sub-Funds. A participant has the option to select any allocation scheme in relation to the contributions and shall make such selection at the date of opening his / her individual pension account. A participant may change any allocation scheme selected in relation to his / her contributions to a different allocation scheme selected by him by sending form of the change to the Pension Fund Manager as per the allocation policy approved by the SECP.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Voluntary Pension Rules, 2005 (the VPS Rules) and the requirements of Trust Deed.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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

3.2 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these do not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these financial statements.

3.3 Standards, Interpretations and Amendments to the published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) effective for annual periods beginning on or after January 1, 2027. IFRS 18 when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Fund.

3.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 4.1 and 6).

3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 22.1.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Financial assets

4.1.1 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.

4.1.2 Classification and subsequent measurement

4.1.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- At amortised cost;
- At fair value through other comprehensive income (FVOCI); and
- At fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, may be recognised at FVPL. The debt sub-fund and money market sub-fund primarily invest in debt securities and their performance is measured on a fair value basis. Hence, the management has classified the debt securities invested through debt sub-fund and money market sub-fund as FVPL.

4.1.2.2 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 equity sub-fund is required to invest at least 90 percent of its assets in equity securities and the management has not opted for the irrevocable option. Therefore, the equity sub-fund investments in equity securities are being classified as FVPL.

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

4.1.3 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value. The short term investments are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

4.1.4 Impairment (other than debt securities)

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 a loss allowance 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.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

A default on a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due.

4.1.4.1 Impairment on debt securities

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

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

4.1.5 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.

Up to February 8, 2026, regular way purchases / sales of assets required delivery of securities within two days from the transaction date (T+2) as per the stock exchange regulations. Effective from February 9, 2026, in accordance with the revised regulations of the Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL), the settlement cycle has transitioned to a Trade plus one day (T+1) basis, requiring delivery of securities within one day from the transaction date.

4.1.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the "Income Statement".

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently carried at amortised cost.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

4.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

4.3 Offsetting of financial assets and financial liabilities

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

4.4 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 obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Taxation

The income of the Fund is exempt from income tax under clause 57 (3) (viii) of the Part I of the Second Schedule to the Income Tax Ordinance, 2001.

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

4.6 Revenue recognition

- Gains / (losses) on sale of investments are recorded in the Income Statement on the date on which the transaction takes place.
- Profit on bank balances is recognised on time proportion basis using effective yield method.
- Dividend income is recognised when the right to receive the dividend is established. i.e., on the date of commencement of book closure of the investee company institution declaring the dividend.
- Unrealised gains / (losses) arising on revaluation of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the year in which these arise.
- Income on sukuks certificates, musharakah certificates and government securities is recognised on time proportion basis using the effective yield method, except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profit are recorded on cash basis.

4.7 Expenses

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

4.8 Issue, allocation, reallocation and redemption of units

Contributions received from the participants are allocated to the Sub-Funds on the basis of the allocation scheme selected by each participant out of the allocation schemes offered by the Pension Fund Manager. The Net Asset Value (NAV) per unit of each Sub-Fund is determined at the close of each business day, according to the procedures outlined in the VPS Rules and are applicable for allocation of units in each Sub-Fund for all the contribution amount realized and credited in collection account of the Sub-Fund during the business hours' in that business day.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The Pension Fund Manager makes reallocation of the units between the Sub-Funds at least once a year to ensure that the allocations of the units of all the participants are according to the allocation scheme selected by the participants.

All Sub-Funds units are automatically redeemed at the close of the dealing day at which the retirement date falls or death of a participant has been confirmed. The participants may also withdraw from the scheme prior to retirement. The redemption from the respective Sub-Fund is made at the Net Asset Value per unit prevailing at the close of the dealing day on which the request is received, subject to deduction of zakat and taxes, as applicable.

In case of partial withdrawals, units are redeemed on a pro rata basis by ensuring that the remaining units are in accordance with the allocation scheme last selected by the participant.

Proceeds received on issuance and paid on redemption of units are reflected in the Participants' Sub-Funds. The Voluntary Pension System Rules, 2005 specify that the distribution of dividend shall not be allowed for pension funds and return to participant holders is, therefore, only possible through redemption of units which is based on the Net Asset Value (NAV). Hence, the management believes that creation of income equalization mechanism through separate recording of element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed is not required.

4.10 Net asset value per unit

The net asset value (NAV) per unit for each sub-fund, as disclosed in the 'Statement of Assets and Liabilities' is calculated by dividing the net assets of the sub-fund by the number of units in issue of the respective sub-fund at the year end.

4.11 Treatment of Shariah non-compliant income

Income earned by the Equity Sub-Fund may contain shariah non-compliant income. The Sub-Fund is required to "purify" the income it receives by excluding the element of impermissible income as charity. Such purification is carried out in accordance with the guidelines approved by the Shariah Advisor of the Fund. The charity has been deducted from the Sub-Fund's income in the "Income Statement".

5 BANK BALANCES

Balances with banks in:

- In savings accounts
- In current accounts

Note

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
5.1	5,211,941	44,581,810	183,889,908
	846,094	-	846,094
	<u>6,058,035</u>	<u>44,581,810</u>	<u>183,889,908</u>
			<u>234,529,753</u>

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
5.1	3,193,374	23,622,024	192,740,161
	696,094	-	696,094
	<u>3,889,468</u>	<u>23,622,024</u>	<u>192,740,161</u>
			<u>220,251,653</u>

5.1

These include bank balances held by Equity Sub-Fund and Money Market Sub-Fund of Rs. 4.162 million (2025: Rs. 52,051) and Rs. **3.937 million** (2025: Rs. 3,937 million) respectively maintained with BankIslami Pakistan Limited (a related party) that carry profit at the rate of 0.10% (2025: 0.10%) per annum. Other saving accounts of the Fund carry profit rates ranging from 5.00% to 10.00% (2025: 5.00% to 10.00%) per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

6 INVESTMENTS

At fair value through profit or loss

Shares of listed companies
Government of Pakistan (GoP) Ijarah Sukuku
Sukuk certificates - listed
Sukuk certificates - unlisted

Note

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
104,213,875	-	-	104,213,875
-	38,166,600	139,944,000	178,110,600
-	-	-	-
-	-	-	-
104,213,875	38,166,600	139,944,000	282,324,475

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
52,938,136	-	-	52,938,136
-	-	-	-
-	3,999,938	-	3,999,938
-	5,000,000	20,000,000	25,000,000
52,938,136	8,999,938	20,000,000	81,938,074

At fair value through profit or loss

Shares of listed companies
Government of Pakistan (GoP) Ijarah Sukuku
Sukuk certificates - listed
Sukuk certificates - unlisted

6.1
6.2
6.3
6.4

6.1 Listed equity securities

Equity Sub-Fund

Name of the investee company	As at July 1, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
					Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Sub- Fund	Total invest- ments of the Sub- Fund	
(Number of shares)					(Rupees)			%		
Automobile Assembler										
Ghandhara Automobiles Limited	2,520	1,410	(3,930)	-	-	-	-	-	-	-
Millat Tractors Limited (note 6.1.1)	-	2,500	(2,500)	-	-	-	-	-	-	-
					-	-	-	-	-	-
Cable & Electrical Goods										
Pak Elektron Limited	-	41,900	(41,900)	-	-	-	-	-	-	-
					-	-	-	-	-	-
Commercial Banks										
Faysal Bank Limited*	-	42,450	(11,010)	31,440	2,725,523	3,120,106	394,583	2.91%	2.99%	-
Meezan Bank Limited*	11,820	15,050	(12,420)	14,450	6,313,450	7,462,847	1,149,397	6.95%	7.16%	-
					9,038,973	10,582,953	1,543,980	9.86%	10.15%	
Oil & Gas Exploration Companies										
Mari Energies Limited* (note 6.1.4)	3,547	7,330	(4,740)	6,137	3,971,771	4,138,118	166,347	3.85%	3.97%	-
Oil and Gas Development Company Limited* (note 6.1.2)	14,659	38,650	(22,980)	30,329	8,386,039	10,156,272	1,770,233	9.46%	9.75%	-
Pakistan Petroleum Limited* (note 6.1.2)	34,181	34,000	(35,920)	32,261	6,357,493	7,827,164	1,469,671	7.29%	7.51%	-
					18,715,303	22,121,554	3,406,251	20.60%	21.23%	
Oil & Gas Marketing Companies										
Hi-Tech Lubricants Limited	-	153,800	(50,300)	103,500	4,791,962	4,562,280	(229,682)	4.25%	4.38%	0.01%
Pakistan State Oil Company Limited*	10,904	12,860	(14,670)	9,094	3,396,309	3,113,331	(282,978)	2.90%	2.99%	-
Sui Northern Gas Pipelines Limited	20,262	11,500	(31,762)	-	-	-	-	-	-	-
					8,188,271	7,675,611	(512,660)	7.15%	7.37%	
Fertilizers										
Engro Fertilizers Limited	2,559	300	(2,859)	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited*	-	25,300	(6,170)	19,130	10,254,263	10,970,672	716,409	10.22%	10.53%	-
Fatima Fertilizer Company Limited*	-	18,800	(800)	18,000	2,564,761	2,975,400	410,639	2.77%	2.86%	-
					12,819,024	13,946,072	1,127,048	12.99%	13.39%	
Cement										
D.G. Khan Cement Company Limited	17,946	17,350	(35,296)	-	-	-	-	-	-	-
Fauji Cement Company Limited*	34,215	84,850	(47,850)	71,215	3,574,576	4,098,423	523,847	3.82%	3.93%	-
Lucky Cement Limited* (note 6.1.1)	13,117	23,550	(18,970)	17,697	6,876,383	8,309,095	1,432,712	7.74%	7.97%	-
Pioneer Cement Limited	6,780	900	(7,680)	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited*	-	34,800	-	34,800	3,157,692	3,720,468	562,776	3.47%	3.57%	-
					13,608,651	16,127,986	2,519,335	15.03%	15.47%	
Balance carried forward					62,370,222	70,454,176	8,083,954	65.63%	67.61%	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

6.1.2 Investments include 30,329 shares of Oil & Gas Development Company Limited and 32,261 shares of Pakistan Petroleum Limited having market value of Rs. 10.156 million and Rs. 7.827 million respectively as at June 30, 2026 (2025: 15,219 shares of Oil & Gas Development Company Limited and 34,181 shares of Pakistan Petroleum Limited having market value of Rs. 3.223 million and Rs. 5.817 million respectively) out of which 9,880 shares of Oil & Gas Development Company Limited and 12,450 shares of Pakistan Petroleum Limited having market value of Rs. 2.183 million and Rs. 2.116 million respectively have been pledged as collateral with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

6.1.3 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes / Voluntary Pension Schemes (CISs / VPSs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs / VPSs. The petition was based on the fact that because CISs / VPSs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs / VPSs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs / VPSs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgment on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs / VPSs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs / VPSs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year 2019. Subsequent to the year ended June 30, 2019, the CISs / VPSs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs / VPSs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 were not withheld by the investee companies.

As at June 30, 2026, 1,504 shares of the Fund were withheld by SPEL Limited at the time of declaration of the bonus shares. The market value of the bonus shares amounts to Rs. 0.078 million (2025: 0.069 million) as at June 30, 2026.

6.1.4 The Finance Act, 2023 had introduced Section 236Z of the Income Tax Ordinance, 2001 (ITO) effective from July 1, 2023, which mandated listed companies to withhold ten percent shares out of bonus shares issued to the Fund. The share so withheld are to be released if the Fund deposits tax equivalent to ten percent of the value of bonus share issued to the Fund. Such tax is to be deposited within fifteen days of the book closure of the respective dividend. In case of failure of the Fund to pay, the issuer company is liable to pay the tax and dispose of the bonus shares to recover the amount paid.

In this regard, a petition was filed by the Collective Investment Schemes / Voluntary Pension Schemes (CISs / VPSs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CIS / VPS. The petition is based on the grounds that since the CISs / VPSs are exempt from levy of income tax in terms of clause 99 of Part-I of the Second Schedule to the ITO, no tax is payable by the Fund under Section 236Z of the ITO. During the year ended June 30, 2025, the Honourable High Court of Sindh has issued notices to the relevant parties and ordered to retain the bonus shares being withheld and no tax shall be paid

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

under section 236Z of the ITO till further orders by the Court. The matter is still pending adjudication and the Fund has included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs / VPSSs.

As at June 30, 2026, 432 shares of the Fund were withheld by Mari Energies Limited at the time of declaration of the bonus shares. The market value of bonus shares withheld amounts to Rs. 0.291 million (2025: 0.271 million) as at June 30, 2026.

6.2 Government of Pakistan (GoP) Ijarah Sukuks

6.2.1 Debt Sub-Fund

Name of security	Issue date	Face value				As at June 30, 2026			Market value as a percentage of	
		As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised diminution	Net assets of the Sub-Fund	Total investments of the Sub-Fund
		(Rupees)							(%)	
GoP Ijarah Sukuk										
- 01 year*	August 21, 2025	-	6,000,000	-	6,000,000	5,921,874	5,910,600	(11,274)	7.11%	15.49%
- 05 years**	December 04, 2023	-	30,000,000	-	30,000,000	34,233,472	32,256,000	(1,977,472)	38.78%	84.51%
Total as at June 30, 2026						40,155,346	38,166,600	(1,988,746)		
Total as at June 30, 2025						-	-	-		

* This carry a yield of 10.25% and will mature by August 21, 2026.

** This carry a yield of 9.96% and will mature by December 04, 2028.

Name of security	Issue date	Face value				As at June 30, 2026			Market value as a percentage of	
		As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised diminution	Net assets of the Sub-Fund	Total investments of the Sub-Fund
		(Rupees)							(%)	
GoP Ijarah Sukuk										
- 03 year	June 26, 2023	-	100,000,000	100,000,000	-	-	-	-	-	-
- 05 years	December 15, 2021	-	140,000,000	-	140,000,000	140,643,939	139,944,000	(699,939)	43.04%	100%
Total as at June 30, 2026						140,643,939	139,944,000	(699,939)		
Total as at June 30, 2025						-	-	-		

* This carry a yield of 18.49% and will mature by June 26, 2026.

** This carry a yield of 11.40% and will mature by December 15, 2026.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

6.3 Sukuk certificates - listed

6.3.1 Debt Sub-Fund

Name of security	Issue date	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of	
						Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Sub-Fund	Total investments of the Sub-Fund
(Number of certificates)						(Rupees)			(%)	
Pakistan Energy Sukuk - II (Face value: Rs. 5,000 per certificate)	May 21, 2020	800	-	800	-	-	-	-	-	-
Total as at June 30, 2026						-	-	-		
Total as at June 30, 2025						4,004,738	3,999,938	(4,800)		

6.4 Sukuk certificates - unlisted

6.4.1 Debt Sub-Fund

Name of security	Rating of investee company	Issue date	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of	
							Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Sub-Fund	Total investments of the Sub-Fund
(Number of certificates)						(Rupees)			(%)		
K-Electric Limited - STS XXXII (Face value: Rs. 1,000,000 each)	A1+	June 12, 2025	5	-	5	-	-	-	-	-	-
Total as at June 30, 2026						- - -					
Total as at June 30, 2025						5,000,000 5,000,000 -					

6.4.2 Money Market Sub-Fund

Name of security	Rating of investee company	Issue date	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of	
							Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Sub-Fund	Total investments of the Sub-Fund
(Number of certificates)						(Rupees)			(%)		
K-Electric Limited - STS XXXII (Face value: Rs. 1,000,000 each)	A1+	June 12, 2025	20	-	20	-	-	-	-	-	-
Total as at June 30, 2026							-	-	-		
Total as at June 30, 2025							20,000,000	20,000,000	-		

6.5 Unrealised gain / (loss) on revaluation of investments classified as financial assets 'at fair value through profit or loss' - net

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Market value of investments
Less: carrying value of investments

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
104,213,875	38,166,600	139,944,000	282,324,475
(93,970,622)	(40,155,346)	(140,643,939)	(274,769,907)
10,243,253	(1,988,746)	(699,939)	7,554,568

Market value of investments
Less: carrying value of investments

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
52,938,136	8,999,938	20,000,000	81,938,074
(47,058,712)	(9,004,738)	(20,000,000)	(76,063,450)
5,879,424	(4,800)	-	5,874,624

7 PROFIT RECEIVABLE

Profit receivable on:
- Bank balances
- Investments

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
-	613,475	1,325,601	1,939,076
-	353,296	723,175	1,076,471
-	966,771	2,048,776	3,015,547

Profit receivable on:
- Bank balances
- Investments

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
5,822	750,076	1,664,598	2,420,496
-	57,422	74,706	132,128
5,822	807,498	1,739,304	2,552,624

8 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Security Deposit with Central Depository Company of Pakistan Limited
Security Deposit with National Clearing Company of Pakistan Limited
Advance tax

Note

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
100,000	100,000	100,000	300,000
2,500,000	-	-	2,500,000
290,136	266,575	195,553	752,264
2,890,136	366,575	295,553	3,552,264

8.1

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Note	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)			
Security Deposit with Central Depository Company of Pakistan Limited	100,000	100,000	100,000	300,000
Security Deposit with National Clearing Company of Pakistan Limited	1,000,000	-	-	1,000,000
Advance tax	288,910	150,446	119,878	559,234
	<u>1,514,160</u>	<u>250,446</u>	<u>219,878</u>	<u>1,984,484</u>

- 8.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding taxes on profit on bank deposits and profit on debt securities paid to the Fund were deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The aggregate tax withheld on profit on bank balances and profit on debt securities amounts to Rs. 0.752 million (2025: Rs.0.559 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Pension Fund Manager) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Pension Fund Manager and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding taxes deducted on profit on bank balances and profit on debt securities have been shown as other receivable as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will likely be refunded.

Note	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)			
9 PAYABLE TO JS INVESTMENTS LIMITED - PENSION FUND MANAGER				
Remuneration payable to the Pension Fund Manager	115,314	67,167	129,357	311,838
Sindh sales tax payable on remuneration of the Pension Fund Manager	119,253	71,719	72,475	263,447
Federal Excise Duty payable on remuneration of the Pension Fund Manager	687,692	399,332	360,594	1,447,618
	<u>922,259</u>	<u>538,218</u>	<u>562,426</u>	<u>2,022,903</u>

Note	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)			
Remuneration payable to the Pension Fund Manager	-	53,555	83,027	136,582
Sindh sales tax payable on remuneration of the Pension Fund Manager	101,957	70,982	65,528	238,467
Federal Excise Duty payable on remuneration of the Pension Fund Manager	687,692	399,332	360,594	1,447,618
Printing and stationery charges payable	40,000	40,000	40,000	120,000
	<u>829,668</u>	<u>563,892</u>	<u>549,220</u>	<u>1,942,780</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- 9.1** In accordance with the provisions of the Voluntary Pension Scheme Rules, the Pension Fund Manager is entitled to remuneration for its services by way of an annual management fee not exceeding 1.50% of net assets of each Sub-Fund calculated on daily basis. During the year, the Pension Fund Manager charged management fee at the rate upto 1.50% (2025: 1.50%) per annum for Equity Sub-Fund, upto 1.00% (2025: 1.00%) per annum for Debt Sub-Fund and upto 0.50% (2025: 0.50%) per annum for Money Market Sub-Fund of the average daily net assets of the Sub-Funds. Remuneration is paid to the Pension Fund Manager monthly in arrears.
- 9.2** Sindh sales tax is levied at the rate of 15% under the Sindh Sales Tax on Services Act, 2011 (2025: 15%) on the Pension Fund Manager's remuneration.
- 9.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Pension Fund Managers as a result of which FED at the rate of 16 percent on the remuneration of the Pension Fund Manager and sales load was applicable with effect from June 13, 2013. The Pension Fund Manager was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Pension Fund Manager together with various other pension fund managers challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Pension Fund Manager with effect from July 1, 2016. However, as a matter of abundant caution the provisions for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 0.69 million (2025: Rs. 0.69 million) for Equity Sub-Fund, Rs. 0.40 million (2025: Rs. 0.40 million) for Debt Sub-Fund and Rs. 0.36 million (2025: Rs. 0.36 million) for Money Market Sub-Fund are being retained in these financial statements of the respective Sub-Funds as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been recorded in these financial statements of the Fund, the net asset value of the Fund as at June 30, 2026 would have been higher by Rs. 12.64 (2025: Rs. 19.60) per unit, Rs. 2.12 (2025: Rs. 2.38) per unit and Re. 0.47 (2025: Re. 0.65) per unit for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund, respectively.

10

PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Remuneration payable to the Trustee
Sindh sales tax payable on remuneration of the Trustee
Settlement charges payable

Note

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
10.1	11,549	10,081	38,837
10.2	1,730	1,511	5,821
	10,000	557	11,114
	23,279	12,149	45,215
			80,643

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025			Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
		(Rupees)			
Remuneration payable to the Trustee	10.1	6,385	8,033	24,908	39,326
Sindh sales tax payable on remuneration of the Trustee	10.2	958	1,205	3,736	5,899
Settlement charges payable		10,978	575	575	12,128
		<u>18,321</u>	<u>9,813</u>	<u>29,219</u>	<u>57,353</u>

- 10.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and the Offering Document as per the tariff specified therein, based on the average daily net assets of the Fund during the year. The tariff structure applicable to the Fund in respect of trustee remuneration is as follows:

Net Assets (Rs.)	Tariff
-Upto Rs. 1 billion	Rs. 0.3 million or 0.15% per annum of net assets, whichever is higher.
-Above Rs. 1 billion to Rs. 3 billion	Rs.1.5 million plus 0.10% per annum of net assets, on amount exceeding Rs.1 billion.
-Above Rs. 3 billion to Rs. 6 billion	Rs. 3.5 million plus 0.08% per annum of net assets, on amount exceeding Rs. 3 billion.
-Above Rs. 6 billion	Rs. 5.9 million plus 0.06% per annum of net assets, on amount exceeding Rs. 6 billion.

- 10.2** Sindh sales tax on remuneration of the Trustee levied through the Sindh Sale Tax Act on Services, 2011 has been charged at the rate of 15% (2025: 15%).

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the VPS Rules, each Sub-Fund is required to pay annual fee to the SECP at the rate of one twenty-fifth of one percent (0.04%) (2025: 0.04%) of average annual net assets of the Fund, applicable to all Voluntary Pension Schemes.

12 ACCRUED EXPENSES AND OTHER LIABILITIES

	2026			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	(Rupees)			
Auditors' remuneration payable	306,612	306,612	306,612	919,836
Withholding tax payable	123,720	4,008	16,638	144,366
Charity payable	917,141	-	-	917,141
Zakat payable	-	1,033	2,660	3,693
Brokerage and settlement payable	3,432,368	2,812	5,085	3,440,265
Other liabilities	50,000	-	-	50,000
	<u>4,829,841</u>	<u>314,465</u>	<u>330,995</u>	<u>5,475,301</u>

	2025			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	(Rupees)			
Auditors' remuneration payable	212,420	212,420	212,420	637,260
Withholding tax payable	94,815	10,060	7,786	112,661
Charity payable	669,672	-	-	669,672
Zakat payable	300	19	2,783	3,102
Brokerage and settlement payable	364,145	5,725	5,014	374,884
	<u>1,341,352</u>	<u>228,224</u>	<u>228,003</u>	<u>1,797,579</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026 and as at June 30, 2025.

14 NUMBER OF UNITS IN ISSUE

Total units in issue at the beginning of the year
Units issued during the year
Units redeemed during the year
Reallocation of units during the year
Total units in issue at the end of the year

2026		
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
Number of units		
35,083	167,879	550,783
16,944	73,818	424,417
(5,632)	(40,606)	(196,419)
7,985	(13,040)	(20,014)
54,380	188,051	758,767

Total units in issue at the beginning of the year
Units issued during the year
Units redeemed during the year
Reallocation of units during the year
Total units in issue at the end of the year

2026		
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
Number of units		
30,344	126,190	378,702
10,849	87,391	347,240
(2,266)	(66,337)	(165,551)
(3,844)	20,635	(9,608)
35,083	167,879	550,783

15 CONTRIBUTION TABLE

From:
Individuals / Corporate

2026					
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Units	Rupees	Units	Rupees	Units	Rupees
16,944	32,319,643	73,818	31,872,445	424,417	173,674,950

From:
Individuals / Corporate

2025					
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Units	Rupees	Units	Rupees	Units	Rupees
10,849	56,269,481	87,391	102,317,263	347,240	196,399,640

16 AUDITORS' REMUNERATION

Annual audit fee
Half yearly review
Out of pocket expenses
Sindh sales tax

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
224,848	224,848	224,848	674,544
133,333	133,333	133,333	399,999
35,818	35,818	35,818	107,454
31,520	31,520	31,520	94,560
425,519	425,519	425,519	1,276,557

Annual audit fee
Half yearly review
Out of pocket expenses
Sindh sales tax

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			
150,000	150,000	150,000	450,000
133,333	133,333	133,333	400,000
28,333	28,333	28,333	84,999
24,933	24,933	24,933	74,799
336,599	336,599	336,600	1,103,467

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

17 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Equity sub-fund, Debt sub-fund and Money Market sub-fund as at June 30, 2026 based on the current year results are 4.00% (2025: 2.57%), 2.05% (2025: 2.12%) and 0.99% (2025: 0.97%) which includes 0.41% (2025: 0.31%), 0.26% (2025: 0.25%) and 0.15% (2025: 0.15%) representing government levies such as sales taxes and SECP fee, etc respectively.

During the year ended June 30, 2025, the Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 600(I)/2025 dated April 10, 2025, amended the previously applicable Total Expense Ratio (TER) caps. Effective July 1, 2025, this amendment replaced the earlier TER-based cap structure with a direct cap on the management fee, irrespective of the scheme's overall expense ratio. The revised management fee limits are disclosed in note 9.1 to these financial statements.

18 CASH AND CASH EQUIVALENTS

	Note	2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees)			

Bank balances	5	<u>6,058,035</u>	<u>44,581,810</u>	<u>183,889,908</u>	<u>234,529,753</u>
---------------	---	------------------	-------------------	--------------------	--------------------

	Note	2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees)			

Bank balances	5	<u>3,889,468</u>	<u>23,622,024</u>	<u>192,740,161</u>	<u>220,251,653</u>
---------------	---	------------------	-------------------	--------------------	--------------------

19 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include JS Investments Limited (JSIL) being the Pension Fund Manager of the Fund, Central Depository Company of Pakistan Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Pension Fund Manager - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20 % shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL - 75.12% shares are held by JS Bank Limited, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL - 92.90% shares are held by JS Bank Limited and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other Funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at June 30, 2026. It also includes staff retirement benefit Funds of the above connected persons / related parties.

Transactions with connected persons / related parties essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investment and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with the market rates.

Remunerations to the Pension Fund Manager and the Trustee of the Fund are determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

19.1 Details of transactions with connected persons / related parties during the year are as follows:

JS Investments Limited - Pension Fund Manager

2026				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
(Rupees)				
Remuneration of JS Investments Limited - Pension Fund Manager	1,204,389	741,048	1,275,190	3,220,627
Sindh sales tax on remuneration of the Pension Fund Manager	180,659	111,157	191,278	483,094
Sales Load	2,237	1,734	6,776	10,747

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the year	121,086	112,122	381,877	615,085
Sindh sales tax on remuneration of the Trustee	17,913	15,316	56,635	89,864
Settlement charges	27,783	6,931	6,880	41,594

JS Global Capital Limited (Fellow subsidiary of Parent company)

Brokerage expense	65,864	-	-	65,864
-------------------	--------	---	---	--------

Bank Islami Pakistan Limited (Fellow subsidiary of Parent company)

Profit on bank balances	1,204	-	-	1,204
-------------------------	-------	---	---	-------

Key Management Personnel

Amount received against issuance of units	684,437	2,167,055	4,801,872	7,653,364
Units issued (Number of units)	105	1,433	3,585	5,123
Amount paid against redemption of units	-	1,858,653	4,290,838	6,149,491
Units redeemed (Number of units)	-	1,253	3,005	4,258
Reallocation on redemption of units	4,842,830	561	6,625,815	11,469,206
Reallocation - Units out	2,608	1	10,552	13,161
Reallocation sale amount	4,399,031	232,522	6,606,391	11,237,944
Reallocation - Units in	2,349	829	11,012	14,190

JS Investments Limited - Pension Fund Manager

2025				
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
(Rupees)				
Remuneration for the year	103,787	527,299	680,933	1,312,019
Sindh sales tax on remuneration of the Pension Fund Manager	15,568	79,096	102,140	196,804
Printing and stationery charges	41,305	22,355	41,304	104,964
Sales load	448	558	1,706	2,712
Income from Pension Fund Manager	125,250	-	-	125,250

Central Depository Company of Pakistan Limited - Trustee

Remuneration for the year	60,417	86,101	239,665	386,183
Sindh sales tax on remuneration of the Trustee	9,063	12,915	35,949	57,927
Settlement charges	25,096	6,900	6,909	38,905

JS Global Capital Limited (Fellow subsidiary of Parent company)

Brokerage expense	69,420	-	-	69,420
-------------------	--------	---	---	--------

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			

Bank Islami Pakistan Limited (Fellow subsidiary of Parent company)

Profit on bank balances	7,562	-	-	7,562
-------------------------	-------	---	---	-------

Key Management Personnel

Amount received against issuance of units	4,066,682	3,944,008	5,169,514	13,180,204
Units issued (Number of units)	2,873	10,153	14,153	27,179
Amount paid against redemption of units	420,819	1,765,000	3,457,799	5,643,618
Units redeemed (Number of units)	369	4,620	9,101	14,090
Reallocation on redemption of units	15,985,829	12,958,633	5,351,375	34,295,837
Reallocation - Units out	11,726	33,416	14,709	59,851
Reallocation sale amount	15,361,309	14,795,584	4,138,944	34,295,837
Reallocation - Units in	10,500	38,396	11,539	60,435

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			

19.2 Details of balances with connected persons / related parties as at year end

JS Investments Limited - Pension Fund Manager

Remuneration payable to the Pension Fund Manager	115,314	67,167	129,357	311,838
Sindh sales tax payable on remuneration of the Pension Fund Manager	119,253	71,719	72,475	263,447
Federal excise duty payable on remuneration of the Pension Fund Manager	687,692	399,332	360,594	1,447,618
Sales load payable to Pension Fund Manager	3	2	8	13

Central Depository Company of Pakistan Limited - Trustee

Remuneration payable to the Trustee	11,549	10,081	38,837	60,467
Sindh sales tax on remuneration of the Trustee	1,730	1,511	5,821	9,062
Settlement charges payable	10,000	557	557	11,114
Security deposit	100,000	100,000	100,000	300,000

Bank Islami Pakistan Limited (Fellow subsidiary of Parent company)

Bank balances	4,162,102	-	3,937	4,166,039
---------------	-----------	---	-------	-----------

JS Global Capital Limited (Fellow subsidiary of Parent Company)

Brokerage Payable	9,282	-	-	9,282
-------------------	-------	---	---	-------

Key management personnel

Investment at year end	13,352,064	9,707,582	7,275,259	30,334,905
Units outstanding (Number of units)	6,763	21,944	16,978	45,685

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			

JS Investments Limited - Pension Fund Manager

Remuneration payable to the Pension Fund Manager	-	53,555	83,027	136,582
Sindh sales tax payable on remuneration of the Pension Fund Manager	101,957	70,982	65,528	238,467
Federal excise duty payable on remuneration of the Pension Fund Manager	687,692	399,332	360,594	1,447,618
Sales load payable to Pension Fund Manager	19	23	71	113
Printing and stationery charges payable	40,000	40,000	40,000	120,000
Receivable from Pension Fund Manager	125,250	-	-	125,250

Central Depository Company of Pakistan Limited - Trustee

Remuneration of Trustee	6,385	8,033	24,908	39,326
Sindh sales tax on remuneration of the Trustee	958	1,205	3,736	5,899
Settlement charges payable	10,978	575	575	12,128
Security deposit	100,000	100,000	100,000	300,000

BankIslami Pakistan Limited (Fellow subsidiary of Parent company)

Bank balances	52,051	-	3,937	55,988
---------------	--------	---	-------	--------

Key management personnel

Investment at year end	11,903,761	8,182,381	4,646,694	24,732,836
Units outstanding (Number of units)	7,439	19,633	12,041	39,113

20

FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2026								
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total
(Rupees)									
Financial assets	6,058,035	-	6,058,035	44,581,810	-	44,581,810	183,889,908	-	183,889,908
Bank balances	-	104,213,875	104,213,875	-	38,166,600	38,166,600	-	139,944,000	139,944,000
Investments	-	-	-	966,771	-	966,771	2,048,776	-	2,048,776
Profit receivable	2,600,000	-	2,600,000	100,000	-	100,000	100,000	-	100,000
Advances, deposits and other receivables	8,658,035	104,213,875	112,871,910	45,648,581	38,166,600	83,815,181	186,038,684	139,944,000	325,982,684
Financial liabilities	922,259	-	922,259	538,218	-	538,218	562,426	-	562,426
Payable to JS Investments Limited - Pension Fund Manager	23,279	-	23,279	12,149	-	12,149	45,215	-	45,215
Payable to Central Depository Company of Pakistan Limited - Trustee	4,706,121	-	4,706,121	309,424	-	309,424	311,697	-	311,697
Accrued expenses and other liabilities	5,651,659	-	5,651,659	859,791	-	859,791	919,338	-	919,338
2025	3,889,468	52,938,136	56,827,604	23,622,024	8,999,938	32,621,962	192,740,161	20,000,000	212,740,161
Financial assets	3,889,468	52,938,136	56,827,604	23,622,024	8,999,938	32,621,962	192,740,161	20,000,000	212,740,161
Bank balances	-	52,938,136	52,938,136	-	8,999,938	8,999,938	-	20,000,000	20,000,000
Investments	5,822	-	5,822	807,498	-	807,498	1,739,304	-	1,739,304
Profit receivable	4,706,121	-	4,706,121	37,112,466	-	37,112,466	1,739,304	-	1,739,304
Receivable against sale of investment	1,100,000	-	1,100,000	100,000	-	100,000	100,000	-	100,000
Advances, deposits and other receivables	4,995,290	52,938,136	57,933,426	61,641,988	8,999,938	70,641,926	194,579,465	20,000,000	214,579,465
Financial liabilities	829,668	-	829,668	563,892	-	563,892	549,220	-	549,220
Payable to JS Investments Limited - Pension Fund Manager	18,321	-	18,321	9,813	-	9,813	29,219	-	29,219
Payable to Central Depository Company of Pakistan Limited - Trustee	1,246,237	-	1,246,237	218,145	-	218,145	217,434	-	217,434
Accrued expenses and other liabilities	2,094,226	-	2,094,226	791,850	-	791,850	795,873	-	795,873

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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

21.1 Market risk

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

The Pension Fund Manager 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 the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

21.1.1 Currency risk

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

21.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The profit rate profile of the Fund's interest bearing financial instruments is as follows:

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Variable rate instruments (financial assets)	(Rupees)			
Bank balances	6,058,035	44,581,810	183,889,908	234,529,753
	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Variable rate instruments (financial assets)	(Rupees)			
Bank balances	3,889,468	23,622,024	192,740,161	220,251,653
Sukuk certificates - listed	-	3,999,938	-	3,999,938
Sukuk certificates - unlisted	-	5,000,000	20,000,000	25,000,000
	3,889,468	32,621,962	212,740,161	249,251,591

21.1.2.1 Sensitivity analysis of variable rate instruments

Presently, the Fund holds balances with bank, investment in sukuk certificates and government securities which expose the Fund to cash flow profit rate risk. A reasonably possible change of 100 basis points in profit rates at the reporting date with all other variables held constant the impact on net income and net assets will be as follows:

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)			
Change in basis points				
Increase of 100 basis points	60,580	827,484	3,238,339	4,126,403
Decrease of 100 basis points	(60,580)	(827,484)	(3,238,339)	(4,126,403)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees)			

Change in basis points

Increase of 100 basis points

Decrease of 100 basis points

38,895	326,220	2,127,402	2,492,517
(38,895)	(326,220)	(2,127,402)	(2,492,517)

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

Profit rate sensitivity position for the financial instruments recognised on the statement of assets and liabilities 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, 2026 can be determined as follows:

JS Islamic Pension Savings Fund - Equity Sub Fund

Particulars	2026					2025				
	Yield / effective profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Yield / effective profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk
		Upto three months	More than three months and upto one year	More than one year			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees)				%	(Rupees)			
Financial assets										
Bank balances	0.10% to 10.75%	6,058,035	-	-	-	0.10% to 5%	3,889,468	-	-	-
Investments		-	-	-	104,213,875		-	-	-	52,938,136
Profit receivable		-	-	-	-		-	-	-	5,822
Advances, deposits and other receivables		-	-	-	2,600,000		-	-	-	1,100,000
		6,058,035	-	-	106,813,875		3,889,468	-	-	54,043,958
Financial liabilities										
Payable to JS Investments Limited - Pension Fund Manager		-	-	-	922,259		-	-	-	829,668
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	23,279		-	-	-	18,321
Accrued expenses and other liabilities		-	-	-	4,706,121		-	-	-	1,246,237
Sub Total		-	-	-	5,651,659		-	-	-	2,094,226
On-balance sheet gap		6,058,035	-	-	101,162,216		3,889,468	-	-	51,949,732
Total interest rate sensitivity gap		6,058,035	-	-	101,162,216		3,889,468	-	-	51,949,732
Cumulative interest rate sensitivity gap		6,058,035	6,058,035		6,058,035		3,889,468	3,889,468		3,889,468

JS Islamic Pension Savings Fund - Debt Sub-Fund

Particulars	2026					2025				
	Effective profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Effective profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk
		Upto three months	More than three months and upto one year	More than one year			Upto three months	More than three months and upto one year	More than one year	
	%	(Rupees)				%	(Rupees)			
Financial assets										
Bank balances	0.10% to 10.75%	44,581,810	-	-	-	10%	23,622,024	-	-	-
Investments	10.45% to 14.63%	-	-	38,166,600	-	11.08% - 11.29%	-	5,000,000	3,999,938	-
Profit receivable		-	-	-	966,771		-	-	-	807,498
Receivable against sale of investment		-	-	-	-		-	-	-	37,112,466
Advances, deposits and other receivables		-	-	-	100,000		-	-	-	100,000
		44,581,810	-	38,166,600	1,066,771		23,622,024	5,000,000	3,999,938	38,019,964
Financial liabilities										
Payable to JS Investments Limited - Pension Fund Manager		-	-	-	538,218		-	-	-	563,892
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	12,149		-	-	-	9,813
Accrued expenses and other liabilities		-	-	-	309,424		-	-	-	218,145
Sub Total		-	-	-	859,791		-	-	-	791,850
On-balance sheet gap		44,581,810	-	38,166,600	206,980		23,622,024	5,000,000	3,999,938	37,228,114
Total interest rate sensitivity gap		44,581,810	-	38,166,600	206,980		23,622,024	5,000,000	3,999,938	37,228,114
Cumulative interest rate sensitivity gap		44,581,810	44,581,810	82,748,410			23,622,024	28,622,024	32,621,962	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

JS Islamic Pension Savings Fund - Money Market Sub Fund

Particulars	2026					2025						
	Effective profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	Effective profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
	----- % -----	(Rupees)					----- % -----	(Rupees)				
Financial assets												
Bank balances	0.10% to 10.75%	183,889,908	-	-	-	183,889,908	0.10% to 10%	192,740,161	-	-	-	192,740,161
Investments	9.96%	-	139,944,000	-	-	139,944,000	11.08%	-	20,000,000	-	-	20,000,000
Profit receivable		-	-	-	2,048,776	2,048,776		-	-	-	1,739,304	1,739,304
Advances, deposits and other receivables		-	-	-	100,000	100,000		-	-	-	100,000	100,000
		<u>183,889,908</u>	<u>139,944,000</u>	<u>-</u>	<u>2,148,776</u>	<u>325,982,684</u>		<u>192,740,161</u>	<u>20,000,000</u>	<u>-</u>	<u>1,839,304</u>	<u>214,579,465</u>
Financial liabilities												
Payable to JS Investments Limited - Pension Fund Manager		-	-	-	562,426	562,426		-	-	-	549,220	549,220
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	45,215	45,215		-	-	-	29,219	29,219
Accrued expenses and other liabilities		-	-	-	311,697	311,697		-	-	-	217,434	217,434
Sub Total		<u>-</u>	<u>-</u>	<u>-</u>	<u>919,338</u>	<u>919,338</u>		<u>-</u>	<u>-</u>	<u>-</u>	<u>795,873</u>	<u>795,873</u>
On-balance sheet gap		<u>183,889,908</u>	<u>139,944,000</u>	<u>-</u>	<u>1,229,438</u>	<u>325,063,346</u>		<u>192,740,161</u>	<u>20,000,000</u>	<u>-</u>	<u>1,043,431</u>	<u>213,783,592</u>
Total interest rate sensitivity gap		<u>183,889,908</u>	<u>139,944,000</u>	<u>-</u>	<u>1,229,438</u>	<u>325,063,346</u>		<u>192,740,161</u>	<u>20,000,000</u>	<u>-</u>	<u>1,043,431</u>	<u>213,783,592</u>
Cumulative interest rate sensitivity gap		<u>183,889,908</u>	<u>323,833,908</u>	<u>323,833,908</u>				<u>192,740,161</u>	<u>212,740,161</u>	<u>212,740,161</u>		

21.1.3 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 the Fund 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 VPS rules and circulars issued by SECP from time to time.

The table below summarises the sensitivity of the Fund's net assets attributable to unit holders to the equity price movements as at June 30, 2026. The analysis is based on the assumption that the KSE index increased / decreased by 1%, with all other variables held constant and that the fair value of the Fund's portfolio of equity securities moved according to their historical correlation with the index. This represents managements' best estimate of a reasonable possible shift in the KSE index, having regard to the historical volatility of the index of the past three years.

At June 30, 2026, the fair value of equity securities exposed to price risk was disclosed in note 6.1.

	2026	2025
	(Rupees)	
Investment and net assets	<u>1,042,139</u>	<u>529,381</u>
Income statement	<u>1,042,139</u>	<u>529,381</u>

21.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. Credit risk mainly arises from deposits with banks, credit exposure arising as a result of dividends receivable on equity securities, receivable against sale of investments and investment in debt securities. For banks and financial institutions balances are kept with reputed parties. Credit risk on dividend receivable is minimal due to statutory protection. All transactions in listed securities are settled / paid for upon delivery market clearing system. The risk of default is considered minimal due to inherent systematic measures taken therein. Debt securities held by the Fund mainly consist of government securities that represent the interest of Government of Pakistan and therefore not exposed to credit risk. The remaining debts securities are with reputable counter parties and therefore credit risk is minimal.

Credit risk is managed and controlled by the Pension Fund Manager of the Fund in the following manner:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- The Fund limits its exposure to credit risk by only investing in liquid debt securities that have at minimum an investment grade as rated by a credit rating agency approved by the SECP. In the absence of issue rating, the Fund ensures that the entity has an investment grade as rated by a credit rating agency approved by the SECP.
- The risk of counter party exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of trade reports, credit ratings and financial statements on a regular basis.

21.2.1 Exposure to credit risk

The maximum exposure to credit risk as at 30 June 2025 is as follows:

	2026		2025	
	Balance as per Statement of assets and liabilities	Maximum exposure to credit risk	Balance as per Statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees) -----				
JS Islamic Pension Savings Fund - Equity Sub Fund				
Bank balances	6,058,035	6,058,035	3,889,468	3,889,468
Investments	104,213,875	-	52,938,136	-
Profit receivable	-	-	5,822	5,822
Advances, deposits and other receivables	2,600,000	2,600,000	1,225,250	1,225,250
	<u>112,871,910</u>	<u>8,658,035</u>	<u>58,058,676</u>	<u>5,120,540</u>

Difference in the balance as per the "Statement of Assets and Liabilities" and maximum exposure is due to the fact that investments in listed equity securities of Rs 104.213 million (2025: Rs 52.938 million) are not exposed to credit risk.

	2026		2025	
	Balance as per Statement of assets and liabilities	Maximum exposure to credit risk	Balance as per Statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees) -----				
JS Islamic Pension Savings Fund- Debt Sub Fund				
Bank balances	44,581,810	44,581,810	23,622,024	23,622,024
Investments	38,166,600	-	8,999,938	8,999,938
Profit receivable	966,771	966,771	807,498	807,498
Receivable against sale of investment	-	-	37,112,466	37,112,466
Advances, deposits and other receivables	100,000	100,000	100,000	100,000
	<u>83,815,181</u>	<u>45,648,581</u>	<u>70,641,926</u>	<u>70,641,926</u>

Difference in the balance as per the Statement of Assets and Liabilities and maximum exposure is due to the fact that investments in Government Securities of Rs. 38.166 (2025: Rs. 8.999 million) are not exposed to credit risk

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026		2025	
	Balance as per Statement of assets and liabilities	Maximum exposure to credit risk	Balance as per Statement of assets and liabilities	Maximum exposure to credit risk
(Rupees)				
JS Islamic Pension Savings Fund- Money Market Sub Fund				
Bank balances	183,889,908	183,889,908	192,740,161	192,740,161
Investments	139,944,000	-	20,000,000	20,000,000
Profit receivable	2,048,776	2,048,776	1,739,304	1,739,304
Advances, deposits and other receivables	100,000	100,000	100,000	100,000
	<u>325,982,684</u>	<u>186,038,684</u>	<u>214,579,465</u>	<u>214,579,465</u>

Difference in the balance as per the "Statement of Assets and Liabilities" and maximum exposure is due to the fact that investments in Government Securities of 139.944 (2025: Rs. 20 million) are not exposed to credit risk.

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired as at June 30, 2026.

21.2.2 Credit quality of financial assets

The Fund held bank balances at June 30, 2026 with banks having following credit ratings:

Name of bank	Rating agency	Published Rating	2026	2025
			Percentage of total bank	
JS Islamic Pension Savings Fund - Equity Sub Fund				
Bank Alfalah Limited	PACRA	AAA	0.50%	0.52%
Habib Metropolitan Bank Limited	PACRA	AA+	1.33%	1.37%
Bank Islami Pakistan Limited	PACRA	AA-	68.70%	71.05%
Dubai Islamic Bank Pakistan Limited	VIS	AA	3.40%	0.10%
Soneri Bank Limited	PACRA	AA-	26.07%	26.96%
			100.00%	100.00%
JS Islamic Pension Savings Fund - Debt Sub Fund				
Bank Alfalah Limited	PACRA	AAA	0.02%	0.04%
Habib Metropolitan Bank Limited	PACRA	AA+	0.03%	0.06%
Allied Bank Limited	PACRA	AAA	0.12%	0.20%
Faysal Bank Limited	PACRA	AA	0.10%	0.63%
Dubai Islamic Bank Pakistan Limited	VIS	AA	99.66%	98.95%
United Bank Limited	VIS	AAA	0.07%	0.12%
			100.00%	100.00%
JS Islamic Pension Savings Fund - Money Market Sub Fund				
Bank Alfalah Limited	PACRA	AAA	0.01%	0.01%
Habib Metropolitan Bank Limited	PACRA	AA+	0.01%	0.01%
Allied Bank Limited	PACRA	AAA	0.01%	0.01%
Bank Islami Pakistan Limited *	PACRA	AA-	-	-
Faysal Bank Limited	PACRA	AA	0.08%	0.10%
Askari Bank Limited	PACRA	AA+	0.01%	0.01%
Dubai Islamic Bank Pakistan Limited	VIS	AA	99.87%	99.85%
United Bank Limited	VIS	AAA	0.01%	0.01%
			100.00%	100.00%

*Nil figures due to rounding off.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The credit ratings of investments have been disclosed in their respective notes.

21.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is mainly held with credit worthy counterparties thereby mitigating any credit risk.

21.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as these fall due or can only do so on terms that are materially disadvantageous to the Fund.

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

The Fund can borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was obtained by the Fund during the current year.

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

JS Islamic Pension Savings Fund - Equity Sub Fund

2026					
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investments Limited - Pension Fund Manager	922,259	-	-	-	-	922,259
Payable to Central Depository Company of Pakistan Limited - Trustee	23,279	-	-	-	-	23,279
Accrued expenses and other liabilities	4,706,121	-	-	-	-	4,706,121
	5,651,659	-	-	-	-	5,651,659

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025					
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investments Limited - Pension Fund Manager	829,668	-	-	-	-	829,668
Payable to Central Depository Company of Pakistan Limited - Trustee	18,321	-	-	-	-	18,321
Accrued expenses and other liabilities	1,246,237	-	-	-	-	1,246,237
	<u>2,094,226</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,094,226</u>

JS Islamic Pension Savings Fund - Debt Sub Fund

2026					
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investments Limited - Pension Fund Manager	538,218	-	-	-	-	538,218
Payable to Central Depository Company of Pakistan Limited - Trustee	12,149	-	-	-	-	12,149
Accrued expenses and other liabilities	309,424	-	-	-	-	309,424
	<u>859,791</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>859,791</u>

2025					
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investments Limited - Pension Fund Manager	563,892	-	-	-	-	563,892
Payable to Central Depository Company of Pakistan Limited - Trustee	9,813	-	-	-	-	9,813
Accrued expenses and other liabilities	218,145	-	-	-	-	218,145
	<u>791,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>791,850</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

JS Islamic Pension Savings Fund - Money Market Sub Fund

2026					
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investments Limited -
Pension Fund Manager

562,426 - - - - 562,426

Payable to Central Depository Company
of Pakistan Limited - Trustee

45,215 - - - - 45,215

Accrued expenses and other liabilities

311,697 - - - - 311,697

919,338 - - - - 919,338

2025					
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investments Limited -
Pension Fund Manager

549,220 - - - - 549,220

Payable to Central Depository Company
of Pakistan Limited - Trustee

29,219 - - - - 29,219

Accrued expenses and other liabilities

217,434 - - - - 217,434

795,873 - - - - 795,873

22

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 on 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.

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:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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 June 30, 2025, the Fund held the following financial instruments measured at fair values:

	2026			
	Level 1	Level 2	Level 3	Total
	Rupees			
	104,213,875	-	-	104,213,875
	2025			
	Level 1	Level 2	Level 3	Total
	Rupees			
	52,938,136	-	-	52,938,136
	2026			
	Level 1	Level 2	Level 3	Total
	Rupees			
Debt Sub-Fund				
At fair value through profit or loss				
Government of Pakistan (GoP) Ijarah sukuks	-	38,166,600	-	38,166,600
	2025			
	Level 1	Level 2	Level 3	Total
	Rupees			
At fair value through profit or loss	3,999,938	-	-	3,999,938
Sukuk certificates - listed	-	5,000,000	-	5,000,000
Sukuk certificates - unlisted	3,999,938	5,000,000	-	8,999,938
	2026			
	Level 1	Level 2	Level 3	Total
	Rupees			
Money Market Sub Fund				
At fair value through profit or loss				
Government of Pakistan (GoP) Ijarah sukuks	-	139,944,000	-	139,944,000
	2025			
	Level 1	Level 2	Level 3	Total
	Rupees			
At fair value through profit or loss	-	20,000,000	-	20,000,000
Sukuk certificates - unlisted				

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

22.1 Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Equity securities	The fair value of Equity securities listed on Pakistan Stock Exchange has been determined through closing rates of Pakistan Stock Exchange as on June 30, 2026.
Corporate sukuku	The valuation has been determined through closing rates announced by MUFAP as on June 30, 2026.
Government of Pakistan - Ijarah sukuku	The fair value of other GoP Ijarah sukuku are derived using PKISRV rates. The PKISRV rates are announced by FMA (Financial Market Association) through Reuters. The rates announced are simple average of quotes received from eight different pre-defined / approved dealers / brokers.

22.2 During the year ended June 30, 2026, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

23 PARTICIPANTS' SUB-FUND RISK MANAGEMENT

The Participants' Fund is represented by redeemable units. These units are entitled to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

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

In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the participants of the Fund have invested with a long term objective, the possibility of a significant redemption pressure is limited, such liquidity being augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the Fund and rank parri passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

24 GENERAL

24.1 Figures have been rounded off to the nearest rupee.

25 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 23, 2026 by the Board of Directors of the Pension Fund Manager.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.
- **Regional Office - Lahore**
1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094
- **Wealth Centre - Lahore**
Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094
- **Wealth Centre - Peshawar**
Ground Floor, Shop #10-A,
Fakhr e Alam Road, Super Market, Peshawar

☎ 0800-00887 ✉ "Invest to 8027" ✉ ir@jsil.com 🌐 www.jsil.com
f www.facebook.com/jsinvestments t http://twitter.com/JSinvestment
in http://www.linkedin.com/company/js-investment-limited



QR Code for
website access



JS MOMENTUM FACTOR EXCHANGE TRADED FUND
ANNUAL REPORT 2026

GROWING STRONGER.
**SCALING
SMARTER**

CONTENT

AT A GLANCE

COMPANY INFORMATION

01

Company Information	02
Vision	03
Mission	
Directors' Report to the Unit Holders	04
Fund Manager's Report	09
Performance Table / Key Financial Data	11
Trustee Report to the Unit Holders	12
Independent Auditors' Report to the Unit Holders	13

FINANCIAL STATEMENTS

02

Statement of Assets And Liabilities	17
Statement of Income	18
Statement of Comprehensive Income	19
Statement of Movement In Unit Holders' Fund	20
Statement of Cash Flows	21
Notes to and Forming Part of the Financial Statements	22

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani

Non-Executive Director / Chairman

Ms. Iffat Zehra Mankani

Chief Executive Officer

Mr. Hasan Shahid

Non-Executive Director

Syed Kazim Raza

Non-Executive Director

Mr. Atif Salim Malik**

Non-Executive Director

Ms. Maria Mittermair

Independent Director

Ms. Mediha Kamal Afsar

Independent Director

Mr. Ahsan Jamal

Non-Executive Director

Mr. Faisal Anwar*

Non-Executive Director

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

A.F. Ferguson Co Chartered Accountants

Legal Advisors

Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee

Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Ms. Maria Mittermair

Trustee

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

* Mr. Faisal Anwar resigned from the board on April 27, 2026.

** Mr. Atif Salim Malik joined the board on May 07, 2026.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.

MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.



DIRECTORS' REPORT TO THE UNITHOLDERS

The Board of Directors of JS Investments Limited, the Management Company of **JS Momentum Factor Exchange Traded Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2026.

ECONOMIC REVIEW

FY2026 marked a further strengthening of Pakistan's macroeconomic foundations despite a more challenging external environment. The resurgence of geopolitical tensions in the Middle East temporarily disrupted the disinflation process and heightened external uncertainty; however, continued policy discipline, progress under the IMF-supported reform programme and improving investor confidence helped preserve macroeconomic stability and reinforce policy credibility through the year.

Real GDP growth accelerated to 3.7%, the strongest pace in four years, supported by a broad-based recovery in manufacturing and services. While inflation reaccelerated toward year-end amid higher global energy prices, average inflation remained contained at 7.1%. Fiscal consolidation continued, supported by stronger revenue collection and an improved primary balance, while record remittances, reserve accumulation and renewed access to international capital markets strengthened the external position despite a widening trade deficit.

The year also witnessed a further improvement in Pakistan's sovereign credit profile, with international rating upgrades reinforcing the progress achieved under the macroeconomic adjustment agenda and supporting renewed access to global capital markets. While these developments provide a firmer macroeconomic foundation, the challenge ahead extends beyond preserving stability. Sustaining higher long-term growth will require continued reform implementation, stronger private-sector investment, productivity enhancement and a gradual transition from stabilization-led recovery to a more competitive, investment- and export-oriented economy.

EQUITY MARKET REVIEW

Pakistan's equity market delivered another year of exceptional performance in FY2026, demonstrating remarkable resilience despite heightened geopolitical uncertainty during the latter part of the year. As concerns over regional tensions gradually gave way to improving confidence in the domestic macroeconomic outlook, investors increasingly focused on strengthening economic fundamentals, policy continuity and improving sovereign credit perceptions. Against this backdrop, the KSE-100 Index advanced 44% to close at 180,302 points, while the KSE-30 Total Return and KMI-30 indices also generated robust returns, reinforcing Pakistan's position among the region's strongest-performing equity markets.

Market participation strengthened meaningfully during the year, reflected in a notable increase in trading volumes and turnover, alongside a revival in primary market activity. These developments point to improving investor confidence and a gradual deepening of domestic capital markets. Sector performance remained broad-based, with financials, cyclicals and selected industrial sectors leading the advance as investors positioned for an improving macroeconomic environment.

Flow dynamics continued to highlight an important structural shift in market ownership. Persistent foreign selling was comfortably absorbed by domestic investors, reaffirming the increasingly dominant role of local liquidity in shaping market direction. This growing depth of the domestic investor base has enhanced the market's resilience to external shocks while providing a more stable foundation for long-term capital formation.

The medium-term outlook for the equity market remains favourable. Continued resilience in corporate earnings, strengthening macroeconomic fundamentals and supportive valuations provide a solid foundation for market performance, although the pace of further gains will continue to be influenced by the external environment.

REVIEW OF FUND PERFORMANCE

The Fund generated a return of 19.94% for the year ended June 30, 2026, compared with the benchmark return of 24.21%. As a rules-based ETF, the Fund seeks to track its underlying momentum-factor index through periodic portfolio rebalancing. The difference between the Fund and benchmark returns primarily reflected tracking differences arising from the timing and execution of portfolio rebalancing, the cash component maintained within the Fund, and transaction costs, particularly brokerage, together with other fund expenses.

Net assets increased significantly to PKR 1.43 billion as of June 30, 2026, from PKR 0.73 billion a year earlier. The Fund's total expense ratio was 2.83%, including 0.43% in government levies.

DIVIDEND

The Fund paid a total of Rs. 2.00 per unit interim cash dividends during the year ended June 30, 2026.

ASSET MANAGER RATING

Pakistan Credit Rating Agency Limited (PACRA) upgraded JS Investments Limited's Asset Manager Rating to 'AM1' with a 'Stable Outlook' on November 5, 2025 — the highest management-quality assessment, reflecting sound governance, institutionalized investment processes and consistent operational performance.

AUDITORS

The external auditors of the Fund, M/s. A.F Ferguson & Co. Chartered Accountants, retired and, being eligible, offered themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board, has approved the appointment of M/s. A.F Ferguson & Co. Chartered Accountants as the Fund's auditors for the ensuing year ending June 30, 2027.

ADDITIONAL MATTERS

- Annexed to the Annual Report is the Fund Manager's Report, providing a description of principal risks and uncertainties along with a reasonable indication of future profit prospects.
- The Pattern of Unit holding as of June 30, 2026, is annexed to this annual report.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- A performance table/key financial data is annexed to this annual report.

ACKNOWLEDGMENT

The Board of Directors expresses its gratitude to the Securities and Exchange Commission of Pakistan and Central Depository Company of Pakistan Limited for their continued support, assistance and guidance. The Board also places on record its appreciation for the dedication and commitment of the employees of the Management Company and thanks the unitholders for their continued confidence in the Management Company.

On behalf of the Board



Director



Chief Executive Officer

August 23, 2026
Karachi

ایسیٹ مینجری کی ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 5 نومبر 2025 کو جے ایس انویسٹمنٹ لمیٹڈ کی ایسیٹ مینجری ریٹنگ بڑھا کر "AM1" کر دی، جبکہ آؤٹ لک 'مستحکم' برقرار رکھا گیا۔ "AM1" انتظامی معیار کی اعلیٰ ترین درجہ بندی ہے، جو مضبوط طرز حکمرانی، ادارہ جاتی بنیادوں پر قائم سرمایہ کاری کے طریقہ کار اور مسلسل مؤثر آپریشنل کارکردگی کی عکاسی کرتی ہے۔

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور اسز نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2027 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

اضافی معلومات:

- الف - سالانہ رپورٹ کے ساتھ فنڈ مینجری رپورٹ منسلک ہے، جس میں اہم خطرات اور غیر یقینی عوامل کی وضاحت کے ساتھ مستقبل کے منافع کے امکانات کی نشاندہی کی گئی ہے۔
- ب - 30 جون 2026 تک یونٹ ہولڈنگ کا پیٹرن اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
- ج - اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- د - کارکردگی کا جدول/کلیدی مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

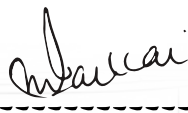
اظہار تشکر:

ڈائریکٹرز پاکستان سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ مینجمنٹ کمپنی کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون ہے۔

بورڈ کی جانب سے



ڈائریکٹر



چیف ایگزیکٹو آفیسر

کراچی، 23 اگست 2026

یہ 180,302 پوائنٹس پر بند ہوا، جبکہ KSE-30 ٹوٹل ریٹرن اور KMI-30 انڈیکس نے بھی مضبوط منافع فراہم کیا، جس سے پاکستان کا شمار خطے کی بہترین کارکردگی دکھانے والی ایکویٹی مارکیٹوں میں مزید مستحکم ہوا۔

سال کے دوران مارکیٹ میں سرمایہ کاروں کی شرکت میں نمایاں بہتری آئی، جس کا اظہار ٹریڈنگ کے حجم اور کاروباری مالیت میں قابل ذکر اضافے کے ساتھ ساتھ پرائمری مارکیٹ کی سرگرمیوں میں دوبارہ تیزی سے ہوا۔ یہ پیش رفت سرمایہ کاروں کے اعتماد میں بہتری اور ملکی کیپٹل مارکیٹ کی بتدریج وسعت اور گہرائی کی عکاسی کرتی ہے۔ مختلف شعبوں کی کارکردگی بھی مجموعی طور پر وسیع الہیاد رہی، تاہم مالیاتی شعبے، سائیکلک شل شعبے اور بعض منتخب صنعتی شعبوں نے مارکیٹ کی تیزی میں نمایاں کردار ادا کیا، کیونکہ سرمایہ کاروں نے بہتر ہوتے ہوئے معاشی ماحول کو مد نظر رکھتے ہوئے اپنی سرمایہ کاری کی پوزیشنز تشکیل دیں۔

سرمایہ کے بہاؤ میں بھی مارکیٹ کی ملکیت کے اسٹرکچر میں ایک اہم ساختی تبدیلی نمایاں ہوئی۔ غیر ملکی سرمایہ کاروں کی جانب سے مسلسل فروخت کے دباؤ کو ملکی سرمایہ کاروں نے باآسانی جذب کیا، جس سے مارکیٹ کی سمت متعین کرنے میں مقامی لیکویڈیٹی کے بڑھتے ہوئے اور غالب کردار کی مزید تصدیق ہوئی۔ ملکی سرمایہ کاروں کی بنیاد میں اس بڑھتی ہوئی گہرائی نے بیرونی خطرات کے مقابلے میں مارکیٹ کی مضبوطی میں اضافہ کیا ہے اور طویل مدتی سرمایہ کی تشکیل کے لیے زیادہ مستحکم بنیاد فراہم کی ہے۔

ایکویٹی مارکیٹ کے لیے درمیانی مدت کا منظر نامہ بدستور سازگار ہے۔ کارپوریٹ آمدنی میں مسلسل مضبوطی، میکرو اکنامک بنیادی عوامل میں بہتری اور معاون ویلیو ایڈیشنز مارکیٹ کی کارکردگی کے لیے ایک مضبوط بنیاد فراہم کر رہے ہیں، تاہم مستقبل میں مزید اضافے کی رفتار بدستور بیرونی معاشی ماحول سے متاثر ہوتی رہے گی۔

فنڈ کی کارکردگی کا جائزہ:

30 جون 2026 کو ختم ہونے والے سال کے دوران فنڈ نے 19.94 فیصد منافع حاصل کیا، جبکہ بینچ مارک کا منافع 24.21 فیصد رہا۔ ایک قواعد پر مبنی ETF کے طور پر، فنڈ وقتاً فوقتاً پورٹ فولیو کی دوبارہ ترتیب کے ذریعے اپنے بنیادی موٹیفکٹر انڈیکس کی پیروی کرنے کی کوشش کرتا ہے۔ فنڈ اور بینچ مارک کے منافع میں فرق بنیادی طور پر پورٹ فولیو کی دوبارہ ترتیب کے وقت اور عمل درآمد سے پیدا ہونے والے ٹریڈنگ فرق، فنڈ میں برقرار رکھی جانے والی نقد رقم، اور لین دین کے اخراجات، بالخصوص بروکریج، سمیت فنڈ کے دیگر اخراجات کی عکاسی کرتا ہے۔

30 جون 2026 تک فنڈ کے خالص اثاثے نمایاں طور پر بڑھ کر 1.43 ارب پاکستانی روپے ہو گئے، جبکہ ایک سال قبل یہ 0.73 ارب پاکستانی روپے تھے۔ فنڈ کا کل اخراجاتی تناسب 2.83 فیصد رہا، جس میں 0.43 فیصد حکومتی محصولات شامل تھے۔

ڈویڈنڈ:

30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران فنڈ نے مجموعی طور پر فی یونٹ 2.00 روپے کا عبوری نقد منافع ادا کیا۔

پونٹ ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹر 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمپنی برائے جے ایس موٹہم فیکٹر اکیچینج ٹریڈیفنڈ (فنڈ) کی سالانہ رپورٹ پیش کرتے ہوئے پُرسرت ہیں۔

معاشی جائزہ:

مالی سال 2026 کے دوران پاکستان کی مجموعی معاشی بنیادوں میں مزید استحکام آیا، اگرچہ بیرونی معاشی ماحول پہلے کے مقابلے میں زیادہ مشکل رہا۔ مشرق وسطیٰ میں جغرافیائی سیاسی کشیدگی میں دوبارہ اضافے کے باعث افراط زر میں کمی کا عمل عارضی طور پر متاثر ہوا اور بیرونی غیر یقینی صورتحال میں اضافہ ہوا۔ تاہم، پالیسیوں میں مسلسل نظم و ضبط، آئی ایم ایف کے تعاون سے جاری اصلاحاتی پروگرام میں پیش رفت اور سرمایہ کاروں کے اعتماد میں بہتری نے سال بھر معاشی استحکام برقرار رکھنے اور پالیسیوں کی سادھ کو مزید مضبوط بنانے میں مدد دی۔

حقیقی مجموعی ملکی پیداوار کی شرح نموبڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سالوں میں بلند ترین شرح نمو ہے۔ اس بہتری کو مینوفیکچرنگ اور خدمات کے شعبوں میں وسیع البیاد بحالی سے تقویت ملی۔ اگرچہ عالمی توانائی کی قیمتوں میں اضافے کے باعث سال کے اختتام پر افراط زر کی شرح میں دوبارہ اضافہ ہوا، تاہم سال کی اوسط افراط زر 7.1 فیصد کی سطح پر قابو میں رہی۔ مالیاتی استحکام کا عمل بھی جاری رہا، جسے محصولات کی بہتر وصولی اور بنیادی مالیاتی توازن میں بہتری سے مدد ملی۔ دوسری جانب، ریکارڈ ترسیلات زر، زرمبادلہ کے ذخائر میں اضافہ اور عالمی سرمایہ مارکیٹوں تک دوبارہ رسائی نے بڑھتے ہوئے تجارتی خسارے کے باوجود ملک کی بیرونی مالی پوزیشن کو مزید مضبوط کیا۔

سال کے دوران پاکستان کے خود مختار کریڈٹ پروفائل میں بھی مزید بہتری آئی۔ بین الاقوامی کریڈٹ ریٹنگ اداروں کی جانب سے ریٹنگ میں بہتری نے میکرو اکنامک ایڈجسٹمنٹ کے تحت حاصل ہونے والی پیش رفت کو تقویت دی اور عالمی سرمایہ مارکیٹوں تک ملک کی دوبارہ رسائی میں معاونت فراہم کی۔ اگرچہ یہ پیش رفت پاکستان کے لیے زیادہ مضبوط معاشی بنیاد فراہم کرتی ہے، تاہم مستقبل کا چیلنج محض معاشی استحکام برقرار رکھنے تک محدود نہیں۔ طویل مدت میں بلند شرح نمو کو برقرار رکھنے کے لیے اصلاحات پر مسلسل عمل درآمد، نجی شعبے کی سرمایہ کاری میں اضافہ، پیداواری صلاحیت میں بہتری اور معیشت کو بتدریج استحکام پہنچانی بحالی سے ایک زیادہ مسابقتی، سرمایہ کاری اور برآمدات پر مرکوز معیشت کی جانب منتقل کرنا ضروری ہوگا۔

ایکویٹی مارکیٹ کا جائزہ:

پاکستان کی ایکویٹی مارکیٹ نے مالی سال 2026 کے دوران ایک مرتبہ پھر غیر معمولی کارکردگی کا مظاہرہ کیا اور سال کے آخری حصے میں بڑھتی ہوئی جغرافیائی سیاسی غیر یقینی صورتحال کے باوجود قابل ذکر مضبوطی کا ثبوت دیا۔ علاقائی کشیدگی سے متعلق خدشات میں بتدریج کمی اور ملکی معاشی صورتحال کے حوالے سے اعتماد میں بہتری آنے کے ساتھ سرمایہ کاروں کی توجہ مضبوط ہوتے ہوئے معاشی بنیادی عوامل، پالیسیوں کے تسلسل اور خود مختار کریڈٹ کے حوالے سے بہتر ہوتے ہوئے تاثر پر مرکوز رہی۔ اس پس منظر میں KSE-100 انڈیکس میں 44 فیصد اضافہ ہوا اور

FUND MANAGER REPORT

Annual Report 2026

JS MOMENTUM FACTOR EXCHANGE TRADED FUND

- Description of the Collective Investment Scheme category and type**

Exchange Traded Fund

- Statement of Collective Investment Scheme's investment objective**

The Fund shall invest in a particular basket of equity securities with a view to track the performance of the Benchmark index. The Benchmark Index is called "JS Momentum Factor Index" and shall be constituted by Management Company and periodically maintained by the Pakistan Stock Exchange.

- Explanation as to whether the Collective Investment Scheme has achieved its stated objective**

The collective investment scheme achieved its stated objective.

- Statement of benchmark(s) relevant to the Collective Investment Scheme**

JS Momentum Factor Index

- Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	FY26
JSMFETF	-0.57%	6.79%	18.50%	-0.54%	0.28%	6.90%	5.59%	-12.00%	-14.20%	4.92%	2.58%	4.19%	19.94%
Benchmark	-0.42%	7.37%	19.38%	-0.86%	0.36%	7.32%	6.12%	-12.17%	-14.36%	5.66%	3.39%	4.51%	24.21%
Diff.	-0.16%	-0.58%	-0.87%	0.32%	-0.08%	-0.42%	-0.53%	0.17%	0.16%	-0.74%	-0.81%	-0.32%	-4.27%

- Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**

As a Smart Beta ETF, the fund tracks the underlying custom index, the JS Momentum Factor Index (JSMFI), and the portfolio is rebalanced monthly.

- Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	Jun-26	Jun-25
Cash	1.67%	15.07%
Equity	97.43%	84.43%
Other including receivables	0.90%	0.49%
Total	100.00%	100.00%

- Analysis of the Collective Investment Scheme's performance**

	Fund		Fund	BM
Monthly Portfolio Turnover Ratio	94.6%	Largest Month Gain	29.7%	29.2%
Information Ratio	0.99	Largest Month Loss	-14.2%	-14.4%
Standard Deviation	32.9%	% Positive Months	63.0%	63.0%
Beta	1.0			

- Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)**

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	1,428	10.77
30-Jun-25	730	10.49

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**
JS Momentum Factor Exchange Traded Fund invests in equity securities listed on the Pakistan Stock Exchange (PSX).
- **Disclosure on distribution (if any), comprising:-**
 - Particulars of income distribution or other forms of distribution made and proposed during the period; and
 - Statement on effects on the NAV before and after distribution is made

Distribution	
The fund has paid a interim distribution of Rs. 2.00 per unit of Rs. 10.00/- i.e. 20.00%. The cumulative distribution for FY26 is Rs. 2.00 per unit.	
NAV per unit as on June 30, 2026	
Cum NAV (PKR)	10.77
Ex-NAV (PKR)	10.77

- **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**
There were no significant changes in the state of affairs during the year under review.
- **Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Momentum Factor Exchange Traded Fund	0.0001	to	9,999.9999	-
	10,000.0000	to	49,999.9999	-
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	-
	500,000.0000	&	above	2
			Total	2

- **Disclosure on unit split (if any), comprising:-**
The Fund has not carried out any unit split exercise during the year.
- **Disclosure of circumstances that materially affect any interests of the unit holders**
Investment is subject to market risk.
- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**
The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

JS MOMENTUM FACTOR - EXCHANGE TRADED FUND PERFORMANCE TABLE

		30-Jun-26	30-Jun-25	30-Jun-24	30-Jun-23	30-June-22
Net assets - Rupees in "million"	Rs.	1428.14	730.11	215.31	80.41	22.17
Net income / (loss) - Rupees in "million"	Rs.	199.27	88.08	122.63	9.96	(1.63)
Total return of the Fund	%	19.94	68.37	132.31	(11.02)	-6.84
Dividend distribution	%	18.57	100.10	124.97	-	0
Capital Growth *	%	1.37	-31.73	7.34	(11.02)	-6.84
Average annual return						
- One Year (Annuallized)	%	19.94	68.37	132.31	(11.02)	5.27
- Two Years	%	44.16	100.34	60.65	(8.93)	n/a
- Three Years	%	73.54	50.69	38.15	n/a	n/a
NAV per unit	Rs.	10.77	10.49	19.26	8.29	9.32
Highest offer price per unit	Rs.	13.35	21.89	20.90	10.03	10.09
Lowest offer price per unit	Rs.	9.37	9.74	8.29	7.35	7.73
Highest repurchase price per unit	Rs.	13.35	21.89	20.90	10.03	10.09
Lowest repurchase price per unit	Rs.	9.37	9.74	8.29	7.35	7.73
Total distribution as % of par value	%	18.57	100.10	27.83	0.00	0.00
Distribution date		2-Oct-25	27-Aug-24	-	-	-
1st Interim distribution	Rs.	1.00	5.00	-	-	-
Distribution date		8-Jan-26	8-Jan-25	-	-	-
2nd Interim distribution	Rs.	1.00	2.50	-	-	-
Distribution date		-	10-Apr-25	-	-	-
3rd Interim distribution	Rs.	-	2.00	-	-	-
Distribution date		-	24-Jun-25	-	-	-
4th Interim distribution	Rs.	-	1.00	-	-	-
Distribution date		-	-	9-Aug-24	-	-
Final distribution	Rs.	-	-	5.36	-	-

Notes

- JS Momentum Factor - Exchange Traded Fund was launched on January 07, 2022.
- Investment portfolio composition of the Fund is disclosed in note 5 of the financial statements.
- Units have par value of Rs. 10/- each.
- The income distribution have been shown against The year to which they relate although these were declared & distributed subsequently to the year end.

Disclaimer

- Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

JS MOMENTUM FACTOR 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 JS Momentum Factor Exchange Traded Fund (the Fund) are of the opinion that JS Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 8, 2026

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of JS Momentum Factor-Exchange Traded Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JS Momentum Factor-Exchange Traded Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movements in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

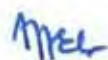
We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the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

Key Audit Matters

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

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 4 and 5 to the financial statements)	
	The bank balances and investments constitute the most significant components of the net asset value. The bank balances of the fund as at June 30, 2026 aggregated to Rs. 31.524 million and investments amounted to Rs. 1,398.045 million. The existence of bank balances and the existence and the proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others, included the following: - Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2026 and traced the confirmed balances to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; - Re-performed the valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and - Obtained bank reconciliation statements and tested reconciling items on a sample basis.



A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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

The Management Company (JS Investments Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Management Company and Board of Directors of Management Company for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 Company.



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

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

We also provide 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, we further report that in our opinion:

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations 2008;
- b) proper books and records have been kept by the Collective Investment Scheme or the financial statements prepared are in agreement with the books and records of Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 25, 2026

UDIN: AR202610061TDGL3cQAu

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

		2026	2025
Note		(Rupees)	
Assets			
	Bank balances	4 31,523,927	72,662,404
	Investments	5 1,398,045,237	685,588,330
	Profit receivable	3,108,502	1,761,266
	Advances, deposits and other receivables	6 2,255,068	2,255,068
	Total assets	1,434,932,734	762,267,068
Liabilities			
	Payable to JS Investments Limited - Management Company	7 1,073,448	230,000
	Payable to Central Depository Company of Pakistan Limited - Trustee	8 194,627	98,567
	Payable to the Securities and Exchange Commission of Pakistan (SECP)	9 118,235	51,273
	Payable against purchase of investments	2,470,987	20,713,069
	Dividend payable	1,262,518	-
	Accrued expenses and other liabilities	10 1,674,342	11,060,018
	Total liabilities	6,794,157	32,152,927
	NET ASSETS	1,428,138,577	730,114,141
	UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)	1,428,138,577	730,114,141
	CONTINGENCIES AND COMMITMENTS	11 ----- (Number of units) -----	
	NUMBER OF UNITS IN ISSUE	13 132,660,000	69,630,000
		----- (Rupees) -----	
	NET ASSET VALUE PER UNIT	10.77	10.49

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
Note		(Rupees)	
Income			
	Profit on saving accounts with banks	5,801,140	3,103,736
	Dividend income	50,504,990	14,987,384
	Other income	759,610	-
	Gain on sale of investments - net	67,710,330	130,874,196
	Net unrealised appreciation on remeasurement of investments classified as financial assets 'at fair value through profit or loss'	70,156,007	23,643,044
	Total income	194,932,077	172,608,360
Expenses			
	Remuneration to JS Investments Limited - Management Company	7,793,329	-
	Sindh sales tax on remuneration to the Management Company	1,168,999	-
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,110,656	287,002
	Sindh Sales Tax on remuneration of the Trustee	166,600	43,050
	Fee to the Securities and Exchange Commission of Pakistan (SECP)	1,055,532	274,715
	Registrar fee	138,000	137,625
	Listing fee	62,500	30,750
	Auditors' remuneration	1,211,760	1,173,640
	Printing and stationery charges	-	162,065
	CDC settlement charges	732,428	212,300
	Securities transaction cost	17,085,526	4,546,261
	Other expenses	845,292	277,817
	Total expenses	31,370,622	7,145,225
	Net income from operating activities for the year	163,561,455	165,463,135
	Element of (losses) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - net	35,708,281	(77,379,936)
	Net income for the year before taxation	199,269,736	88,083,199
	Taxation	-	-
	Net income for the year after taxation	199,269,736	88,083,199

The annexed notes from 1 to 27 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026 ----- (Rupees) -----	2025 -----
Net income for the year after taxation	199,269,736	88,083,199
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>199,269,736</u>	<u>88,083,199</u>

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2026

	2026			2025		
	Capital value	Accumulated losses	Total	Capital value	Undistributed income / (accumulated losses)	Total
(Rupees)						
Net assets at the beginning of the year	757,142,629	(27,028,488)	730,114,141	104,264,368	111,044,913	215,309,281
Issuance of 172,090,000 (2025: 98,570,000) units						
- Capital value (at net asset value per unit at the beginning of the year)	1,805,224,100	-	1,805,224,100	1,162,131,940	-	1,162,131,940
- Element of income	80,329,546	-	80,329,546	56,363,521	-	56,363,521
Total proceeds on issuance of units	1,885,553,646	-	1,885,553,646	1,218,495,461	-	1,218,495,461
Redemption of 109,060,000 (2025: 40,120,000) units						
- Capital value (at net asset value per unit at the beginning of the year)	(1,144,039,400)	-	(1,144,039,400)	(509,253,679)	-	(509,253,679)
- Element of loss	(44,621,265)	-	(44,621,265)	(133,743,457)	-	(133,743,457)
Total payments on redemption of units	(1,188,660,665)	-	(1,188,660,665)	(642,997,136)	-	(642,997,136)
Total comprehensive income for the year	-	199,269,736	199,269,736	-	88,083,199	88,083,199
Element of (losses) / income and capital (losses) / gains included in prices of units issued less those in units redeemed - net	(35,708,281)	-	(35,708,281)	77,379,936	-	77,379,936
Distribution for the year ended June 30, 2026						
- Rs. 1.00 per unit on October 2, 2025	-	(74,260,000)	(74,260,000)	-	-	-
Distribution for the year ended June 30, 2026						
- Rs. 1.00 per unit on January 08, 2026	-	(88,170,000)	(88,170,000)	-	-	-
Distribution for the year ended June 30, 2025						
- Rs. 5.36 per unit on August 9, 2024	-	-	-	-	(19,081,600)	(19,081,600)
Distribution for the year ended June 30, 2025						
- Rs. 5.00 per unit declared on August 27, 2024	-	-	-	-	(44,800,000)	(44,800,000)
Distribution for the year ended June 30, 2025						
- Rs. 2.50 per unit declared on January 8, 2025	-	-	-	-	(29,425,000)	(29,425,000)
Distribution for the year ended June 30, 2025						
- Rs. 2.00 per unit declared on April 10, 2025	-	-	-	-	(74,380,000)	(74,380,000)
Distribution for the year ended June 30, 2025						
- Rs. 1.00 per unit declared on June 24, 2025	-	-	-	-	(58,470,000)	(58,470,000)
Net assets at end of the year	1,418,327,329	9,811,248	1,428,138,577	757,142,629	(27,028,488)	730,114,141
(Accumulated loss) / Undistributed income brought forward						
- Realised (loss) / gain	(50,671,532)			101,287,357		
- Unrealised income	23,643,044			9,757,556		
	(27,028,488)			111,044,913		
Net income for the year after taxation	199,269,736			88,083,199		
Distributions during the year	(162,430,000)			(226,156,600)		
(Accumulated losses) / undistributed income carried forward	9,811,248			(27,028,488)		
Accumulated losses carried forward						
- Realised loss	(60,344,759)			(50,671,532)		
- Unrealised income	70,156,007			23,643,044		
	9,811,248			(27,028,488)		
			(Rupees)			(Rupees)
Net asset value per unit at beginning of the year			10.49			19.26
Net asset value per unit at end of the year			10.77			10.49

The annexed notes from 1 to 27 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
Note	(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	199,269,736	88,083,199
Adjustments for:		
Profit on saving accounts with banks	(5,801,140)	(3,103,736)
Dividend income	(50,504,990)	(14,987,384)
Net unrealised appreciation on remeasurement of investments classified as financial assets 'at fair value through profit or loss'	(70,156,007)	(23,643,044)
Element of losses / (income) and capital losses / (gains) included in prices of units issued less those in units redeemed - net	(35,708,281)	77,379,936
Gain on sale of investments - net	(67,710,330)	(130,874,196)
	(229,880,747)	(95,228,424)
(Increase) / decrease in assets		
Investments - net	(592,832,652)	(387,778,709)
Receivable from JS Investments Limited - Management Company	-	333,508
Advances, deposits and other receivables	-	(1,106,918)
	(592,832,652)	(324,088,516)
Increase / (decrease) in liabilities		
Payable to JS Investments Limited - Management Company	843,448	70,342
Payable to Central Depository Company of Pakistan Limited - Trustee	96,060	63,001
Payable to the Securities and Exchange Commission of Pakistan (SECP)	66,962	43,262
Accrued expenses and other liabilities	(9,385,676)	10,464,411
	(8,379,206)	(53,822,587)
Profit received on balances with bank	4,453,904	1,342,470
Dividend received	50,504,990	14,987,384
Net cash used in operating activities	(576,863,976)	(368,726,474)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units	1,885,553,646	1,218,495,461
Payments against redemption of units	(1,188,660,665)	(642,997,136)
Dividend paid	(161,167,482)	(226,156,600)
Net cash generated from financing activities	535,725,499	349,341,725
Net decrease in cash and cash equivalents during the year	(41,138,477)	(19,384,749)
Cash and cash equivalents at the beginning of the year	72,662,404	92,047,153
Cash and cash equivalents at end of the year	31,523,927	72,662,404

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS Momentum Factor Exchange Traded Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between JS Investments Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on October 05, 2021 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 25, 2021. The Fund commenced its operations from January 7, 2022.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at The Centre, 19th Floor, Plot No. 28 SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.

1.2 The Fund has been categorised as an open ended exchange traded mutual fund that aims to provide investors an opportunity to track the performance of JS Momentum Factor Index that has been constituted and is maintained by the Management Company and comprises of 10 equity securities selected based on free float market capitalisation & traded value filter (CF).

1.3 The Fund is a hybrid fund having features of both open ended and close ended funds. A new concept of Authorised Participants (APs) was introduced who will act as market makers. The Management Company only has contact with the APs for issuance and redemption of units. The units of the Fund are tradeable in the Pakistan Stock Exchange Limited (PSX). The APs to whom the units are issued either keep the units with themselves or trade in the PSX. Consequently, upon trading, the holders of the units keep on changing. Moreover, on issuance and redemption of units, the basket of shares are exchanged between APs and Management Company and cash will be paid / received if there is a difference in the market value of shares and net asset value.

1.4 Pakistan Credit Rating Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company to 'AM1' with 'stable outlook' dated November 05, 2025 (2025: 'AM2++' with 'stable outlook') to the Management Company.

1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2.2 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements and hence, therefore, have not been disclosed in these financial statements.

2.3 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Fund.

2.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements for the Fund relate to classification and valuation of financial assets (notes 3.2 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets have been disclosed in note 21.2 to these financial statements.

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupee, which is the Fund's functional and presentation currency.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Cash and cash equivalents

Cash and cash equivalents are carried at amortised cost. These comprise of balances with banks in savings accounts.

3.2 Financial assets

3.2.1 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.

3.2.2 Classification and subsequent measurement

3.2.2.1 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.

3.2.3 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.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.2.4 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. Previously, regular way purchases / sales of assets required delivery of securities within two days from the transaction date as per the stock exchange regulations. Effective from February 9, 2026, in accordance with the revised regulations of the Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL), the settlement cycle has transitioned to a trade plus one day (T+1) basis, requiring delivery of securities within one day from the transaction date.

3.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the Income Statement.

3.3 Financial liabilities

3.3.1 Classification and subsequent measurement

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

3.3.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

3.4 Offsetting of financial assets and financial liabilities

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

Income and expenses are presented on a net basis only when permitted by the accounting and reporting standards as applicable in Pakistan.

3.5 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 the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

3.6 Net asset value per unit

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

3.7 Issuance and redemption of units

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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); and
- 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.

3.8 Distributions to unit holders

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

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

3.10 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

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, 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 the Income Statement.

3.11 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement and are recognised when the transaction takes place.
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the year in which they arise.
- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the commencement of book closure of the investee company / institution declaring the dividend.
- Profit on savings account with banks is recognised on time proportion basis using the effective yield method.

3.12 Expenses

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

3.13 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2026 to the unit holders in a manner as explained above, no provision for taxation has been made in these financial statements during the year.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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.

		2026	2025
	Note	Rupees	Rupees
4 BANK BALANCES			
In savings accounts	4.1	<u>31,523,927</u>	<u>72,662,404</u>
4.1	This represents balance maintained with JS Bank Limited (a related party) in savings account and carries profit at the rate of 9% (2025: 9%) per annum.		

		2026	2025
	Note	Rupees	Rupees
5 INVESTMENTS			
At fair value through profit or loss			
Listed equity securities	5.1	<u>1,398,045,237</u>	<u>685,588,330</u>
5.1 Listed equity securities - at fair value through profit or loss			

Fully paid up ordinary shares have a face value of Rs. 10 each unless stated otherwise

Name of the investee company	As at July 01, 2025	Purchased during the year	Bonus / rights shares received during the year	Sold / transferred during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
						Carrying value	Market value	Unrealised (diminution) / appreciation	net assets of the Fund	total investments of the fund	
AUTOMOBILE ASSEMBLER											
Ghandara Automobiles Limited	-	286,445	-	(286,445)	-	-	-	-	-	-	-
Sazgar Engineering Works Limited	-	191,983	-	(112,387)	79,596	174,226,685	164,245,550	(9,981,135)	11.50%	11.75%	27.17%
						174,226,685	164,245,550	(9,981,135)	11.50%	11.75%	27.17%
CEMENT											
D. G. Khan Cement Company Limited	849,486	2,059,764	-	(1,808,172)	1,101,078	216,971,293	245,837,685	28,866,392	17.21%	17.58%	5.61%
Fauji Cement Company Limited	-	3,110,084	-	(1,571,228)	1,538,856	83,091,612	88,561,163	5,469,551	6.20%	6.33%	0.36%
Flying Cement Company Limited	181,038	21,554	-	(202,592)	-	-	-	-	-	-	-
Lucky Cement Limited*	-	237,690	-	(237,690)	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	1,754,676	4,762,596	-	(4,487,574)	2,029,698	179,454,982	216,995,013	37,540,031	15.19%	15.52%	2.07%
Pioneer Cement Limited	-	120,900	-	(120,900)	-	-	-	-	-	-	-
Thatta Cement Company Limited*	-	1,028,556	-	(1,028,556)	-	-	-	-	-	-	-
						479,517,887	551,393,861	71,875,974	38.61%	39.44%	8.04%
PROPERTY											
Javedan Corporation Limited	-	209,664.00	-	(209,664)	-	-	-	-	-	-	-
						-	-	-	-	-	-
COMMERCIAL BANKS											
Askari Bank Limited	-	1,269,028	-	(1,269,028)	-	-	-	-	-	-	-
Bank Alfalah Limited***	-	939,405	-	(939,405)	-	-	-	-	-	-	-
BankIslami Pakistan Limited (a related party)	-	967,632	-	(967,632)	-	-	-	-	-	-	-
The Bank of Punjab	-	22,261,679	-	(22,261,679)	-	-	-	-	-	-	-
Faysal Bank Limited	-	925,192	-	(925,192)	-	-	-	-	-	-	-
Habib Bank Limited	-	643,479	-	(643,479)	-	-	-	-	-	-	-
Meezan Bank Limited	-	638,108	-	(638,108)	-	-	-	-	-	-	-
National Bank of Pakistan	-	2,918,669	-	(2,918,669)	-	-	-	-	-	-	-
MCB Bank Limited	-	149,643	-	(149,643)	-	-	-	-	-	-	-
United Bank Limited***	-	1,081,607	-	(1,081,607)	-	-	-	-	-	-	-
						-	-	-	-	-	-
AUTOMOBILE ASSEMBLER											
Ghandhara Industries Limited	-	176,842	-	(176,842)	-	-	-	-	-	-	-
						-	-	-	-	-	-
FERTILIZER											
Fauji Fertilizer Company Limited	-	1,386,448	-	(1,081,330)	305,118	170,700,702	174,979,071	4,278,369	12.25%	12.52%	1.22%
						170,700,702	174,979,071	4,278,369	12.25%	12.52%	1.22%
TEXTILE COMPOSITE											
Nishat Mills Limited	-	963,256.00	-	(963,256)	-	-	-	-	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Name of the investee company	As at July 01, 2025	Purchased during the year	Bonus / rights shares received during the year	Sold / transferred during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
						Carrying value	Market value	Unrealised (diminution) / appreciation	net assets of the Fund	total investments of the fund	
No. of Shares						Rupees			(%)		
FOOD & PERSONAL CARE PRODUCTS											
Frieslandcampina Engro Pakistan Limited	355,113	494,647	-	(478,312)	371,448	41,522,868	42,341,358	818,490	2.96%	3.03%	0.55%
Fauji Foods Limited	-	1,984,255	-	(1,984,255)	-	-	-	-	-	-	-
National Foods Limited***	-	195,224	-	(195,224)	-	-	-	-	-	-	-
Treet Corporation Limited	-	2,532,116	-	(2,532,116)	-	-	-	-	-	-	-
Unity Foods Limited	-	5,922,048	-	(5,922,048)	-	-	-	-	-	-	-
						41,522,868	42,341,358	818,490	2.96%	3.03%	0.55%
OIL & GAS EXPLORATION COMPANIES											
Mari Energies Limited	-	402,428	-	(402,428)	-	-	-	-	-	-	-
Pakistan Petroleum Limited	-	3,954,640	-	(2,853,562)	1,101,078	252,289,284	267,143,544	14,854,260	18.71%	19.11%	0.98%
Oil & Gas Development Company Limited	-	1,776,346	-	(1,776,346)	-	-	-	-	-	-	-
Pakistan Oilfields Limited	-	107,506	-	(107,506)	-	-	-	-	-	-	-
						252,289,284	267,143,544	14,854,260	18.71%	19.11%	0.98%
REFINERY											
Attock Refinery Limited	146,223	623,410	-	(769,633)	-	-	-	-	-	-	-
National Refinery Limited	125,334	817,551	-	(942,885)	-	-	-	-	-	-	-
Pakistan Refinery Limited	1,886,973	2,785,055	-	(4,672,028)	-	-	-	-	-	-	-
						-	-	-	-	-	-
PHARMACEUTICALS											
The Searle Company Limited	-	1,566,675	-	(1,566,675)	-	-	-	-	-	-	-
						-	-	-	-	-	-
POWER GENERATION & DISTRIBUTION											
The Hub Power Company Limited	-	2,408,118	-	(2,408,118)	-	-	-	-	-	-	-
K- Electric Limited**	6,524,331	16,976,887	-	(23,501,218)	-	-	-	-	-	-	-
Nishat Chunian Power Limited	-	1,304,576	-	(1,304,576)	-	-	-	-	-	-	-
Nishat Power Limited	-	1,029,818	-	(1,029,818)	-	-	-	-	-	-	-
						-	-	-	-	-	-
TECHNOLOGY AND COMMUNICATION											
Airlink Communication Limited	-	738,576	-	(459,990)	278,586	42,901,746	43,721,300	819,554	3.06%	3.13%	1.11%
Pakistan Telecommunication Company Limited	1,420,452	7,422,567	-	(7,662,345)	1,180,674	79,728,195	77,357,760	(2,370,435)	5.42%	5.53%	0.20%
Systems Limited*	-	969,301	-	(969,301)	-	-	-	-	-	-	-
TRG Pakistan Limited	-	2,285,943	-	(1,078,737)	1,207,206	87,001,863	76,862,793	(10,139,070)	5.38%	5.50%	1.41%
						209,631,804	197,941,853	(11,689,951)	13.86%	14.16%	2.72%
INV. BANKS / INV. COS. / SECURITIES COS.											
PIA Holding Company Ltd Class A	-	3,842,348	-	(3,842,348)	-	-	-	-	-	-	-
Engro Holdings Ltd	501,336	1,214,757	-	(1,716,093)	-	-	-	-	-	-	-
Pakistan Stock Exchange Limited	-	343,398.00	-	(343,398)	-	-	-	-	-	-	-
TRANSPORT											
Pakistan International Bulk Terminal Limited	-	8,442,315	-	(8,442,315)	-	-	-	-	-	-	-
						-	-	-	-	-	-
Total as at June 30, 2026						1,327,889,230	1,398,045,237	70,156,007			
Total as at June 30, 2025						661,945,286	685,588,330	23,643,044			

*These have a face value of Rs. 2.00 per share.

**These have a face value of Rs. 3.5 per share.

***These have a face value of Rs. 5.00 per share.

5.2 Net unrealised appreciation on remeasurement of investments classified as financial asset 'at fair value through profit or loss'

	Note	2026	2025
Market value of investments	5.1	1,398,045,237	685,588,330
Less: carrying value of investments	5.1	(1,327,889,230)	(661,945,286)
		70,156,007	23,643,044

6 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Advance tax	6.1	1,048,150	1,048,150
Withholding tax on bonus shares	6.2	1,106,918	1,106,918
Security deposit with Central Depository Company of Pakistan Limited - Trustee		100,000	100,000
		2,255,068	2,255,068

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- 6.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on dividend paid to the Fund was deducted by various withholding agents based on the interpretation issued by the FBR vide letter C.No. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by SHC in favour of the FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Supreme Court of Pakistan (SCP) through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the SCP by the Funds together with other CISs (managed by the Management Company and other asset management companies) whereby the SCP granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends has been shown as a receivable as at June 30, 2026 as, in the opinion of the Management Company, the amount of tax deducted at source will be refunded.

- 6.2** The Finance Act, 2023 had introduced Section 236Z of the Income Tax Ordinance, 2001 (the Ordinance) effective from July 1, 2023, which mandates listed companies to withhold ten percent shares out of bonus shares issued to the Fund. The share so withheld are to be released if the Fund deposits tax equivalent to ten percent of the value of bonus share issues to the Fund. Such tax is to be deposited within fifteen days of the book closure of the respective dividend. In case of failure of the Fund to pay, the issuer company is liable to pay the tax and dispose of the bonus shares to recover the amount paid.

During the year ended June 30, 2025, Mari Energies Limited had announced the distribution of bonus shares on August 8, 2024 against which the issuer had withheld 2,662 shares from the bonus issued to the Fund under section 236Z of the Income Tax Ordinance, 2001 (the Ordinance). The market value of bonus shares so withheld amounts to Rs. 1.79 million as at June 30, 2026.

In respect of the above, the Management Company on behalf of the Funds under its management has filed a petition CP No. D-5099 of 2024 in the Honourable Sindh High Court (SHC) challenging the applicability of withholding tax provisions on the bonus shares received by the Funds based on the grounds that the CISs are exempt from the levy of income tax in terms of Clause 57 and Clause 99 of Part-I of the Second Schedule to the Income Tax Ordinance (the Ordinance), therefore no tax should be withheld on the issuance of bonus shares to the Funds under Section 236Z of the Ordinance. The SHC in its interim order dated October 11, 2024 on the aforesaid petition has directed the issuer of bonus shares (Mari Energies Limited) to retain these 10% bonus shares withheld by the issuer and no tax on the same shall be paid to the Federal Board of Revenue (FBR) under section 236Z of the Ordinance till further orders by the SHC.

As at June 30, 2026 the matter is pending adjudication before the SHC and the Fund has recorded these shares as withholding tax on bonus shares in the financial statements of the Fund, as the management is confident that the decision of the above constitutional petition will be in favour of the Funds.

		2026	2025
	Note	Rupees	
7	PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY		
Remuneration to JS Investment Limited - Management Company	7.1	933,434	-
Sindh Sales Tax payable on remuneration of the Management Company	7.2	140,014	-
Other payable		-	110,000
Printing and stationery charges		-	120,000
		1,073,448	230,000

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- 7.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company had not charged remuneration during the year ended June 30, 2025 per annum of the average net assets of the Fund. The remuneration is payable to the Management Company monthly in arrears.

During the year ended June 30, 2026, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, revised the management fee cap to 0.75% to be calculated on a per annum basis of the average daily net assets, applicable to an "Exchange Traded Fund". This revision is effective from July 1, 2025. Accordingly, the Management Company has charged its remuneration at the rate of 0.75% per annum of the average net assets of the Fund during the year.

- 7.2** Sindh sales tax through Sindh Sales Tax on Services Act, 2011 on remuneration of the Management Company has been levied at the rate of 15% (2025: 15%).

		2026	2025
	Note	Rupees	Rupees
8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee remuneration payable	8.1	124,458	53,971
Sindh Sales Tax on remuneration of the Trustee	8.2	18,669	8,096
Registrar fees payable		11,500	11,500
Settlement charges payable		40,000	25,000
		<u>194,627</u>	<u>98,567</u>

- 8.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.1% (2025: 0.1%) per annum of net assets of the Fund.

- 8.2** Sindh sales tax through Sindh Sales Tax on Services Act, 2011 on remuneration of the Trustee has been levied at the rate of 15% (2025: 15%).

		2026	2025
	Note	Rupees	Rupees
9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)			
Fee payable	9.1	118,235	51,273

- 9.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of fee to 0.095% (2025: 0.095%) per annum of the daily net assets of the Fund.

The Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

		2026	2025
		Rupees	Rupees
10 ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration payable		904,056	723,880
Withholding tax payable		110,577	8,857,669
Brokerage payable		-	881,260
Other payable		659,709	597,209
		<u>1,674,342</u>	<u>11,060,018</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.

12 AUDITORS' REMUNERATION

	2026	2025
	----- Rupees -----	
Annual audit and half year review fees	1,020,000	850,000
Income certification	-	150,000
Out of pocket expenses	102,000	86,704
Sindh sales tax	89,760	86,936
	<u>1,211,760</u>	<u>1,173,640</u>

13 NUMBER OF UNITS IN ISSUE

Units in issue at the beginning of the year	69,630,000	11,180,000
Units issued during the year	172,090,000	98,570,000
Units redeemed during the year	109,060,000	40,120,000
Total units in issue at the end of the year	<u>132,660,000</u>	<u>69,630,000</u>

14 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at June 30, 2026 based on the current year results is 2.83% (2025: 2.47%), which includes 0.43% (2025: 0.35%) representing government levies such as sales taxes and SECP fee etc.

During the year ended June 30, 2025, the Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 600(I)/2025 dated April 10, 2025, amended the previously applicable Total Expense Ratio (TER) caps. Effective July 1, 2025, this amendment replaced the earlier TER-based cap structure with a direct cap on the management fee, irrespective of the scheme's overall expense ratio. The revised management fee limits are disclosed in note 7.1 to these financial statements.

15 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2026 to the unit holders in a manner as explained above, no provision for taxation has been made in these financial statements during 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.

16 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include JS Investments Limited (JSIL) being the Management Company of the Fund, Central Depository Company of Pakistan Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Management Company - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20 % shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL - 75.12% shares are held by JS

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Bank Limited, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL - 92.90% shares are held by JS Bank Limited and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other Funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at June 30, 2026. It also includes staff retirement benefit funds of the above related parties / connected persons.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

The details of transactions carried out by the Fund with related parties / connected persons during the year ended June 30, 2026 and balances with them as at year end are as follows:

	2026	2025
	----- Rupees -----	
16.1 Transactions during the year		
JS Investments Limited - Management Company		
Remuneration of JS Investments Limited - Management Company	7,793,329	-
Sindh Sales Tax on remuneration of the Management Company	1,168,999	-
Printing charges	-	162,065
JS Bank Limited - Parent Company of JSIL		
Profit on savings accounts	5,801,140	3,103,736
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	1,110,656	287,002
Sindh Sales Tax on remuneration of the Trustee	166,600	43,050
CDC settlement charges	732,428	212,300
Registrar fee	138,000	137,625
JS Fund of Funds - Fund under JSIL Management		
Investment in the Fund: Nil (2025: 30,599,500) units	-	375,705,589
Redemption of units: Nil (2025: 40,359,000) units	-	620,909,425
JS Global Capital Limited - Fellow subsidiary of JSBL		
Issuance of units: 172,090,000 (2025: 98,570,000) units	1,885,553,646	1,218,495,461
Redemption of units: 109,060,000 (2025: 40,120,000) units	1,188,660,665	642,997,136
Brokerage expense	14,702,410	4,546,261

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 Rupees	2025
16.2 Details of balances with related parties / connected persons as at year end			
JS Investments Limited - Management Company			
Remuneration of the Management Company		933,434	-
Sindh Sales Tax on remuneration of the Management Company		140,014	-
Printing and stationery charges		-	120,000
Other payable		-	110,000
JS Bank Limited - Parent Company of JSIL			
Bank balance		31,523,927	72,662,404
Profit receivable		3,108,502	1,761,266
Central Depository Company of Pakistan Limited - Trustee			
Remuneration payable to the Trustee		124,458	53,971
Sindh Sales Tax payable on Trustee remuneration		18,669	8,096
Settlement charges payable		40,000	25,000
Registrar fee payable		11,500	11,500
Security deposit		100,000	100,000
JS Global Capital Limited - Fellow subsidiary of JSBL			
Payable against purchase of investments		2,470,987	20,713,069
Brokerage payable		-	881,260
Units held: 132,660,000 (2025: 69,630,000) units		1,428,138,577	730,114,141

17 CASH AND CASH EQUIVALENTS

Balances with bank - savings accounts	4	31,523,927	72,662,404
---------------------------------------	---	------------	------------

18 FINANCIAL INSTRUMENTS BY CATEGORY

	2026		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees)		
Financial assets			
Bank balances	31,523,927	-	31,523,927
Investments	-	1,398,045,237	1,398,045,237
Profit receivable	3,108,502	-	3,108,502
Deposit	100,000	-	100,000
	34,732,429	1,398,045,237	1,432,777,666
Financial liabilities			
Payable to JS Investments Limited - Management Company	1,073,448	-	1,073,448
Payable to Central Depository Company of Pakistan Limited - Trustee	194,627	-	194,627
Payable against purchase of investments	2,470,987	-	2,470,987
Accrued and other liabilities	1,563,765	-	1,563,765
Dividend payable	1,262,518	-	1,262,518
	6,565,345	-	6,565,345

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2025		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees)		
Financial assets			
Bank balances	72,662,404	-	72,662,404
Investments	-	685,588,330	685,588,330
Profit receivable	1,761,266	-	1,761,266
Deposit	100,000	-	100,000
	<u>74,523,670</u>	<u>685,588,330</u>	<u>760,112,000</u>
Financial liabilities			
Payable to JS Investments Limited - Management Company	230,000	-	230,000
Payable to Central Depository Company of Pakistan Limited - Trustee	98,567	-	98,567
Payable against purchase of investments	20,713,069	-	20,713,069
Accrued and other liabilities	2,202,349	-	2,202,349
	<u>23,243,985</u>	<u>-</u>	<u>23,243,985</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the 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 the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, yield / profit rate risk and price risk.

19.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund does not have any financial instruments in foreign currencies and hence it is not exposed to such risk.

19.1.2 Interest / profit rate risk

Interest / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2026, the Fund is mainly exposed to interest rate risk on balances held with banks. The Investment Committee of the Fund reviews the portfolio on a regular basis to ensure that the risk is managed within the acceptable limits.

Variable rate instruments (financial assets)

	2026	2025
	Rupees	
Bank balances	<u>31,523,927</u>	<u>72,662,404</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

a) Sensitivity analysis for variable rate instrument

As at June 30, 2026, the Fund holds balances in savings accounts amounting Rs 31.52 million (2025: Rs 72.66 million) exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / (decrease) in interest rates at the reporting date, the net assets of the Fund and net income for the year would have been higher / lower by Rs 0.32 million (2025: Rs 0.73 million). The analysis assumes that all other variables remain constant.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

b) Sensitivity analysis for fixed rate instrument

As at June 30, 2026, the Fund does not hold any fixed rate instrument that may expose the Fund to fixed interest rate risk.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

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 financial instruments is based on the settlement date.

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

2026					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
	(Rupees)				

On-balance sheet financial instruments

Financial assets

Bank balances	9%	31,523,927	-	-	-	31,523,927
Investments		-	-	-	1,398,045,237	1,398,045,237
Profit receivable		-	-	-	3,108,502	3,108,502
Deposit		-	-	-	100,000	100,000
Sub total		31,523,927	-	-	1,401,253,739	1,432,777,666

Financial liabilities

Payable to JS Investments Limited		-	-	-	1,073,448	1,073,448
- Management Company		-	-	-	194,627	194,627
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	2,470,987	2,470,987
Payable against purchase of investments		-	-	-	1,563,765	1,563,765
Accrued and other liabilities		1,262,518	-	-	-	1,262,518
Dividend payable		1,262,518	-	-	5,302,827	6,565,345
Sub total		1,262,518	-	-	5,302,827	6,565,345

On-balance sheet gap

30,261,409	-	-	1,395,950,912	1,426,212,321
------------	---	---	---------------	---------------

Off-balance sheet financial instruments

-	-	-	-	-
---	---	---	---	---

Off-balance sheet financial instruments

-	-	-	-	-
---	---	---	---	---

Total interest rate sensitivity gap

30,261,409	-	-	1,395,950,912	1,426,212,321
------------	---	---	---------------	---------------

Cumulative interest rate sensitivity gap

30,261,409	30,261,409	30,261,409		
------------	------------	------------	--	--

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025					
Effective yield / profit rate	Exposed to yield / profit risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
	(Rupees)				

On-balance sheet financial instruments

Financial assets

Bank balances	9%	72,662,404	-	-	-	72,662,404
Investments		-	-	-	685,588,330	685,588,330
Profit receivable		-	-	-	1,761,266	1,761,266
Deposit		-	-	-	100,000	100,000
Sub total		72,662,404	-	-	687,449,596	760,112,000

Financial liabilities

Payable to JS Investments Limited	-	-	-	230,000	230,000
- Management Company	-	-	-	98,567	98,567
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	20,713,069	20,713,069
Payable against purchase of investments	-	-	-	2,202,349	2,202,349
Accrued and other liabilities	-	-	-	-	-
Dividend payable	-	-	-	-	-
Sub total		-	-	23,243,985	23,243,985

On-balance sheet gap

72,662,404	-	-	664,205,611	736,868,015
------------	---	---	-------------	-------------

Off-balance sheet financial instruments

-	-	-	-	-
---	---	---	---	---

Off-balance sheet financial instruments

-	-	-	-	-
---	---	---	---	---

Total interest rate sensitivity gap

72,662,404	-	-	664,205,611	736,868,015
------------	---	---	-------------	-------------

Cumulative interest rate sensitivity gap

72,662,404	72,662,404	72,662,404
------------	------------	------------

19.1.3 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 arising from the Fund 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 time to time.

In case of 1% increase / decrease in PSX-100 index on June 30, 2026, with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 13.980 million (2025: Rs. 6.856 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 PSX-100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the PSX-100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the PSX-100 Index.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

19.2 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 obligations as it falls due.

The table below analyses the Fund's maximum exposure to credit risk:

	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	Rupees			
Bank balances	31,523,927	31,523,927	72,662,404	72,662,404
Investments	1,398,045,237	-	685,588,330	-
Profit receivable	3,108,502	3,108,502	1,761,266	1,761,266
Deposit	100,000	100,000	100,000	100,000
	<u>1,432,777,666</u>	<u>34,732,429</u>	<u>760,112,000</u>	<u>74,523,670</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets. Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in listed equity securities of Rs 1,398.045 million (2025: Rs 685.588 million) are not exposed to credit risk.

No financial assets were considered to be past due or impaired as at June 30, 2026.

19.2.1 Credit quality of financial assets

The Fund held bank balances as at June 30, 2026 with a bank having the following credit rating:

Name of the Bank	2026		
	Rating agency	Latest available published rating	% of financial assets exposed to credit risk
JS Bank Limited	PACRA	AA	100.00%

Name of the Bank	2025		
	Rating agency	Latest available published rating	% of financial assets exposed to credit risk
JS Bank Limited	PACRA	AA	100.00%

19.2.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial assets is mainly held with credit worthy counter parties thereby mitigating any credit risk.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on the terms that are materially disadvantageous to the Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The Fund is exposed to daily settlement of equity securities and daily redemptions 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. The Fund's 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 subject to the maximum limit which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the year ended June 30, 2026.

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

The table below summaries the maturity profile of the Fund's financial liabilities. 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 liabilities that are payable on demand including balances with banks have been included in the maturity grouping of one month:

2026						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees)						

Financial liabilities

Payable to JS Investments Limited

- Management Company

Payable to Central Depository Company of Pakistan Limited - Trustee

Payable against purchase of investments

Accrued and other liabilities

Dividend payable

Total

1,073,448	-	-	-	-	-	1,073,448
194,627	-	-	-	-	-	194,627
2,470,987	-	-	-	-	-	2,470,987
-	904,056	-	659,709	-	-	1,563,765
1,262,518	-	-	-	-	-	1,262,518
5,001,580	904,056	-	659,709	-	-	6,565,345

2025						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
(Rupees)						

Financial liabilities

Payable to JS Investments Limited

- Management Company

Payable to Central Depository Company of Pakistan Limited - Trustee

Payable against purchase of investments

Accrued and other liabilities

Total

230,000	-	-	-	-	-	230,000
98,567	-	-	-	-	-	98,567
20,713,069	-	-	-	-	-	20,713,069
881,260	723,880	-	597,209	-	-	2,202,349
21,922,896	723,880	-	597,209	-	-	23,243,985

20 UNIT 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 restrictions on the subscription and redemption of units.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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 19, 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.

21 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 on the "Statement of Assets and Liabilities" date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

21.1 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 June 30, 2026 and June 30, 2025, the Fund held the following financial instruments measured at fair values:

2026			
Level 1	Level 2	Level 3	Total
Rupees			

At fair value through profit or loss

Investment in listed equity securities

1,398,045,237	-	-	1,398,045,237
---------------	---	---	---------------

2025			
Level 1	Level 2	Level 3	Total
Rupees			

At fair value through profit or loss

Investment in listed equity securities

685,588,330	-	-	685,588,330
-------------	---	---	-------------

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

21.2 Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Ordinary shares - listed	The fair value of investments in listed equity securities is valued on the basis of closing quoted market price available at the Pakistan Stock Exchange Limited.

21.3 During the year ended June 30, 2026, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

22 DETAILS OF MEMBERS OF INVESTMENT COMMITTEE AND FUND MANAGER

S. No.	Name	Designation	Overall experience (in years)	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	25	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer & Company Secretary	33	MBA
3	Syed Hussain Haider	Chief Investment Officer	24	CFA
4	Mr. Yasin Muhammad Hanif	Fund Manager	6	MBA

22.1 Name and qualification of the Fund Manager

Name	Designation	Qualification	Other funds managed by the Fund Manager
Mr. Yasin Muhammad Hanif	Senior Manager - Investments	Master in Business Administration	JS Fund of Funds, JS Growth Fund, JS Large Cap. Fund, JS Islamic Fund

23 UNIT HOLDING PATTERN OF THE FUND

Category	2026			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Associated Company	1	132,660,000	1,428,138,577	100%

Category	2025			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Associated Company	1	69,630,000	730,114,141	100%

24 LIST OF TOP BROKERS BY PERCENTAGE OF COMMISSION PAID

Name of broker	2026	2025
	Percentage of commission paid	Percentage of commission paid
JS Global Capital Limited	87.78%	100.00%
Adam Securities Limited	11.73%	-
Capital Stake (Private) Limited*	-	-
DJM Securities (Private) Limited	0.49%	-
	100.00%	100.00%

*Nil due to rounding off

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

25 MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year:

S.No.	Name of Directors	Meetings attended	Meetings held on				
			August 20, 2025	October 21, 2025	January 09, 2026	February 20, 2026	April 23, 2026
1	Mr. Suleman Lalani	5	✓	✓	✓	✓	✓
2	Ms. Iffat Zehra Mankani	5	✓	✓	✓	✓	✓
3	Mr. Hasan Shahid	5	✓	✓	✓	✓	✓
4	Ms. Aisha Fariel Salahuddin*	2	✓	✓	✗	✗	✗
5	Ms. Mediha Kamal Afsar***	4	✓	✓	✗	✓	✓
6	Mr. Faisal Anwar	5	✓	✓	✓	✓	✓
7	Mr. Farooq Ahmed Malik*	2	✓	✓	✗	✗	✗
8	Syed Kazim Raza***	4	✓	✓	✗	✓	✓
9	Mr. Ahsan Jamal**	3	✗	✗	✓	✓	✓
10	Ms. Maria Mittermair**	3	✗	✗	✓	✓	✓
			8	8	6	8	8

* Ms. Aisha Fariel Salahuddin and Mr. Farooq Ahmed Malik completed their term as directors on December 25, 2025

** Mr. Ahsan Jamal and Ms. Maria Mittermair were elected as directors of the Company w.e.f. December 26, 2025

*** Ms. Mediha Kamal Afsar and Syed Kazim Raza were on leave of absence in the 184th Board meeting held on January 9, 2026

26 GENERAL

26.1 Figures have been rounded off to the nearest rupee, unless otherwise stated.

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

27 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 23, 2026 by the Board of Directors of the Management Company.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**

19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.

- **Wealth Centre**

Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi

- **Regional Office - Islamabad**

Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.

- **Regional Office - Lahore**

1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Lahore**

Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Peshawar**

Ground Floor, Shop #10-A,
Fakhr e Alam Road, Super Market, Peshawar

☎ 0800-00887 ✉ "Invest to 8027" ✉ ir@jsil.com 🌐 www.jsil.com

📘 www.facebook.com/jsinvestments 🐦 http://twitter.com/JSInvestment

🌐 http://www.linkedin.com/company/js-investment-limited



QR Code for
website access



JS ISLAMIC SARMAYA MEHFOOZ FUND
ANNUAL REPORT 2026

GROWING STRONGER.

**SCALING
SMARTER**

CONTENT AT A GLANCE

COMPANY INFORMATION

01

Company Information	02
Vision	03
Mission	
Directors Report to the Participants	04
Fund Manager's Report	11
Performance Table / Key Financial Data	14
Report of the Shariah Advisory	15
Statement of Compliance with Shariah Principles	16
Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023	17
Trustee Report to the Participants	19
Independent Auditors' Report to the Participants	21

FINANCIAL STATEMENTS

02

Statement of Assets And Liabilities	25
Statement of Income	26
Statement of Comprehensive Income	27
Statement of Movement In Unit Holders' Fund	28
Statement of Cash Flows	29
Notes to and Forming Part of the Financial Statements	30

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani
Non-Executive Director / Chairman

Ms. Iffat Zehra Mankani
Chief Executive Officer

Mr. Hasan Shahid
Non-Executive Director

Syed Kazim Raza
Non-Executive Director

Mr. Atif Salim Malik**
Non-Executive Director

Ms. Maria Mittermair
Independent Director

Ms. Mediha Kamal Afsar
Independent Director

Mr. Ahsan Jamal
Non-Executive Director

Mr. Faisal Anwar*
Non-Executive Director

Chief Executive Officer
Ms. Iffat Zehra Mankani

Chief Financial Officer
Mr. Raheel Rehman

Chief Investment Officer
Syed Hussain Haider

Chief Operating Officer & Company Secretary
Mr. Muhammad Khawar Iqbal

Statutory Auditors
A.F Ferguson & Co., Chartered Accountants

Legal Advisors
Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee
Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Ms. Maria Mittermair

Trustee
Digital Custodian Company Limited
4th Floor, Perdesi House 2/1, R-Y-16,
Old Queens Road, Karachi - 75530

Shariah Advisors
Al - Hilal Shariah Advisors (Pvt) Limited.

* Mr. Faisal Anwar resigned from the board on April 27, 2026.

** Mr. Atif Salim Malik joined the board on May 07, 2026.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.

MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.



DIRECTORS' REPORT TO THE UNITHOLDERS

The Board of Directors of JS Investments Limited, the Management Company of **JS Islamic Sarmaya Mehfooz Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2026.

ECONOMIC REVIEW

FY2026 marked a further strengthening of Pakistan's macroeconomic foundations despite a more challenging external environment. The resurgence of geopolitical tensions in the Middle East temporarily disrupted the disinflation process and heightened external uncertainty; however, continued policy discipline, progress under the IMF-supported reform programme and improving investor confidence helped preserve macroeconomic stability and reinforce policy credibility through the year.

Real GDP growth accelerated to 3.7%, the strongest pace in four years, supported by a broad-based recovery in manufacturing and services. While inflation reaccelerated toward year-end amid higher global energy prices, average inflation remained contained at 7.1%. Fiscal consolidation continued, supported by stronger revenue collection and an improved primary balance, while record remittances, reserve accumulation and renewed access to international capital markets strengthened the external position despite a widening trade deficit.

The year also witnessed a further improvement in Pakistan's sovereign credit profile, with international rating upgrades reinforcing the progress achieved under the macroeconomic adjustment agenda and supporting renewed access to global capital markets. While these developments provide a firmer macroeconomic foundation, the challenge ahead extends beyond preserving stability. Sustaining higher long-term growth will require continued reform implementation, stronger private-sector investment, productivity enhancement and a gradual transition from stabilization-led recovery to a more competitive, investment- and export-oriented economy.

EQUITY MARKET REVIEW

Pakistan's equity market delivered another year of exceptional performance in FY2026, demonstrating remarkable resilience despite heightened geopolitical uncertainty during the latter part of the year. As concerns over regional tensions gradually gave way to improving confidence in the domestic macroeconomic outlook, investors increasingly focused on strengthening economic fundamentals, policy continuity and improving sovereign credit perceptions. Against this backdrop, the KSE-100 Index advanced 44% to close at 180,302 points, while the KSE-30 Total Return and KMI-30 indices also generated robust returns, reinforcing Pakistan's position among the region's strongest-performing equity markets.

Market participation strengthened meaningfully during the year, reflected in a notable increase in trading volumes and turnover, alongside a revival in primary market activity. These developments point to improving investor confidence and a gradual deepening of domestic capital markets. Sector performance remained broad-based, with financials, cyclicals and selected industrial sectors leading the advance as investors positioned for an improving macroeconomic environment.

Flow dynamics continued to highlight an important structural shift in market ownership. Persistent foreign selling was comfortably absorbed by domestic investors, reaffirming the increasingly dominant role of local liquidity in shaping market direction. This growing depth of the domestic investor base has enhanced the market's resilience to external shocks while providing a more stable foundation for long-term capital formation.

The medium-term outlook for the equity market remains favourable. Continued resilience in corporate earnings, strengthening macroeconomic fundamentals and supportive valuations provide a solid foundation for market performance, although the pace of further gains will continue to be influenced by the external environment.

INCOME / MONEY MARKET REVIEW

Domestic fixed income markets moved through two distinct phases during FY2026. The year began with contained inflation and continued monetary easing, with the State Bank of Pakistan reducing the policy rate by 50 basis points to 10.5% in December. However, higher global energy prices following renewed Middle East tensions altered the inflation outlook, prompting a 100-basis point increase in the policy rate to 11.5% in April.

Government security yields initially benefited from the improving inflation outlook before repricing higher as geopolitical tensions intensified, and subsequently partially retraced as tensions eased and oil prices moderated. The 3-month, 12-month and 5-year benchmark yields closed the year at 11.60%, 11.60% and 11.80%, respectively. The relatively contained adjustment in longer-tenor yields suggested that investors continued to view the inflation shock as largely transitory rather than structural.

The outlook for domestic fixed income remains broadly constructive. A gradual normalization in inflation should provide scope for monetary conditions to ease over time, although the pace of any future policy adjustment will remain contingent upon sustained geopolitical de-escalation, continued fiscal discipline and inflation converging toward the SBP's medium-term target range. Against this backdrop, duration positioning is expected to remain selective, with valuation opportunities likely to emerge as policy visibility improves and inflation risks become more balanced.

REVIEW OF FUND PERFORMANCE

Plans	Net Assets (PKR in billions)	Return %	Benchmark Return %	Total Expense Ratio %	Dividend Per Unit
JSISMF P1	1.79	7.39	14.10	1.41	6.95
JSISMF P2	0.32	(1.04)	5.98	1.12	-

ASSET MANAGER RATING

Pakistan Credit Rating Agency Limited (PACRA) upgraded JS Investments Limited's Asset Manager Rating to 'AM1' with a 'Stable Outlook' on November 5, 2025 — the highest management-quality assessment, reflecting sound governance, institutionalized investment processes and consistent operational performance.

AUDITORS

The external auditors of the Fund, M/s. A.F Ferguson & Co. Chartered Accountants, retired and, being eligible, offered themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board, has approved the appointment of M/s. A.F Ferguson & Co. Chartered Accountants as the Fund's auditors for the ensuing year ending June 30, 2027.

SHARIAH ADVISORS

M/s. Al-Hilal Shariah Advisors (Private) Limited, completed its tenure. The Board of Directors of JS Investments Limited, the Pension Fund Manager of the Fund, upon recommendation of the Audit Committee has approved the appointment of M/s. Al-Hilal Shariah Advisors for the ensuing year ending June 30, 2027.

ADDITIONAL MATTERS

- Annexed to the Annual Report is the Fund Manager's Report, providing a description of principal risks and uncertainties along with a reasonable indication of future profit prospects.
- The Pattern of Unit holding as of June 30, 2026, is annexed to this annual report.
- The system of internal control is sound in design and has been effectively implemented and monitored.

A performance table/key financial data is annexed to this annual report.

ACKNOWLEDGMENT

The Board of Directors expresses its gratitude to the Securities and Exchange Commission of Pakistan and Central Depository Company of Pakistan Limited for their continued support, assistance and guidance. The Board also places on record its appreciation for the dedication and commitment of the employees of the Management Company and thanks the unitholders for their continued confidence in the Management Company.

On behalf of the Board



Director



Chief Executive Officer

August 23, 2026
Karachi

اضافی معلومات:

- الف۔ سالانہ رپورٹ کے ساتھ فنڈ مینجری کی رپورٹ منسلک ہے، جس میں اہم خطرات اور غیر یقینی عوامل کی وضاحت کے ساتھ مستقبل کے منافع کے امکانات کی نشاندہی کی گئی ہے۔
- ب۔ 30 جون 2026 تک یونٹ ہولڈنگ کا پیٹرن اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
- ج۔ اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- د۔ کارکردگی کا جدول/کلیدی مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔
- کارکردگی کی جدول/اہم مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

اظہار تشکر:

ڈائریکٹرز پاکستان سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ مینجمنٹ کمپنی کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون ہے۔

بورڈ کی جانب سے



ڈائریکٹر

کراچی، 23 اگست 2026



چیف ایگزیکٹو آفیسر

پر ہوگا۔ اس پس منظر میں سرمایہ کاری کی مدت کے حوالے سے حکمت عملی محتاط اور منتخب بنیادوں پر برقرار رہنے کی توقع ہے، جبکہ پالیسی کے حوالے سے صورتحال مزید واضح ہونے اور افراط زر کے خطرات میں توازن پیدا ہونے کے ساتھ ویلیویشن کی بنیاد پر سرمایہ کاری کے مواقع بھی سامنے آنے کا امکان ہے۔

فنڈ کی کارکردگی کا جائزہ:

پلانز	مجموعی اثاثے (روپے بلین میں)	ریٹرن فیصد	بینچ مارک ریٹرن فیصد	مجموعی اخراجات کا ریٹو فیصد	ڈویڈنڈی یونٹ
JSISMF پلان 1	1.79	7.39	14.10	1.41	6.95
JSISMF پلان 2	0.32	(1.04)	5.98	1.12	-

ایسیٹس مینیجر کی ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 5 نومبر 2025 کو جے ایس انویسٹمنٹ لمیٹڈ کی ایسیٹ مینیجر ریٹنگ بڑھا کر "AM1" کردی، جبکہ آؤٹ لک مستحکم برقرار رکھا گیا۔ "AM1" انتظامی معیار کی اعلیٰ ترین درجہ بندی ہے، جو مضبوط طرز حکمرانی، ادارہ جاتی بنیادوں پر قائم سرمایہ کاری کے طریقہ کار اور مسلسل موثر آپریشنل کارکردگی کی عکاسی کرتی ہے۔

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز، میسرز ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور از سر نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2027 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

شرعی مشیران:

میسرز الہلال شرعیہ ایڈوائزرز (پرائیویٹ) لمیٹڈ کی تقرری کی مدت مکمل ہوگئی۔ فنڈ کی مینجمنٹ کمپنی، جے ایس انویسٹمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر 30 جون 2027 کو اختتام پذیر ہونے والے آئندہ سال کے لیے میسرز الہلال شرعیہ ایڈوائزرز (پرائیویٹ) لمیٹڈ کی بطور شرعی مشیر تقرری کی منظوری دی ہے۔

حکومتی سیکورٹیز کی بییلڈز نے ابتدا میں افراط زر کے بہتر ہوتے ہوئے منظر نامے سے فائدہ اٹھایا، تاہم جغرافیائی سیاسی کشیدگی میں اضافے کے باعث ان میں دوبارہ اضافہ ہوا۔ بعد ازاں کشیدگی میں کمی اور تیل کی قیمتوں میں اعتدال آنے کے ساتھ بییلڈز میں جزوی طور پر کمی واقع ہوئی۔ 3 ماہ، 12 ماہ اور 5 سالہ ٹینچ مارک بییلڈز بالترتیب 11.60 فیصد، 11.60 فیصد اور 11.80 فیصد کی سطح پر سال کے اختتام پر بند ہوئیں۔ طویل مدتی میچورٹی والی سیکورٹیز کی بییلڈز میں نسبتاً محدود تبدیلی اس امر کی عکاسی کرتی ہے کہ سرمایہ کار افراط زر میں اس اضافے کو ایک ساختی مسئلے کے بجائے بڑی حد تک عارضی نوعیت کا جھٹکا سمجھتے رہے۔

ملکی فلسفہ انکم مارکیٹ کا آئندہ منظر نامہ مجموعی طور پر حوصلہ افزا ہے۔ افراط زر میں بتدریج معمول کی سطح کی جانب واپسی سے وقت کے ساتھ مانیٹری حالات میں مزید نرمی کی گنجائش پیدا ہو سکتی ہے، تاہم مستقبل میں پالیسی میں کسی بھی ممکنہ تبدیلی کی رفتار کا انحصار جغرافیائی سیاسی کشیدگی میں پائیدار کمی، مسلسل مالیاتی نظم و ضبط اور افراط زر کے اسٹیٹ بینک آف پاکستان (SBP) کی درمیانی مدت کی ہدفی حد کی جانب واپس آنے پر ہوگا۔ اس پس منظر میں سرمایہ کاری کی مدت کے حوالے سے حکمت عملی محتاط اور منتخب بنیادوں پر برقرار رہنے کی توقع ہے، جبکہ پالیسی کے حوالے سے صورتحال مزید واضح ہونے اور افراط زر کے خطرات میں توازن پیدا ہونے کے ساتھ ویلیو ایشن کی بنیاد پر سرمایہ کاری کے مواقع بھی سامنے آنے کا امکان ہے۔

انکم/منی مارکیٹ کا جائزہ

مالی سال 2026 کے دوران ملکی فلسفہ انکم مارکیٹ کو دو نمایاں مراحل سے گزرنا پڑا۔ سال کا آغاز قابو میں رہنے والی افراط زر اور مسلسل مانیٹری پالیسی میں نرمی کے ساتھ ہوا، جبکہ دسمبر میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50 پیسے پوائنٹس کی کمی کر کے اسے 10.5 فیصد کر دیا۔ تاہم، مشرق وسطیٰ میں کشیدگی میں دوبارہ اضافے کے بعد عالمی سطح پر توانائی کی قیمتوں میں ہونے والے اضافے نے افراط زر کے منظر نامے کو تبدیل کر دیا، جس کے نتیجے میں اپریل میں پالیسی ریٹ میں 100 پیسے پوائنٹس کا اضافہ کر کے اسے 11.5 فیصد کر دیا گیا۔

حکومتی سیکورٹیز کی بییلڈز نے ابتدا میں افراط زر کے بہتر ہوتے ہوئے منظر نامے سے فائدہ اٹھایا، تاہم جغرافیائی سیاسی کشیدگی میں اضافے کے باعث ان میں دوبارہ اضافہ ہوا۔ بعد ازاں کشیدگی میں کمی اور تیل کی قیمتوں میں اعتدال آنے کے ساتھ بییلڈز میں جزوی طور پر کمی واقع ہوئی۔ 3 ماہ، 12 ماہ اور 5 سالہ ٹینچ مارک بییلڈز بالترتیب 11.60 فیصد، 11.60 فیصد اور 11.80 فیصد کی سطح پر سال کے اختتام پر بند ہوئیں۔ طویل مدتی میچورٹی والی سیکورٹیز کی بییلڈز میں نسبتاً محدود تبدیلی اس امر کی عکاسی کرتی ہے کہ سرمایہ کار افراط زر میں اس اضافے کو ایک ساختی مسئلے کے بجائے بڑی حد تک عارضی نوعیت کا جھٹکا سمجھتے رہے۔

ملکی فلسفہ انکم مارکیٹ کا آئندہ منظر نامہ مجموعی طور پر حوصلہ افزا ہے۔ افراط زر میں بتدریج معمول کی سطح کی جانب واپسی سے وقت کے ساتھ مانیٹری حالات میں مزید نرمی کی گنجائش پیدا ہو سکتی ہے، تاہم مستقبل میں پالیسی میں کسی بھی ممکنہ تبدیلی کی رفتار کا انحصار جغرافیائی سیاسی کشیدگی میں پائیدار کمی، مسلسل مالیاتی نظم و ضبط اور افراط زر کے اسٹیٹ بینک آف پاکستان (SBP) کی درمیانی مدت کی ہدفی حد کی جانب واپس آنے

یونٹ ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمپنی برائے جے ایس اسلامک سرمایہ محفوظ فنڈ (فنڈ) کی سالانہ رپورٹ پیش کرتے ہوئے پُرسرت ہیں۔

معاشی جائزہ:

مالی سال 2026 کے دوران پاکستان کی مجموعی معاشی بنیادوں میں مزید استحکام آیا، اگرچہ بیرونی معاشی ماحول پہلے کے مقابلے میں زیادہ مشکل رہا۔ مشرق وسطیٰ میں جغرافیائی سیاسی کشیدگی میں دوبارہ اضافے کے باعث افراط زر میں کمی کا عمل عارضی طور پر متاثر ہوا اور بیرونی غیر یقینی صورتحال میں اضافہ ہوا۔ تاہم، پالیسیوں میں مسلسل نظم و ضبط، آئی ایم ایف کے تعاون سے جاری اصلاحاتی پروگرام میں پیش رفت اور سرمایہ کاروں کے اعتماد میں بہتری نے سال بھر معاشی استحکام برقرار رکھنے اور پالیسیوں کی سادھ کو مزید مضبوط بنانے میں مدد دی۔

حقیقی مجموعی ملکی پیداوار کی شرح نموبڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سالوں میں بلند ترین شرح نمو ہے۔ اس بہتری کو مینوفیکچرنگ اور خدمات کے شعبوں میں وسیع البیاد بحالی سے تقویت ملی۔ اگرچہ عالمی توانائی کی قیمتوں میں اضافے کے باعث سال کے اختتام پر افراط زر کی شرح میں دوبارہ اضافہ ہوا، تاہم سال کی اوسط افراط زر 7.1 فیصد کی سطح پر قابو میں رہی۔ مالیاتی استحکام کا عمل بھی جاری رہا، جسے محصولات کی بہتر وصولی اور بنیادی مالیاتی توازن میں بہتری سے مدد ملی۔ دوسری جانب، ریکارڈ ترسیلات زر، زرمبادلہ کے ذخائر میں اضافہ اور عالمی سرمایہ مارکیٹوں تک دوبارہ رسائی نے بڑھتے ہوئے تجارتی خسارے کے باوجود ملک کی بیرونی مالی پوزیشن کو مزید مضبوط کیا۔

سال کے دوران پاکستان کے خود مختار کریڈٹ پروفائل میں بھی مزید بہتری آئی۔ بین الاقوامی کریڈٹ ریٹنگ اداروں کی جانب سے ریٹنگ میں بہتری نے میکرو اکنامک ایڈجسٹمنٹ کے تحت حاصل ہونے والی پیش رفت کو تقویت دی اور عالمی سرمایہ مارکیٹوں تک ملک کی دوبارہ رسائی میں معاونت فراہم کی۔ اگرچہ یہ پیش رفت پاکستان کے لیے زیادہ مضبوط معاشی بنیاد فراہم کرتی ہے، تاہم مستقبل کا چیلنج محض معاشی استحکام برقرار رکھنے تک محدود نہیں۔ طویل مدت میں بلند شرح نمو کو برقرار رکھنے کے لیے اصلاحات پر مسلسل عمل درآمد، نجی شعبے کی سرمایہ کاری میں اضافہ، پیداواری صلاحیت میں بہتری اور معیشت کو بتدریج استحکام پر مبنی بحالی سے ایک زیادہ مسابقتی، سرمایہ کاری اور برآمدات پر مرکوز معیشت کی جانب منتقل کرنا ضروری ہوگا۔

انکم/منی مارکیٹ کا جائزہ

مالی سال 2026 کے دوران ملکی فلسفہ انکم مارکیٹ کو دو نمایاں مراحل سے گزرنا پڑا۔ سال کا آغاز قابو میں رہنے والی افراط زر اور مسلسل مانیٹری پالیسی میں نرمی کے ساتھ ہوا، جبکہ دسمبر میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50 بیس پوائنٹس کی کمی کر کے اسے 10.5 فیصد کر دیا۔ تاہم، مشرق وسطیٰ میں کشیدگی میں دوبارہ اضافے کے بعد عالمی سطح پر توانائی کی قیمتوں میں ہونے والے اضافے نے افراط زر کے منظر نامے کو تبدیل کر دیا، جس کے نتیجے میں اپریل میں پالیسی ریٹ میں 100 بیس پوائنٹس کا اضافہ کر کے اسے 11.5 فیصد کر دیا گیا۔

FUND MANAGER REPORT

Annual Report 2026

JS ISLAMIC SARMAYA MEHFOOZ FUND

- **Description of the Collective Investment Scheme category and type**
Shariah Compliant Capital Protected Scheme
- **Statement of Collective Investment Scheme's investment objective**
The object of JS Islamic Sarmaya Mehfooz Fund is to provide investors with the opportunity to earn competitive, Shariah-compliant returns while ensuring capital protection subject to completion of the entire investment tenure of the relevant investment plan.
- **Explanation as to whether the Collective Investment Scheme has achieved its stated objective**
The collective investment scheme achieved its stated objective.
- **Statement of benchmark(s) relevant to the Collective Investment Scheme**
A combination to be used comprising a weighted mix of the PKISRV for the period corresponding to the maturity of the Plan and KMI-30 Index with allocations based on specified investment proportions of the Plan.
- **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	FY26
JSISMF_P1	0.10%	2.20%	2.44%	0.16%	1.02%	2.84%	2.24%	-3.15%	-5.55%	-0.30%	4.53%	1.04%	7.39%
Benchmark	0.17%	2.42%	4.60%	-0.63%	1.30%	1.60%	1.89%	-1.61%	-0.56%	1.71%	2.09%	1.27%	14.10%
JSISMF_P2	n/a	n/a	n/a	n/a	n/a	-0.38%	1.39%	-3.22%	-2.41%	0.75%	1.66%	1.28%	-1.04%
Benchmark	n/a	n/a	n/a	n/a	n/a	0.94%	1.90%	-1.63%	-0.57%	1.59%	2.05%	1.27%	5.98%

- **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**
During the year, the fund followed a structured approach combining capital protection with participation in equity-market upside. Low-risk Shariah-compliant fixed-income allocations supported capital protection at maturity, while the growth segment provided equity participation, with disciplined allocation becoming particularly relevant as geopolitical and market uncertainty increased later in the year.
- **Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	JSISMF_P1		JSISMF_P2	
	Jun-26	Jun-25	Jun-26	Jun-25
Cash	1.44%	n/a	78.40%	n/a
Equity	23.49%	n/a	21.46%	n/a
GoP Ijara Sukuk	73.63%	n/a	0.00%	n/a
Other including receivables	1.43%	n/a	0.14%	n/a
Total	100.00%	n/a	100.00%	n/a

- **Analysis of the Collective Investment Scheme's performance**

JSISMF_P1

	Fund		Fund	BM
Monthly Portfolio Turnover Ratio	0.0%	Modified Duration	3.81	-
Information Ratio	-0.12	WAM (Yr)	4.02	-
Standard Deviation	9.5%	Largest Month Gain	4.5%	4.6%
Beta	1.2	Largest Month Loss	-5.6%	-1.6%
Yield to Maturity (YTM)	10.97%	% Positive Months	75.0%	75.0%
Macauley's Duration	4.02			

JSISMF P2

	Fund		Fund	BM
Monthly Portfolio Turnover Ratio	0.6%	Modified Duration	0.00	-
Information Ratio	0.02	WAM (Yr)	0.00	-
Standard Deviation	6.8%	Largest Month Gain	1.7%	2.0%
Beta	1.4	Largest Month Loss	-3.2%	-1.6%
Yield to Maturity (YTM)	9.00%	% Positive Months	57.1%	71.4%
Macauley's Duration	0.00			

- Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)

JSISMF_P1	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	1,790	100.41
30-Jun-25	n/a	n/a

JSISMF_P2	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	322	98.96
30-Jun-25	n/a	n/a

- Disclosure of the markets that the Collective Investment Scheme has invested in:**
JS Islamic Sarmaya Mehfooz Fund – Plan 1 invests in shariah-compliant cash instruments, Sukuks, Government Securities, placements, and equities. For the Capital Protected Segment, allocations will focus on low- risk instruments, with up to 25% optionally invested in the Growth Segment (Shariah compliant equities).
- Disclosure on distribution (if any), comprising:-**
 - Particulars of income distribution or other forms of distribution made and proposed during the period; and
 - Statement on effects on the NAV before and after distribution is made

Distribution

JSISMF_P1: The fund has paid a final distribution of Rs. 0.00 per unit of Rs. 100/- i.e. 0.00%. The cumulative distribution for FY26 is Rs. 6.95 per unit.

JSISMF_P2: Nil

NAV per unit as on June 30, 2026

	Cum NAV (PKR)	Ex-NAV (PKR)
JSISMF_P1	100.41	100.41
JSISMF_P2	98.96	98.96

- Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**
There were no significant changes in the state of affairs during the year under review.

- Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Islamic Sarmaya Mehfooz Fund - Plan-1	0.0001	to	9,999.9999	6
	10,000.0000	to	49,999.9999	4
	50,000.0000	to	99,999.9999	2
	100,000.0000	to	499,999.9999	11
	500,000.0000	&	above	7
			Total	30

Fund Name	Ranges			Number of Folios
JS Islamic Sarmaya Mehfooz Fund - Plan-2	0.0001	to	9,999.9999	9
	10,000.0000	to	49,999.9999	6
	50,000.0000	to	99,999.9999	3
	100,000.0000	to	499,999.9999	5
	500,000.0000	&	above	2
			Total	25

- **Disclosure on unit split (if any), comprising:-**
The Fund has not carried out any unit split exercise during the year.
- **Disclosure of circumstances that materially affect any interests of the unit holders**
Investment is subject to market risk.
- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**
The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

JS ISLAMIC SARMAYA MAHFOOZ PERFORMANCE TABLE

		Year 2025-2026	
		Js Islamic Sarmaya Mahfooz	
		Plan-1	Plan-2
Net assets - Rupees in '000'	Rs.	1,790,316	321,633
Net income - Rupees in '000'	Rs.	126,632	(3,488)
Total return of the Fund	%	7.39	(1.04)
Total dividend distribution	%	6.95	-
Capital Growth	%	0.44	(1.04)
Average annual return	%	7.39	(1.04)
NAV per unit	Rs.	100.41	98.96
Offer price per unit at launched date	Rs.	100.00	100.00
Highest repurchase price per unit	Rs.	107.17	101.48
Lowest repurchase price per unit	Rs.	94.21	94.56
Year-end repurchase price per unit	Rs.	100.41	98.96
First interim distribution	Rs.	-	-
Announcement date		December 11, 2025	-
Total distribution as % of par value	%	6.95	-

Notes

- JS ISLAMIC SARMAYA MAHFOOZ'S PLANS were launched:
Js Islamic Sarmaya Mahfooz Plan-1 July 26, 2025
Js Islamic Sarmaya Mahfooz Plan-2 December 12, 2025
- Units have par value of Rs. 100/- each.
- Investment portfolio composition of the Fund is disclosed in note 5 of the financial statements.

Disclaimer

- Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

September 23, 2026

AHSA/SSR/JSISMF/659



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

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

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

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

Keeping in view the above; we certify that:

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

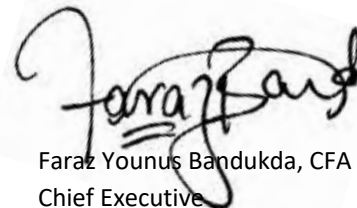
May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

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 Aijaz
Member Shariah Council

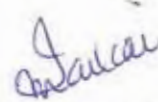


Faraz Younus Bandukda, CFA
Chief Executive

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

JS Islamic Sarmaya Mehfooz Fund (the Fund) has fully complied with Shariah Principles specified in the Trust Deed and in the guidelines issued by the Shariah Advisors for its operations, investments, bank accounts and placements made during the year ended June 30, 2026. The Shariah Advisors has also confirmed that the transactions were observed to be compliant with the guidelines laid down by Shariah Advisors.

Karachi: September 10, 2026



Iffat Zehra Mankani
Chief Executive Officer



**Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023
To the Board of Directors of JS Investments Limited**

1. Introduction

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

2. Applicable Criteria

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

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

The above criteria were evaluated for their implications on the financial statements of JS Islamic Sarmaya Mehfooz Fund for the year ended June 30, 2026, which are annexed.

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants (Revised 2024) issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Management (ISQM I) "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.



5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of JS Islamic Sarmaya Mehfooz Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2026 based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board.

That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of JS Islamic Sarmaya Mehfooz Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

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

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

6. Conclusion

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

(Chartered Accountants)

Engagement Partner: Muhammad Shabbir Kasbati

Dated: September 25, 2026

Karachi.

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

JS ISLAMIC SARMAYA MEHFOOZ FUND

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

JS Islamic Sarmaya Mehfooz Fund (the Fund) was established under the Trust Deed executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission-of Pakistan (SECP) on August 11, 2023 in accordance with the requirement of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and accordingly was executed and registered on December 24, 2024 under the Sindh Trusts Act, 2020. The Fund commenced its operations from July 26, 2025.

1. JS Investments Limited, the Management Company of JS Islamic Sarmaya Mehfooz Fund has, in all material respects, managed JS Islamic Sarmaya Mehfooz Fund during the year ended June 30, 2026 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement.
2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and

Statement

No short coming has been addressed during the year ended June 30, 2026.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the short coming(s).

Disclosure of the steps

We have critically examined the fund in accordance with circular, directives, NBFC Regulations 2008 and its constitutive documents. However, no shortcoming has been addressed.





#MonetizeYourAssets

4. Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

Trustee Opinion

"The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents".

Dabeer Khan

Manager Compliance

Digital Custodian Company Limited

Karachi: September 16, 2026

ONLINE

+923-111-322-228

 digitalcustodian.co

     / digitalcustodian

LAHORE

LSE Plaza, 508

Kashmir Egerton Road

+92 42 3630 4406

KARACHI

Perdesi House

Old Queens Road

+92 21 3241 9770

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of JS Islamic Sarmaya Mehfooz Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JS Islamic Sarmaya Mehfooz Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movements in unit holders' fund and cash flow statement for the period from July 25, 2025 to June 30, 2026, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view for the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the period from July 25, 2025 to June 30, 2026 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 Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 5 and 6 to the financial statements)	
	The bank balances and investments constitute the most significant components of the net asset value. The bank balances of the fund as at June 30, 2026 aggregated to Rs. 278.418 million and investments amounted to Rs. 1,810.774 million. The existence of bank balances and the existence and the proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others, included the following: - Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2026 and traced the confirmed balances to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; - Re-performed the valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and

MEL

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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

The Management Company (JS Investments Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Management Company and Board of Directors of Management Company for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 Company.



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

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

We also provide 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, we further report that in our opinion:

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations 2008;
- b) proper books and records have been kept by the Collective Investment Scheme or the financial statements prepared are in agreement with the books and records of Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: September 25, 2026
UDIN: AR202610061JS8qxuD6p

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

		As at June 30, 2026			
		JSISMF PLAN - 1	JSISMF PLAN - 2	Total	
Note		(Rupees)			
Assets					
	Bank balances	5	25,834,555	252,583,692	278,418,247
	Investments	6	1,741,643,975	69,129,962	1,810,773,937
	Profit receivables	7	25,430,015	1,545	25,431,560
	Preliminary expenses and floatation costs	8	290,397	212,441	502,838
	Other receivables		693	243,687	244,380
	Total assets		1,793,199,635	322,171,327	2,115,370,963
Liabilities					
	Payable to JS Investments Limited - Management Company	9	712,722	335,015	1,047,737
	Payable to Digital Custodian Company Limited - Trustee	10	125,361	22,603	147,964
	Payable to the Securities and Exchange Commission of Pakistan	11	109,035	19,655	128,690
	Accrued expenses and other liabilities	12	1,936,125	161,143	2,097,268
	Total liabilities		2,883,243	538,416	3,421,659
	Net assets		1,790,316,392	321,632,911	2,111,949,303
	Unit holders' fund (as per statement attached)		1,790,316,392	321,632,911	2,111,949,303
	Contingencies and commitments	13			
			----- (Number of units) -----		
	Number of units in issue		17,830,533	3,250,165	
			----- (Rupees) -----		
	Net asset value per unit		100.41	98.96	

The annexed notes from 1 to 26 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

		For the period from July 25, 2025 to June 30, 2026	For the period from December 12, 2025 to June 30, 2026	Total
		JSISMF PLAN - 1	JSISMF PLAN - 2	
	Note	Rupees		
Income				
Profit on savings accounts with banks		78,679	2,665,303	2,743,982
Profit on GoP ijara sukuks		131,800,784	10,204,596	142,005,380
Dividend income		13,992,837	748,015	14,740,852
Realised gain / (loss) on sale of investments		14,215,265	(16,662,664)	(2,447,399)
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	6.3	(9,150,424)	1,589,690	(7,560,734)
Total income		150,937,141	(1,455,060)	149,482,081
Expenses				
Remuneration of JS Investments Limited - Management Company	9.1	10,817,580	711,020	11,528,600
Sindh sales tax on remuneration of the Management Company	9.2	1,622,637	106,653	1,729,290
Remuneration of Digital Custodian Company Limited - Trustee	10.1	1,248,586	132,510	1,381,096
Sindh sales tax on remuneration of the Trustee	10.2	187,289	19,876	207,165
Fee to the Securities and Exchange Commission of Pakistan	11.1	1,248,886	132,660	1,381,546
Auditors' remuneration	14	1,250,684	115,517	1,366,201
Brokerage and settlement charges		5,400,476	471,275	5,871,751
Shariah advisory fee		899,823	136,732	1,036,555
Shariah audit fee		190,321	17,578	207,899
Legal and professional charges		-	-	-
Charity expense	12.1	892,400	60,973	953,373
Printing and stationery charges		-	-	-
Amortisation of preliminary expenses and floatation costs	8.1	382,528	110,125	492,653
Bank and settlement charges		163,529	18,448	181,977
Total expenses		24,304,739	2,033,367	26,338,105
Net income / (loss) for the period before taxation		126,632,402	(3,488,427)	123,143,975
Taxation	15	-	-	-
Net income / (loss) for the period after taxation		126,632,402	(3,488,427)	123,143,975
Allocation of income for the period:				
Net income / (loss) for the period after taxation		126,632,402	(3,488,427)	123,143,975
Income already paid on units redeemed		(82,864,752)	-	(82,864,752)
		43,767,650	(3,488,427)	40,279,223
Accounting income available for distribution:				
Relating to capital gain		-	-	-
Excluding capital gain		43,767,650	-	43,767,650
		43,767,650	-	43,767,650

The annexed notes from 1 to 26 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

	For the period from July 25, 2025 to June 30, 2026	For the period from December 12, 2025 to June 30, 2026	Total
	JSISMF PLAN - 1	JSISMF PLAN - 2	
	----- Rupees -----		
Net income / (loss) for the period after taxation	126,632,402	(3,488,427)	123,143,975
Other comprehensive income for the period	-	-	-
Total comprehensive income / (loss) for the period	<u>126,632,402</u>	<u>(3,488,427)</u>	<u>123,143,975</u>

The annexed notes from 1 to 26 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENTS IN UNIT HOLDERS' FUND

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

For the period from July 25, 2025 to June 30, 2026			For the period from December 12, 2025 to June 30, 2026		
JSISMF PLAN - 1			JSISMF PLAN - 2		
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total

(Rupees)

Issuance of units:

PLAN-I 29,612,702; PLAN-II 3,285,154

- Capital value (at par value of Rs. 100 per unit)
- Element of income / (loss)

Total proceeds from issuance of units

2,961,270,200	-	2,961,270,200	328,515,400	-	328,515,400
2,116,805	-	2,116,805	(5)	-	(5)
2,963,387,005	-	2,963,387,005	328,515,395	-	328,515,395

Redemption of units:

PLAN-I 11,782,169; PLAN-II 34,989

- Capital value (at par value of Rs. 100 per unit)
- Element of income / (loss)

Total payments on redemption of units

(1,178,216,900)	-	(1,178,216,900)	(3,498,900)	-	(3,498,900)
7,854	(82,864,752)	(82,856,898)	104,843	-	104,843
(1,178,209,046)	(82,864,752)	(1,261,073,798)	(3,394,057)	-	(3,394,057)

Total comprehensive income / (loss) for the period

- 126,632,402 126,632,402 - (3,488,427) (3,488,427)

Distribution for the period @ Rs. 6.95 per unit declared on December 11, 2025

- (38,629,217) (38,629,217) - - -

Net assets at end of the period

1,785,177,959	5,138,433	1,790,316,392	325,121,338	(3,488,427)	321,632,911
---------------	-----------	---------------	-------------	-------------	-------------

Accounting income available for distribution

- Relating to capital gains
- Excluding capital gains

-	-
43,767,650	-
43,767,650	-

Net loss for the period

- (3,488,427)

Distribution for the period @ Rs. 6.95 per unit declared on December 11, 2025

(38,629,217) -

Undistributed income / (loss) carried forward

5,138,433	(3,488,427)
-----------	-------------

Undistributed income carried forward

- Realised income / (loss)
- Unrealised (loss) / income

14,288,857	(5,078,117)
(9,150,424)	1,589,690
5,138,433	(3,488,427)

Net asset value per unit at end of the period

(Rupees)	(Rupees)
100.41	98.96

The annexed notes from 1 to 26 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

	For the period from July 25, 2025 to June 30, 2026	For the period from December 12, 2025 to June 30, 2026
	JSISMF PLAN 1	JSISMF PLAN 2
Note ----- Rupees -----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income / (loss) for the period before taxation	126,632,402	(3,488,427)
Adjustments for:		
Profit on savings accounts with banks	(78,679)	(2,665,303)
Profit on GoP ijara sukuks	(131,800,784)	(10,204,596)
Dividend income	(13,992,837)	(748,015)
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	9,150,424	(1,589,690)
	(136,721,876)	(15,207,604)
Increase in assets		
Investments	(1,750,794,399)	(67,540,272)
Preliminary expenses and floatation costs	(290,397)	(212,441)
Other receivables	(693)	(243,687)
	(1,751,085,489)	(67,996,400)
Increase in liabilities		
Payable to JS Investments Limited - Management Company	712,722	335,015
Payable to Digital Custodian Company Limited - Trustee	125,361	22,603
Payable to the Securities and Exchange Commission of Pakistan	109,035	19,655
Accrued expenses and other liabilities	1,936,125	161,143
	2,883,243	538,416
Profit received on savings accounts with banks	74,018	2,663,758
Income received on government securities	106,375,430	10,204,596
Dividend income received	13,992,837	748,015
Net cash used in operating activities	(1,637,849,435)	(72,537,646)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	2,963,387,005	328,515,395
Payment against redemption of units	(1,261,073,798)	(3,394,057)
Distribution to unit holder's in cash	(38,629,217)	-
Net cash generated from financing activities	1,663,683,990	325,121,338
Net increase in cash and cash equivalents	25,834,555	252,583,692
Cash and cash equivalents at beginning of the period	-	-
Cash and cash equivalents at end of the period	25,834,555	252,583,692

The annexed notes from 1 to 26 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** JS Islamic Sarmaya Mehfooz Fund (the Fund) was established under the Trust Deed executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 11, 2023 in accordance with the requirement of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and accordingly was executed and registered on December 24, 2024 under the Sindh Trusts Act, 2020. The Fund commenced its operations from July 25, 2025.
- 1.2** 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 registered office of the Management Company is situated at 19th floor, The Centre, Plot No. 28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.
- 1.3** The units of the Fund were initially offered for public subscription under the pre-IPO at a par value of Rs. 100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from July 25, 2025 for PLAN-1 and from December 12, 2025 for PLAN-2. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund is categorised as an "Open-End Shariah-Compliant Capital Protected Scheme" in accordance with Circular 7 of 2009 issued by the SECP.
- 1.4** The objective of the Fund is to optimise risk-adjusted returns through prudent deployment of capital in Shariah-compliant instruments, structured in a manner that safeguards the initial investment amount contributed by Unit Holders over the life of the Plan.

The maturity of the Fund is perpetual, however plans of the Fund will have a set time frame and are disclosed in the Offering Document. The issue and maturity dates of the plans launched in the current period are as follows:

Particular	JS Islamic Sarmaya Mehfooz Fund PLAN - 1	JS Islamic Sarmaya Mehfooz Fund PLAN - 2
Issue date (close of subscription period)	July 25, 2025	December 12, 2025
Maturity date	March 24, 2027	August 11, 2027

- 1.5** The title to the assets of the Fund is held in the name of Digital Custodian Company Limited as a Trustee of the Fund.
- 1.6** The Management Company has been assigned an asset manager rating of 'AM1' by Pakistan Credit Rating Agency Limited (PACRA) with 'stable outlook' dated November 5, 2025. Further, the Fund or it's plans are not rated by any rating agency as at June 30, 2026.
- 1.7** These are the first annual financial statements of the Fund for the period from July 25, 2025 to June 30, 2026. Therefore, comparative information has not been presented.

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) effective for annual periods beginning on or after January 1, 2027. IFRS 18 when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Fund.

3.3 Critical accounting estimates and judgments

The preparation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities and income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is 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 estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 4.1 and 6).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

3.4 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets have been disclosed in note 20.

3.5 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Financial assets

4.1.1 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".

4.1.2 Classification and subsequent measurement

Debt instruments

IFRS 9 has provided criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost ;
- at fair value through other comprehensive income (FVOCI);
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

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

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

Cash and cash equivalents

Cash and cash equivalents are carried in the statement of assets and liabilities at amortised cost. These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

4.1.3 Impairment loss on other than debt securities

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. 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.

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

4.1.4 Impairment loss on debt securities

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

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial conditions of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company.

4.1.5 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.

Up to February 8, 2026, regular way purchases / sales of assets required delivery of securities within two days from the transaction date (T+2) as per the stock exchange regulations. Effective from February 9, 2026, in accordance with the revised regulations of the Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL), the settlement cycle has transitioned to a Trade plus one day (T+1) basis, requiring delivery of securities within one day from the transaction date.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

4.1.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the “Income Statement”.

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

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

4.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

4.3 Offsetting of financial assets and financial liabilities

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

Income and expenses are presented on a net basis only when permitted by the accounting and reporting standards as applicable in Pakistan.

4.4 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 obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Deferred formation cost

These represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are amortised over a period of 5 years in accordance with the requirements set out in the Offering Document of the Fund.

4.6 Net asset value per unit

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

4.7 Issue and redemption of units

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

4.8 Distributions to unit holders

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

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

4.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

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, 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 the Income Statement.

4.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement and are recognised when the transaction takes place;
- Profit on government securities is recognised on a time proportion basis using effective yield method;
- Unrealised appreciation / (diminution) arising on remeasurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which these arise;
- Profit on balances with banks is recognised on an accrual basis using the effective yield method; and
- 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.

4.11 Treatment of Shariah non-compliant Income

Dividend income earned by the Fund may contain shariah non-compliant income. The Fund is required to "purify" the dividend it receives by excluding the element of impermissible income as charity. Such purification is carried out in accordance with the guidelines approved by the Shariah Advisor of the Fund. The charity has been recorded as an expense in the 'Income Statement' included in the financial statements of the Fund.

4.12 Expenses

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

4.13 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the period, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders in cash. 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.

5 BANK BALANCES

In savings accounts

Note	June 30, 2026		
	JSISMF PLAN - 1	JSISMF PLAN - 2	Total
	Rupees		

5.1	25,834,555	252,583,692	278,418,247
-----	------------	-------------	-------------

5.1 These bank balances are maintained with BankIslami Pakistan Limited (a related party) that carry profit at the rate of 0.1% per annum.

Note	June 30, 2026		
	JSISMF PLAN - 1	JSISMF PLAN - 2	Total
	Rupees		

5.2 Cash and cash equivalents

Bank balances

5	25,834,555	252,583,692	278,418,247
---	------------	-------------	-------------

6 INVESTMENTS

At fair value through profit or loss

Listed equity securities

Government of Pakistan - Ijara Sukuks

6.1	421,266,975	69,129,962	490,396,937
6.2	1,320,377,000	-	1,320,377,000
	1,741,643,975	69,129,962	1,810,773,937

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

6.1 Listed equity securities

6.1.1 JS Islamic Sarmaya Mehfooz Fund PLAN - I

Name of the investee company	Purchased during the period	Sold during the period	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company	
				Carrying value	Market value	Unrealised appreciation/ (diminution)	Net assets of the PLAN	Total investments of the PLAN		
Number of shares				Rupees			%			
Investment Banks / Companies / Securities										
Engro Holdings Limited	211,800	(58,000)	153,800	43,838,037	44,251,336	413,299	2.47	2.54	0.37	
				43,838,037	44,251,336	413,299	2.47	2.54	0.37	
Automobile Assembler										
Ghandhara Automobiles Limited	101,500	(101,500)	-	-	-	-	-	-	-	
Sazgar Engineering Works Limited	11,700	(11,700)	-	-	-	-	-	-	-	
				-	-	-	-	-	-	
Cement										
Cherat Cement Company Limited	47,000	(47,000)	-	-	-	-	-	-	-	
D.G. Khan Cement Company Limited	302,300	(302,300)	-	-	-	-	-	-	-	
Maple Leaf Cement Factory Limited	172,000	-	172,000	17,200,000	18,388,520	1,188,520	1.03	1.06	0.18	
Fauji Cement Company Limited	722,000	(722,000)	-	-	-	-	-	-	-	
Lucky Cement Limited (note 6.1.3)	438,700	(366,300)	72,400	31,490,985	33,993,248	2,502,263	1.90	1.95	1.16	
				48,690,986	52,381,768	3,690,783	2.93	3.01	1.34	
Chemical										
Ghani Global Holdings Limited	2,800,000	(2,043,428)	756,572	20,148,136	17,681,088	(2,467,048)	0.99	1.02	0.50	
				20,148,136	17,681,088	(2,467,048)	0.99	1.02	0.50	
Commercial Banks										
Faysal Bank Limited	460,000	(229,400)	230,600	21,454,281	22,884,744	1,430,463	1.28	1.31	0.15	
Meezan Bank Limited	44,700	-	44,700	22,125,760	23,085,762	960,002	1.29	1.33	0.13	
				43,580,041	45,970,506	2,390,465	2.57	2.64	0.28	
Fertilizer										
Fatima Fertilizer Company Limited	34,000	(34,000)	-	-	-	-	-	-	-	
Fauji Fertilizer Company Limited	201,500	(119,400)	82,100	42,856,985	47,082,708	4,225,723	2.63	2.70	0.33	
				42,856,985	47,082,708	4,225,723	2.63	2.70	0.33	
Food & Personal Care Products										
National Foods Limited (note 6.1.3)	89,300	(71,888)	17,412	6,452,644	6,745,931	293,287	0.38	0.39	0.58	
				6,452,644	6,745,931	293,287	0.38	0.39	0.58	
Glass & Ceramics										
Tariq Glass Industries Limited	185,000	(185,000)	-	-	-	-	-	-	-	
				-	-	-	-	-	-	
Oil & Gas Exploration Companies										
Mari Energies Limited	78,200	(78,200)	-	-	-	-	-	-	-	
Oil & Gas Development Company Limited	456,100	(323,000)	133,100	41,697,591	44,571,197	2,873,606	2.49	2.56	0.10	
Pakistan Petroleum Limited	533,200	(397,000)	136,200	31,586,993	33,044,844	1,457,851	1.85	1.90	0.12	
				73,284,584	77,616,041	4,331,457	4.34	4.46	0.23	
Oil & Gas Marketing Companies										
Hi-Tech Lubricants Limited	704,700	(96,699)	608,001	30,629,241	26,800,684	(3,828,557)	1.50	1.54	1.93	
Pakistan State Oil Company Limited	232,600	(232,600)	-	-	-	-	-	-	-	
Sui Northern Gas Pipelines Limited	175,000	(175,000)	-	-	-	-	-	-	-	
				30,629,241	26,800,684	(3,828,557)	1.50	1.54	1.93	
Paper, Board & Packaging										
Century Paper & Board Mills Limited	426,650	(165,900)	260,750	8,225,447	7,788,603	(436,844)	0.44	0.45	0.19	
				8,225,447	7,788,603	(436,844)	0.44	0.45	0.19	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

Name of the investee company	Purchased during the period	Sold during the period	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
				Carrying value	Market value	Unrealised appreciation/ (diminution)	Net assets of the PLAN	Total investments of the PLAN	
----- Number of shares -----				----- Rupees -----			----- % -----		
Pharmaceuticals									
GlaxoSmithKline Pakistan Limited	37,492	(37,492)	-	-	-	-	-	-	-
The Searle Company Limited	83,200	(83,200)	-	-	-	-	-	-	-
AGP Limited	88,800	(88,800)	-	-	-	-	-	-	-

Power Generation & Distribution									
The Hub Power Company Limited	322,200	(186,100)	136,100	30,267,072	31,772,545	1,505,473	1.77	1.82	0.24
K-Electric Limited (note 6.1.3)	9,259,000	(9,259,000)	-	-	-	-	-	-	-
				30,267,072	31,772,545	1,505,473	1.77	1.82	0.24
Refinery									
National Refinery Limited	46,300	(46,300)	-	-	-	-	-	-	-
				-	-	-	-	-	-
Technology & Communication									
Systems Limited (note 6.1.3)	387,000	(245,000)	142,000	22,139,224	20,886,780	(1,252,444)	1.17	1.20	0.71
				22,139,224	20,886,780	(1,252,444)	1.17	1.20	0.71
Textile Composite									
Nishat Mills Limited	176,678	(66,000)	110,678	17,214,436	17,471,629	257,193	0.98	1.00	0.50
Transport									
Pakistan International Bulk Terminal	4,540,000	(3,239,300)	1,300,700	19,965,816	24,817,356	4,851,540	1.39	1.42	0.14
				19,965,816	24,817,356	4,851,540	1.39	1.42	0.14
Total as at June 30, 2026				407,292,649	421,266,975	13,974,327	23.53	24.19	7.32

6.1.2 JS Islamic Sarmaya Mehfooz Fund PLAN - II

Name of the investee company	Purchased during the period	Sold during the period	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
				Carrying value	Market value	Unrealised appreciation/ (diminution)	Net assets of the PLAN	Total investments of the PLAN	
Number of shares			Rupees			%			
Inv. Banks / Inv. Cos. / Securities Cos.									
Engro Holdings Limited	28,700	(650)	28,050	7,870,995	8,070,546	199,551	2.51	11.67	0.07
				7,870,995	8,070,546	199,551	2.51	11.67	0.07
Cement									
D.G. Khan Cement Company Limited	70,000	(70,000)	-	-	-	-	-	-	-
Lucky Cement Limited (note 6.1.3)	13,300	(1,000)	12,300	5,276,934	5,775,096	498,162	1.80	8.35	0.20
Maple Leaf Cement Factory Limited	24,000	-	24,000	2,400,000	2,565,840	165,840	0.80	3.71	0.02
Fauji Cement Company Limited	73,000	(73,000)	-	-	-	-	-	-	-
				7,676,934	8,340,936	664,002	2.59	12.07	0.22
Chemical									
Ghani Global Holdings Limited	158,000	(158,000)	-	-	-	-	-	-	-
				-	-	-	-	-	-
Commercial Banks									
Faysal Bank Limited	59,900	(18,700)	41,200	3,800,447	4,088,688	288,241	1.27	5.91	0.03
Meezan Bank Limited	8,000	(150)	7,850	3,880,579	4,054,211	173,632	1.26	5.86	0.02
				7,681,026	8,142,899	461,873	2.53	11.78	0.05
Fertilizer									
Fauji Fertilizer Company Limited	25,900	(11,700)	14,200	7,643,587	8,143,416	499,829	2.53	11.78	0.06
				7,643,587	8,143,416	499,829	2.53	11.78	0.06
Oil & Gas Exploration Companies									
Mari Energies Limited	5,800	(5,800)	-	-	-	-	-	-	-
Hi-Tech Lubricants Limited	87,500	-	87,500	4,959,495	3,857,000	(1,102,495)	1.20	5.58	0.28
Pakistan State Oil Company Limited	8,300	(8,300)	-	-	-	-	-	-	-
Oil & Gas Development Company Limited	24,000	-	24,000	7,516,650	8,036,880	520,230	2.50	11.63	0.02
Pakistan Petroleum Limited	99,900	(75,700)	24,200	5,571,097	5,871,404	300,307	1.83	8.49	0.02
				18,047,241	17,765,284	(281,957)	5.52	25.70	0.32
Pharmaceuticals									
AGP Limited	14,500	(14,500)	-	-	-	-	-	-	-
The Searle Company Limited	32,800	(32,800)	-	-	-	-	-	-	-
GlaxoSmithKline Pakistan Limited	8,500	(8,500)	-	-	-	-	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

Name of the investee company	Purchased during the period	Sold during the period	As at June 30, 2026	Carrying value			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
				Carrying value	Market value	Unrealised appreciation/ (diminution)	Net assets of the PLAN	Total investments of the PLAN	
Number of shares			Rupees			%			
Paper, Board & Packaging									
Century Paper & Board Mills Limited	109,900	(42,300)	67,600	2,674,674	2,019,212	(655,462)	0.63	2.92	0.05
				2,674,674	2,019,212	(655,462)	0.63	2.92	0.05
Technology & Communication									
Systems Limited (note 6.1.3)	57,700	(31,900)	25,800	3,996,260	3,794,922	(201,338)	1.18	5.49	0.13
				3,996,260	3,794,922	(201,338)	1.18	5.49	0.13
Power Generation & Distribution									
The Hub Power Company Limited K-Electric Limited (note 6.1.3)	43,500	(19,200)	24,300	5,312,816	5,672,835	360,019	1.76	8.21	0.04
	233,600	(233,600)	-	-	-	-	-	-	-
				5,312,816	5,672,835	360,019	1.76	8.21	0.04
Textile Composite									
Nishat Mills Limited	17,200	-	17,200	2,665,339	2,715,192	49,853	0.84	3.93	0.08
				2,665,339	2,715,192	49,853	0.84	3.93	0.08
Transport									
Pakistan International Bulk Terminal	234,000	-	234,000	3,971,400	4,464,720	493,320	1.39	6.46	0.02
				3,971,400	4,464,720	493,320	1.39	6.46	0.02
Refinery									
National Refinery Limited	40,000	(40,000)	-	-	-	-	-	-	-
				-	-	-	-	-	-
Total as at June 30, 2026				67,540,272	69,129,962	1,589,690	21.49	100.00	1.04

6.1.3 All shares have a nominal value of Rs. 10 each except for National Foods Limited which has a nominal value of Rs. 5 each, Lucky Cement Limited and Systems Limited which have a nominal value of Rs. 2 each and K-Electric Limited which has a nominal value of Rs. 3.5 each, respectively.

6.2 Government of Pakistan - Ijarah Sukuks

6.2.1 JS Islamic Sarmaya Mehfooz Fund PLAN - I

Name of the security	Face value (Rupees)	Issue date	Maturity date	Profit rate	Purchased during the period	Sold during the period	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of	
				%	(Number of certificates)--		Carrying value	Market value	Unrealised diminution	Net assets of the	Total investments of the	
												(Rupees)
GoP Ijarah Sukuk Certificates - FRR	100,000	June 26, 2023	June 26, 2026	18.49%	6,000	6,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - FRR	5,000	May 30, 2025	May 30, 2030	10.85%	6,850	-	6,850	685,018,867	675,821,000	(9,197,867)	37.75	38.80
GoP Ijarah Sukuk Certificates - FRR	5,000	September 30, 2025	September 30, 2030	10.87%	6,600	-	6,600	658,482,883	644,556,000	(13,926,883)	36.00	37.01
Total as at June 30, 2026								1,343,501,750	1,320,377,000	(23,124,750)	73.75	75.81

6.2.1 These carry effective yields ranging from 9.72% to 10.93% per annum.

6.2.2 JS Islamic Sarmaya Mehfooz Fund PLAN - II

Name of the security	Face value (Rupees)	Issue date	Maturity date	Profit rate	Purchased during the period	Sold during the period	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of	
								Carrying value	Market value	Unrealised appreciation	Net assets of the	Total investments of the
				%	— (Number of certificates) —	----- (Rupees) -----	----- % -----					
GoP Ijarah Sukuk Certificates - FRR	100,000	June 26, 2023	June 26, 2026	18.49%	23,000	23,000	-	-	-	-	-	-
Total as at June 30, 2026								-	-	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

		June 30, 2026			
		JSISMF PLAN - 1	JSISMF PLAN - 2	Total	
Note		Rupees			
6.3	Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net				
	Market value of investments	6.1 & 6.2	1,741,643,975	69,129,962	1,810,773,937
	Less: carrying value of investments	6.1 & 6.2	(1,750,794,399)	(67,540,272)	(1,818,334,671)
			(9,150,424)	1,589,690	(7,560,734)

7 PROFIT RECEIVABLES

Profit receivable on:

- savings accounts with banks

- GoP - ijarah sukuks

7.1	4,661	1,545	6,206
	<u>25,425,354</u>	<u>-</u>	<u>25,425,354</u>
	<u>25,430,015</u>	<u>1,545</u>	<u>25,431,560</u>

7.1 This includes a balance with BankIslami Pakistan Limited (a related party) of Rs. 4,661 for PLAN-1 and Rs. 1,545 for PLAN-2.

June 30, 2026		
JSISMF PLAN - 1	JSISMF PLAN - 2	Total
Rupees		

8 PRELIMINARY EXPENSES AND FLOATATION COSTS

Preliminary expense and formation cost

Less: amortisation during the period

672,925	322,566	995,491
<u>(382,528)</u>	<u>(110,125)</u>	<u>(492,653)</u>
<u>290,397</u>	<u>212,441</u>	<u>502,838</u>

8.1 Preliminary expenses and formation costs represent expenditure incurred prior to the commencement of the operations of the Fund and are being amortised over the maturity of the PLANs commencing from July 25, 2025 for PLAN-1 and December 12, 2025 for PLAN-2 as per the requirements set out in the Offering Document of the Fund.

June 30, 2026		
JSISMF PLAN - 1	JSISMF PLAN - 2	Total
Rupees		

9 PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY

Remuneration payable to the Management Company

Sindh sales tax payable on remuneration of the Management Company

Payable against preliminary expense and formation cost

Bank account opening charges

Shariah advisory fee payable

Note

9.1	-	-	-
9.2	-	-	-
	672,925	322,566	995,491
	<u>10,000</u>	<u>10,000</u>	<u>20,000</u>
	<u>29,797</u>	<u>2,449</u>	<u>32,246</u>
	<u>712,722</u>	<u>335,015</u>	<u>1,047,737</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

9.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document and subject to the capping of 1% for a collective investment scheme categorised as a 'Hybrid Scheme'. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1% for all PLANs per annum of the average daily net assets of the PLANs during the period ended June 30, 2026. The remuneration is payable to the Management Company monthly in arrears.

9.2 Sindh sales tax is levied at the rate of 15% under the Sindh Sales Tax on Services Act, 2011 on the Management Company's remuneration.

		June 30, 2026			
		JSISMF PLAN - 1	JSISMF PLAN - 2	Total	
Note		Rupees			
10	PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE				
	Remuneration payable to the Trustee	10.1	109,010	19,655	128,665
	Sindh sales tax payable on remuneration of the Trustee	10.2	16,351	2,948	19,299
			125,361	22,603	147,964

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at 0.075% per annum of the average daily net assets of the Fund calculated on a daily basis.

10.2 Sindh sales tax on remuneration of the Trustee levied through the Sindh Sales Tax Act on Services, 2011 has been charged at the rate of 15%.

		June 30, 2026		
		JSISMF PLAN - 1	JSISMF PLAN - 2	Total
		Rupees		
11	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note		
	Fee payable	11.1	109,035	19,655
				128,690

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP) at the rate of 0.075% per annum of average annual net assets of the Fund applicable on "Capital Protected Scheme". Accordingly, the Fund has charged SECP fee at the rate of 0.075% per annum of the daily net assets during the period. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

		June 30, 2026		
		JSISMF PLAN - 1	JSISMF PLAN - 2	Total
Note		Rupees		
12	ACCRUED EXPENSES AND OTHER LIABILITIES			
	Brokerage payable	37,740	7,254	44,994
	Auditors' remuneration payable	1,005,985	92,916	1,098,901
	Charity payable	892,400	60,973	953,373
		1,936,125	161,143	2,097,268

12.1 According to the instructions of the Shariah Advisor, any income earned by the Fund from investments whereby portion of the investment of investee company has been made in Shariah non-compliant avenues, such proportion of income of the Fund from those investments should be given away for charitable purposes directly by the Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

Accordingly, during the period ended June 30, 2026, non-shariah compliant income amounting to Rs. 953,373 was charged as an expense in the books of the Fund.

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026.

14 AUDITORS' REMUNERATION

	June 30, 2026		
	JSISMF PLAN - 1	JSISMF PLAN - 2	Total
	Rupees		
Annual audit fee	549,268	50,732	600,000
Fee for half yearly review	366,179	33,821	400,000
Fee for other certifications	137,317	12,683	150,000
Out of pocket expenses	105,276	9,724	115,000
Sindh sales tax	92,643	8,557	101,200
	<u>1,250,684</u>	<u>115,517</u>	<u>1,366,200</u>

15 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the period 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the period derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the period ended June 30, 2026 to the unit holders in a manner as explained above, no provision for taxation has been made in these financial statements during the period.

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.

16 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons and related parties include JS Investments Limited (JSIL) being the Management Company of the Fund, Digital Custodian Company Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Management Company - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20% shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL - 75.12% shares are held by JS Bank Limited, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL - 92.90% shares are held by JS Bank Limited and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other Funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at June 30, 2026. It also includes staff retirement benefit Funds of the above related parties and connected persons.

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, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Offering Document.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

Details of transactions and balances with related parties / connected persons during the period are as follows:

16.1 Transactions during the period:

For the period from July 25, 2025 to June 30, 2026	For the period from December 12, 2025 to June 30, 2026	Total
JSISMF PLAN - 1	JSISMF PLAN - 2	

Rupees

JS Investments Limited (Management Company)

Remuneration of JS Investments Limited - Management

Company

10,817,580

711,020

11,528,600

Sindh Sales Tax on remuneration of the Management

Company

1,622,637

106,653

1,729,290

Sales load paid

1,061,306

221,457

1,282,763

Shariah advisory fee

899,823

136,732

1,036,555

Digital Custodian Company Limited (Trustee)

Remuneration of the Digital Custodian Company Limited

- Trustee

1,248,586

132,510

1,381,096

Sindh Sales Tax on remuneration of the Trustee

187,289

19,876

207,165

JS Global Capital Limited - Fellow subsidiary of JSIL

Brokerage charges

2,428,213

76,659

2,504,872

BankIslami Pakistan Limited (Fellow subsidiary of Parent Company)

Profit on savings accounts with banks

78,679

2,665,303

2,743,982

Key Management Personnel of the Management Company

Issuance of: 280,004 units (JSISMF PLAN - 1)

29,077,197

-

29,077,197

Redemption of: 136,003 units (JSISMF PLAN - 1)

(15,622,563)

-

(15,622,563)

Refund of capital of: 9,358 units (JSISMF PLAN - 1)

935,772

-

935,772

Unit holder holding 10% or more of units in issue

Units issued: 22,744,960 (JSISMF PLAN - 1) / 1,966,225 (JSISMF PLAN - 2)

2,041,390,338

200,004,372

2,241,394,710

Units redeemed: 8,723,456 (JSISMF PLAN - 1)

933,454,554

-

933,454,554

Refund of capital of: 567,575 units (JSISMF PLAN - 1)

56,757,458

-

56,757,458

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

June 30, 2026		
JSISMF PLAN - 1	JSISMF PLAN - 2	Total
Rupees		

16.2 Details of balances with connected persons / related parties as at period end:

JS Investments Limited (Management Company)

Remuneration payable to the Management Company	-	-	-
Sindh sales tax payable on remuneration of Management Company	-	-	-
Payable against preliminary expense and formation cost	672,925	322,566	995,491
Bank account opening charges	10,000	10,000	20,000
Shariah advisory payable	29,797	2,449	32,246

Digital Custodian Company Limited (Trustee)

Remuneration payable to the Trustee	109,010	19,655	128,665
Sindh sales tax payable on remuneration of the Trustee	16,351	2,948	19,299

BankIslami Pakistan Limited (Fellow subsidiary of Parent Company)

Bank balances	25,834,555	252,583,692	278,418,247
Profit receivable on savings accounts with banks	4,661	1,545	6,206

Key Management Personnel of the Management Company

Units held: 153,359 units	15,398,777	-	15,398,777
---------------------------	------------	---	------------

Unit holder holding 10% or more of units in issue

Units held: 14,589,079 (JSISMF PLAN - 1) / 1,966,225 (JSISMF PLAN - 2)	1,464,889,422	194,577,626	1,659,467,047
--	---------------	-------------	---------------

17 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	As at June 30, 2026						
	JSISMF PLAN - 1			JSISMF PLAN - 2			Total
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or	Sub total	
(Rupees)							
Financial assets							
Bank balances	25,834,555	-	25,834,555	252,583,692	-	252,583,692	278,418,247
Investments	-	1,741,643,975	1,741,643,975	-	69,129,962	69,129,962	1,810,773,937
Profit receivables	25,430,015	-	25,430,015	1,545	-	1,545	25,431,560
	51,264,570	1,741,643,975	1,792,908,545	252,585,237	69,129,962	321,715,199	2,114,623,744
Financial liabilities							
Payable to JS Investments Limited - Management Company	712,722	-	712,722	335,015	-	335,015	1,047,737
Payable to Digital Custodian Company Limited - Trustee	125,361	-	125,361	22,603	-	22,603	147,964
Accrued expenses and other liabilities	1,043,725	-	1,043,725	100,170	-	100,170	1,143,895
	1,881,808	-	1,881,808	457,788	-	457,788	2,339,596

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

18 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

18.1 Market risk

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

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and the regulations laid down by the SECP.

Market risk comprises of three types of: currency risk, profit rate risk and price risk.

18.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

18.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market yield / profit rates. As of June 30, 2026, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Management Company reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

Variable rate instruments (financial assets)

Bank balances

June 30, 2026		
JSISMF PLAN - 1	JSISMF PLAN - 2	Total
Rupees		
25,834,555	252,583,692	278,418,247

Sensitivity analysis for variable rate instruments

Presently, the Fund holds bank balances which expose the Fund to profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the period and net assets of the Fund would have been higher / lower by Rs. 0.258 million for JS Islamic Sarmaya Mehfooz Fund PLAN - 1 and Rs. 2.526 million for JS Islamic Sarmaya Mehfooz Fund PLAN - 2.

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates. 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, 2026 can be determined as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

JS Islamic Sarmaya Mehfooz Fund PLAN - 1

As at June 30, 2026					
Profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	Total
	Upto three months	More than three months and upto one	More than one year		
-----%	----- (Rupees) -----				

On-balance sheet financial instruments

Financial assets

Bank balances	0.10%	25,834,555	-	-	-	25,834,555
Investments	10.85% to 18.49%	-	-	1,320,377,000	421,266,975	1,741,643,975
Profit receivables		25,430,015	-	-	-	25,430,015
		51,264,570	-	1,320,377,000	421,266,975	1,792,908,545

Financial liabilities

Payable to JS Investments Limited - Management Company		-	-	-	712,722	712,722
Payable to Digital Custodian Company Limited - Trustee		-	-	-	125,361	125,361
Accrued expenses and other liabilities		-	-	-	1,043,725	1,043,725
		-	-	-	1,881,808	1,881,808

On-balance sheet gap

51,264,570	-	1,320,377,000	419,385,167	1,791,026,737
------------	---	---------------	-------------	---------------

Total interest rate sensitivity gap

51,264,570	-	1,320,377,000	419,385,167	1,791,026,737
------------	---	---------------	-------------	---------------

Cumulative interest rate sensitivity gap

51,264,570	51,264,570	1,371,641,570
------------	------------	---------------

JS Islamic Sarmaya Mehfooz Fund PLAN - 2

As at June 30, 2026					
Profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	Total
	Upto three months	More than three months and upto one	More than one year		
-----%	(Rupees)				

On-balance sheet financial instruments

Financial assets

Bank balances	0.10%	252,583,692	-	-	-	252,583,692
Investments	18.49%	-	-	-	69,129,962	69,129,962
Profit receivables		1,545	-	-	-	1,545
		252,585,237	-	-	69,129,962	321,715,199

Financial liabilities

Payable to JS Investments Limited - Management Company		-	-	-	335,015	335,015
Payable to Digital Custodian Company Limited - Trustee		-	-	-	22,603	22,603
Accrued and other liabilities		-	-	-	100,170	100,170
		-	-	-	457,788	457,788

On-balance sheet gap

252,585,237	-	-	68,672,174	321,257,411
-------------	---	---	------------	-------------

Total interest rate sensitivity gap

252,585,237	-	-	68,672,174	321,257,411
-------------	---	---	------------	-------------

Cumulative interest rate sensitivity gap

252,585,237	252,585,237	252,585,237
-------------	-------------	-------------

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

18.1.3 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 is exposed to equity price risk because of investments held by the Fund and classified on the Statement of Assets and Liabilities at fair value through profit or loss. 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 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 6.1.

In case of 5% increase / decrease in KSE 100 index on June 30, 2026, with all other variables held constant, the total comprehensive income of JSISMF PLAN-1 and JSISMF PLAN-2 for the period would increase / decrease by Rs. 21.06 million and Rs. 3.46 million, respectively and the net assets of the PLANS 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 5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE 100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KSE 100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KSE 100 Index.

18.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. Credit risk arises from deposits with banks and profit receivable on savings accounts with banks thereon.

Credit risk arising on financial assets is monitored through a regular analysis of financial position of brokers and other parties. In accordance with the risk management policy of the Fund, the investment manager monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

18.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

As at June 30, 2026			
JS Islamic Sarmaya Mehfooz Fund PLAN - 1		JS Islamic Sarmaya Mehfooz Fund PLAN - 2	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
(Rupees)			
Bank balances	25,834,555	25,834,555	252,583,692
Investments	1,741,643,975	-	-
Profit receivables	25,430,015	4,661	1,545
	<u>1,792,908,545</u>	<u>25,839,216</u>	<u>252,585,237</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets. Investment in equity securities, government securities and related profit receivable, however, are not exposed to credit risk and have been excluded from the above analysis.

Name of bank	Rating agency	Rating (long term)	As at June 30, 2026	
			JS Islamic Sarmaya Mehfooz Fund PLAN - 1	JS Islamic Sarmaya Mehfooz Fund PLAN - 2
			----- (%) -----	----- (%) -----
BankIslami Pakistan Limited (a related party)	PACRA	AA-	100.00%	100.00%

18.2.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic and industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2026 are unsecured and are not impaired.

18.2.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

JS Islamic Sarmaya Mehfooz Fund PLAN - 1

As at June 30, 2026						
Within one 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	Total
(Rupees)						

Financial liabilities

Payable to JS Investments

Limited - Management Company

Payable to Digital Custodian

Company Limited - Trustee

Accrued expenses and other liabilities

712,722	-	-	-	-	-	712,722
125,361	-	-	-	-	-	125,361
930,140	-	1,005,985	-	-	-	1,936,125
1,768,223	-	1,005,985	-	-	-	2,774,208

JS Islamic Sarmaya Mehfooz Fund PLAN - 2

As at June 30, 2026						
Within one 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	Total
(Rupees)						

Financial liabilities

Payable to JS Investments

Limited - Management Company

Payable to Digital Custodian

Company Limited - Trustee

Accrued expenses and other liabilities

335,015	-	-	-	-	-	335,015
22,603	-	-	-	-	-	22,603
68,227	-	92,916	-	-	-	161,143
425,845	-	92,916	-	-	-	518,761

19

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

The Fund has no restrictions 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

In accordance with the risk management policies as stated in note 18, 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.

20 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 on 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.

20.1 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 June 30, 2026, the Fund held the following financial instruments measured at fair value:

JS Islamic Sarmaya Mehfooz Fund PLAN - 1			
----- As at June 30, 2026 -----			
Level 1	Level 2	Level 3	Total
----- Rupees -----			

ASSETS

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

Listed equity securities

Government of Pakistan - Ijara Sukuks

421,266,975	-	-	421,266,975
1,320,377,000	-	-	1,320,377,000
1,741,643,975	-	-	1,741,643,975

JS Islamic Sarmaya Mehfooz Fund PLAN - 2			
----- As at June 30, 2026 -----			
Level 1	Level 2	Level 3	Total
----- Rupees -----			

ASSETS

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

Listed equity securities

69,129,962	-	-	69,129,962
------------	---	---	------------

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

There were no transfers between levels during the period.

The following valuation techniques have been used in determination of fair values of the instruments during the period:

Item	Valuation approach and input used
Listed equity securities	The valuation of open-ended mutual funds has been determined through closing rates announced by Mutual Funds Association of Pakistan (MUFAP).
Government of Pakistan - Ijara Sukuks	The fair value of GoP Ijarah sukuks listed on Pakistan Stock Exchange has been determined through closing rates of Pakistan Stock Exchange.

21 DETAILS OF MEMBERS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

S. No.	Name	Designation	Experience in years	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	25	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer & Company Secretary	33	MBA
3	Ms. Samina Faisal	Country head Business development	35	MBA
4	Mr. Syed Hussain Haider	Chief Investment Officer	24	CFA / CIPM
5	Mr. Syed Muhammad Safdar Raza	Fund Manager	10	B.COM

21.1 Name and qualification of the Fund Manager

Name	Designation	Qualification	Other funds managed by the Fund Manager
Syed Muhammad Safdar Raza	Assistant Vice President - Fund Manager	Bachelors in Commerce	JS Cash Fund, JS Money Market Fund, JS Fixed Term Munafa Fund, JS Income Fund, JS Government Securities Fund, JS Microfinance Sector Fund, JS Islamic Income Fund, JS Pension Savings Fund, JS Islamic Pension Savings Fund

22 UNIT HOLDING PATTERN OF THE FUND

Category	JS Islamic Sarmaya Mehfooz Fund PLAN - 1			
	2026			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total (%)
Individuals	25	11,399,790	1,144,622,798	64%
Corporate	4	4,291,726	430,920,614	24%
Others	1	2,139,018	214,772,980	12%
	30	17,830,533	1,790,316,392	100%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

Category	JS Islamic Sarmaya Mehfooz Fund PLAN - 2			
	2026			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total (%)
Individuals	24	3,150,162	311,736,741	97%
Corporate	1	100,003	9,896,170	3%
	25	3,250,165	321,632,911	100%

23 LIST OF TOP BROKERS BY PERCENTAGE OF COMMISSION PAID

JS Islamic Sarmaya Mehfooz Fund PLAN - 1	
2025	
Name of broker	Percentage of commission paid

JS Global Capital Limited	51.71%
Chase Securities Pakistan Private Limited	12.36%
Spectrum Securities Limited	11.88%
D.J.M Securities (Pvt) Limited	11.81%
Growth Securities (Private) Limited	9.68%
Bright Capital Private Limited	1.28%
Currency Market Associates (Pvt.) Limited	1.28%

JS Islamic Sarmaya Mehfooz Fund PLAN - 2	
2025	
Name of broker	Percentage of commission paid

Optimus Capital Management (Pvt) Limited	21.57%
JS Global Capital Limited	18.71%
Spectrum Securities Limited	14.78%
KASB Securities Limited	13.50%
Growth Securities (Private) Limited	11.79%
D.J.M Securities (Pvt) Limited	9.12%
Currency Market Associates (Pvt.) Limited	5.61%
Chase Securities Pakistan Private Limited	4.91%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE PERIOD FROM JULY 25, 2025 TO JUNE 30, 2026

24 MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

S.No.	Name of Directors	Meetings attended	Meetings held on				
			August 19, 2025	October 21, 2025	January 09, 2026	February 20, 2026	April 23, 2026
1	Mr. Suleman Lalani	5	✓	✓	✓	✓	✓
2	Ms. Iffat Zehra Mankani	5	✓	✓	✓	X	✓
3	Mr. Hasan Shahid	5	✓	✓	✓	X	✓
4	Ms. Aisha Fariel Salahuddin*	2	✓	✓	X	X	X
5	Ms. Mediha Kamal Afsar	4	✓	✓	X	✓	✓
6	Mr. Faisal Anwar	5	✓	✓	✓	✓	✓
7	Mr. Farooq Ahmed Malik*	2	✓	✓	X	X	X
8	Syed Kazim Raza	4	✓	✓	X	✓	✓
9	Mr. Ahsan Jamal**	3	X	X	✓	✓	✓
10	Ms. Maria Mittermair**	3	X	X	✓	✓	✓
			8	8	6	8	8

* Ms. Aisha Fariel Salahuddin and Mr. Farooq Ahmed Malik completed their term as directors on December 25, 2025

** Mr. Ahsan Jamal and Ms. Maria Mittermair were elected as directors of the Company w.e.f. December 26, 2025

Ms. Mediha Kamal Afsar and Syed Kazim Raza were on leave of absence in the 184th Board meeting held on January 9, 2026

25 GENERAL

25.1 Figures have been rounded off to the nearest rupee, unless otherwise stated.

26 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 23, 2026 by the Board of Directors of the Management Company.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**

19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.

- **Wealth Centre**

Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi

- **Regional Office - Islamabad**

Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.

- **Regional Office - Lahore**

1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Lahore**

Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Peshawar**

Ground Floor, Shop #10-A,
Fakhr e Alam Road, Super Market, Peshawar

☎ 0800-00887 ✉ "Invest to 8027" ✉ ir@jsil.com 🌐 www.jsil.com

📘 www.facebook.com/jsinvestments 🐦 http://twitter.com/JSinvestment

🌐 http://www.linkedin.com/company/js-investment-limited



QR Code for
website access



JS GOVERNMENT SECURITIES FUND
ANNUAL REPORT 2026

GROWING STRONGER.
**SCALING
SMARTER**

CONTENT AT A GLANCE

COMPANY INFORMATION

01

Company Information	02
Vision	03
Mission	
Directors' Report to the Unit Holders	04
Fund Manager's Report	09
Performance Table / Key Financial Data	11
Trustee Report to the Unit Holders	12
Independent Auditors' Report to the Unit Holders	14

FINANCIAL STATEMENTS

02

Statement of Assets And Liabilities	18
Statement of Income	19
Statement of Comprehensive Income	20
Statement of Movement In Unit Holders' Fund	21
Statement of Cash Flows	22
Notes to and Forming Part of the Financial Statements	23

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani

Non-Executive Director / Chairman

Ms. Iffat Zehra Mankani

Chief Executive Officer

Mr. Hasan Shahid

Non-Executive Director

Syed Kazim Raza

Non-Executive Director

Mr. Atif Salim Malik**

Non-Executive Director

Ms. Maria Mittermair

Independent Director

Ms. Mediha Kamal Afsar

Independent Director

Mr. Ahsan Jamal

Non-Executive Director

Mr. Faisal Anwar*

Non-Executive Director

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Mr. Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

A.F Ferguson & Co., Chartered Accountants

Legal Advisors

Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee

Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Mr. Faisal Anwar

Trustee

Digital Custodian Company Limited
4th Floor, Perdesi House 2/1, R-Y-16,
Old Queens Road, Karachi - 75530

* Mr. Faisal Anwar resigned from the board on April 27, 2026.

** Mr. Atif Salim Malik joined the board on May 07, 2026.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.

MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.



DIRECTORS' REPORT TO THE UNITHOLDERS

The Board of Directors of JS Investments Limited, the Management Company of **JS Government Securities Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2026.

ECONOMIC REVIEW

FY2026 marked a further strengthening of Pakistan's macroeconomic foundations despite a more challenging external environment. The resurgence of geopolitical tensions in the Middle East temporarily disrupted the disinflation process and heightened external uncertainty; however, continued policy discipline, progress under the IMF-supported reform programme and improving investor confidence helped preserve macroeconomic stability and reinforce policy credibility through the year.

Real GDP growth accelerated to 3.7%, the strongest pace in four years, supported by a broad-based recovery in manufacturing and services. While inflation reaccelerated toward year-end amid higher global energy prices, average inflation remained contained at 7.1%. Fiscal consolidation continued, supported by stronger revenue collection and an improved primary balance, while record remittances, reserve accumulation and renewed access to international capital markets strengthened the external position despite a widening trade deficit.

The year also witnessed a further improvement in Pakistan's sovereign credit profile, with international rating upgrades reinforcing the progress achieved under the macroeconomic adjustment agenda and supporting renewed access to global capital markets. While these developments provide a firmer macroeconomic foundation, the challenge ahead extends beyond preserving stability. Sustaining higher long-term growth will require continued reform implementation, stronger private-sector investment, productivity enhancement and a gradual transition from stabilization-led recovery to a more competitive, investment- and export-oriented economy.

INCOME / MONEY MARKET REVIEW:

Domestic fixed income markets moved through two distinct phases during FY2026. The year began with contained inflation and continued monetary easing, with the State Bank of Pakistan reducing the policy rate by 50 basis points to 10.5% in December. However, higher global energy prices following renewed Middle East tensions altered the inflation outlook, prompting a 100-basis point increase in the policy rate to 11.5% in April.

Government security yields initially benefited from the improving inflation outlook before repricing higher as geopolitical tensions intensified, and subsequently partially retraced as tensions eased and oil prices moderated. The 3-month, 12-month and 5-year benchmark yields closed the year at 11.60%, 11.60% and 11.80%, respectively. The relatively contained adjustment in longer-tenor yields suggested that investors continued to view the inflation shock as largely transitory rather than structural.

The outlook for domestic fixed income remains broadly constructive. A gradual normalization in inflation should provide scope for monetary conditions to ease over time, although the pace of any future policy adjustment will remain contingent upon sustained geopolitical de-escalation, continued fiscal discipline and inflation converging toward the SBP's medium-term target range. Against this backdrop, duration positioning is expected to remain selective, with valuation opportunities likely to emerge as policy visibility improves and inflation risks become more balanced.

REVIEW OF FUND PERFORMANCE

The Fund return was 7.77% for the year ended June 30, 2026 against benchmark return of 11.37%. The Fund's Net Assets moved from PKR 10.05 billion as of June 30, 2025 to PKR 7.99 billion as of June 30, 2026. The Fund's total expense ratio is 1.72%, which includes 0.29% of government levies on the Fund.

DIVIDEND

During the year ended June 30, 2026, the Fund paid an interim dividend of Rs. 0.59 per unit. Further, the Fund paid a final dividend of Rs. 6.60 per unit.

ASSET MANAGER AND FUND RATING

Pakistan Credit Rating Agency Limited (PACRA) upgraded JS Investments Limited's Asset Manager Rating to 'AM1' with a 'Stable Outlook' on November 5, 2025 — the highest management-quality assessment, reflecting sound governance, institutionalized investment processes and consistent operational performance. PACRA reaffirmed the stability rating of "AA(f)" with stable outlook to the Fund.

AUDITORS

The external auditors of the Fund M/s. A.F. Ferguson & Co. Chartered Accountants, retire and being eligible offer themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of M/S. A.F. Ferguson & Co. Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2027.

ADDITIONAL INFORMATION

- Annexed to the Annual Report is Fund Manager's Report giving description of principal risks and uncertainties with reasonable indication of future prospects of profit.
- The Pattern of Unit holding as at June 30, 2026 is annexed to this annual report.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- A performance table / key financial data is annexed to this annual report.

ACKNOWLEDGMENT

The Board of Directors expresses its gratitude to the Securities and Exchange Commission of Pakistan and Digital Custodian Company Limited for their continued support, assistance and guidance. The Board also places on record its appreciation for the dedication and commitment of the employees of the Management Company and thanks the unitholders for their continued confidence in the Management Company.

On behalf of the Board



Director



Chief Executive Officer

August 23, 2026
Karachi

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور از سر نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2027 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

اضافی معلومات:

- الف۔ سالانہ رپورٹ کے ساتھ فنڈ مینیجر کی رپورٹ منسلک ہے، جس میں اہم خطرات اور غیر یقینی عوامل کی وضاحت کے ساتھ مستقبل کے منافع کے امکانات کی نشاندہی کی گئی ہے۔
- ب۔ 30 جون 2026 تک یونٹ ہولڈنگ کا پیٹرن اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
- ج۔ اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- د۔ کارکردگی کا جدول/کلیدی مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

اظہار تشکر:

ڈائریکٹرز پاکستان سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ مینجمنٹ کمپنی کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون ہے۔

بورڈ کی جانب سے



ڈائریکٹر

کراچی، 23 اگست 2026



چیف ایگزیکٹو آفیسر

حکومتی سیکورٹیز کی بیلڈز نے ابتدا میں افراط زر کے بہتر ہوتے ہوئے منظر نامے سے فائدہ اٹھایا، تاہم جغرافیائی سیاسی کشیدگی میں اضافے کے باعث ان میں دوبارہ اضافہ ہوا۔ بعد ازاں کشیدگی میں کمی اور تیل کی قیمتوں میں اعتدال آنے کے ساتھ بیلڈز میں جزوی طور پر کمی واقع ہوئی۔ 3 ماہ، 12 ماہ اور 5 سالہ بینچ مارک بیلڈز بالترتیب 11.60 فیصد، 11.60 فیصد اور 11.80 فیصد کی سطح پر سال کے اختتام پر بند ہوئیں۔ طویل مدتی میچورٹی والی سیکورٹیز کی بیلڈز میں نسبتاً محدود تبدیلی اس امر کی عکاسی کرتی ہے کہ سرمایہ کار افراط زر میں اس اضافے کو ایک ساختی مسئلے کے بجائے بڑی حد تک عارضی نوعیت کا جھٹکا سمجھتے رہے۔

ملکی فلسفہ انکم مارکیٹ کا آئندہ منظر نامہ مجموعی طور پر حوصلہ افزا ہے۔ افراط زر میں بتدریج معمول کی سطح کی جانب واپسی سے وقت کے ساتھ مانیٹری حالات میں مزید نرمی کی گنجائش پیدا ہو سکتی ہے، تاہم مستقبل میں پالیسی میں کسی بھی ممکنہ تبدیلی کی رفتار کا انحصار جغرافیائی سیاسی کشیدگی میں پائیدار کمی، مسلسل مالیاتی نظم و ضبط اور افراط زر کے اسٹیٹ بینک آف پاکستان (SBP) کی درمیانی مدت کی ہدفی حد کی جانب واپس آنے پر ہوگا۔ اس پس منظر میں سرمایہ کاری کی مدت کے حوالے سے حکمت عملی محتاط اور منتخب بنیادوں پر برقرار رہنے کی توقع ہے، جبکہ پالیسی کے حوالے سے صورتحال مزید واضح ہونے اور افراط زر کے خطرات میں توازن پیدا ہونے کے ساتھ ویلیو ایڈیشن کی بنیاد پر سرمایہ کاری کے مواقع بھی سامنے آنے کا امکان ہے۔

فنڈ کی کارکردگی کا جائزہ:

30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران فنڈ نے 7.77 فیصد منافع حاصل کیا، جبکہ بینچ مارک کا منافع 11.37 فیصد رہا۔ فنڈ کے خالص اثاثوں میں کمی واقع ہوئی، جو 30 جون 2025 کو 10.05 بلین پاکستانی روپے سے کم ہو کر 30 جون 2026 کو 7.99 بلین پاکستانی روپے رہ گئے۔ فنڈ کا مجموعی اخراجاتی تناسب 1.72 فیصد رہا، جس میں فنڈ پر عائد 0.29 فیصد حکومتی محصولات بھی شامل ہیں۔

ڈویڈنڈ:

30 جون 2026 کو ختم ہونے والے سال کے دوران فنڈ نے فی یونٹ 0.59 روپے کا عبوری منافع ادا کیا۔ مزید برآں، فنڈ نے فی یونٹ 6.60 روپے کا حتمی منافع بھی ادا کیا۔

ایسیٹ مینجری ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 5 نومبر 2025 کو جے ایس انویسٹمنٹ لمیٹڈ کی ایسیٹ مینجری ریٹنگ بڑھا کر "AM1" کردی، جبکہ آؤٹ لک 'مستحکم' برقرار رکھا گیا۔ یہ انتظامی معیار کی اعلیٰ ترین درجہ بندی ہے، جو مضبوط طرز حکمرانی، ادارہ جاتی بنیادوں پر قائم سرمایہ کاری کے طریقہ کار اور مسلسل موثر آپریشنل کارکردگی کی عکاسی کرتی ہے۔ PACRA نے فنڈ کی "AA(f)" کی استحکامی ریٹنگ بھی مستحکم آؤٹ لک کے ساتھ برقرار رکھی ہے۔

یونٹ ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمپنی برائے جے ایس گورنمنٹ سیکیورٹیز فنڈ (فنڈ) کی سالانہ رپورٹ پیش کرتے ہوئے پُرسرت ہیں۔

معاشی جائزہ:

مالی سال 2026 کے دوران پاکستان کی مجموعی معاشی بنیادوں میں مزید استحکام آیا، اگرچہ بیرونی معاشی ماحول پہلے کے مقابلے میں زیادہ مشکل رہا۔ مشرق وسطیٰ میں جغرافیائی سیاسی کشیدگی میں دوبارہ اضافے کے باعث افراطِ زر میں کمی کا عمل عارضی طور پر متاثر ہوا اور بیرونی غیر یقینی صورتحال میں اضافہ ہوا۔ تاہم، پالیسیوں میں مسلسل نظم و ضبط، آئی ایم ایف کے تعاون سے جاری اصلاحاتی پروگرام میں پیش رفت اور سرمایہ کاروں کے اعتماد میں بہتری نے سال بھر معاشی استحکام برقرار رکھنے اور پالیسیوں کی سادھ کو مزید مضبوط بنانے میں مدد دی۔

حقیقی مجموعی ملکی پیداوار کی شرح نمونہ بڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سالوں میں بلند ترین شرح نمونہ ہے۔ اس بہتری کو مینوفیکچرنگ اور خدمات کے شعبوں میں وسیع البیاد بحالی سے تقویت ملی۔ اگرچہ عالمی توانائی کی قیمتوں میں اضافے کے باعث سال کے اختتام پر افراطِ زر کی شرح میں دوبارہ اضافہ ہوا، تاہم سال کی اوسط افراطِ زر 7.1 فیصد کی سطح پر قابو میں رہی۔ مالیاتی استحکام کا عمل بھی جاری رہا، جسے محصولات کی بہتر وصولی اور بنیادی مالیاتی توازن میں بہتری سے مدد ملی۔ دوسری جانب، ریکارڈ ترسیلاتِ زر، زرمبادلہ کے ذخائر میں اضافہ اور عالمی سرمایہ مارکیٹوں تک دوبارہ رسائی نے بڑھتے ہوئے تجارتی خسارے کے باوجود ملک کی بیرونی مالی پوزیشن کو مزید مضبوط کیا۔

سال کے دوران پاکستان کے خود مختار کریڈٹ پروفائل میں بھی مزید بہتری آئی۔ بین الاقوامی کریڈٹ ریٹنگ اداروں کی جانب سے ریٹنگ میں بہتری نے میکرو اکنامک ایڈجسٹمنٹ کے تحت حاصل ہونے والی پیش رفت کو تقویت دی اور عالمی سرمایہ مارکیٹوں تک ملک کی دوبارہ رسائی میں معاونت فراہم کی۔ اگرچہ یہ پیش رفت پاکستان کے لیے زیادہ مضبوط معاشی بنیاد فراہم کرتی ہے، تاہم مستقبل کا چیلنج محض معاشی استحکام برقرار رکھنے تک محدود نہیں۔ طویل مدت میں بلند شرح نمونہ کو برقرار رکھنے کے لیے اصلاحات پر مسلسل عمل درآمد، نجی شعبے کی سرمایہ کاری میں اضافہ، پیداواری صلاحیت میں بہتری اور معیشت کو بتدریج استحکام پر مبنی بحالی سے ایک زیادہ مسابقتی، سرمایہ کاری اور برآمدات پر مرکوز معیشت کی جانب منتقل کرنا ضروری ہوگا۔

انکم/منی مارکیٹ کا جائزہ

مالی سال 2026 کے دوران ملکی فکسڈ انکم مارکیٹ کو دو نمایاں مراحل سے گزرنا پڑا۔ سال کا آغاز قابو میں رہنے والی افراطِ زر اور مسلسل مانیٹری پالیسی میں نرمی کے ساتھ ہوا، جبکہ دسمبر میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50 پیسے پوائنٹس کی کمی کر کے اسے 10.5 فیصد کر دیا۔ تاہم، مشرق وسطیٰ میں کشیدگی میں دوبارہ اضافے کے بعد عالمی سطح پر توانائی کی قیمتوں میں ہونے والے اضافے نے افراطِ زر کے منظر نامے کو تبدیل کر دیا، جس کے نتیجے میں اپریل میں پالیسی ریٹ میں 100 پیسے پوائنٹس کا اضافہ کر کے اسے 11.5 فیصد کر دیا گیا۔

FUND MANAGER REPORT

Annual Report 2026

JS GOVERNMENT SECURITIES FUND

- Description of the Collective Investment Scheme category and type**

Income Fund Scheme / Open end

- Statement of Collective Investment Scheme's investment objective**

JS Government Securities Fund aims to preserve investor's capital while providing a regular stream of current income on an annual basis which is higher than that offered by commercial banks on deposits of a similar liquidity profile. The fund operates a diverse portfolio of investment-grade debt securities, government securities and money market instruments.

- Explanation as to whether the Collective Investment Scheme has achieved its stated objective**

The collective investment scheme achieved its stated objective.

- Statement of benchmark(s) relevant to the Collective Investment Scheme**

90% six (6) months PKRV rates + 10% six (6) months average of the highest rates on savings account of three (3) "AA" rated scheduled Banks as selected by MUFAP.

- Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

Ann. Returns	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	FY26
JSGSF	8.65%	8.25%	9.38%	7.14%	9.41%	18.19%	7.87%	3.52%	-13.44%	12.83%	9.88%	8.63%	7.77%
Benchmark	10.62%	10.67%	10.67%	10.79%	10.80%	10.54%	9.97%	10.21%	10.83%	11.14%	11.80%	11.79%	11.37%
Diff.	-1.97%	-2.42%	-1.29%	-3.65%	-1.39%	7.65%	-2.10%	-6.69%	-24.27%	1.69%	-1.92%	-3.16%	-3.60%

- Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**

During the year, portfolio positioning was actively adjusted across T-bills and PIBs as interest-rate expectations and the yield curve evolved. Duration and maturity exposures were managed tactically to capture attractive yields and selective capital-gain opportunities, while heightened geopolitical uncertainty later in the year warranted greater emphasis on liquidity and interest-rate risk management.

- Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

	Jun-26	Jun-25
Cash	14.50%	23.81%
TFCs / Sukuks	1.24%	0.00%
PIBs	39.36%	44.57%
T Bills	44.76%	30.56%
Other including receivables	0.13%	1.06%
Total	100.00%	100.00%

- Analysis of the Collective Investment Scheme's performance**

	Fund	Fund
Monthly Portfolio Turnover Ratio	11.41%	Macaulay's Duration
Information Ratio	-0.51	Modified Duration
Yield to Maturity (YTM)	11.24%	WAM (Yr)
		0.11

- Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)**

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	7,988	120.80
30-Jun-25	10,046	112.68

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**

JS Government Securities Fund, although falling under the category of income fund, mainly invests in government securities, as its name suggests. Other allowable investment avenues include money market placements, deposits, certificates of investments (COIs), term deposit receipts (TDR), reverse repo transactions, and any other securities or instruments approved under SECP rules, regulations, or directives from time to time.

- **Disclosure on distribution (if any), comprising: -**

- Particulars of income distribution or other forms of distribution made and proposed during the period; and
- Statement on effects on the NAV before and after distribution is made

Distribution

The fund has paid interim distribution of Rs. 0.59 per unit and a final distribution of Rs. 6.60 per unit. The cumulative distribution for FY26 is Rs. 7.19 per unit.

NAV per unit as on June 30, 2026

Cum NAV (PKR)	120.80
Ex-NAV (PKR)	120.80

- **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

There were no significant changes in the state of affairs during the year under review.

- **Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Government Securities Fund	0.0001	to	9,999.9999	39
	10,000.0000	to	49,999.9999	3
	50,000.0000	to	99,999.9999	1
	100,000.0000	to	499,999.9999	2
	500,000.0000	&	above	3
			Total	48

- **Disclosure on unit split (if any), comprising: -**

The Fund has not carried out any unit split exercise during the year.

- **Disclosure of circumstances that materially affect any interests of the unit holders**

Investment is subject to market risk.

- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following: -**

The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

Performance Table

JS Government Securities Fund

		Years			
		2026	2025	2024	2023
Net assets - Rupees in '000'	Rs.	7,987,769	10,045,552	6,110,409	2,415,636
Net income - Rupees in '000'	Rs.	728,919	1,401,765	1,237,463	241,418
Total return of the Fund	%	7.77	15.84	22.54	16.17
Total dividend distribution	%	0.59	12.82	22.79	6.63
Capital Growth	%	7.18	3.02	(0.25)	9.54
Average annual return					
- One Year	%	7.77	15.84	22.54	16.17
- Two Years	%	11.81	19.19	19.36	n/a
- Three Years	%	15.38	18.18	n/a	n/a
- Four Years	%	15.58	n/a	n/a	n/a
NAV per unit	Rs.	120.8001	112.6756	109.0618	108.7197
Year-end offer price per unit	Rs.	122.19	113.98	110.30	109.95
Highest offer price per unit	Rs.	123.31	118.14	120.54	113.61
Lowest offer price per unit	Rs.	113.72	110.27	109.95	101.17
Year-end repurchase price per unit	Rs.	120.80	112.68	109.06	108.72
Highest repurchase price per unit	Rs.	121.90	116.79	119.19	112.34
Lowest repurchase price per unit	Rs.	112.42	109.01	108.72	100.03
Distributions					
First interim distribution	Rs.	0.59	3.02	10.64	0.20
Announcement date		July 15, 2025	August 20, 2024	December 3, 2023	November 2, 2022
Second interim distribution	Rs.		1.20	1.67	1.18
Announcement date			September 11, 2024	January 5, 2023	December 29, 2022
Third interim distribution	Rs.		7.82	10.48	0.68
Announcement date			February 24, 2025	June 26, 2024	January 27, 2023
Fourth interim distribution	Rs.		0.78		0.46
Announcement date			June 25, 2025		May 26, 2023
Fifth interim distribution	Rs.				4.11
Announcement date					June 21, 2023
Final distribution	Rs.	6.60			
Announcement date		September 1, 2026			
Total distribution as % of par value	Rs.	7.19	12.82	22.79	6.63

Notes

- JS Government Securities Fund was launched on July 14, 2022.
- Units have par value of Rs. 100/- each.
- Investment portfolio composition of the Fund is disclosed in note 5 of the financial statements.

Disclaimer

- Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.



#MonetizeYourAssets

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

JS GOVERNMENT SECURITIES FUND

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

JS Government Securities Fund, an open-end scheme established under a trust deed executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan on November 05, 2019 whereas the date of execution of the Trust Deed was December 14, 2021.

1. JS Investments Limited, the Management Company of JS Government Securities Fund has, in all material respects, managed JS Government Securities Fund during the year ended June 30, 2026 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement.
2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and

Statement

No short coming has been addressed during the year ended June 30, 2026.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the short coming(s).

Disclosure of the steps

We have critically examined the fund in accordance with circular, directives, NBFC Regulations 2008 and its constitutive documents. However, no shortcoming has been addressed.

4. Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

D-11



#MonetizeYourAssets

Trustee Opinion

“The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents”.

Dabeer Khan

Manager Compliance

Digital Custodian Company Limited

Karachi: September 15, 2026

ONLINE

 +923-111-322-228

 digitalcustodian.co

     / digitalcustodian

LAHORE

LSE Plaza, 508

Kashmir Egerton Road

+92 42 3630 4406

KARACHI

Perdesi House

Old Queens Road

+92 21 3241 9770

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of JS Government Securities Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JS Government Securities Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movements in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the year then ended in accordance with 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 Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Following is the key audit matter:

S. No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 4 and 5 to the financial statements)	
	The bank balances and investments constitute the most significant components of the net asset value. The bank balances of the fund as at June 30, 2026 aggregated to Rs. 1,166.854 million and investments amounted to Rs. 6,869.692 million. The existence of bank balances and the existence and the proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others, included the following: - Obtained independent confirmations for verifying the existence of the investment portfolio and bank balances as at June 30, 2026 and traced the confirmed balances to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; - Re-performed the valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and - Obtained bank reconciliation statements and tested reconciling items on a sample basis.

M. A. F.

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

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

The Management Company (JS Investments Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Management Company and Board of Directors of Management Company for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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 Company.



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

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

We also provide 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.

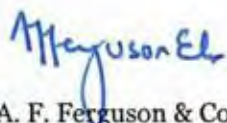
From the matters communicated with Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law 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, we further report that in our opinion:

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations 2008;
- b) proper books and records have been kept by the Collective Investment Scheme or the financial statements prepared are in agreement with the books and records of Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 25, 2026

UDIN: AR202610061wITp4onfV

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
Assets			
Bank balances	4	1,166,854,418	2,405,842,994
Investments	5	6,869,691,699	7,593,623,268
Profit receivable	6	8,584,593	105,928,690
Advance tax	7	1,577,781	487,039
Deferred formation cost	8	286,043	561,983
Total assets		8,046,994,534	10,106,443,974
Liabilities			
Payable to JS Investments Limited - Management Company	9	26,302,582	28,260,372
Payable to Digital Custodian Company Limited - Trustee	10	610,413	564,426
Payable to the Securities and Exchange Commission of Pakistan (SECP)	11	530,794	551,863
Accrued expenses and other liabilities	12	31,781,651	31,514,994
Total liabilities		59,225,440	60,891,655
Net assets		7,987,769,094	10,045,552,319
Unit holders' fund (as per statement attached)		7,987,769,094	10,045,552,319
Contingencies and commitments	13	----- (Number of units) -----	
Number of units in issue	14	66,123,855	89,154,672
		----- (Rupees) -----	
Net asset value per unit		120.80	112.68

The annexed notes from 1 to 30 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
Income			
Profit on:			
- Bank balances		59,863,421	99,410,315
- Government securities		992,060,525	1,128,504,439
- Debt securities		2,443,279	129,452
Realised (loss) / gain on sale of investments - net		(147,964,387)	298,156,190
Net unrealised (diminution) / appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss	5.6	(4,875,277)	74,143,611
Other income		628	-
Total income		901,528,189	1,600,344,007
Expenses			
Remuneration of JS Investments Limited - Management Company	9.1	131,923,644	111,510,872
Sindh sales tax on remuneration of the Management Company	9.2	19,788,546	16,726,631
Selling and marketing expenses		-	46,752,201
Remuneration of Digital Custodian Company Limited - Trustee	10.1	7,531,816	6,411,333
Sindh sales tax on remuneration of the Trustee	10.2	1,129,772	961,701
Fee to the Securities and Exchange Commission of Pakistan (SECP)	11.1	7,531,816	7,264,170
Auditors' remuneration	15	1,268,784	1,171,800
Mutual fund rating fee		432,773	211,025
PSX listing fee		109,250	34,500
SECP supervisory fee		9,500	3,000
Brokerage, settlement and bank charges		2,606,913	7,121,947
Printing and stationery charges		-	133,590
Amortisation of deferred formation cost	8	275,940	275,940
Total expenses		172,608,754	198,578,710
Net income for the year before taxation		728,919,435	1,401,765,297
Taxation	18	-	-
Net income for the year after taxation		728,919,435	1,401,765,297
Allocation of net income for the year			
Net income for the year after taxation		728,919,435	1,401,765,297
Income already paid on units redeemed		(457,065,460)	(564,517,180)
		271,853,975	837,248,117
Accounting income available for distribution			
- Relating to capital gain		-	372,299,801
- Excluding capital gain		271,853,975	464,948,316
		271,853,975	837,248,117

The annexed notes from 1 to 30 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	(Rupees)	
Net income for the year after taxation	728,919,435	1,401,765,297
Other comprehensive income for the year	-	-
Total comprehensive income for the year	728,919,435	1,401,765,297

The annexed notes from 1 to 28 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		728,919,435	1,401,765,297
Adjustments for:			
Profit on:			
- Bank balances		(59,863,421)	(99,410,315)
- Government securities		(992,060,525)	(1,128,504,439)
- Debt securities		(2,443,279)	(129,452)
Deferred formation cost		275,940	275,940
Realised loss / (gain) on sale of investments - net		147,964,387	(298,156,190)
Net unrealised diminution / (appreciation) on remeasurement of investments			
classified as financial assets at fair value through profit or loss	5.6	4,875,277	(74,143,611)
		(901,251,621)	(1,600,068,067)
Decrease / (increase) in assets			
Investments - net		4,173,189,645	(1,946,946,207)
Advance tax		(1,090,742)	-
		4,172,098,903	(1,946,946,207)
(Decrease) / increase in liabilities			
Payable to JS Investments Limited - Management Company		(1,957,790)	26,267,172
Payable to Digital Custodian Company Limited - Trustee		45,987	169,664
Payable to the Securities and Exchange Commission of Pakistan (SECP)		(21,069)	174,949
Accrued expenses and other liabilities		266,657	29,896,205
		(1,666,215)	56,507,990
Profit received on balances with banks and investments		1,151,711,322	1,132,420,005
Net cash generated from / (used in) from operating activities		5,149,811,823	(956,320,982)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance of units		21,855,213,806	54,597,013,634
Payment against redemption of units		(24,606,808,812)	(51,548,152,012)
Distribution during the year		(35,107,653)	(515,483,641)
Net cash generated from financing activities		(2,786,702,659)	2,533,377,981
Net increase in cash and cash equivalents during the year		2,363,109,164	1,577,056,999
Cash and cash equivalents at the beginning of the year		2,405,842,994	828,785,995
Cash and cash equivalents at end of the year	16	4,768,952,158	2,405,842,994

The annexed notes from 1 to 30 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF MOVEMENTS IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2026

	2026			2025		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees)					
Net assets at the beginning of the year	9,604,316,313	441,236,006	10,045,552,319	5,990,937,511	119,471,530	6,110,409,041
Issuance of units 186,576,563 (2025: 492,363,304)						
- Capital value (at net asset value per unit at the beginning of the year)	21,022,626,186	-	21,022,626,186	53,697,141,934	-	53,697,141,934
- Element of income	832,587,620	-	832,587,620	1,915,937,764	-	1,915,937,764
Total proceeds on issuance of units	21,855,213,806	-	21,855,213,806	55,613,079,698	-	55,613,079,698
Redemption of units 209,607,380 (2025: 459,235,648)						
- Capital value (at net asset value per unit at the beginning of the year)	(23,617,637,294)	-	(23,617,637,294)	(50,084,239,771)	-	(50,084,239,771)
- Element of loss	(532,106,059)	(457,065,460)	(989,171,519)	(899,395,061)	(564,517,180)	(1,463,912,241)
Total payments on redemption of units	(24,149,743,352)	(457,065,460)	(24,606,808,812)	(50,983,634,832)	(564,517,180)	(51,548,152,012)
Total comprehensive income for the year	-	728,919,435	728,919,435	-	1,401,765,297	1,401,765,297
- Interim distribution - July 15, 2025 @ Rs. 0.59/unit	-	(35,107,653)	(35,107,653)	-	-	-
- Interim distribution - August 20, 2024 @ Rs. 3.02/unit	-	-	-	-	(127,126,599)	(127,126,599)
Refund of capital on distribution	-	-	-	(260,993,614)	-	(260,993,614)
- Interim distribution- September 11, 2024 @ Rs. 1.20/unit	-	-	-	-	(75,970,836)	(75,970,836)
Refund of capital on distribution	-	-	-	(52,419,063)	-	(52,419,063)
- Interim distribution- February 24, 2025 @ Rs. 7.82/unit	-	-	-	-	(275,352,806)	(275,352,806)
Refund of capital on distribution	-	-	-	(678,696,866)	-	(678,696,866)
- Interim distribution- June 25, 2025 @ 0.78/unit	-	-	-	-	(37,033,400)	(37,033,400)
Refund of capital on distribution	-	-	-	(23,956,521)	-	(23,956,521)
Total distribution during the year		(35,107,653)	(35,107,653)	(1,016,066,064)	(515,483,641)	(1,531,549,705)
Net assets at end of the year	7,309,786,767	677,982,328	7,987,769,094	9,604,316,313	441,236,006	10,045,552,319
Undistributed income brought forward						
- Realised income		367,092,395			98,928,280	
- Unrealised income		74,143,611			20,543,250	
		441,236,006			119,471,530	
Accounting income available for distribution						
- Relating to capital gains		-			372,299,801	
- Excluding capital gains		271,853,975			464,948,316	
		271,853,975			837,248,117	
Distribution during the year		(35,107,653)			(515,483,641)	
Undistributed income carried forward		677,982,328			441,236,006	
Undistributed income carried forward						
- Realised income		682,857,605			367,092,395	
- Unrealised income		(4,875,277)			74,143,611	
		677,982,328			441,236,006	
			(Rupees)			(Rupees)
Net asset value per unit at the beginning of the year			112.68			109.06
Net asset value per unit at the end of the year			120.80			112.68

The annexed notes from 1 to 30 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** JS Government Securities Fund (the Fund) was established and registered under the Trust Deed and under section 16 of the Sindh Trusts Act, 2020 respectively executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was executed on December 30, 2021 in accordance with the requirement of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from July 14, 2022.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the Securities Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at The Centre, 19th Floor, Plot No.28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.

- 1.2** The Fund is an open end mutual fund categorised as “Income Scheme” and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units are offered for public subscription on continuous basis and are transferrable and can be redeemed by surrendering them to the Fund. As per the offering document, the objective of the Fund is to generate a competitive return with low risk, by investing primarily in Government Securities.
- 1.3** The Pakistan Credit Rating Agency (PACRA) has upgraded the credit rating of the Management Company to ‘AM1 with stable outlook’ dated November 05, 2025 (2025: ‘AM2++ with stable outlook’ dated November 30, 2024). PACRA reaffirmed the stability rating of “AA(f)” with stable outlook to the Fund.
- 1.4** Title to the assets of the Fund is held in the name of Digital Custodian Company Limited (DCCL) as Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

2.2 Standards, interpretations and amendments to the published accounting and reporting standards that are effective in current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund’s annual accounting period beginning on July 1, 2025. However, these are not considered to be relevant or do not have any material effect on the Fund’s financial statements and hence, therefore, have not been disclosed in these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2.3 Standards, interpretations and amendments to the published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) effective for annual periods beginning on or after January 1, 2027. IFRS 18 when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standard and amendments on the financial statements of the Fund.

2.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 3.1 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for certain investments which have been classified as 'at fair value through profit or loss' and which are measured at fair value. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 22.2.

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupee, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.1 Financial assets

3.1.1 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.

3.1.2 Classification and subsequent measurement

3.1.2.1 Debt instruments

IFRS 9 provides the criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVPL);

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.1.3 Cash and cash equivalent

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less.

3.1.4 Impairment (other than debt securities)

The Fund assesses on a forward-looking basis the expected credit losses (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.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.1.5 Impairment loss on debt securities

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

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

3.1.6 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.

3.1.7 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the "Income Statement".

3.2 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 values and subsequently stated at amortised cost using the effective interest method.

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

3.3 Offsetting of financial assets and financial liabilities

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

3.4 Provisions

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

3.5 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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

3.6 Net asset value per unit

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

3.7 Issue and redemption of units

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

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

3.8 Distributions to unit holders

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

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

3.9 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

Element of income / (loss) 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. Further, the element of income / (loss) is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend NAV of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders' fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.91 Revenue recognition

- Gains / (losses) arising on sale of investments classified as financial assets at 'fair value through profit or loss' are recognised in the "Income Statement" at the date on which the transaction takes place;
- Unrealised gains / (loss) arising on remeasurement 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.
- Income on government securities is recognised on a time proportionate basis using the effective yield method.
- Profit on balances with banks is recognised on an accrual basis using the effective yield method.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.92 Expenses

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

	2026	2025
Note	Rupees	Rupees

4 BANK BALANCES

In savings accounts

4.1	1,166,854,418	2,405,842,994
-----	----------------------	---------------

4.1 These include an amount of Rs. 0.085 million (2025: Nil) maintained with JS Bank Limited (a related party) which carries profit at the rate of 9.00% (2025: 9.00%). Other savings accounts of the Fund carry profit rates ranging from 9.00% to 10.00% (2025: 8.25% to 9.00%) per annum.

	2026	2025
Note	Rupees	Rupees

5 INVESTMENTS

At fair value through profit or loss

Market Treasury Bills

5.1	3,602,097,740	3,088,769,376
-----	----------------------	---------------

Pakistan Investment Bonds - Floater

5.2	-	237,600,000
-----	---	-------------

Pakistan Investment Bonds - Fixed

5.3	3,167,593,959	4,267,253,892
-----	----------------------	---------------

GoP Ijara Sukuks

5.4	-	-
-----	---	---

Corporate sukuk

5.5	100,000,000	-
-----	--------------------	---

6,869,691,699	7,593,623,268
----------------------	----------------------

5.1 Market Treasury Bills

Particulars	Issue Date	Maturity Date	Face value				Balance as at June 30, 2026			Market value as a percentage of	
			As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation	total investment of the Fund	net assets of the Fund
			(Rupees)							%	
Market Treasury Bills											
12 Months	April 17, 2025	April 17, 2026	500,000,000	3,200,000,000	3,700,000,000	-	-	-	-	-	
12 Months	May 2, 2025	May 2, 2026	1,250,000,000	-	1,250,000,000	-	-	-	-	-	
12 Months	May 29, 2025	May 29, 2026	-	100,000,000	100,000,000	-	-	-	-	-	
12 Months	May 15, 2025	May 15, 2026	1,125,000,000	-	1,125,000,000	-	-	-	-	-	
12 Months	June 12, 2025	June 12, 2026	500,000,000	1,000,000,000	1,500,000,000	-	-	-	-	-	
12 Months	October 31, 2024	October 31, 2025	-	225,000,000	225,000,000	-	-	-	-	-	
12 Months*	July 10, 2025	July 10, 2026	-	370,000,000	-	370,000,000	369,068,641	369,066,490	(2,151)	5.37	
Market Treasury Bills											
6 Months*	January 8, 2026	July 8, 2026	-	750,000,000	500,000,000	250,000,000	249,320,137	249,369,250	49,113	3.63	
6 Months	October 30, 2025	April 30, 2026	-	500,000,000	500,000,000	-	-	-	-	-	
Market Treasury Bills											
3 Months*	April 16, 2026	July 9, 2026	-	1,500,000,000	-	1,500,000,000	1,496,346,708	1,496,215,500	(131,208)	21.78	
3 Months*	May 14, 2026	August 6, 2026	-	2,000,000,000	1,000,000,000	1,000,000,000	988,588,275	988,708,000	119,725	14.39	
3 Months	August 21, 2025	November 21, 2025	-	500,000,000	500,000,000	-	-	-	-	-	
							3,103,323,761	3,103,359,240	35,479	45.17	38.85

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Particulars	Issue Date	Maturity Date	Face value				Balance as at June 30, 2026			Market value as a percentage of	
			As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation	total investment of the Fund	net assets of the Fund
			(Rupees)							%	
Balance brought forward											
Market Treasury Bills											
1 Month	December 11, 2025	January 11, 2026	-	500,000,000	500,000,000	-	-	-	-	-	-
1 Month	October 16, 2025	November 16, 2025	-	25,000,000	25,000,000	-	-	-	-	-	-
1 Month	September 18, 2025	October 18, 2025	-	125,000,000	125,000,000	-	-	-	-	-	-
1 Month*	June 11, 2026	July 11, 2026	-	500,000,000	-	500,000,000	498,736,800	498,738,500	1,700	7.26	6.24
1 Month	May 14, 2026	June 14, 2026	-	1,500,000,000	1,500,000,000	-	-	-	-	-	-
1 Month	April 16, 2026	May 16, 2026	-	2,500,000,000	2,500,000,000	-	-	-	-	-	-
Total as at June 30, 2026							3,602,060,561	3,602,097,740	37,179	52.43	45.09
Total as at June 30, 2025							3,079,497,003	3,088,769,376	9,272,373		

5.2 Pakistan Investment Bonds - Floater

Particulars	Issue Date	Maturity date	Profit rate	Face value				Balance as at June 30, 2025			Market value as a percentage of	
				As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	total investments of the Fund	net assets of the Fund
				-----%	(Rupees)							-----%
Pakistan Investment Bonds:												
10 Years (FLOATER)	December 12, 2024	December 12, 2034	11.50%	250,000,000	-	250,000,000	-	-	-	-	-	
Total as at June 30, 2026								-	-	-	-	
Total as at June 30, 2025								231,502,213	237,600,000	6,097,787		

5.3 Pakistan Investment Bonds - Fixed

Particulars	Issue Date	Maturity date	Profit rate	Face value				Balance as at June 30, 2026			Market value as a percentage of	
				As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation	total investments of the Fund	net assets of the Fund
				(Rupees)							%	
Pakistan Investment Bonds:												
2 Years *	September 20, 2024	September 20, 2026	-	500,000,000	2,750,000,000	-	3,250,000,000	3,172,506,416	3,167,593,959	(4,912,457)	46.11	39.66
2 Years	January 16, 2025	January 16, 2027	-	1,750,000,000	4,500,000,000	6,250,000,000	-	-	-	-	-	-
Pakistan Investment Bonds:												
3 Years	January 16, 2025	January 16, 2028	12.00%	-	250,000,000	250,000,000	-	-	-	-	-	-
3 Years	September 20, 2024	September 20, 2027	14.00%	-	1,500,000,000	1,500,000,000	-	-	-	-	-	-
Pakistan Investment Bonds:												
5 Years	September 20, 2024	September 20, 2029	14.00%	1,400,000,000	3,275,000,000	4,675,000,000	-	-	-	-	-	-
5 Years	July 17, 2025	July 17, 2030	11.00%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
5 Years	January 15, 2026	January 15, 2031	12.25%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
5 Years	January 16, 2025	January 16, 2030	12.00%	800,000,000	800,000,000	1,600,000,000	-	-	-	-	-	-
Total as at June 30, 2026								3,172,506,416	3,167,593,959	(4,912,457)	46.11	39.66
Total as at June 30, 2025								4,208,480,441	4,267,253,892	58,773,451		

* This will mature latest by September 20, 2026 and carry effective yield 10.89% per annum.

5.4 Government of Pakistan (GoP) Ijara Sukuks

Particulars	Issue Date	Maturity date	Profit rate	Face value				Balance as at June 30, 2026			Market value as a percentage of	
				As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation	total investment of the Fund	net assets of the Fund
				(Rupees)								
GOP Ijara Sukuks												
5 Years	December 15, 2021	December 15, 2026	11.40%	-	500,000,000	500,000,000						
3 Years	June 26, 2023	June 26, 2026	18.49%	-	600,000,000	600,000,000						
3 Years	June 26, 2023	June 26, 2026	18.49%	-	850,000,000	850,000,000						
Total as at June 30, 2026												
Total as at June 30, 2025												

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

5.5 Corporate sukuk

Name of the investee company	Issue date	Maturity Date	Rating	Profit rate	Face value				Balance as at June 30, 2026			Market value as percentage of	
					As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation	total investments of the Fund	net assets of the Fund
					Rupees							%	
Burj Clean Energy Modaraba II	April 23, 2026	October 23, 2026	A1, VIS	6 months KIBOR + 1.5%	-	100,000,000	-	100,000,000	100,000,000	100,000,000	-	1.46	1.25
Total as at June 30, 2026									100,000,000	100,000,000	-		
Total as at June 30, 2025									-	-	-		

Note 2026 2025
Rupees

5.6 Unrealised (diminution) / appreciation on remeasurement of investments classified as financial 'assets 'at fair value through profit or loss'

Market value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	6,869,691,699	7,593,623,268
Less: carrying value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	(6,874,566,976)	(7,519,479,657)
		(4,875,277)	74,143,611

6 PROFIT RECEIVABLE

Profit receivable on:			
-Bank balances	6.1	6,060,193	5,605,660
-Government securities		2,524,400	100,323,030
		8,584,593	105,928,690

6.1 These include an amount of Rs. 0.003 million receivable from JS Bank Limited (a related party).

Note 2026 2025
Rupees

7 ADVANCE TAX

Advance tax	7.1	1,577,781	487,039
-------------	-----	------------------	---------

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on profit on bank deposits paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The tax withheld on profit on debt securities and profit on bank balances amounts to Rs. 1.578 million (2025: Rs. 0.487 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on debt securities and profit on bank deposits has been shown as other receivables as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	Rupees	Rupees
8 DEFERRED FORMATION COST			
Deferred formation cost	8.1	561,983	837,923
Less: amortisation during the year		(275,940)	(275,940)
		<u>286,043</u>	<u>561,983</u>

8.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund and are being amortised over a period of five years which commenced from July 14, 2022 as per the requirements set out in the Trust Deed of the Fund.

Fund and are being amortised over a period of five years commencing from July 14, 2022 as per the requirements set out in the

Trust Deed of the Fund.

		2026	2025
	Note	Rupees	Rupees
9 PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY			
Remuneration payable to Management Company	9.1	22,871,811	21,467,144
Sindh sales tax payable on management remuneration	9.2	3,430,771	3,220,072
Sales load payable		-	2,518
Payable against selling and marketing expenses		-	3,450,000
Payable against printing and stationery		-	120,638
		<u>26,302,582</u>	<u>28,260,372</u>

9.1 As per Regulation 61 of NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document and subject to the capping of 1.5% for alternative investment scheme categorised as a "Income Scheme". Keeping in view the maximum allowable threshold, the Management Company has charged 1.5% (2025: 1.5%) per annum of average daily net assets of the Fund during the year ended June 30, 2026. The remuneration is payable to the Management Company in arrears.

9.2 Sindh sales tax is levied at the rate of 15% (2025: 15%) under the Sindh Sales Tax on Services Act, 2011 on the Management Company's remuneration and any reimbursable expenditure to the Management Company.

		2026	2025
	Note	Rupees	Rupees
10 PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE			
Trustee remuneration payable	10.1	530,794	490,805
Sindh sales tax payable on trustee remuneration	10.2	79,619	73,621
		<u>610,413</u>	<u>564,426</u>

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% (2025: 0.075%) per annum on the average annual net assets of the Fund calculated on a daily basis.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- 10.2** Sindh sales tax on remuneration of the Trustee levied through the Sindh Sale Tax Act on Services, 2011 has been charged at the rate of 15% (2025: 15%).

		2026	2025
	Note	Rupees	Rupees
11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Fee payable	11.1	530,794	551,863

- 11.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% per annum (2025: 0.075%) of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

		2026	2025
		Rupees	Rupees
12 ACCRUED EXPENSES AND OTHER LIABILITIES			
Brokerage payable		7,278	239,773
Auditors' remuneration payable		722,520	722,520
Sales load payable		269,463	-
Capital gain tax payable		30,487,419	29,260,511
Other payable		294,971	1,292,190
		<u>31,781,651</u>	<u>31,514,994</u>

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.

		2026	2025
	Note	Number of units	Number of units
14 NUMBER OF UNITS IN ISSUE			
Units in issue at the beginning of the year		89,154,672	56,027,016
Units issued during the year		186,576,563	492,363,304
Units redeemed during the year		(209,607,380)	(459,235,648)
Total units in issue as at the end of the year		<u>66,123,855</u>	<u>89,154,672</u>
		2026	2025
		Rupees	Rupees

15 AUDITORS' REMUNERATION

Annual audit fee and interim review fee	918,000	850,000
Other certifications	150,000	150,000
Out of pocket expenses	106,800	85,000
Sindh sales tax	93,984	86,800
	<u>1,268,784</u>	<u>1,171,800</u>

16 CASH AND CASH EQUIVALENTS

Bank balances	1,166,854,418	2,405,842,994
Market Treasury Bills	3,602,097,740	-
	<u>4,768,952,158</u>	<u>2,405,842,994</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

17 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the fund as at June 30, 2026 based on the current year results is 3.48% (2025: 4.62%), which includes 0.52% (2025: 0.54%) representing government levies such as sales taxes and SECP fee, etc.

During the year ended June 30, 2025, the Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 600(I)/2025 dated April 10, 2025, amended the previously applicable Total Expense Ratio (TER) caps. Effective July 1, 2025, this amendment replaced the earlier TER-based cap structure with a direct cap on the management fee, irrespective of the scheme's overall expense ratio. The revised management fee limits are disclosed in note 9.1 to these financial statements.

18 TAXATION

The income of the Fund is exempt from income tax under clause (99) of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 intends to distribute the required minimum percentage of income earned by the Fund for the year ended June 30, 2026 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during 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 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include JS Investments Limited (JSIL) being the Management Company of the Fund, Digital Custodian Company Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Management Company - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20 % shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL - 75.12% shares are held by JS Bank Limited, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL - 92.90% shares are held by JS Bank Limited and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other Funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund. It also includes staff retirement benefit Funds of the above related parties / connected persons.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration of the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Offering Document.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Details of transactions and balances with related parties / connected persons during the year are as follows:

	Note	2026 Rupees	2025
19.1 Transactions during the year			
JS Investments Limited (Management Company)			
Remuneration to JS Investments Limited - Management Company		131,923,644	111,510,872
Sindh sales tax on Management Company's Remuneration		19,788,546	16,726,631
Sales load		-	321,797
Printing and stationery		-	133,590
Selling and marketing expenses		-	46,752,201
Issue of units: 9,141,217 (2025: 20,163,150) units		1,039,277,117	2,571,665,125
Refund of capital: 27,030 (2025: 31,581) units		3,045,741	3,550,337
Dividend reinvest: 2,583 (2025: 645,516) units		410,004	645,516
Redemption of units: 14,586,018 (2025: 14,783,851) units		1,685,213,310	1,975,106,515
Digital Custodian Company Limited (Trustee)			
Remuneration of the Digital Custodian Company Limited - Trustee		7,531,816	6,411,333
Sindh sales tax on remuneration of the Trustee		1,129,772	961,701
JS Fund of Funds (Fund under JSIL Management)			
Issuance of: Nil (2025: 2,454,994) units		-	271,129,531
Redemption of: Nil (2025: 2,454,994) units		-	274,468,323
Jahangir Siddiqui & Company Limited (Ultimate Parent Company - JSIL)			
Issuance of: Nil (2025: 123,805) units		-	13,847,704
Issue dividend reinvest: Nil (2025: 29) units		-	3,282
Dividend paid: Nil (2025: 123,805) units		-	93,285
Redemption of: Nil (2025: 123,834) units		-	13,943,681
EFU Life Assurance Limited (Common Directorship of Ultimate Parent Company)			
Issue of units: 127,868 (2025: 2,803,715)		14,408,205	306,338,539
Redemption of units: Nil (2025: 4,353,126)		-	500,000,000
JS Bank Limited (Parent Company of JSIL)			
Profit on bank balances		3,403	-
Transactions during the year			
Unit holders holding more than 10% of units			
Issuance of: 115,617,799 (2025: 266,101,085) units		13,551,102,826	30,197,478,896
Refund of capital: 107,683 (2025: 6,444,459) units		12,133,744	703,399,382
Dividend reinvested: 138,160 (2025: 1,406,910) units		1,633,389	156,656,802
Redemption of: 102,536,553 (2025: 257,510,386) units		12,079,932,276	28,845,373,134
Key management personnel of the Management Company			
Issuance of: 36,954 (2025: 85,338) units		4,183,245	9,710,474
Refund of capital: Nil (2025: 2,425) units		-	265,116
Dividend reinvest: Nil (2025: 729) units		-	106,163
Redemption of: 69,359 (2025: 56,091) units		8,025,093	6,314,255
19.2 Amounts / balances outstanding as at year end			
JS Investments Limited (Management Company)			
Remuneration payable to Management Company		22,871,811	21,467,144
Sindh sales tax payable on Management Company's remuneration		3,430,771	3,220,072
Sales load payable		-	2,518
Payable against selling and marketing expenses		-	3,450,000
Payable against printing and stationery		-	120,638
Units held: Nil (2025: 5,415,186)		-	610,183,212

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	Rupees	
Digital Custodian Company Limited (Trustee)		
Trustee remuneration payable	530,794	490,805
Sindh sales tax payable on trustee remuneration	79,619	73,621
JS Bank Limited (Parent Company of JSIL)		
Bank balances	85,192	-
Profit receivable on bank balance	3,082	-
EFU Life Assurance Limited (Common Directorship of Ultimate Parent Company)		
Units held: 24,548,555 (2025: 24,420,687)	2,965,465,438	2,751,722,967
Unit holders holding more than 10% of units		
Units held: 50,091,222 (2025: 36,764,132)	7,383,557,457	4,212,434,295
Key management personnel of the Management Company		
Units held: Nil (2025: 32,405)	-	3,651,477

20 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2026		
	At amortised cost	At fair value through profit or loss	Total
	Rupees		

Financial assets

Bank balances	1,166,854,418	-	1,166,854,418
Investments	-	6,869,691,699	6,869,691,699
Profit receivable	8,584,593	-	8,584,593
	<u>1,175,439,011</u>	<u>6,869,691,699</u>	<u>8,045,130,710</u>

Financial liabilities

Payable to JS Investments Limited - Management Company	26,302,582	-	26,302,582
Payable to Digital Custodian Company Limited - Trustee	610,413	-	610,413
Accrued expenses and other liabilities	1,294,232	-	1,294,232
	<u>28,207,227</u>	<u>-</u>	<u>28,207,227</u>

Particulars	2025		
	At amortised cost	At fair value through profit or loss	Total
	Rupees		

Financial assets

Bank balances	2,405,842,994	-	2,405,842,994
Investments	-	7,593,623,268	7,593,623,268
Profit receivable	105,928,690	-	105,928,690
	<u>2,511,771,684</u>	<u>7,593,623,268</u>	<u>10,105,394,952</u>

Financial liabilities

Payable to JS Investments Limited - Management Company	28,260,372	-	28,260,372
Payable to Digital Custodian Company Limited - Trustee	564,426	-	564,426
Accrued expenses and other liabilities	2,254,483	-	2,254,483
	<u>31,079,281</u>	<u>-</u>	<u>31,079,281</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

21.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the 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 the regulations laid down by the Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, yield / interest rate risk and price risk.

21.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

21.1.2 Yield / Interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest / profit rates. As of June 30, 2026, the Fund is exposed to such risk on its balances held with banks, market treasury bills and Pakistan investment bonds. The Investment Committee of the Fund reviews the portfolio of the fund on a regular basis to ensure that the risk is managed within the acceptable limits.

Sensitivity analysis for variable rate instruments

As at June 30, 2026, the Fund holds balances with banks and Pakistan Investment Bonds (floaters), corporate sukuk amounting to Rs. 1,266.854 million (2025: Rs. 2,643.44 million) exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net assets of the Fund and net income for the year would have been higher / lower by Rs. 12.67 million (2025: Rs. 26.43 million).

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

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

On-balance sheet financial instruments

Financial assets

Bank balances	10.00%	1,166,854,418	-	-	-	1,166,854,418
Investments	11.00% - 18.49%	6,769,691,699	-	100,000,000	-	6,869,691,699
Profit receivable		-	-	-	8,584,593	8,584,593
Deposits		7,936,546,117	-	100,000,000	8,584,593	8,045,130,710

Financial liabilities

Payable to JS Investments Limited - Management Company	-	-	-	26,302,582	26,302,582
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	610,413	610,413
Accrued expenses and other liabilities	-	-	-	1,294,232	1,294,232
Sub total	-	-	-	28,207,227	28,207,227

On-balance sheet gap (a)

7,936,546,117	-	100,000,000	(19,622,634)	8,016,923,483
---------------	---	-------------	--------------	---------------

Off-balance sheet financial instruments

-	-	-	-	-
---	---	---	---	---

On-balance sheet gap (b)

-	-	-	-	-
---	---	---	---	---

Total interest rate sensitivity gap (a + b)

7,936,546,117	-	100,000,000	(19,622,634)	8,016,923,483
---------------	---	-------------	--------------	---------------

On-balance sheet financial instruments

Financial assets

Financial assets					
	Effective yield / interest rate	Exposure to interest rate risk			
		Upto three months	More than three months and up to one year	More than one year	Total
Bank balances	8.25% - 9.00%	2,405,842,994	-	-	2,405,842,994
Investments	10.54% - 12.46%	816,837,862	4,846,040,208	1,930,745,198	7,593,623,268
Profit receivable		-	-	-	105,928,690
		3,222,680,856	4,846,040,208	1,930,745,198	10,105,394,952

Financial liabilities

Payable to JS Investments Limited - the Management Company	-	-	-	28,260,372	28,260,372
Payable to Digital Custodian Company Limited - Trustee	-	-	-	564,426	564,426
Accrued and other liabilities	-	-	-	2,254,483	2,254,483
	-	-	-	31,079,281	31,079,281

On-balance sheet gap

3,222,680,856	4,846,040,208	1,930,745,198	74,849,409	10,074,315,671
---------------	---------------	---------------	------------	----------------

Off-balance sheet financial instruments

-	-	-	-	-
---	---	---	---	---

Off-balance sheet gap (b)

-	-	-	-	-
---	---	---	---	---

Total profit rate sensitivity gap (a+b)

3,222,680,856	4,846,040,208	1,930,745,198	74,849,409	10,074,315,671
---------------	---------------	---------------	------------	----------------

Total interest rate sensitivity gap (a + b)

7,936,546,117	-	100,000,000	(19,622,634)	8,016,923,483
---------------	---	-------------	--------------	---------------

21.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of June 30, 2026.

21.2 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 obligations as it falls due.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

21.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk:

	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
----- Rupees -----				
Bank balances	1,166,854,418	1,166,854,418	2,405,842,994	2,405,842,994
Investments	6,869,691,699	100,000,000	7,593,623,268	-
Profit receivable	8,584,593	8,584,593	105,928,690	5,605,660
	8,045,130,710	1,275,439,011	10,105,394,952	2,411,448,654

The difference between the balance as per the statement of assets and liabilities and the maximum exposure to credit risk arises because investments in Government Securities amounting to Rs. 6,769 million (2025: Rs. 7,593 million) are not exposed to credit risk, whereas investments in corporate sukuk amounting to Rs. 100 million (2025: Nil) and related profit receivable of Rs. 8.6 million (2025: Rs. 5.6 million) are exposed to credit risk.

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired either at June 30, 2026 and June 30, 2025.

21.2.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon, credit exposure arising as a result of investment in term finance certificates and sukuk certificates and profit accrued thereon.

Bank balances

The Fund held bank balances at June 30, 2026 with banks having following credit ratings:

Name of bank	2026		
	Rating agency	Latest available published rating	% of financial assets exposed to credit risk
Bank Al Habib Limited*	PACRA	AAA	-
United Bank Limited*	VIS	AAA	-
Habib Bank Limited	VIS	AAA	99.97%
Allied Bank Limited*	PACRA	AAA	-
Bank of Punjab Limited	PACRA	AAA	0.02%
JS Bank Limited	PACRA	AA	0.01%
			100.00%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Name of bank	2025		
	Rating agency	Latest available published rating	% of financial assets exposed to credit risk
United Bank Limited*	VIS	AAA	-
Bank of Punjab Limited	PACRA	AA+	0.01%
Allied Bank Limited*	PACRA	AAA	-
Bank Al Habib Limited*	PACRA	AAA	-
Habib Bank Limited	VIS	AAA	99.99%
			<u>100.00%</u>

*Nil figures due to rounding off.

Above rates are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2026.

21.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse creditworthy counterparties thereby mitigating any significant concentrations of credit risk.

21.2.4 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund.

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

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current year.

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Financial liabilities

Payable to JS Investments Limited -
the Management Company
Payable to Digital Custodian
Company Limited - Trustee
Accrued and other liabilities

2026						
Within one 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	Total
(Rupees)						

26,302,582	-	-	-	-	-	26,302,582
610,413	-	-	-	-	-	610,413
302,249	722,520	-	-	-	-	1,024,769
27,215,244	722,520	-	-	-	-	27,937,764

Financial liabilities

Payable to JS Investments Limited -
the Management Company
Payable to Digital Custodian
Company Limited - Trustee
Accrued and other liabilities

2025						
Within one 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	Total
(Rupees)						

28,260,372	-	-	-	-	-	28,260,372
564,426	-	-	-	-	-	564,426
1,531,963	722,520	-	-	-	-	2,254,483
30,356,761	722,520	-	-	-	-	31,079,281

22 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 on 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.

22.1 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).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

As at June 30, 2026 and June 30, 2025, the Fund held the following financial instruments measured at fair values:

	2026			
	Level 1	Level 2	Level 3	Total
	Rupees			
Financial assets 'at fair value through profit or loss'				
Investments				
Market Treasury Bills	-	3,602,097,740	-	3,602,097,740
Pakistan Investment Bonds - Fixed	-	3,167,593,959	-	3,167,593,959
Corporate sukuk	-	100,000,000	-	100,000,000
	-	6,869,691,699	-	6,869,691,699
	2025			
	Level 1	Level 2	Level 3	Total
	Rupees			
Financial assets 'at fair value through profit or loss'				
Investments				
Market Treasury Bills	-	3,088,769,376	-	3,088,769,376
Pakistan Investment Bonds - Fixed	-	237,600,000	-	237,600,000
Corporate sukuk	-	4,267,253,892	-	4,267,253,892
	-	7,593,623,268	-	7,593,623,268

During the year ended June 30, 2026, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

22.2 Valuation technique used in determination of fair values is as follows:

Item	Valuation approach and input used
Market Treasury Bills and Pakistan Investment Bonds - Fixed Rate	The valuation has been derived from PKRV rates. The PKRV rates are announced by FMA (Financial Market Association) through MUFAP.
Pakistan Investment Bonds - Floating Rate	The valuation has been derived from PKFRV rates. The PKFRV rates are announced daily by FMA (Financial Market Association) through MUFAP.
Corporate sukuk	The valuation of unlisted corporate sukuks has been determined from MUFAP debt valuation sheet as on the reporting date. The closing rates are announced by MUFAP daily on its website.

23 PATTERN OF UNIT HOLDING

Category	2026			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Individuals	40	104,606	12,636,415	0.16%
Associated Companies and Directors	2	24,548,556	2,965,468,020	37.12%
Others	6	41,470,693	5,009,664,659	62.72%
	48	66,123,855	7,987,769,094	100%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Category	2025			
	Number of unit holders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Individuals	52	4,978,130	560,913,785	5.58%
Associated Companies and Directors	2	24,453,087	2,755,262,408	27.43%
Others	9	59,723,455	6,729,376,126	66.99%
	63	89,154,672	10,045,552,319	100%

24 DETAILS OF MEMBERS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

S.No.	Name	Designation	Experience in years	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	25	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer & Company Secretary	34	MBA
3	Ms. Samina Faisal	Country Head Business Development	35	MBA
4	Mr. Syed Husain Haider	Chief Investment Officer	24	CFA / CIPM
5	Mr. Safdar Raza	Vice President - Fixed Income Funds	10	B.COM

24.1 Name and qualification of the Fund Manager

Name	Designation	Qualification	Other funds managed by the Fund Manager
Mr. Safdar Raza	Vice President - Fixed Income Funds	B.Com.	JS Cash Fund, JS Money Market Fund, JS Fixed Term Munafa Fund, JS Income Fund, JS Microfinance Sector Fund, JS Islamic Income Fund, JS Pension Savings Fund, JS Islamic Pension Savings Fund, JS KPK Pension Fund, JS KPK Islamic Pension Fund, JS Punjab Islamic Pension Fund, JS Punjab Pension Fund

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

2026	
Name of broker	Percentage of commission paid
Bright Capital Private Limited	25.80%
C & M Management (Pvt) Limited	37.12%
Continental Exchange (Private) Limited	2.84%
Currency Market Associates (Pvt.) Limited	21.06%
KTrade Securities Limited	2.97%
Pearl Securities Limited	0.64%
Sherman Securities Private Limited	1.32%
Summit Capital (Pvt.) Ltd	3.82%
Vector Capital (Pvt) Limited	4.43%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025	
Name of broker	Percentage of commission paid
C & M Management (Pvt) Limited	23.58%
Alfalah Securities (Pvt) Limited	22.10%
KTrade Securities Limited	11.21%
Pearl Securities Limited (PSL)	10.86%
Summit Capital (Pvt) Limited	7.14%
Currency Market Associates (Pvt.) Ltd	5.02%
BMA Capital Management Limited	4.30%
Optimus Markets (Pvt) Limited	3.98%
Vector Capital (Pvt) Limited	3.64%
Invest One Markets Limited	2.99%

26 MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year:

S.No.	Name of Directors	Meetings attended	Meetings held on				
			August 19, 2025	October 21, 2025	January 09, 2026	February 20, 2026	April 23, 2026
1	Mr. Suleman Lalani	5	✓	✓	✓	✓	✓
2	Ms. Iffat Zehra Mankani	5	✓	✓	✓	✓	✓
3	Mr. Hasan Shahid	5	✓	✓	✓	✓	✓
4	Ms. Aisha Fariel Salahuddin*	2	✓	✓	✗	✗	✗
5	Ms. Mediha Kamal Afsar***	4	✓	✓	✗	✓	✓
6	Mr. Faisal Anwar	5	✓	✓	✓	✓	✓
7	Mr. Farooq Ahmed Malik*	2	✓	✓	✗	✗	✗
8	Syed Kazim Raza***	4	✓	✓	✗	✓	✓
9	Mr. Ahsan Jamal**	3	✗	✗	✓	✓	✓
10	Ms. Maria Mittermair**	3	✗	✗	✓	✓	✓
			8	8	6	8	8

* Ms. Aisha Fariel Salahuddin and Mr. Farooq Ahmed Malik completed their term as directors on December 25, 2025.

** Mr. Ahsan Jamal and Ms. Maria Mittermair were elected as directors of the Company w.e.f. December 26, 2025.

***Ms. Mediha Kamal Afsar and Syed Kazim Raza were on leave of absence in the 184th Board meeting held on January 9, 2026

27 UNIT HOLDER'S FUND RISK MANAGEMENT

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

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

- Monitors the level of daily issuance and redemptions relative to liquid assets;
- Redeems and issues units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions as allowed under the rules and regulations; and
- Monitors portfolio allocations and return on net assets and where required makes necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitors capital of the Fund on the basis of the value of net assets attributable to the unit holders and tracks the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors are updated about the Fund's yield and movement of net asset value and total size at the end of each quarter.

In accordance with the NBFC Regulations, the Fund is required to distribute at least ninety percent of its income from sources other than capital gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund has maintained minimum size of one hundred million rupees at all times during the year.

28 NON-ADJUSTING EVENT AFTER REPORTING PERIOD

The Board of Directors of the Management Company in the meeting held on August 13, 2026, approved a final dividend of Rs 6.60 per unit amounting to Rs 405.58 million. The financial statements of the Fund for the year ended June 30, 2026 do not include the effect of this distribution which will be accounted for in the financial statements of the Fund for the year ending June 30, 2027.

29 GENERAL

29.1 Rounding off

Figures have been rounded off to the nearest rupee, unless otherwise stated.

30 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 23, 2026 by the Board of Directors of the Management Company.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**

19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.

- **Wealth Centre**

Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi

- **Regional Office - Islamabad**

Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.

- **Regional Office - Lahore**

1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Lahore**

Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Peshawar**

Ground Floor, Shop #10-A,
Fakhr e Alam Road, Super Market, Peshawar

☎ 0800-00887 ✉ "Invest to 8027" ✉ ir@jsil.com 🌐 www.jsil.com

📘 www.facebook.com/jsinvestments 🐦 http://twitter.com/JSInvestment

🌐 http://www.linkedin.com/company/js-investment-limited



QR Code for
website access

**JS PENSION SAVINGS FUND
ANNUAL REPORT 2026**

GROWING STRONGER.

**SCALING
SMARTER**

CONTENT AT A GLANCE

COMPANY INFORMATION

01

Company Information	02
Vision	03
Mission	
Directors' Report to the Participants	04
Fund Manager's Report	12
Trustee Report to the Participants	15
Independent Auditors' Report to the Participants	16

FINANCIAL STATEMENTS

02

Statement of Assets And Liabilities	20
Statement of Income	22
statement of Comprehensive Income	24
statement of Movement in Participants Sub-Funds	26
Statement of Cash Flows	28
Notes to and Forming Part of the Financial Statements	30

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani
Non-Executive Director / Chairman

Ms. Iffat Zehra Mankani
Chief Executive Officer

Mr. Hasan Shahid
Non-Executive Director

Syed Kazim Raza
Non-Executive Director

Mr. Atif Salim Malik**
Non-Executive Director

Ms. Maria Mittermair
Independent Director

Ms. Mediha Kamal Afsar
Independent Director

Mr. Ahsan Jamal
Non-Executive Director

Mr. Faisal Anwar*
Non-Executive Director

Chief Executive Officer
Ms. Iffat Zehra Mankani

Chief Financial Officer
Mr. Raheel Rehman

Chief Investment Officer
Syed Hussain Haider

Chief Operating Officer & Company Secretary
Mr. Muhammad Khawar Iqbal

Statutory Auditors
A.F. Ferguson Co Chartered Accountants

Legal Advisors
Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee
Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Ms. Maria Mittermair

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

* Mr. Faisal Anwar resigned from the board on April 27, 2026.

** Mr. Atif Salim Malik joined the board on May 07, 2026.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.

MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.



DIRECTORS' REPORT TO THE PARTICIPANTS

The Board of Directors of JS Investments Limited, the Pension Fund Manager of **JS Pension Savings Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2026.

ECONOMIC REVIEW

FY2026 marked a further strengthening of Pakistan's macroeconomic foundations despite a more challenging external environment. The resurgence of geopolitical tensions in the Middle East temporarily disrupted the disinflation process and heightened external uncertainty; however, continued policy discipline, progress under the IMF-supported reform programme and improving investor confidence helped preserve macroeconomic stability and reinforce policy credibility through the year.

Real GDP growth accelerated to 3.7%, the strongest pace in four years, supported by a broad-based recovery in manufacturing and services. While inflation reaccelerated toward year-end amid higher global energy prices, average inflation remained contained at 7.1%. Fiscal consolidation continued, supported by stronger revenue collection and an improved primary balance, while record remittances, reserve accumulation and renewed access to international capital markets strengthened the external position despite a widening trade deficit.

The year also witnessed a further improvement in Pakistan's sovereign credit profile, with international rating upgrades reinforcing the progress achieved under the macroeconomic adjustment agenda and supporting renewed access to global capital markets. While these developments provide a firmer macroeconomic foundation, the challenge ahead extends beyond preserving stability. Sustaining higher long-term growth will require continued reform implementation, stronger private-sector investment, productivity enhancement and a gradual transition from stabilization-led recovery to a more competitive, investment- and export-oriented economy.

EQUITY MARKET REVIEW

Pakistan's equity market delivered another year of exceptional performance in FY2026, demonstrating remarkable resilience despite heightened geopolitical uncertainty during the latter part of the year. As concerns over regional tensions gradually gave way to improving confidence in the domestic macroeconomic outlook, investors increasingly focused on strengthening economic fundamentals, policy continuity and improving sovereign credit perceptions. Against this backdrop, the KSE-100 Index advanced 44% to close at 180,302 points, while the KSE-30 Total Return and KMI-30 indices also generated robust returns, reinforcing Pakistan's position among the region's strongest-performing equity markets.

Market participation strengthened meaningfully during the year, reflected in a notable increase in trading volumes and turnover, alongside a revival in primary market activity. These developments point to improving investor confidence and a gradual deepening of domestic capital markets. Sector performance remained broad-based, with financials, cyclicals and selected industrial sectors leading the advance as investors positioned for an improving macroeconomic environment.

Flow dynamics continued to highlight an important structural shift in market ownership. Persistent foreign selling was comfortably absorbed by domestic investors, reaffirming the increasingly dominant role of local liquidity in shaping market direction. This growing depth of the domestic investor base has enhanced the market's resilience to external shocks while providing a more stable foundation for long-term capital formation.

The medium-term outlook for the equity market remains favourable. Continued resilience in corporate earnings, strengthening macroeconomic fundamentals and supportive valuations provide a solid foundation for market performance, although the pace of further gains will continue to be influenced by the external environment.

INCOME / MONEY MARKET REVIEW

Domestic fixed income markets moved through two distinct phases during FY2026. The year began with contained inflation and continued monetary easing, with the State Bank of Pakistan reducing the policy rate by 50 basis points to 10.5% in December. However, higher global energy prices following renewed Middle East tensions altered the inflation outlook, prompting a 100-basis point increase in the policy rate to 11.5% in April.

Government security yields initially benefited from the improving inflation outlook before repricing higher as geopolitical tensions intensified, and subsequently partially retraced as tensions eased and oil prices moderated. The 3-month, 12-month and 5-year benchmark yields closed the year at 11.60%, 11.60% and 11.80%, respectively. The relatively contained adjustment in longer-tenor yields suggested that investors continued to view the inflation shock as largely transitory rather than structural.

The outlook for domestic fixed income remains broadly constructive. A gradual normalization in inflation should provide scope for monetary conditions to ease over time, although the pace of any future policy adjustment will remain contingent upon sustained geopolitical de-escalation, continued fiscal discipline and inflation converging toward the SBP's medium-term target range. Against this backdrop, duration positioning is expected to remain selective, with valuation opportunities likely to emerge as policy visibility improves and inflation risks become more balanced.

REVIEW OF FUND PERFORMANCE

The fund was launched on June 26, 2007 for contributions by eligible participants, under the Voluntary Pension System Rules, 2005 (VPS Rules 2005), with the objective of assisting and facilitating them to plan for their retirement.

The Fund presently has three sub-funds that are Equity Sub-Fund, Debt Sub-Fund, and Money Market Sub-Fund. Profit for the year ended June 30, 2026 of each of the sub funds and the net assets as on June 30, 2026 are provided below:

- The Equity Sub-Fund return was 43.31% for the year ended June 30, 2026. The Equity Sub-Fund's Net Assets increased from PKR. 140.75 million (June 30, 2025) to PKR 249.14 million as of June 30, 2026.
- The Debt Sub-Fund return was 8.24% for the year ended June 30, 2026. The Debt Sub-Fund's Net Assets increased from PKR 272.99 million (June 30, 2025) to PKR 334.57 million as of June 30, 2026.
- The Money Market Sub-Fund return was 10.10% for the year ended June 30, 2026. The Money Market Sub-Fund's Net Assets increased from PKR 619.49 million (June 30, 2025) to PKR 729.17 million as of June 30, 2026.

The Fund has 400 participants as on June 30, 2026.

PATTERN OF UNIT HOLDING

JS Pension Savings Fund	No. of Unit holders	No. of Units held	Rupees in million	% of total investment
Equity Sub-Fund	99	133,339	249	18.98
Debt Sub-Fund	192	548,919	335	25.48
Money Market Sub-Fund	350	1,459,786	729	55.54
TOTAL			1,315	100.00

PENSION FUND MANAGER RATING

Pakistan Credit Rating Agency Limited (PACRA) upgraded JS Investments Limited's Asset Manager Rating to 'AM1' with a 'Stable Outlook' on November 5, 2025 — the highest management-quality assessment, reflecting sound governance, institutionalized investment processes and consistent operational performance.

AUDITORS

The external auditors of the Fund M/S. A.F. Ferguson & Co. Chartered Accountant retire and being eligible offer themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of M/S. A.F. Ferguson & Co. Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2027.

ADDITIONAL MATTERS

- Annexed to the Annual Report June 30, 2026 is the Fund Manager's Report, providing a description of principal risks and uncertainties along with a reasonable indication of future profit prospects.
- The Pattern of Unit holding as of June 30, 2026, is annexed to the annual report.
- The system of internal control is sound in design and has been effectively implemented and monitored.

ACKNOWLEDGMENT

The Board of Directors expresses its gratitude to the Securities and Exchange Commission of Pakistan and Central Depository Company of Pakistan Limited for their continued support, assistance and guidance. The Board also places on record its appreciation for the dedication and commitment of the employees of the Management Company and thanks the unitholders for their continued confidence in the Management Company.



Director

On behalf of the Board



Chief Executive Officer

August 23, 2026
Karachi

اظہار تشکر:

ڈائریکٹر پاکستان سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ مینجمنٹ کمپنی کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون ہے۔

بورڈ کی جانب سے



ڈائریکٹر

کراچی، 23 اگست 2026



چیف ایگزیکٹو آفیسر

یونٹ ہولڈنگ کا پیٹرن:

مجموعی سرمایہ کاری کا فیصد	روپے ملین میں	حاصل کئے گئے یونٹس کی تعداد	یونٹ ہولڈرز کی تعداد	جے ایس انویسٹمنٹ سیونگز فنڈ
18.98	249	133,339	99	ایکویٹی سب فنڈ
25.48	335	548,919	192	ڈیبٹ سب فنڈ
55.54	729	1,459,786	350	منی مارکیٹ سب فنڈ
100.00	1,315			ٹوٹل

پنشن فنڈ مینیجر کی ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 5 نومبر 2025 کو جے ایس انویسٹمنٹ لمیٹڈ کی ایسیٹ مینیجر ریٹنگ بڑھا کر "AM1" کر دی، جبکہ آؤٹ لک 'مستحکم' برقرار رکھا گیا۔ "AM1" انتظامی معیار کی اعلیٰ ترین درجہ بندی ہے، جو مضبوط طرز حکمرانی، ادارہ جاتی بنیادوں پر قائم سرمایہ کاری کے طریقہ کار اور مسلسل موثر آپریشنل کارکردگی کی عکاسی کرتی ہے۔

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور از سر نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز اے ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2027 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

اضافی معلومات:

الف - سالانہ رپورٹ کے ساتھ فنڈ مینیجر کی رپورٹ منسلک ہے، جس میں اہم خطرات اور غیر یقینی عوامل کی وضاحت کے ساتھ مستقبل کے منافع کے امکانات کی نشاندہی کی گئی ہے۔

ب - 30 جون 2026 تک یونٹ ہولڈنگ کا پیٹرن اس سالانہ رپورٹ کے ساتھ منسلک ہے۔

ج - اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے موثر طور پر نافذ اور مانیٹر کیا گیا ہے۔

مسئلے کے بجائے بڑی حد تک عارضی نوعیت کا جھکنا سمجھتے رہے۔

ملکی فلسفہ انکم مارکیٹ کا آئندہ منظر نامہ مجموعی طور پر حوصلہ افزا ہے۔ افراط زر میں بتدریج معمول کی سطح کی جانب واپسی سے وقت کے ساتھ مائٹری حالات میں مزید نرمی کی گنجائش پیدا ہو سکتی ہے، تاہم مستقبل میں پالیسی میں کسی بھی ممکنہ تبدیلی کی رفتار کا انحصار جغرافیائی سیاسی کشیدگی میں پائیدار کی، مسلسل مالیاتی نظم و ضبط اور افراط زر کے اسٹیٹ بینک آف پاکستان (SBP) کی درمیانی مدت کی ہدفی حد کی جانب واپس آنے پر ہوگا۔ اس پس منظر میں سرمایہ کاری کی مدت کے حوالے سے حکمت عملی محتاط اور منتخب بنیادوں پر برقرار رہنے کی توقع ہے، جبکہ پالیسی کے حوالے سے صورتحال مزید واضح ہونے اور افراط زر کے خطرات میں توازن پیدا ہونے کے ساتھ ویلیو ایشن کی بنیاد پر سرمایہ کاری کے مواقع بھی سامنے آنے کا امکان ہے۔

فنڈ کی کارکردگی کا جائزہ:

یہ فنڈ 26 جون 2007 کو اہل شرکاء کی جانب سے سرمایہ کاری کے لیے والینٹری پنشن سسٹم رولز 2005 (VPS Rules, 2005) کے تحت قائم کیا گیا تھا، جس کا مقصد شرکاء کو اپنی ریٹائرمنٹ کی منصوبہ بندی میں معاونت اور سہولت فراہم کرنا ہے۔

اس وقت فنڈ کے تین ذیلی فنڈز ہیں، جن میں ایکویٹی سب فنڈ، ڈیٹ سب فنڈ اور منی مارکیٹ سب فنڈ شامل ہیں۔ 30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران ہر ذیلی فنڈ کا منافع اور 30 جون 2026 کو اس کے خالص اثاثوں کی تفصیل درج ذیل ہے:

☆ ایکویٹی سب فنڈ: 30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران 43.31 فیصد منافع حاصل کیا۔ اس کے خالص اثاثے 30 جون 2025 کے 140.75 ملین پاکستانی روپے سے بڑھ کر 30 جون 2026 کو 249.14 ملین پاکستانی روپے ہو گئے۔

☆ ڈیٹ سب فنڈ: 30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران 8.24 فیصد منافع حاصل کیا۔ اس کے خالص اثاثے 30 جون 2025 کے 272.99 ملین پاکستانی روپے سے بڑھ کر 30 جون 2026 کو 334.57 ملین پاکستانی روپے ہو گئے۔

☆ منی مارکیٹ سب فنڈ: 30 جون 2026 کو اختتام پذیر ہونے والے سال کے دوران 10.10 فیصد منافع حاصل کیا۔ اس کے خالص اثاثے 30 جون 2025 کے 619.49 ملین پاکستانی روپے سے بڑھ کر 30 جون 2026 کو 729.17 ملین پاکستانی روپے ہو گئے۔

30 جون 2026 تک فنڈ کے شرکاء کی مجموعی تعداد 400 تھی۔

یہ 180,302 پوائنٹس پر بند ہوا، جبکہ KSE-30 ٹوٹل ریٹرن اور KMI-30 انڈیکس نے بھی مضبوط منافع فراہم کیا، جس سے پاکستان کا شمار خطے کی بہترین کارکردگی دکھانے والی ایکویٹی مارکیٹوں میں مزید مستحکم ہوا۔

سال کے دوران مارکیٹ میں سرمایہ کاروں کی شرکت میں نمایاں بہتری آئی، جس کا اظہار ٹریڈنگ کے حجم اور کاروباری مالیت میں قابل ذکر اضافے کے ساتھ ساتھ پرائمری مارکیٹ کی سرگرمیوں میں دوبارہ تیزی سے ہوا۔ یہ پیش رفت سرمایہ کاروں کے اعتماد میں بہتری اور ملکی کیپٹل مارکیٹ کی بتدریج وسعت اور گہرائی کی عکاسی کرتی ہے۔ مختلف شعبوں کی کارکردگی بھی مجموعی طور پر وسیع البیاد رہی، تاہم مالیاتی شعبے، سائیکلیکل شعبے اور بعض منتخب صنعتی شعبوں نے مارکیٹ کی تیزی میں نمایاں کردار ادا کیا، کیونکہ سرمایہ کاروں نے بہتر ہوتے ہوئے معاشی ماحول کو مد نظر رکھتے ہوئے اپنی سرمایہ کاری کی پوزیشنز تشکیل دیں۔

سرمایہ کے بہاؤ میں بھی مارکیٹ کی ملکیت کے اسٹرکچر میں ایک اہم ساختی تبدیلی نمایاں ہوئی۔ غیر ملکی سرمایہ کاروں کی جانب سے مسلسل فروخت کے دباؤ کو ملکی سرمایہ کاروں نے باآسانی جذب کیا، جس سے مارکیٹ کی سمت متعین کرنے میں مقامی لیکویڈیٹی کے بڑھتے ہوئے اور غالب کردار کی مزید تصدیق ہوئی۔ ملکی سرمایہ کاروں کی بنیاد میں اس بڑھتی ہوئی گہرائی نے بیرونی خطرات کے مقابلے میں مارکیٹ کی مضبوطی میں اضافہ کیا ہے اور طویل مدتی سرمایہ کی تشکیل کے لیے زیادہ مستحکم بنیاد فراہم کی ہے۔

ایکویٹی مارکیٹ کے لیے درمیانی مدت کا منظر نامہ بدستور سازگار ہے۔ کارپوریٹ آمدنی میں مسلسل مضبوطی، میکرو اکنامک بنیادی عوامل میں بہتری اور معاون ویلیو ایڈیشنز مارکیٹ کی کارکردگی کے لیے ایک مضبوط بنیاد فراہم کر رہے ہیں، تاہم مستقبل میں مزید اضافے کی رفتار بدستور بیرونی معاشی ماحول سے متاثر ہوتی رہے گی۔

انکم/منی مارکیٹ کا جائزہ

مالی سال 2026 کے دوران ملکی فلسفہ انکم مارکیٹ کو دو نمایاں مراحل سے گزرنا پڑا۔ سال کا آغاز قابو میں رہنے والی افراط زر اور مسلسل مانیٹری پالیسی میں نرمی کے ساتھ ہوا، جبکہ دسمبر میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50 پیسے پوائنٹس کمی کی کر کے اسے 10.5 فیصد کر دیا۔ تاہم، مشرق وسطیٰ میں کشیدگی میں دوبارہ اضافے کے بعد عالمی سطح پر توانائی کی قیمتوں میں ہونے والے اضافے نے افراط زر کے منظر نامے کو تبدیل کر دیا، جس کے نتیجے میں اپریل میں پالیسی ریٹ میں 100 پیسے پوائنٹس کا اضافہ کر کے اسے 11.5 فیصد کر دیا گیا۔

حکومتی سیکورٹیز کی ییلڈز نے ابتدا میں افراط زر کے بہتر ہوتے ہوئے منظر نامے سے فائدہ اٹھایا، تاہم جغرافیائی سیاسی کشیدگی میں اضافے کے باعث ان میں دوبارہ اضافہ ہوا۔ بعد ازاں کشیدگی میں کمی اور تیل کی قیمتوں میں اعتدال آنے کے ساتھ ییلڈز میں جزوی طور پر کمی واقع ہوئی۔ 3 ماہ، 12 ماہ اور 5 سالہ بینچ مارک ییلڈز بالترتیب 11.60 فیصد، 11.60 فیصد اور 11.80 فیصد کی سطح پر سال کے اختتام پر بند ہوئیں۔ طویل مدتی میچورٹی والی سیکورٹیز کی ییلڈز میں نسبتاً محدود تبدیلی اس امر کی عکاسی کرتی ہے کہ سرمایہ کار افراط زر میں اس اضافے کو ایک ساختی

یونٹ ہولڈرز کیلئے ڈائریکٹر کی رپورٹ

جے ایس انوسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹر 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمپنی برائے جے ایس انیشن سیونگز فنڈ (فنڈ) کی سالانہ رپورٹ پیش کرتے ہوئے پُرسرت ہیں۔

معاشی جائزہ:

مالی سال 2026 کے دوران پاکستان کی مجموعی معاشی بنیادوں میں مزید استحکام آیا، اگرچہ بیرونی معاشی ماحول پہلے کے مقابلے میں زیادہ مشکل رہا۔ مشرق وسطیٰ میں جغرافیائی سیاسی کشیدگی میں دوبارہ اضافے کے باعث افراط زر میں کمی کا عمل عارضی طور پر متاثر ہوا اور بیرونی غیر یقینی صورتحال میں اضافہ ہوا۔ تاہم، پالیسیوں میں مسلسل نظم و ضبط، آئی ایم ایف کے تعاون سے جاری اصلاحاتی پروگرام میں پیش رفت اور سرمایہ کاروں کے اعتماد میں بہتری نے سال بھر معاشی استحکام برقرار رکھنے اور پالیسیوں کی سادھ کو مزید مضبوط بنانے میں مدد دی۔

حقیقی مجموعی ملکی پیداوار کی شرح نمونہ بڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سالوں میں بلند ترین شرح نمونہ ہے۔ اس بہتری کو مینوفیکچرنگ اور خدمات کے شعبوں میں وسیع البیاد بحالی سے تقویت ملی۔ اگرچہ عالمی توانائی کی قیمتوں میں اضافے کے باعث سال کے اختتام پر افراط زر کی شرح میں دوبارہ اضافہ ہوا، تاہم سال کی اوسط افراط زر 7.1 فیصد کی سطح پر قابو میں رہی۔ مالیاتی استحکام کا عمل بھی جاری رہا، جسے محصولات کی بہتر وصولی اور بنیادی مالیاتی توازن میں بہتری سے مدد ملی۔ دوسری جانب، ریکارڈ ترسیلات زر، زرمبادلہ کے ذخائر میں اضافہ اور عالمی سرمایہ مارکیٹوں تک دوبارہ رسائی نے بڑھتے ہوئے تجارتی خسارے کے باوجود ملک کی بیرونی مالی پوزیشن کو مزید مضبوط کیا۔

سال کے دوران پاکستان کے خود مختار کریڈٹ پروفائل میں بھی مزید بہتری آئی۔ بین الاقوامی کریڈٹ ریٹنگ اداروں کی جانب سے ریٹنگ میں بہتری نے میکرو اکنامک ایڈجسٹمنٹ کے تحت حاصل ہونے والی پیش رفت کو تقویت دی اور عالمی سرمایہ مارکیٹوں تک ملک کی دوبارہ رسائی میں معاونت فراہم کی۔ اگرچہ یہ پیش رفت پاکستان کے لیے زیادہ مضبوط معاشی بنیاد فراہم کرتی ہے، تاہم مستقبل کا چیلنج محض معاشی استحکام برقرار رکھنے تک محدود نہیں۔ طویل مدت میں بلند شرح نمونہ کو برقرار رکھنے کے لیے اصلاحات پر مسلسل عمل درآمد، نجی شعبے کی سرمایہ کاری میں اضافہ، پیداواری صلاحیت میں بہتری اور معیشت کو بتدریج استحکام پر مبنی بحالی سے ایک زیادہ مسابقتی، سرمایہ کاری اور برآمدات پر مرکوز معیشت کی جانب منتقل کرنا ضروری ہوگا۔

ایکویٹی مارکیٹ کا جائزہ:

پاکستان کی ایکویٹی مارکیٹ نے مالی سال 2026 کے دوران ایک مرتبہ پھر غیر معمولی کارکردگی کا مظاہرہ کیا اور سال کے آخری حصے میں بڑھتی ہوئی جغرافیائی سیاسی غیر یقینی صورتحال کے باوجود قابل ذکر مضبوطی کا ثبوت دیا۔ علاقائی کشیدگی سے متعلق خدشات میں بتدریج کمی اور ملکی معاشی صورتحال کے حوالے سے اعتماد میں بہتری آنے کے ساتھ سرمایہ کاروں کی توجہ مضبوط ہوتے ہوئے معاشی بنیادی عوامل، پالیسیوں کے تسلسل اور خود مختار کریڈٹ کے حوالے سے بہتر ہوتے ہوئے تاثر پر مرکوز رہی۔ اس پس منظر میں KSE-100 انڈیکس میں 44 فیصد اضافہ ہوا اور

FUND MANAGER REPORT

Annual Report 2026 JS PENSION SAVINGS FUND

- **Description of the Collective Investment Scheme/Voluntary Pension Scheme category and type**
Voluntary Pension Scheme

- **Statement of VPS's investment objective**

JS Pension Savings Fund is designed to provide a secure source of savings and retirement income to individuals. JS PSF is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customization through allocation of such contributions among equity and fixed income investment avenues suited to their specific needs and risk profile.

- **Explanation as to whether the VPS has achieved its stated objective**
The VPS achieved its stated objective.

- **Statement of benchmark(s) relevant to the VPS**

Money Market Sub-Fund: 90% three (3) months PKRV rates + 10% three (3) months average of the highest rates on savings account of three (3) AA rated scheduled Banks as selected by MUFAP.

Debt Sub-Fund: 75% Twelve (12) months PKRV + 25% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled Banks as selected by MUFAP.

Equity Sub-Fund: KSE-30 Index

- **Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	FY26
JSPS-ESF	8.72%	9.49%	15.01%	-2.85%	2.72%	5.76%	5.54%	-11.61%	-13.83%	8.17%	8.32%	5.31%	43.31%
Benchmark	10.96%	6.17%	12.68%	-3.16%	2.99%	4.81%	5.93%	-9.10%	-12.26%	9.01%	6.27%	2.97%	39.84%
JSPS-DSF	8.06%	8.69%	9.07%	9.10%	9.64%	17.45%	10.12%	3.20%	-13.99%	6.15%	8.99%	19.07%	8.24%
Benchmark	10.36%	10.47%	10.50%	10.58%	10.67%	10.32%	9.76%	9.99%	10.66%	10.94%	11.44%	11.40%	11.12%
JSPS-MMSF	9.29%	9.55%	8.93%	10.02%	9.98%	12.30%	8.87%	9.06%	8.67%	9.44%	9.99%	9.76%	10.10%
Benchmark	10.68%	10.65%	10.66%	10.78%	10.73%	10.48%	9.95%	10.09%	10.61%	10.91%	11.59%	11.64%	11.28%

- **Description of the strategies and policies employed during the period under review in relation to the VPS's performance**

Money Market Sub-Fund: During the year, fund focused on short-term money-market instruments, including treasury bills, commercial papers and bank placements. Prudent duration and liquidity positioning enabled the fund to capture prevailing short-term yields, while changing interest-rate expectations and heightened geopolitical uncertainty later in the year reinforced the emphasis on liquidity, credit quality and capital preservation.

Debt Sub-Fund: During the year, the fund remained primarily invested across T-bills and PIBs. Asset allocation and portfolio duration were actively managed as interest-rate expectations evolved materially during the year, with heightened geopolitical uncertainty later reinforcing a more measured approach to duration, liquidity and selective capital-gain opportunities.

Equity Sub-Fund: Throughout the year, the fund maintained a balanced focus on growth and value opportunities across fundamentally strong sectors, selectively capitalizing on undervalued stocks with attractive recovery potential. Portfolio positioning remained aligned with the improving domestic economic backdrop, while becoming increasingly selective as heightened geopolitical and global macro uncertainty emerged later in the year.

- **Disclosure of the VPS's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

Equity Sub Fund	Jun-26	Jun-25
Cash	7.24%	3.20%
Equity	92.52%	96.41%
Other including receivables	0.24%	0.39%
Total	100.00%	100.00%
Debt Sub Fund		
Cash	40.80%	46.24%
TFCs / Sukuks	1.91%	8.47%
T Bills & PIBs	55.21%	44.55%
Other including receivables	2.07%	0.74%
Total	100.00%	100.00%
Money Market Sub Fund		
Cash	99.68%	36.63%
TFCs / Sukuks	0.00%	4.02%
T Bills & PIBs	0.00%	59.23%
Other including receivables	0.32%	0.12%
Total	100.00%	100.00%

- **Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established VPS)**

Equity Sub Fund

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	249	1,868.49
30-Jun-25	141	1,303.84

Debt Sub Fund

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	335	609.50
30-Jun-25	273	563.11

Money Market Sub Fund

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	729	499.51
30-Jun-25	619	453.68

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**

Money Market Sub Fund: The fund invests in short-term debt securities such as treasury bills, cash, and near cash instruments, which includes cash in bank accounts (excluding TDRs), money market placements, deposits, certificate of deposits (COD), certificates of musharakas (COM), Term Deposit Receipt (TDR), commercial papers and reverse repos.

Debt Sub Fund: The fund invests in government securities, cash in bank accounts, money market placements, certificates of deposits (COD), certificates of Musharakah (COM), Term Deposit Receipts (TDR), commercial paper, reverse repos, term-finance certificates, Sukuks, spread transactions, and Margin Trading System.

Equity Sub Fund: The fund invests in equity securities listed on the Pakistan Stock Exchange (PSX).

- **Description and explanation of any significant changes in the state of affairs of the VPS during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

There were no significant changes in the state of affairs during the year under review.

- **Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Pension Savings Fund Equity Sub-Fund	0.0001	to	9,999.9999	96
	10,000.0000	to	49,999.9999	3
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	-
	500,000.0000	&	above	-
			Total	99

Fund Name	Ranges			Number of Folios
JS Pension Savings Fund Debt Sub-Fund	0.0001	to	9,999.9999	181
	10,000.0000	to	49,999.9999	9
	50,000.0000	to	99,999.9999	1
	100,000.0000	to	499,999.9999	1
	500,000.0000	&	above	-
			Total	192

Fund Name	Ranges			Number of Folios
JS Pension Savings Fund- Money Market Sub-Fund	0.0001	to	9,999.9999	322
	10,000.0000	to	49,999.9999	21
	50,000.0000	to	99,999.9999	5
	100,000.0000	to	499,999.9999	2
	500,000.0000	&	above	-
			Total	350

- **Disclosure on unit split (if any), comprising:-**
The Fund has not carried out any unit split exercise during the year.
- **Disclosure of circumstances that materially affect any interests of the unit holders**
Investment is subject to market risk.
- **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the VPS, disclosure of the following:-**
The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahr-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE PARTICIPANTS

JS PENSION SAVINGS FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of JS Pension Savings Fund (the Fund) are of the opinion that JS Investments Limited being the Pension Fund Manager has in all material respects managed the Fund, during the year ended June 30, 2026 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber

Chief Executive Officer

Central Depository Company of Pakistan Limited

Karachi, September 8, 2026

INDEPENDENT AUDITOR'S REPORT

To the Participants of JS Pension Savings Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JS Pension Savings Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movement in participants' sub-funds and cash flow statement for the year then ended June 30, 2026, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the year 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 Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Pension Fund Manager (JS Investments Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of the Pension Fund Manager and Board of Directors of Pension Fund Manager for the Financial Statements

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



A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007



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

Board of Directors of the Pension Fund Manager is responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

We communicate with the Board of Directors of the Pension Fund Manager 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.

MEL



A.F.FERGUSON & Co.

Report on Other Legal and Regulatory Requirements

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

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Trust Deed and Voluntary Pension System Rules, 2005;
- b) true and fair view is given of the disposition of the Fund at the end of the year and of the transactions of the Fund for the year then ended;
- c) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;
- d) the cost and expenses debited to the Fund are as specified in the constitutive documents of the Fund;
- e) proper books and records have been kept by the Fund and the financial statements prepared are in agreement with the Fund's books and records; and
- f) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.

A. F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: September 25, 2026

UDIN: AR202610061SKF16EmZU

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Assets					
Bank balances	4	18,171,900	137,287,009	728,667,373	884,126,282
Investments	5	232,188,504	192,208,813	-	424,397,317
Mark-up / profit receivable	6	166,917	6,750,957	2,113,259	9,031,133
Deposits and other receivables	7	434,016	214,717	213,880	862,613
Total assets		250,961,337	336,461,496	730,994,512	1,318,417,345
Liabilities					
Payable to JS Investments Limited - Pension Fund Manager	8	1,281,779	1,524,312	1,247,232	4,053,323
Payable to Central Depository Company of Pakistan Limited - Trustee	9	33,277	46,589	101,919	181,785
Payable to the Securities and Exchange Commission of Pakistan	10	80,308	119,630	264,257	464,195
Accrued expenses and other liabilities	11	425,773	202,145	209,530	837,448
Total liabilities		1,821,137	1,892,676	1,822,938	5,536,751
Net assets		249,140,200	334,568,820	729,171,574	1,312,880,594
Participants' sub - funds (As per statement attached)		249,140,200	334,568,820	729,171,574	1,312,880,594
Contingencies and commitments					
	12	Number of units			
Number of units in issue	13	133,338	548,919	1,459,786	
Rupees					
Net asset value per unit		1,868.49	609.50	499.51	

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Assets					
Bank balances	4	4,558,360	127,086,405	227,552,099	359,196,864
Investments	5	137,249,309	145,707,075	392,957,710	675,914,094
Mark-up / profit receivable	6	118,277	1,816,522	501,015	2,435,814
Deposits and other receivables	7	434,016	214,717	213,880	862,613
Total assets		142,359,962	274,824,719	621,224,704	1,038,409,385
Liabilities					
Payable to JS Investments Limited - Pension Fund Manager	8	1,189,661	1,497,132	1,234,842	3,921,635
Payable to Central Depository Company of Pakistan Limited - Trustee	9	20,543	36,480	86,137	143,160
Payable to the Securities and Exchange Commission of Pakistan	10	50,973	91,071	203,891	345,935
Accrued expenses and other liabilities	11	344,433	212,492	211,985	768,910
Total liabilities		1,605,610	1,837,175	1,736,855	5,179,640
Net assets		140,754,352	272,987,544	619,487,849	1,033,229,745
Participants' sub - funds (As per statement attached)					
		140,754,352	272,987,544	619,487,849	1,033,229,745
Contingencies and commitments					
	12	Number of units			
Number of units in issue	13	107,954	484,787	1,365,463	
Rupees					
Net asset value per unit		1,303.84	563.11	453.68	

The annexed notes from 1 to 27 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Income					
Mark-up / profit income on:					
- savings accounts with banks		1,198,704	7,854,757	8,326,342	17,379,803
- listed debt securities		-	1,667,756	-	1,667,756
- short term sukuks		-	-	4,161,190	4,161,190
- government securities		-	20,071,799	56,628,832	76,700,631
Dividend income		9,392,227	-	-	9,392,227
Gain / (loss) on sale of investments - net		29,151,204	(154,609)	93,498	29,090,093
Unrealised appreciation / (diminution) on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.6	25,209,499	(1,316,488)	-	23,893,011
Total income		64,951,634	28,123,215	69,209,862	162,284,711
Expenses					
Remuneration of JS Investments Limited - Pension Fund Manager	8.1	3,011,554	2,990,749	3,303,201	9,305,504
Sindh sales tax on remuneration of the Pension Fund Manager	8.2	451,734	448,612	495,480	1,395,826
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	301,156	448,612	990,961	1,740,729
Sindh sales tax on remuneration of the Trustee	9.2	45,173	67,291	148,645	261,109
Fee to the Securities and Exchange Commission of Pakistan	10	80,308	119,630	264,257	464,195
Auditors' remuneration	15	363,528	363,528	363,528	1,090,584
Securities transaction cost		1,318,117	15,693	29,997	1,363,807
Printing and stationery charges		-	-	-	-
Bank and settlement charges		27,997	7,837	8,594	44,428
Total expenses		5,599,567	4,461,952	5,604,663	15,666,182
Net income for the year before taxation		59,352,067	23,661,263	63,605,199	146,618,529
Taxation	3.6	-	-	-	-
Net income for the year after taxation		59,352,067	23,661,263	63,605,199	146,618,529

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Income					
Mark-up / profit income on:					
- savings accounts with banks		1,275,812	8,318,382	11,857,775	21,451,969
- listed debt securities		-	3,603,600	-	3,603,600
- short term sukuks		-	195,130	2,721,580	2,916,710
- government securities		-	19,571,628	57,867,889	77,439,517
Dividend income		14,445,668	-	-	14,445,668
Gain on sale of investments - net		38,997,601	9,517,860	651,623	49,167,084
Unrealised appreciation on remeasurement					
of investments classified as financial assets 'at fair value					
through profit or loss' - net	5.6	18,917,167	573,976	81,202	19,572,345
Total income		73,636,248	41,780,576	73,180,069	188,596,893
Expenses					
Remuneration of JS Investments Limited -					
Pension Fund Manager	8.1	1,911,495	2,276,780	2,548,649	6,736,924
Sindh sales tax on remuneration of the					
Pension Fund Manager	8.2	286,724	341,517	382,297	1,010,538
Remuneration of Central Depository Company					
of Pakistan Limited - Trustee	9.1	191,149	341,517	764,595	1,297,261
Sindh sales tax on remuneration of the Trustee	9.2	28,672	51,228	114,689	194,589
Fee to the Securities and Exchange Commission of					
Pakistan	10	50,973	91,071	203,891	345,935
Auditors' remuneration	15	336,600	336,600	336,600	1,009,800
Securities transaction cost		1,318,877	16,124	17,452	1,352,453
Printing and stationery charges		44,530	44,530	44,530	133,590
Bank and settlement charges		54,229	37,444	8,848	100,521
Total expenses		4,223,249	3,536,811	4,421,551	12,181,611
Net income for the year before taxation		69,412,999	38,243,765	68,758,518	176,415,282
Taxation	3.6	-	-	-	-
Net income for the year after taxation		69,412,999	38,243,765	68,758,518	176,415,282

The annexed notes from 1 to 27 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	Rupees			
Net income for the year after taxation	59,352,067	23,661,263	63,605,199	146,618,529
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	<u>59,352,067</u>	<u>23,661,263</u>	<u>63,605,199</u>	<u>146,618,529</u>

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	Rupees			
Net income for the year after taxation	69,412,999	38,243,765	68,758,518	176,415,282
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	69,412,999	38,243,765	68,758,518	176,415,282

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees			
Net assets at the beginning of the year		140,754,352	272,987,544	619,487,849	1,033,229,745
Amount received from issuance of units	14	241,634,931	401,892,510	515,187,273	1,158,714,714
Amount paid on redemption of units		(200,417,595)	(368,295,629)	(456,969,170)	(1,025,682,394)
Amount received / (paid) on reallocation of units		7,816,445	4,323,132	(12,139,577)	-
		49,033,781	37,920,013	46,078,526	133,032,320
Gain / (loss) on sale of investments - net		29,151,204	(154,609)	93,498	29,090,093
Unrealised appreciation / (diminution) on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.6	25,209,499	(1,316,488)	-	23,893,011
Other income for the year - net of expenses		4,991,364	25,132,360	63,511,701	93,635,425
Total comprehensive income for the year		59,352,067	23,661,263	63,605,199	146,618,529
Net assets at the end of the year		<u>249,140,200</u>	<u>334,568,820</u>	<u>729,171,574</u>	<u>1,312,880,594</u>

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Note	Rupees			
Net assets at the beginning of the year		118,011,304	220,757,921	435,583,157	774,352,382
Amount received from issuance of units	14	155,253,533	319,066,885	480,234,195	954,554,613
Amount paid on redemption of units		(155,057,873)	(305,076,642)	(411,958,017)	(872,092,532)
Amount (paid) / received on reallocation of units		(46,865,611)	(4,385)	46,869,996	-
		(46,669,951)	13,985,858	115,146,174	82,462,081
Gain / (loss) on sale of investments - net		38,997,601	9,517,860	651,623	49,167,084
Unrealised appreciation on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.6	18,917,167	573,976	81,202	19,572,345
Other income for the year - net of expenses		11,498,231	28,151,929	68,025,693	107,675,853
Total comprehensive income for the year		69,412,999	38,243,765	68,758,518	176,415,282
Net assets at the end of the year		140,754,352	272,987,544	619,487,849	1,033,229,745

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	Rupees			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year before taxation	59,352,067	23,661,263	63,605,199	146,618,529
Adjustments for:				
Mark-up / profit income on:				
- savings accounts with banks	(1,198,704)	(7,854,757)	(8,326,342)	(17,379,803)
- listed debt securities	-	(1,667,756)	-	(1,667,756)
- short term sukuk	-	-	(4,161,190)	(4,161,190)
- government securities	-	(20,071,799)	(56,628,832)	(76,700,631)
Dividend income	(9,392,227)	-	-	(9,392,227)
Gain / (loss) on sale of investments - net	(29,151,204)	154,609	(93,498)	(29,090,093)
Unrealised appreciation / (diminution) on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.6 (25,209,499)	1,316,488	-	(23,893,011)
	(5,599,567)	(4,461,952)	(5,604,663)	(15,666,182)
(Increase) / decrease in assets				
Investments - net	(40,578,492)	(122,139,810)	263,410,138	100,691,836
Deposits and other receivables	-	-	-	-
	(40,578,492)	(122,139,810)	263,410,138	100,691,836
Increase / (decrease) in liabilities				
Payable to JS Investments Limited - Pension Fund Manager	92,118	27,180	12,390	131,688
Payable to Central Depository Company of Pakistan Limited - Trustee	12,734	10,109	15,782	38,625
Payable to the Securities and Exchange Commission of Pakistan	29,335	28,559	60,366	118,260
Accrued expenses and other liabilities	81,340	(10,347)	(2,455)	68,538
	215,527	55,501	86,083	357,111
Mark-up / profit received on savings accounts with banks and investments	1,150,064	24,659,877	67,504,120	93,314,061
Dividends received	9,392,227	-	-	9,392,227
Net cash (used in) / generated from operating activities	(35,420,241)	(101,886,384)	325,395,678	188,089,053
CASH FLOWS FROM FINANCING ACTIVITIES				
Amount received against issuance of units	241,634,931	401,892,510	515,187,273	1,158,714,714
Amount paid against redemption of units	(200,417,595)	(368,295,629)	(456,969,170)	(1,025,682,394)
Intrafund transfer on reallocation of units	7,816,445	4,323,132	(12,139,577)	-
Net cash generated from financing activities	49,033,781	37,920,013	46,078,526	133,032,320
Net increase / (decrease) in cash and cash equivalents	13,613,540	(63,966,371)	371,474,204	321,121,373
Cash and cash equivalents at beginning of the year	4,558,360	201,253,380	357,193,169	563,004,909
Cash and cash equivalents at end of the year	16 18,171,900	137,287,009	728,667,373	884,126,282

The annexed notes from 1 to 27 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	Rupees			
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income for the year before taxation	69,412,999	38,243,765	68,758,518	176,415,282
Adjustments for:				
Mark-up / profit income on:				
- savings accounts with banks	(1,275,812)	(8,318,382)	(11,857,775)	(21,451,969)
- listed debt securities	-	(3,603,600)	-	(3,603,600)
- short term sukuku	-	(195,130)	(2,721,580)	(2,916,710)
- government securities	-	(19,571,628)	(57,867,889)	(77,439,517)
Dividend income	(14,445,668)	-	-	(14,445,668)
Gain on sale of investments - net	(38,997,601)	(9,517,860)	(651,623)	(49,167,084)
Unrealised appreciation on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - net	5.6 (18,917,167)	(573,976)	(81,202)	(19,572,345)
	(4,223,249)	(3,536,811)	(4,421,551)	(12,181,611)
Decrease in assets				
Investments - net	53,181,792	91,657,298	85,903,688	230,742,778
Deposits and other receivables	-	-	-	-
	53,181,792	91,657,298	85,903,688	230,742,778
Increase in liabilities				
Payable to JS Investments Limited - Pension Fund Manager	12,170	52,184	103,382	167,736
Payable to Central Depository Company of Pakistan Limited - Trustee	820	5,743	26,835	33,398
Payable to the Securities and Exchange Commission of Pakistan	5,735	17,948	53,458	77,141
Accrued expenses and other liabilities	153,130	57,911	56,903	267,944
	171,855	133,786	240,578	546,219
Mark-up / profit received on savings accounts with banks and investments	1,265,823	34,255,618	74,966,473	110,487,914
Dividends received	14,445,668	-	-	14,445,668
Net cash generated from operating activities	64,841,889	122,509,891	156,689,188	344,040,968
CASH FLOWS FROM FINANCING ACTIVITIES				
Amount received against issuance of units	155,253,533	319,066,885	480,234,195	954,554,613
Amount paid against redemption of units	(178,286,289)	(305,076,642)	(411,958,017)	(895,320,948)
Intrafund transfer on reallocation of units	(46,865,611)	(4,385)	46,869,996	-
Net cash (used in) / generated from financing activities	(69,898,367)	13,985,858	115,146,174	59,233,665
Net (decrease) / increase in cash and cash equivalents	(5,056,478)	136,495,749	271,835,362	403,274,633
Cash and cash equivalents at beginning of the year	9,614,838	64,757,631	85,357,807	159,730,276
Cash and cash equivalents at end of the year	16 4,558,360	201,253,380	357,193,169	563,004,909

The annexed notes from 1 to 27 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** JS Pension Savings Fund ("the Fund") has been established under the Voluntary Pension System Rules, 2005 (the VPS Rules) and has been approved as a pension fund by the Securities and Exchange Commission of Pakistan (the SECP) on June 17, 2007. It has been constituted under a Trust Deed, dated June 6, 2007, between JS Investments Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited as the Trustee. The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of JS Investments Limited is situated at 19th Floor, The Centre, Plot No. 28, SB-5 Abdullah Haroon Road, Saddar, Karachi.

During the year ended June 30, 2021 the Trust Act, 1882 had been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Accordingly, on September 3, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

- 1.2** The Fund is an open-end mutual fund and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in the Voluntary Pension System Rules, 2005 and can be redeemed by surrendering them to the Fund. Further, as per the Offering Document, the Fund shall not distribute any income or dividend from the Fund whether in cash or otherwise from any of the Sub-Funds.

- 1.3** The objective of the Fund is to provide a secure source of savings and retirement income to individuals. It is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customisation through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.

- 1.4** Pakistan Credit Rating Agency Limited (PACRA) has upgraded the asset manager rating of the Management Company (Pension Fund Manager) to 'AM1 with stable outlook' dated November 05, 2025 (2025: 'AM2++ with stable outlook' dated November 30, 2024).

- 1.5** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

- 1.6** The JS Pension Savings Fund consists of three sub-funds namely, Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund (collectively called "Sub-Funds"). Investment policy for each of the Sub-Funds is as follows:

Equity Sub-Fund

Assets of an Equity Sub-Fund shall be invested in equity securities which are listed on the Pakistan Stock Exchange Limited or in securities of which, the application for listing has been approved by the Pakistan Stock Exchange Limited. At least ninety percent (90%) of net assets of an Equity Sub-Fund shall be invested in listed equity securities. Investments may be made in equity securities of any single company up to ten percent (10%) of net assets of an Equity Sub-Fund or paid-up capital of that single company, whichever is lower. The Pension Fund Manager may invest up to maximum thirty percent (30%) of net assets of Equity Sub-Fund or the index weight whichever is higher; subject to a maximum of thirty five percent (35%) of net assets of Equity Sub-Fund in equity securities of companies belonging to a single sector as classified by the Pakistan Stock Exchange Limited. The Pension Fund Manager may invest any surplus (un-invested) funds in government treasury bills or government securities having less than one year time to maturity or keep as deposits with scheduled commercial banks which are rated not less than "A" by a rating agency registered with the Commission. The Pension Fund Manager shall not deposit more than ten per cent (10%) of net assets of the Equity Sub-Fund in a single bank.

Debt Sub-Fund

The Debt Sub-Fund shall consist of debt securities and such other assets as specified herein below. The weighted average time to maturity of securities held in the portfolio of a Debt Sub-Fund shall not exceed five (5) years. At least twenty five per cent (25%) of net assets of the Debt Sub-Fund shall be invested in debt securities issued by the Federal Government and up to 25% may be deposited with banks having not less than "AA plus" rating with stable outlook so that both these investments shall make up a minimum of fifty per cent (50%) of net assets of a Debt Sub-Fund. Deposits in a single bank shall not exceed twenty per cent (20%) of net assets of the Debt Sub-Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Money Market Sub-Fund

The weighted average time to maturity of net assets of a Money Market Sub-Fund shall not exceed ninety (90) days. Time to maturity of any asset in the portfolio of Money Market Sub-Fund shall not exceed six (6) months. There shall be no limit with respect to investment in the Federal Government securities. Furthermore, there shall be no limits for deposits with commercial banks having "A Plus" or higher rating provided that deposit with any one bank shall not exceed twenty per cent (20%) of net assets of the Money Market Sub-Fund.

- 1.7** The Fund offers four (4) types of allocation schemes, as prescribed by the SECP under the VPS Rules 2005 vide its Circular no. 12 of 2021 dated April 06, 2021, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the Offering Document). Based on the minimum allocation, the funds are allocated to the above stated Sub-Funds. The allocation to the Sub-Funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter. The contribution amount may be paid by the participant on a periodic basis such as annual, semi annual, quarterly or monthly basis within 5 days of the close of the period.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Voluntary Pension Rules, 2005 (the VPS Rules) and the requirements of the Trust Deed.

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

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these do not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these financial statements.

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or do not have any material effect on the Fund's financial statements except for:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) effective for annual periods beginning on or after January 1, 2027. IFRS 18 when applicable, shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual periods beginning on or after January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Fund.

2.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets and investments (notes 3.2 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 21.2.

2.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Cash and cash equivalents

These comprise of balances with bank in savings accounts and other short term highly liquid investments with original maturity of three months or less.

3.2 Financial assets

3.2.1 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.2.2 Classification and subsequent measurement

3.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); and
- at fair value through profit or loss (FVPL)

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, may be recognised at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

3.2.2.2 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.

3.2.3 Impairment (other than debt securities)

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.

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

3.2.3.1 Impairment loss on debt securities

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

As allowed by the SECP, the Pension Fund Manager may make provision against debt securities over and above

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Pension Fund Manager. The provisioning policy approved by the Board of Directors has also been placed on the Pension Fund Manager's website as required under the SECP's Circular.

3.2.4 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.

Up to February 8, 2026, regular way purchases / sales of assets required delivery of securities within two days from the transaction date (T+2) as per the stock exchange regulations. Effective from February 9, 2026, in accordance with the revised regulations of the Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL), the settlement cycle has transitioned to a Trade plus one day (T+1) basis, requiring delivery of securities within one day from the transaction date.

3.2.5 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the 'Income Statement'.

3.3 Financial liabilities

3.3.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently carried at amortised cost.

3.3.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the Income Statement.

3.4 Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are only offset and the net amount 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.

3.5 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.

3.6 Taxation

The income of the Fund is exempt from income tax under clause 57 (3) (viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

3.7 Revenue recognition

- Gain / (loss) arising on sale of investments is recognised on the date on which the transaction takes place;
- Mark-up / profit income on savings accounts with banks, government securities, listed debt securities and short term sukuk is recognised on a time proportion basis using the effective yield method, except for the unlisted debt securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on receipt basis;
- Dividend income is recognised when the Fund's right to receive the dividend is established i.e. on the date of commencement of date of book closure of the investee company / institution declaring the dividend; and
- Unrealised appreciation / (diminution) arising on revaluation of investments classified as financial assets 'at fair value through profit or loss' is included in the Income Statement in the period in which these arise.

3.8 Expenses

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

3.9 Issuance, allocation, reallocation and redemption of units

Contributions received from the participants are allocated to the Sub-Funds on the basis of the allocation scheme selected by each participant out of the allocation schemes offered by the Pension Fund Manager. The Net Asset Value (NAV) per unit of each Sub-Fund is determined at the close of each business day, according to the procedures outlined in the VPS Rules and are applicable for allocation of units in each Sub-Fund for all the contribution amount realised and credited in collection account of the Sub-Fund during the business hours' in that business day.

The Pension Fund Manager makes reallocation of the units between the Sub-Funds at least once a year to ensure that the allocations of the units of all the participants are according to the allocation scheme selected by the participants.

All Sub-Funds units are automatically redeemed at the close of the dealing day at which the retirement date falls or death of a participant has been confirmed. The participants may also withdraw from the scheme prior to retirement. The redemption from the respective Sub-Fund is made at the Net Asset Value per unit prevailing at the close of the dealing day on which the request is received, subject to deduction of zakat and taxes, as applicable.

In case of partial withdrawals, units are redeemed on a pro rata basis by ensuring that the remaining units are in accordance with the allocation scheme last selected by the participant.

Proceeds received on issuance and paid on redemption of units are reflected in the Participants' Sub-Funds. The Voluntary Pension System Rules, 2005 specify that the distribution of dividend shall not be allowed for pension funds and return to participant holders is, therefore, only possible through redemption of units which is based on the Net Asset Value (NAV). Hence, the management believes that creation of income equalization mechanism through separate recording of "element of income / (loss) and capital gains / (losses) included in the prices of units issued less those in units redeemed" is not required.

3.10 Net asset value per unit

The net asset value (NAV) per unit for each sub-fund, as disclosed in the Statement of Assets and Liabilities, is calculated by dividing the net assets of the sub-fund by the number of units in circulation of the respective sub-fund at the year end.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

4 BANK BALANCES

Balances with banks in:
Savings accounts

Note	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			

	18,171,900	137,287,009	728,667,373	884,126,282
--	------------	-------------	-------------	-------------

Note	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			

Balances with banks in:
Savings accounts

4.1	4,558,360	127,086,405	227,552,099	359,196,864
-----	-----------	-------------	-------------	-------------

- 4.1 These include bank balances held by Equity Sub-Fund and Money Market Sub-Fund of Rs. 6,148 (2025: Rs. 12,834) and Rs. 20,944 (2025: Rs. 126,618) respectively with JS Bank Limited (a related party) carrying profit at the rate of 9.00% (2025: 20.82%) per annum and in Money Market Sub-Fund of Rs. 3,290 (2025: Rs. 3,226) maintained with BankIslami Pakistan Limited (a related party) that carries profit at the rate of 0.10% (2025: 0.10%) per annum. Other savings accounts of the Fund carry profit rates ranging from 5.00% to 10.00% (2025: 8.25% to 9.00%) per annum.

5 INVESTMENTS

Financial assets 'at fair value through profit or loss'

Listed equity securities
Government securities
Listed debt securities
Short term sukuks
Unlisted debt securities

Note	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			

5.1	232,188,504	-	-	232,188,504
5.2	-	185,767,063	-	185,767,063
5.3	-	6,441,750	-	6,441,750
5.4	-	-	-	-
5.5	-	-	-	-
	232,188,504	192,208,813	-	424,397,317

Note	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			

Financial assets 'at fair value through profit or loss'

Listed equity securities
Government securities
Listed debt securities
Short term sukuks
Unlisted debt securities

5.1	137,249,309	-	-	137,249,309
5.2	-	122,424,825	367,957,710	490,382,535
5.3	-	8,282,250	-	8,282,250
5.4	-	15,000,000	25,000,000	40,000,000
5.5	-	-	-	-
	137,249,309	145,707,075	392,957,710	675,914,094

5.1 Listed equity securities - 'at fair value through profit or loss'

Equity Sub-Fund

Ordinary shares have a face value of Rs. 10 each unless stated otherwise.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Name of the investee company	As at July 01, 2025	Purchased during the year	Bonus shares	Sold during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
						Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Sub-Fund	total investments of the Sub-Fund	
Number of shares						Rupees			%		
CEMENT											
Attock Cement Pakistan Limited	-	14,200	-	14,200	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited *	36,750	265,800	-	283,450	19,100	4,196,360	4,264,457	68,097	1.71	1.84	-
Fauji Cement Company Limited *	101,500	179,200	-	169,350	111,350	5,554,163	6,408,192	854,029	2.57	2.76	-
Lucky Cement Limited (note 5.1.1) *	28,065	112,500	-	110,920	29,645	12,314,853	13,918,920	1,604,067	5.59	5.99	-
Pioneer Cement Limited	18,170	-	-	18,170	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	-	77,600	-	12,700	64,900	5,774,014	6,938,459	1,164,445	2.78	2.99	0.01
						27,839,390	31,530,028	3,690,638	12.65	13.58	0.01
CHEMICAL											
Ghani Global Holdings Limited	162,700	38,400	-	201,100	-	-	-	-	-	-	-
						-	-	-	-	-	-
						27,839,390	31,530,028	3,690,638			
COMMERCIAL BANKS											
Askari Bank Limited	88,800	53,100	-	56,100	85,800	6,429,754	9,457,734	3,027,980	3.80	4.07	0.01
The Bank of Punjab	200,800	155,700	-	356,500	-	-	-	-	-	-	-
Faysal Bank Limited (note 5.1.3) *	3,709	83,100	-	27,700	59,109	5,285,204	5,865,977	580,773	2.35	2.53	-
Habib Bank Limited *	-	33,600	-	21,200	12,400	3,893,706	3,623,404	(270,302)	1.45	1.56	-
MCB Bank Limited *	13,810	13,100	-	8,920	17,990	6,215,602	7,295,125	1,079,523	2.93	3.14	-
National Bank of Pakistan *	106,180	80,850	-	118,880	68,150	11,864,416	13,527,775	1,663,359	5.43	5.83	-
United Bank Limited (note 5.1.1) *	28,820	43,750	-	38,300	34,270	12,747,909	15,341,651	2,593,742	6.16	6.61	-
						46,436,591	55,111,666	8,675,075	22.12	23.74	0.01
ENGINEERING											
International Steels Limited	-	38,700	-	38,700	-	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited	-	142,000	-	7,500	134,500	10,140,902	11,783,545	1,642,643	4.73	5.07	0.04
						10,140,902	11,783,545	1,642,643	4.73	5.07	0.04
FERTILIZER											
Engro Fertilizers Limited	8,640	-	-	8,640	-	-	-	-	-	-	-
Fatima Fertilizer Company Limited *	-	48,200	-	14,700	33,500	5,236,545	5,537,550	301,005	2.22	2.38	-
Fauji Fertilizer Company Limited *	19,780	30,600	-	15,550	34,830	16,319,133	19,974,308	3,655,175	8.02	8.60	-
						21,555,678	25,511,858	3,956,180	10.24	10.98	-
GLASS & CERAMICS											
Ghani Global Glass Limited	-	507,815	-	507,815	-	-	-	-	-	-	-
Ghani Glass Limited	69,700	-	-	69,700	-	-	-	-	-	-	-
Tariq Glass Industries Limited	13,155	4,500	-	17,655	-	-	-	-	-	-	-
						-	-	-	-	-	-
OIL & GAS EXPLORATION COMPANIES											
Mari Energies Limited (note 5.1.3) (formerly Mari Petroleum Company Limited) *	5,101	14,300	-	7,315	12,086	7,830,869	8,149,469	318,600	3.27	3.51	-
Oil & Gas Development Company Limited *	28,520	51,300	-	24,590	55,230	14,602,699	18,494,870	3,892,171	7.42	7.97	-
Pakistan Oilfields Limited	3,350	-	-	3,350	-	-	-	-	-	-	-
Pak Petroleum Limited *	56,944	56,000	-	53,525	59,419	11,349,685	14,416,238	3,066,553	5.79	6.21	-
						33,783,253	41,060,577	7,277,324	16.48	17.69	-
OIL & GAS MARKETING COMPANIES											
Hi-Tech Lubricants Limited	-	157,500	-	-	157,500	7,868,390	6,942,600	(925,790)	2.79	2.99	0.11
Pakistan State Oil Company Limited *	18,290	7,800	-	11,100	14,990	5,681,923	5,131,827	(550,096)	2.06	2.21	-
Sui Northern Gas Pipelines Limited	36,710	8,600	-	45,310	-	-	-	-	-	-	-
						13,550,313	12,074,427	(1,475,886)	4.85	5.20	0.11
PHARMACEUTICALS											
AGP Limited	20,299	14,900	-	12,000	23,199	4,469,747	4,786,650	316,903	1.92	2.06	0.01
GlaxoSmithKline Pakistan Limited	5,820	-	-	5,820	-	-	-	-	-	-	-
Highnoon Laboratories Limited	2,340	-	-	2,340	-	-	-	-	-	-	-
Haleon Pakistan Limited	-	6,800	-	-	6,800	4,964,000	5,475,360	511,360	2.20	2.36	0.01
The Searle Company Limited	-	83,300	-	83,300	-	-	-	-	-	-	-
						9,433,747	10,262,010	828,263	4.12	4.42	0.02
POWER GENERATION & DISTRIBUTION											
The Hub Power Company Limited *	-	72,200	-	29,530	42,670	9,165,350	9,961,312	795,962	4.00	4.29	-
K-Electric Limited (note 5.1.1)	-	1,058,000	-	1,058,000	-	-	-	-	-	-	-
Nishat Chunian Power Limited	-	110,700	-	110,700	-	-	-	-	-	-	-
						9,165,350	9,961,312	795,962	4.00	4.29	-
						171,905,224	197,295,423	25,390,199			

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Name of the investee company	As at July 01, 2025	Purchased during the year	Bonus shares	Sold during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
						Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Sub-Fund	total investments of the Sub-Fund	
Number of shares						Rupees			%		
Balance brought forward						171,905,224	197,295,423	25,390,199			
REFINERY											
Attock Refinery Limited	3,270	-	-	3,270	-	-	-	-	-	-	-
Energyco PK Limited	220,200	-	-	220,200	-	-	-	-	-	-	-
National Refinery Limited	15,810	5,700	-	21,510	-	-	-	-	-	-	-
Pakistan Refinery Limited	52,000	-	-	52,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
TECHNOLOGY & COMMUNICATION											
Pakistan Telecommunication Company Ltd	-	78,500	-	78,500	-	-	-	-	-	-	-
Systems Limited (note 5.1.1)	-	52,700	-	52,700	-	-	-	-	-	-	-
						-	-	-	-	-	-
TEXTILE COMPOSITE											
Gul Ahmed Textile Mills Limited	-	162,300	-	162,300	-	-	-	-	-	-	-
Nishat Mills Limited	32,100	41,900	-	32,100	41,900	6,334,427	6,614,334	279,907	3.15	2.85	0.01
						6,334,427	6,614,334	279,907	3.15	2.85	0.01
AUTOMOBILE ASSEMBLER											
Ghandhara Automobiles Limited	7,000	2,200	-	9,200	-	-	-	-	-	-	-
Millat Tractors Limited (note 5.1.1)	-	46	-	46	-	-	-	-	-	-	-
Ghandhara Industries Limited	-	5,600	-	5,600	-	-	-	-	-	-	-
						-	-	-	-	-	-
INV.BANKS / INV.COS. / SECURITIES COS.											
Engro Holdings Limited (formerly Dawood Hercules Corp.Limited) *	18,501	54,600	-	27,500	45,601	12,616,121	13,120,320	504,199	5.77	5.65	-
						12,616,121	13,120,320	504,199	5.27	5.65	-
TRANSPORT											
Pakistan International Bulk Terminal	-	379,200	-	379,200	-	-	-	-	-	-	-
						-	-	-	-	-	-
AUTOMOBILE PARTS & ACCESSORIES											
Loads Limited	158,097	-	-	158,097	-	-	-	-	-	-	-
Thal Limited (note 5.1.1)	2,550	-	-	2,550	-	-	-	-	-	-	-
						-	-	-	-	-	-
CABLE & ELECTRICAL GOODS											
Pak Elektron Limited	-	306,800	-	306,800	-	-	-	-	-	-	-
						-	-	-	-	-	-
FOOD & PERSONAL CARE PRODUCTS											
National Foods Limited (note 5.1.1)	-	12,500	-	12,500	-	-	-	-	-	-	-
Wahdat Poultry Farm Limited (note 5.1.1)	-	330,000	-	-	330,000	6,104,046	6,134,700	30,654	2.46	2.64	0.10
						6,104,046	6,134,700	30,654	2.46	2.64	0.10
PAPER, BOARD & PACKAGING											
Century Paper & Board Mills Limited	-	310,300	-	8,200	302,100	10,019,187	9,023,727	(995,460)	3.62	3.89	0.08
						10,019,187	9,023,727	(995,460)	3.62	3.89	-
MISCELLANEOUS											
Pakistan Aluminium Beverage Cans Limited	-	30,367	-	30,367	-	-	-	-	-	-	-
						-	-	-	-	-	-
As at June 30, 2026						206,979,005	232,188,504	25,209,499			
As at June 30, 2025						118,332,142	137,249,309	18,917,167			

5.1.1 All shares have a nominal value of Rs. 10 each except for the shares of following:

Name of the investee company	Nominal value per share as on June 30, 2026
-- Rupees --	
Lucky Cement Limited	2.00
United Bank Limited	5.00
K-Electric Limited	3.50
Systems Limited	2.00
Millat Tractors Limited	5.00
Thal Limited	5.00
National Foods Limited	5.00
Wahdat Poultry Farm Limited	2.00

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

5.1.2 The Finance Act, 2014 introduced an amendment to the Income Tax Ordinance 2001 ('the ordinance') as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by various Collective Investment Schemes / Voluntary Pension Schemes (CISs / VPSs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs / VPSs. The petition was based on the fact that because CISs / VPSs are exempt from deduction of income tax under clause 99 Part I of the Second Schedule to the Income Tax Ordinance, 2001 ('the Ordinance') the withholding tax provision should also not be applicable on bonus shares received by CISs / VPSs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs / VPSs.

On June 27, 2018, the Supreme Court of Pakistan passed a judgment whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs / VPSs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. Accordingly, during the year ended June 30, 2020, The CISs / VPSs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. The CISs / VPSs filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs / VPSs.

The Finance Act, 2018 effective from July 1, 2018 had omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Equity Sub-Fund during the period July 1, 2018 to June 30, 2023 were not withheld by the investee companies.

5.1.3 The Finance Act, 2023 had introduced Section 236Z of the Income Tax Ordinance, 2001 (the Ordinance) effective from July 1, 2023, which mandated listed companies to withhold ten percent shares out of bonus shares issued to the Fund. The share so withheld are to be released if the Fund deposits tax equivalent to ten percent of the value of bonus share issued to the Fund. Such tax is to be deposited within fifteen days of the book closure of the respective dividend. In case of failure of the Fund to pay, the issuer company is liable to pay the tax and dispose of the bonus shares to recover the amount paid.

In this regard, a petition was filed by the Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CIS. The petition is based on the grounds that since the CISs are exempt from levy of income tax in terms of 99 of Part-I of the Second Schedule to the Ordinance, no tax is payable by the Fund under Section 236Z of the Ordinance. During the year ended June 30, 2025, the Honorable High Court of Sindh has issued notices to the relevant parties and ordered to retain the bonus shares being withheld and no tax shall be paid under section 236Z of the Ordinance till further orders by the Court. The matter is still pending adjudication and the Fund has included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

As at June 30, 2026, the following bonus shares of the Equity Sub-Fund were withheld by certain companies at the time of declaration of the bonus shares.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Name of the investee company		2026		2025	
		Bonus shares			
		Number of shares ithheld	Market value	Number of shares ithheld	Market value
	Note	(Rupees)		(Rupees)	
Faysal Bank Limited	5.1.2	3,709	368,081	3,709	258,592
Mari Energies Limited (formerly Mari Petroleum Company Limited)	5.1.2	1,496	1,008,304	1,496	937,827
		5,205	1,376,385	5,205	1,196,419

5.2 Government securities - 'at fair value through profit and loss'

5.2.1 Debt Sub-Fund

5.2.1.1 Market Treasury Bills

Particulars	Issue date	Maturity date	Face value				Balance as at June 30, 2026			Market value as a percentage of	
			As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised (diminutions) / appreciation	net assets of Sub-Fund	total investments of Sub-Fund
			Rupees							%	
Market Treasury Bills											
- 1 months	November 27, 2025	December 26, 2025	-	225,000,000	225,000,000	-	-	-	-	-	-
- 1 months	October 30, 2025	November 27, 2025	-	225,000,000	225,000,000	-	-	-	-	-	-
Market Treasury Bills											
- 3 months	July 10, 2025	October 02, 2025	-	175,000,000	175,000,000	-	-	-	-	-	-
- 3 months	May 15, 2025	August 15, 2025	75,000,000	-	75,000,000	-	-	-	-	-	-
Market Treasury Bills											
- 12 months*	January 22, 2026	January 21, 2027	-	85,000,000	-	85,000,000	80,685,007	79,812,195	(872,812)	24	42
- 12 months	October 31, 2024	October 31, 2025	50,000,000	175,000,000	225,000,000	-	-	-	-	-	-
Total as at June 30, 2026							80,685,007	79,812,195	(872,812)		
Total as at June 30, 2025							121,962,025	122,424,825	462,800		

5.2.1.2 Pakistan Investment Bonds

Particulars	Issue date	Maturity date	Rate	Face value			Balance as at June 30, 2026			Market value as a percentage of		
				As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised diminution	net assets of Sub-Fund	total investments of Sub-Fund
			---	Rupees						%		
Pakistan Investment Bonds- Fixed												
5 years	September 20, 2024	September 20, 2029	14.00%	-	100,000,000	-	100,000,000	106,358,044	105,954,868	(403,176)	32	55
Total as at June 30, 2026								106,358,044	105,954,868	(403,176)		
Total as at June 30, 2025								-	-	-		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

5.2.2 Money Market Sub-Fund

5.2.2.1 Market Treasury Bills

Particulars	Issue date	Maturity date	Face value				Balance as at June 30, 2026			Market value as a percentage of	
			As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation	net assets of Sub-Fund	total investments of Sub-Fund
			Rupees							%	
Market Treasury Bills											
- 1 month	October 2, 2025	October 30, 2025	-	160,000,000	160,000,000	-	-	-	-	-	-
- 1 month	November 13, 2025	December 11, 2025	-	125,000,000	125,000,000	-	-	-	-	-	-
- 1 month	October 16, 2025	November 13, 2025	-	125,000,000	125,000,000	-	-	-	-	-	-
- 1 month	November 27, 2025	December 26, 2025	-	160,000,000	160,000,000	-	-	-	-	-	-
- 1 month	October 30, 2025	November 27, 2025	-	160,000,000	160,000,000	-	-	-	-	-	-
- 1 month	September 18, 2025	October 16, 2025	-	125,000,000	125,000,000	-	-	-	-	-	-
- 1 month	August 21, 2025	September 18, 2025	-	250,000,000	250,000,000	-	-	-	-	-	-
- 1 month	December 11, 2025	January 8, 2026	-	125,000,000	125,000,000	-	-	-	-	-	-
- 1 month	March 17, 2026	April 17, 2026	-	365,000,000	365,000,000	-	-	-	-	-	-
- 1 month	May 14, 2026	June 14, 2026	-	500,000,000	500,000,000	-	-	-	-	-	-
- 1 month	April 16, 2026	May 16, 2026	-	500,000,000	500,000,000	-	-	-	-	-	-
Market Treasury Bills											
- 3 months	January 8, 2026	April 8, 2026	-	365,000,000	365,000,000	-	-	-	-	-	-
- 3 months	January 22, 2026	April 22, 2026	-	150,000,000	150,000,000	-	-	-	-	-	-
- 3 months*	April 17, 2025	July 17, 2025	130,000,000	-	130,000,000	-	-	-	-	-	-
Market Treasury Bills											
- 12 months	June 26, 2025	June 24, 2026	-	100,000,000	100,000,000	-	-	-	-	-	-
- 12 months	August 22, 2024	August 21, 2025	-	300,000,000	300,000,000	-	-	-	-	-	-
- 12 months	July 10, 2025	July 10, 2026	-	450,000,000	450,000,000	-	-	-	-	-	-
	July 25, 2024	July 25, 2025	240,000,000	-	240,000,000	-	-	-	-	-	-
Total as at June 30, 2026											
Total as at June 30, 2025											
							367,876,508	367,957,710	81,202		

* These carry effective yield at the rates Nil (2025: 11.20% to 11.23%) per annum.

5.3 Listed debt securities - 'at fair value through profit and loss'

5.3.1 Debt Sub - Fund

5.3.1.1 Term Finance Certificates

Name of the investee company	Issue date	Maturity date	Profit rate	As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
								Carrying value	Market value	Unrealised (diminution) / appreciation	net assets of the Sub-Fund	total investments of the Sub-Fund
			-----%	Number of certificates			Rupees			-----%		
K-Electric Limited (AA+, PACRA) (Face value: Rs. 100,000 per certificate)	November 23, 2022	November 23, 2029	3 months Kibor + 1.70%	90	-	-	90	6,482,250	6,441,750	(40,500)	1.93	3.35
Total as at June 30, 2026								6,482,250	6,441,750	(40,500)		
Total as at June 30, 2025								8,171,074	8,282,250	111,176		

5.4 Short term sukuks - 'at fair value through profit and loss'

5.4.1 Debt Sub - Fund

Name of the investee company	Issue date	Maturity date	Profit rate	As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as percentage of	
								Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Sub-Fund	total investments of the Sub-Fund
-----Number of certificates-----								-----Rupees-----			-----%-----	
K- Electric STS XXXII (AA, PACRA) (Face value of Rs 1,000,000 each)	June 12, 2025	December 12, 2025	3 months Kibor - 0.05%	15	-	15	-	-	-	-	-	-
Total as at June 30, 2026												
Total as at June 30, 2025								15,000,000	15,000,000	-		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

5.4.2 Money Market Sub - Fund

Name of the investee company	Issue date	Maturity date	Profit rate	As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as percentage of	
								Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Sub-Fund	total investments of the Sub-Fund
----- Number of certificates -----								-----Rupees -----			-----% -----	
K- Electric STS XXXII (AA, PACRA) (Face value of Rs 1,000,000 per certificate)	June 12, 2025	December 12, 2025	3 months Kibor - 0.05%	-	25	25	-	-	-	-	-	-
Sadaqat Limited (A1, VIS) (Face value of Rs 1,000,000 per certificate)	September 19, 2025	March 19, 2026	3 months Kibor - 0.05%	50	-	50	-	-	-	-	-	-
Total as at June 30, 2026								- - -				
Total as at June 30, 2025								25,000,000 25,000,000 -				

5.5 Unlisted debt securities - 'at fair value through profit and loss'

5.5.1 Debt Sub - Fund

Name of the investee company	Issue date	Maturity date	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
							Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Sub-Fund	total investments of the Sub-Fund
----- Number of certificates -----							-----Rupees -----			-----%	
Term Finance Certificates											
Azgard Nine Limited - Privately Placed Term Finance Certificate (PPTFCs) - related party (note 5.5.3)	April 29, 2021	April 29, 2031	128	-	-	128	640,000	-	-	-	-
Less: provision for impairment							(640,000)	-	-		
Total as at June 30, 2026							-	-	-		
Total as at June 30, 2025							-	-	-		

5.5.2 Money Market Sub - Fund

Name of the investee company	Issue date	Maturity date	As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
							Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Sub-Fund	total investments of the Sub-Fund
							----- Rupees -----			----- % -----	
Term Finance Certificates											
Azgard Nine Limited - Privately Placed Term Finance Certificate (PPTFCs) - related party (note 5.5.3)	April 29, 2021	April 29, 2031	642	-	-	642	3,210,000	-	-	-	-
Less: provision for impairment							(3,210,000)	-	-		
Total as at June 30, 2026							-	-	-		
Total as at June 30, 2025							-	-	-		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

5.5.3 This represents Azgard Nine Limited (ANL) Privately Placed Term Finance Certificates (PPTFCs) in Debt Sub-Fund and Money Market Sub-Fund amounting to Rs. 0.64 million (2025: Rs. 0.64 million) and 3.21 million (2025: Rs. 3.21 million) against principal and interest accrued on unlisted ANL PPTFCs. These PPTFCs have a tenure of ten years starting from April 29, 2021 and will mature on April 29, 2031. These term finance certificates are secured by ranking hypothecation and mortgage charge over all present and future assets and properties of the company (including land and building) with 25% margin in favour of security Trustee i.e. National Bank of Pakistan excluding pledged commodities, shares in Agritech Limited, all assets and properties of the Company located at Lahore and Muzaffargarh. Since these PPTFCs are received against already defaulted securities and have non-performing status in MUFAP, therefore the management as a matter of prudence, has valued the said PPTFCs at zero.

5.6 Unrealised appreciation / (diminution) on remeasurement of investments classified as financial assets 'at fair value through profit or loss' - net

		2026			
Particulars	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees -----					
Market value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	232,188,504	192,208,813	-	424,397,317
Less: carrying value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	(206,979,005)	(193,525,301)	-	(400,504,306)
		<u>25,209,499</u>	<u>(1,316,488)</u>	<u>-</u>	<u>23,893,011</u>
		2025			
Particulars	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees -----					
Market value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	137,249,309	145,707,075	392,957,710	675,914,094
Less: carrying value of investments	5.1, 5.2, 5.3, 5.4 & 5.5	(118,332,142)	(145,133,099)	(392,876,508)	(656,341,749)
		<u>18,917,167</u>	<u>573,976</u>	<u>81,202</u>	<u>19,572,345</u>

6 MARK-UP / PROFIT RECEIVABLE

Note	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Rupees				
Mark-up / profit receivable on:				
- Bank balances	166,917	2,743,546	2,113,259	5,023,722
- Investments	-	4,007,411	-	4,007,411
	<u>166,917</u>	<u>6,750,957</u>	<u>2,113,259</u>	<u>9,031,133</u>

Note	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Rupees				
Mark-up / profit receivable on:				
- Bank balances	118,277	1,618,516	357,999	2,094,792
- Investments	-	198,006	143,016	341,022
	<u>118,277</u>	<u>1,816,522</u>	<u>501,015</u>	<u>2,435,814</u>

6.1 These include receivable balances held by Equity Sub-Fund and Money Market Sub-Fund of Rs. 27,322 (2025: Rs. 7,188) and Rs. 1,786 (2025: Rs. 5,560) respectively with JS Bank Limited (a related party) and in Money Market Sub-Fund of Rs. 16 (2025: Rs. 30) maintained with BankIslami Pakistan Limited (a related party).

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

7 DEPOSITS AND OTHER RECEIVABLES

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Security deposit with Central Depository Company of Pakistan Limited		100,000	100,000	100,000	300,000
Advance tax refundable	7.1	334,016	114,717	113,880	562,613
		<u>434,016</u>	<u>214,717</u>	<u>213,880</u>	<u>862,613</u>

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Security deposit with Central Depository Company of Pakistan Limited		100,000	100,000	100,000	300,000
Advance tax refundable	7.1	334,016	114,717	113,880	562,613
		<u>434,016</u>	<u>214,717</u>	<u>213,880</u>	<u>862,613</u>

7.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes CISs / VPSs are exempt from withholding tax under section 151 and 150. However, during the year and prior years, withholding tax on dividends, profit on debt securities and savings accounts with banks paid to the Fund were deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The aggregate tax withheld on dividend, profit on debt securities and savings accounts with banks on Equity Sub - Fund, Debt Sub - Fund and Money Market Sub - Fund is Rs. 0.334 million (2025: Rs. 0.334 million), Rs. 0.115 million (2025: Rs. 0.115 million) and Rs. 0.114 million (2025: Rs. 0.114 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Pension Fund Manager) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan (SCP) by the Funds together with other CISs / VPSs (managed by the Pension Fund Manager and other Asset Management Companies) whereby the SCP granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on dividends, profit on debt securities and savings accounts with banks have been shown as advance tax refundable as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will be refunded to the Fund.

8 PAYABLE TO JS INVESTMENTS LIMITED - PENSION FUND MANAGER

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Remuneration payable to the Pension Fund Manager	8.1	276,316	266,748	293,750	836,814
Sindh sales tax payable on remuneration of the Pension Fund Manager	8.2	165,555	198,016	162,252	525,823
Federal excise duty payable on remuneration of the Pension Fund Manager	8.3	839,908	1,059,548	791,230	2,690,686
		<u>1,281,779</u>	<u>1,524,312</u>	<u>1,247,232</u>	<u>4,053,323</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2025			Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
		Rupees			
Remuneration payable to the Pension Fund Manager	8.1	161,245	208,144	248,008	617,397
Sindh sales tax payable on remuneration of the Pension Fund Manager	8.2	148,294	189,226	155,390	492,910
Federal excise duty payable on remuneration of the Pension Fund Manager	8.3	839,908	1,059,548	791,230	2,690,686
Payable against printing and stationery		40,214	40,214	40,214	120,642
		<u>1,189,661</u>	<u>1,497,132</u>	<u>1,234,842</u>	<u>3,921,635</u>

8.1 As per regulation 67F of NBFC Regulation, 2008, the Pension Fund Manager of the Fund is allowed to charge an annual management fee of the average of the values of the net assets of each of the Sub-Fund calculated for determining the prices of the units of the Sub-Funds with allowed expense ratio limit. Keeping in view the maximum allowable threshold, the Pension Fund Manager has charged its remuneration at the rate of 1.5% (June 30, 2025: 1.5%) of daily net assets of the Equity Sub-Fund, 1% (June 30, 2025: 1%) of daily net assets of the Debt Sub-Fund, and 0.5% (June 30, 2025: 0.5%) of daily net assets of the Money Market Sub-Fund. Remuneration is payable to the Pension Fund Manager monthly in arrears.

8.2 During the year, an amount of Rs. 0.452 million (2025: Rs. 0.287 million), Rs. 0.449 million (2025: Rs. 0.342 million) and Rs. 0.495 (2024: Rs. 0.382 million) on Equity Sub - Fund, Debt Sub - Fund and Money Market Sub - Fund, respectively was charged on account of sales tax under the Sindh Sales Tax on Services Act, 2011 at the rate of 15% (2025: 15%).

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Pension Fund Manager with effect from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 0.840 million (2025: Rs. 0.840 million) in Equity Sub-Fund, Rs.1.060 million (2025: Rs. 1.060 million) for Debt Sub-Fund and Rs. 0.791 million (2025: Rs. 0.791 million) in Money Market Sub-Fund are being retained in the financial statements of the respective sub-funds as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been recorded in these financial statements of the Fund, the net asset value of the Fund as at June 30, 2026 would have been higher by Rs. 6.30 (2025: Rs. 7.78) per unit, Rs. 1.93 (2025: Rs. 2.19) per unit and Re. 0.54 (2025: Re. 0.58) per unit for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Remuneration payable to the Trustee	9.1	27,632	40,012	88,125	155,769
Sindh sales tax on remuneration of the Trustee	9.2	4,145	6,002	13,219	23,366
Settlement charges payable		1,500	575	575	2,650
		<u>33,277</u>	<u>46,589</u>	<u>101,919</u>	<u>181,785</u>

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Remuneration payable to the Trustee	9.1	16,124	31,222	74,402	121,748
Sindh sales tax on remuneration of the Trustee	9.2	2,419	4,683	11,160	18,262
Settlement charges payable		2,000	575	575	3,150
		<u>20,543</u>	<u>36,480</u>	<u>86,137</u>	<u>143,160</u>

- 9.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff specified therein, based on the average daily net assets of the Fund during the year. The tariff structure applicable to the Fund in respect of trustee remuneration is as follows:

Net Assets (Rs.)	Rate
- upto Rs. 1 billion	Rs. 0.3 million or 0.15% per annum of net assets, whichever is higher.
- above Rs. 1 billion to Rs. 3 billion	Rs.1.5 million plus 0.10% per annum of net assets, on amount exceeding Rs.1 billion.
- above Rs. 3 billion to Rs. 6 billion	Rs. 3.5 million plus 0.08% per annum of net assets, on amount exceeding Rs. 3 billion.
- above Rs. 6 billion	Rs. 5.9 million plus 0.06% per annum of net assets, on amount exceeding Rs. 6 billion.

- 9.2** During the year, an amount of Rs. 0.04 million (2025: Rs. 0.03 million), Rs. 0.07 million (2025: Rs. 0.05 million) and Rs. 0.15 (2025: Rs. 0.11 million) on Equity Sub - Fund, Debt Sub - Fund and Money Market Sub - Fund, respectively was charged on account of sales tax under the Sindh Sales Tax on Services Act, 2011 at the rate of 15% (2025: 15%).

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Fee payable	10.1	80,308	119,630	264,257	464,195

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees			
Fee payable	10.1	50,973	91,071	203,891	345,935

- 10.1** In accordance with the VPS Rules, each Sub-Fund of a Voluntary Pension Scheme is required to pay annual fee to the SECP at the rate of one twenty-fifth of one percent i.e. 0.04% (2025: 0.04%) per annum of the average annual net assets of the Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

11 ACCRUED EXPENSES AND OTHER LIABILITIES

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			
Auditors' remuneration payable	201,960	201,960	201,960	605,880
Zakat payable	-	-	151	151
Brokerage payable	185,601	-	7,419	193,020
Other payable	38,212	185	-	38,397
	<u>425,773</u>	<u>202,145</u>	<u>209,530</u>	<u>837,448</u>

	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			
Auditors' remuneration payable	201,960	201,960	201,960	605,880
Zakat payable	-	1,362	1,768	3,130
Brokerage payable	105,723	8,855	8,257	122,835
Other payable	36,750	315	-	37,065
	<u>344,433</u>	<u>212,492</u>	<u>211,985</u>	<u>768,910</u>

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.

13 NUMBER OF UNITS IN ISSUE

	2026		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Number of units		
Total units in issue at the beginning of the year	107,954	484,787	1,365,463
Units issued during the year	135,495	670,554	1,052,555
Units redeemed during the year	(111,217)	(607,600)	(952,723)
Reallocation of units during the year	1,106	1,178	(5,509)
Total units in issue at the end of the year	<u>133,338</u>	<u>548,919</u>	<u>1,459,786</u>

	2025		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	Number of units		
Total units in issue at the beginning of the year	153,698	461,938	1,102,389
Units issued during the year	123,223	581,962	1,075,635
Units redeemed during the year	(123,909)	(559,105)	(920,839)
Reallocation of units during the year	(45,058)	(8)	108,278
Total units in issue at the end of the year	<u>107,954</u>	<u>484,787</u>	<u>1,365,463</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

14 CONTRIBUTION TABLE

		2026							
		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
		Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
From:									
Individuals		135,495	241,634,931	670,554	401,892,510	1,052,555	515,187,273	1,858,604	1,158,714,714
		135,495	241,634,931	670,554	401,892,510	1,052,555	515,187,273	1,858,604	1,158,714,714

		2025							
		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
		Units	Rupees	Units	Rupees	Units	Rupees	Units	Rupees
From:									
Individuals		123,223	155,253,533	581,962	319,066,885	1,075,635	480,234,195	1,780,820	954,554,613
		123,223	155,253,533	581,962	319,066,885	1,075,635	480,234,195	1,780,820	954,554,613

15 AUDITORS' REMUNERATION

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees			
Annual audit fee		183,600	183,600	183,600	550,800
Half yearly review		122,400	122,400	122,400	367,200
Out of pocket expenses		30,600	30,600	30,600	91,800
Sindh sales tax		26,928	26,928	26,928	80,784
		363,528	363,528	363,528	1,090,584

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees			
Annual audit fee		170,000	170,000	170,000	510,000
Half yearly review		113,333	113,333	113,333	339,999
Out of pocket expenses		28,334	28,334	28,334	85,002
Sindh sales tax		24,933	24,933	24,933	74,799
		336,600	336,600	336,600	1,009,800

16 CASH AND CASH EQUIVALENTS

		2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees			
Bank balances	4	18,171,900	137,287,009	728,667,373	884,126,282

		2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees			
Bank balances	4	4,558,360	127,086,405	227,552,099	359,196,864
Market Treasury Bills	5.2	-	74,166,975	129,641,070	203,808,045
		4,558,360	201,253,380	357,193,169	563,004,909

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

17 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Equity sub-fund, Debt sub-fund and Money Market sub-fund as at June 30, 2026 based on the current year results are 2.79% (2025: 3.31%), 1.49% (2025: 1.55%) and 0.85% (2025: 0.87%) which includes 0.39% (2025: 0.45%), 0.22% (2025: 0.23%) and 0.14% (2025: 0.12%) representing government levies such as sales taxes and SECP fee, etc respectively.

During the year ended June 30, 2025, the Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 600(I)/2025 dated April 10, 2025, amended the previously applicable Total Expense Ratio (TER) caps. Effective July 1, 2025, this amendment replaced the earlier TER-based cap structure with a direct cap on the management fee, irrespective of the scheme's overall expense ratio. The revised management fee limits are disclosed in note 8.1 to these financial statements.

18 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

Connected persons and related parties include JS Investments Limited (JSIL) being the Pension Fund Manager of the Fund, Central Depository Company of Pakistan Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Pension Fund Manager - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20 % shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL - 75.12% shares are held by JS Bank Limited, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL - 92.90% shares are held by JS Bank Limited and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other Funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at June 30, 2026. It also includes staff retirement benefit funds of the above related parties and connected persons.

Transactions with connected persons and related parties essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with related parties and connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration of the Pension Fund Manager and the Trustee of the Fund are determined in accordance with the provisions of the VPS Rules and the Trust Deed respectively.

18.1 Details of transactions with related parties and connected persons during the year are as follows:

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			
JS Investments Limited - Pension Fund Manager				
Remuneration of the Pension Fund Manager	3,011,554	2,990,749	3,303,201	9,305,504
Sindh sales tax on remuneration of the Pension Fund Manager	451,734	448,612	495,480	1,395,826
Sales load	32	43	94	169
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of the Trustee	301,156	448,612	990,961	1,740,729
Sindh sales tax on remuneration of the Trustee	45,173	67,291	148,645	261,109
Settlement charges	24,741	7,129	6,900	38,770
JS Global Capital Limited (Fellow subsidiary of JSBL)				
Brokerage expense	75,744	-	-	75,744
JS Bank Limited (Holding Company of JSIL)				
Profit on savings accounts with banks	73,315	-	11,347	84,662

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2026			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Rupees			

BankIslami Pakistan Limited (Fellow subsidiary of JSBL)

Profit on savings accounts with banks

- - 50 50

Key management personnel

Amount received on issue of units	4,983,284	21,393,645	5,611,060	31,987,989
Units issued	2,912	14,813	11,391	29,116
Amount paid against redemption of units	-	400,000	1,600,000	2,000,000
Units redeemed	-	675	3,321	3,996
Reallocation amount received	27,597,908	51,756,640	49,142,052	128,496,600
Reallocation - units in	15,924	86,013	99,120	201,057
Reallocation amount paid	28,272,935	45,860,398	52,160,555	126,293,888
Reallocation - units out	15,804	77,853	107,898	201,555

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Rupees			

JS Investments Limited - Pension Fund Manager

Remuneration of the Pension Fund Manager	1,911,495	2,276,780	2,548,649	6,736,924
Sindh sales tax on remuneration of the Pension Fund Manager	286,724	341,517	382,297	1,010,538
Printing and stationery charges	44,530	44,530	44,530	133,590
Sales load	9,513	18,450	41,869	69,832

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	191,149	341,517	764,595	1,297,261
Sindh sales tax on remuneration of the Trustee	28,672	51,228	114,689	194,589
Settlement charges	35,815	7,465	6,900	50,180

JS Global Capital Limited (Fellow subsidiary of JSBL)

Brokerage expense	178,616	-	-	178,616
-------------------	---------	---	---	---------

JS Bank Limited (Holding Company of JSIL)

Profit on savings accounts with banks	68,149	-	11,266	79,415
---------------------------------------	--------	---	--------	--------

BankIslami Pakistan Limited (Fellow subsidiary of JSBL)

Profit on savings accounts with banks	-	-	131	131
---------------------------------------	---	---	-----	-----

Key management personnel

Amount received against issuance of units	4,478,989	10,450,975	1,337,192	16,267,156
Units issued	3,776	19,407	3,171	26,354
Amount paid against redemption of units	-	44,325	177,299	221,624
Units redeemed	-	93	449	542
Reallocation amount received	9,777,926	28,351,792	22,146,527	60,276,245
Reallocation - units in	7,517	51,330	49,077	107,924
Reallocation amount paid	11,399,634	26,779,473	22,097,139	60,276,246
Reallocation - units out	8,764	48,484	48,968	106,216

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

18.2 Details of balances with related parties and connected persons as at year end

	2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			
JS Investments Limited - Pension Fund Manager				
Remuneration payable to the Pension Fund Manager	276,316	266,748	293,750	836,814
Sindh sales tax payable on remuneration of the Pension Fund Manager	165,555	198,016	162,252	525,823
Federal excise duty payable on the remuneration of the Pension Fund Manager	839,908	1,059,548	791,230	2,690,686
Central Depository Company of Pakistan Limited - Trustee				
Remuneration payable to the Trustee	27,632	40,012	88,125	155,769
Sindh sales tax on remuneration of the Trustee	4,145	6,002	13,219	23,366
Settlement charges payable	1,500	575	575	2,650
Security deposit	100,000	100,000	100,000	300,000
JS Global Capital Limited (Fellow subsidiary of JSBL)				
Brokerage payable	10,674	-	-	10,674
BankIslami Pakistan Limited (Fellow subsidiary of JSIL)				
Bank balances	-	-	3,290	3,290
Profit receivable on savings accounts with banks	-	-	16	16
JS Bank Limited (Holding Company of JSIL)				
Bank balances	6,148	-	20,944	27,092
Profit receivable on savings accounts with banks	27,322	-	1,786	29,108
Key management personnel				
Investment at year end	18,770,851	44,792,155	31,306,789	94,869,795
Units outstanding	10,046	73,490	62,675	146,211
	2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees			
JS Investments Limited - Pension Fund Manager				
Remuneration payable to the Pension Fund Manager	161,245	208,144	248,008	617,397
Sindh sales tax payable on remuneration of the Pension Fund Manager	148,294	189,226	155,390	492,910
Federal excise duty payable on the remuneration of the Pension Fund Manager	839,908	1,059,548	791,230	2,690,686
Printing and stationery charges payable	40,214	40,214	40,214	120,642
Central Depository Company of Pakistan Limited - Trustee				
Remuneration payable to the Trustee	16,124	31,222	74,402	121,748
Sindh sales tax on remuneration of the Trustee	2,419	4,683	11,160	18,262
Settlement charges payable	2,000	575	575	3,150
Security deposit	100,000	100,000	100,000	300,000
JS Global Capital Limited (Fellow subsidiary of JSBL)				
Brokerage payable	19,500	-	-	19,500

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2025			
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Rupees			

BankIslami Pakistan Limited (Fellow subsidiary of JSIL)

Bank balances	-	-	3,226	3,226
Profit receivable on savings accounts with banks	-	-	30	30

JS Bank Limited (Holding Company of JSIL)

Bank balances	12,834	-	126,618	139,452
Profit receivable on savings accounts with banks	7,188	-	5,560	12,748

Key management personnel

Investment at year end	9,801,003	28,904,620	27,150,372	65,855,995
Units outstanding	7,517	51,330	59,844	118,691

19 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2026									
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	
	Rupees									
Financial assets										
Bank balances	18,171,900	-	18,171,900	137,287,009	-	137,287,009	728,667,373	-	728,667,373	884,126,282
Investments	-	232,188,504	232,188,504	-	192,208,813	192,208,813	-	-	-	424,397,317
Mark-up / profit receivable	166,917	-	166,917	6,750,957	-	6,750,957	2,113,259	-	2,113,259	9,031,133
Deposits and other receivables	100,000	-	100,000	100,000	-	100,000	100,000	-	100,000	300,000
	<u>18,438,817</u>	<u>232,188,504</u>	<u>250,627,321</u>	<u>144,137,966</u>	<u>192,208,813</u>	<u>336,346,779</u>	<u>730,880,632</u>	<u>-</u>	<u>730,880,632</u>	<u>1,317,854,732</u>
Financial liabilities										
Payable to JS Investments Limited - Pension Fund Manager	1,281,779	-	1,281,779	1,524,312	-	1,524,312	1,247,232	-	1,247,232	4,053,323
Payable to Central Depository Company of Pakistan Limited - Trustee	33,277	-	33,277	46,589	-	46,589	101,919	-	101,919	181,785
Accrued expenses and other liabilities	425,773	-	425,773	202,145	-	202,145	209,379	-	209,379	837,297
	<u>1,740,829</u>	<u>-</u>	<u>1,740,829</u>	<u>1,773,046</u>	<u>-</u>	<u>1,773,046</u>	<u>1,558,530</u>	<u>-</u>	<u>1,558,530</u>	<u>5,072,405</u>

Particulars	2025									
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			Total
	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	At amortised cost	At fair value through profit or loss	Sub total	
	Rupees									
Financial assets										
Bank balances	4,558,360	-	4,558,360	127,086,405	-	127,086,405	227,552,099	-	227,552,099	359,196,864
Investments	-	137,249,309	137,249,309	-	145,707,075	145,707,075	-	392,957,710	392,957,710	675,914,094
Mark-up / profit receivable	118,277	-	118,277	1,816,522	-	1,816,522	501,015	-	501,015	2,435,814
Deposits and other receivables	100,000	-	100,000	100,000	-	100,000	100,000	-	100,000	300,000
	<u>4,776,637</u>	<u>137,249,309</u>	<u>142,025,946</u>	<u>129,002,927</u>	<u>145,707,075</u>	<u>274,710,002</u>	<u>228,153,114</u>	<u>392,957,710</u>	<u>621,110,824</u>	<u>1,037,846,772</u>
Financial liabilities										
Payable to JS Investments Limited - Pension Fund Manager	1,189,661	-	1,189,661	1,497,132	-	1,497,132	1,234,842	-	1,234,842	3,921,635
Payable to Central Depository Company of Pakistan Limited - Trustee	20,543	-	20,543	36,480	-	36,480	86,137	-	86,137	143,160
Accrued expenses and other liabilities	344,433	-	344,433	211,130	-	211,130	210,217	-	210,217	765,780
	<u>1,554,637</u>	<u>-</u>	<u>1,554,637</u>	<u>1,744,742</u>	<u>-</u>	<u>1,744,742</u>	<u>1,531,196</u>	<u>-</u>	<u>1,531,196</u>	<u>4,830,575</u>

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Pension Fund Manager, the constitutive documents of the Fund, the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Pension Fund Manager supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

20.1 Market risk

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

The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established 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, yield / interest rate risk and other price risk.

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund does not have any financial instruments in foreign currencies and hence it is not exposed to such risk.

20.1.2 Yield / interest rate risk

Interest / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest / profit rates. As of June 30, 2026 the Fund is exposed to such risk on its balances held with banks, government securities, listed debt securities and short term sukuks. The Investment committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

Sensitivity analysis for variable rate instruments

As at June 30, 2026, the Equity Sub-Fund holds balances with banks amounting to Rs. 18.17 million (2025: Rs. 4.56 million), Debt Sub-Fund hold balances with banks, listed debt securities and short term sukuks amounting to Rs. 143.73 million (2025: Rs. 150.37 million) and Money Market Sub-Fund holds balances with banks and short term sukuks amounting to Rs. 728.67 million (2025: Rs. 252.55 million) exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net assets and net income for the year of Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund would have been higher / lower by Rs. 0.18 million (2025: Rs. 0.05 million), Rs. 1.44 million (2025: Rs. 1.50 million) and Rs. 7.29 million (2025: Rs. 2.53 million) respectively.

The composition of the Fund's investment portfolio and yield / interest rates expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in yield / interest rates.

Interest / 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 financial instruments is based on settlement date.

The Fund's yield / interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 and June 30, 2025 can be determined as follows:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

JS Pension Savings - Equity Sub Fund

2026						2025						
Effective interest rate	Exposed to interest / profit rate risk			Not exposed to interest / profit rate risk	Total	Effective interest Rate	Exposed to interest / profit rate risk			Not exposed to interest / profit rate risk	Total	
	Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year			
%	Rupees					%	Rupees					
Financial assets												
Bank balances	5.00% - 10.00%	18,171,900	-	-	-	18,171,900	8.25% - 9.00%	4,558,360	-	-	-	4,558,360
Investments		-	-	-	232,188,504	232,188,504		-	-	-	137,249,309	137,249,309
Mark-up / profit receivable		-	-	-	166,917	166,917		-	-	-	118,277	118,277
Deposits and other receivables		-	-	-	100,000	100,000		-	-	-	100,000	100,000
		18,171,900	-	-	232,455,421	250,627,321		4,558,360	-	-	137,467,586	142,025,946
Financial liabilities												
Payable to JS Investments Limited - Pension Fund Manager		-	-	-	1,281,779	1,281,779		-	-	-	1,189,661	1,189,661
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	33,277	33,277		-	-	-	20,543	20,543
Accrued expenses and other liabilities		-	-	-	425,773	425,773		-	-	-	344,433	344,433
		-	-	-	1,740,829	1,740,829		-	-	-	1,554,637	1,554,637
On-balance sheet gap (a)		18,171,900	-	-	230,714,592	248,886,492		4,558,360	-	-	135,912,949	140,471,309
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		18,171,900	-	-	230,714,592	248,886,492		4,558,360	-	-	135,912,949	140,471,309
Cumulative interest rate sensitivity gap		18,171,900	18,171,900	18,171,900				4,558,360	4,558,360	4,558,360		

JS Pension Saving - Debt Sub Fund

	2026					2025						
	Effective interest rate	Exposed to interest / profit rate risk			Not exposed to interest / profit rate risk	Total	Effective interest rate	Exposed to interest / profit rate risk			Not exposed to interest / profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
	%	Rupees					%	Rupees				
Financial assets												
Bank balances	5.00% - 10.00%	137,287,009	-	-	-	137,287,009	8.25% - 9.00%	127,086,405	-	-	-	127,086,405
Investments	14.04%	-	-	6,441,750	185,767,063	192,208,813	10.97% - 21.90%	82,449,225	63,257,850	-	-	145,707,075
Mark-up / profit receivable		-	-	-	6,750,957	6,750,957		-	-	-	1,816,522	1,816,522
Deposits and other receivables		-	-	-	100,000	100,000		-	-	-	100,000	100,000
		137,287,009	-	6,441,750	192,618,020	336,346,779		209,535,630	63,257,850	-	1,916,522	274,710,002
Financial liabilities												
Payable to JS Investments Limited - Pension Fund Manager		-	-	-	1,524,312	1,524,312		-	-	-	1,497,132	1,497,132
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	46,589	46,589		-	-	-	36,480	36,480
Accrued expenses and other liabilities		-	-	-	202,145	202,145		-	-	-	211,130	211,130
		-	-	-	1,773,046	1,773,046		-	-	-	1,744,742	1,744,742
On-balance sheet gap (a)		137,287,009	-	6,441,750	190,844,974	334,573,733		209,535,630	63,257,850	-	171,780	272,965,260
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-		-	-	-	-	-
Total interest rate sensitivity gap (a+b)		137,287,009	-	6,441,750	190,844,974	334,573,733		209,535,630	63,257,850	-	171,780	272,965,260
Cumulative interest rate sensitivity gap		137,287,009	137,287,009	143,728,759				209,535,630	272,793,480	272,793,480		

JS Pension Saving - Money Market Sub Fund

2026						2025					
Effective interest rate	Exposed to interest / profit rate risk			Not exposed to interest / profit rate risk	Total	Effective interest rate	Exposed to interest / profit rate risk			Not exposed to interest / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year				Upto three months	More than three months and upto one year	More than one year		
%	Rupees					%	Rupees				
Financial assets											
Bank balances	0.10% - 10.00%	728,667,373	-	-	-	728,667,373	0.10% - 9.00%	227,552,099	-	-	227,552,099
Investments		-	-	-	-	-	11.08% - 11.23%	367,957,710	25,000,000	-	392,957,710
Mark-up / profit receivable		-	-	-	2,113,259	2,113,259		-	-	501,015	501,015
Deposits and other receivables		-	-	-	100,000	100,000		-	-	100,000	100,000
		728,667,373	-	-	2,213,259	730,880,632		595,509,809	25,000,000	-	621,110,824
Financial liabilities											
Payable to JS Investments Limited - Pension Fund Manager		-	-	-	1,247,232	1,247,232		-	-	1,234,842	1,234,842
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	101,919	101,919		-	-	86,137	86,137
Accrued expenses and other liabilities		-	-	-	209,379	209,379		-	-	210,217	210,217
		-	-	-	1,558,530	1,558,530		-	-	1,531,196	1,531,196
On-balance sheet gap (a)		728,667,373	-	-	654,729	729,322,102		595,509,809	25,000,000	-	619,579,628
Off-balance sheet financial instruments		-	-	-	-	-		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-		-	-	-	-
Total interest rate sensitivity gap (a+b)		728,667,373	-	-	654,729	729,322,102		595,509,809	25,000,000	-	619,579,628
Cumulative interest rate sensitivity gap		728,667,373	728,667,373	728,667,373				595,509,809	620,509,809	620,509,809	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

20.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest / 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 Equity Sub-Fund (the Fund) is exposed to equity price risk on investments held by the Fund in equity securities and classified as financial asset 'at fair value through profit or loss' to manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within the eligible stocks prescribed in the Fund's Constitutive Documents, the VPS rules and circulars issued by SECP from time to time.

In case of 1% increase / decrease in PSX-100 index on June 30, 2026, with all other variables held constant, the total comprehensive income of the Fund for the year would increase / decrease by Rs. 2.32 million (2025: Rs. 1.37 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 PSX-100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the PSX-100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the PSX-100 Index.

20.2 Credit risk

Credit risk represents the risk of a loss that would be recognised at the reporting date if the counter parties fail to perform as contracted. The Fund is exposed to credit risks on investments (other than government securities), bank balances and profit / mark-up receivable. The credit risk on the Fund is limited because the counterparties are financial institutions with reasonably high credit ratings. Investments in market treasury bills and pakistan investment bonds are government backed and hence considered as secured.

20.2.1 Exposure to credit risk

The Fund's maximum exposure to credit risk is as follows:

	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
JS Pension Savings - Equity Sub Fund				
Rupees				
Bank balances	18,171,900	18,171,900	4,558,360	4,558,360
Investments*	232,188,504	-	137,249,309	-
Mark-up / profit receivable	166,917	166,917	118,277	118,277
Deposits and other receivables	100,000	100,000	100,000	100,000
	250,627,321	18,438,817	142,025,946	4,776,637

* Difference in the balance as per the "Statement of Assets and Liabilities" and maximum exposure is due to the fact that investments in listed equity securities of Rs. 232.188 million (2025: Rs. 137.249 million) are not exposed to credit risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

JS Pension Savings - Debt Sub Fund

2026		2025	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
Rupees			
Bank balances	137,287,009	127,086,405	127,086,405
Investments*	192,208,813	145,707,075	23,282,250
Mark-up / profit receivable	6,750,957	1,816,522	1,816,522
Deposits and other receivables	100,000	100,000	100,000
	336,346,779	274,710,002	152,285,177

* Difference in the balance as per the "Statement of Assets and Liabilities" and maximum exposure is due to the fact that investments in government securities of Rs. 185.767 million (2025: Rs. 122.425 million) are not exposed to credit risk.

JS Pension Savings - Money Market Sub Fund

2026		2025	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
Rupees			
Bank balances	728,667,373	227,552,099	227,552,099
Investments	-	392,957,710	25,000,000
Mark-up / profit receivable	2,113,259	501,015	501,015
Deposits and other receivables	100,000	100,000	100,000
	730,880,632	621,110,824	253,153,114

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instrument guidelines approved by the Investment Committee.

20.2.2 Credit quality of financial assets

The Fund held bank balances at June 30, 2026 with banks having following credit ratings:

Name of the bank	Ratin agency	Long term rating	2026	2025
			Percentage of total bank balances	
JS Pension Savings Fund - Equity Sub Fund				
Bank Alfalah Limited	PACRA	AAA	98.82%	95.64%
Habib Metropolitan Bank Limited	PACRA	AAA	0.09%	0.30%
Samba Bank Limited	PACRA	AA	0.95%	3.34%
JS Bank Limited	PACRA	AA	0.03%	0.28%
Dubai Islamic Bank Limited	VIS	AA	0.11%	0.44%
			100.00%	100.00%
JS Pension Savings Fund - Debt Sub Fund				
Habib Metropolitan Bank Limited	PACRA	AAA	99.87%	99.85%
Allied Bank Limited	PACRA	AAA	0.01%	0.01%
Bank Al Habib Limited	PACRA	AAA	0.09%	0.10%
United Bank Limited	VIS	AAA	0.01%	0.02%
Zarai Taraqiati Bank Limited	VIS	AAA	0.01%	0.01%
Habib Bank Limited	VIS	AAA	0.01%	0.01%
			100.00%	100.00%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

Name of the bank	Ratin agency	Long term rating	2026	2025
			Percentage of total bank balances	
JS Pension Savings Fund - Money Market Sub Fund				
Bank Alfalah Limited	PACRA	AAA	99.99%	99.91%
Allied Bank Limited*	PACRA	AAA	0.00%	0.00%
Samba Bank Limited*	PACRA	AA	0.00%	0.00%
JS Bank Limited*	PACRA	AA	0.00%	0.06%
BankIslami Pakistan Limited*	PACRA	AA-	0.00%	0.00%
Dubai Islamic Bank Limited*	VIS	AA	0.00%	0.01%
United Bank Limited*	VIS	AAA	0.00%	0.01%
Zarai Taraqiati Bank Limited*	VIS	AA	0.00%	0.00%
Habib Bank Limited*	VIS	AAA	0.00%	0.01%
* nil due to rounding off			100.00%	100.00%

20.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure.

As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2026 and June 30, 2025 are unsecured and are not impaired.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on the terms that are materially disadvantageous to the Fund.

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

The Fund can borrow in the short term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was obtained by the Fund during the current year.

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

JS Pension Savings Fund - Equity Sub Fund

2026					
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investment Limited - Pension Fund Manager
 Payable to Central Depository Company of Pakistan Limited - Trustee
 Accrued expenses and other liabilities

1,281,779	-	-	-	-	1,281,779
33,277	-	-	-	-	33,277
185,601	201,960	38,212	-	-	425,773
1,500,657	201,960	38,212	-	-	1,740,829

2025					
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investment Limited - Pension Fund Manager
 Payable to Central Depository Company of Pakistan Limited - Trustee
 Accrued expenses and other liabilities

1,189,661	-	-	-	-	1,189,661
20,543	-	-	-	-	20,543
105,723	201,960	36,750	-	-	344,433
1,315,927	201,960	36,750	-	-	1,554,637

JS Pension Savings Fund - Debt Sub Fund

2026					
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investment Limited - Pension Fund Manager
 Payable to Central Depository Company of Pakistan Limited - Trustee
 Accrued expenses and other liabilities

1,524,312	-	-	-	-	1,524,312
46,589	-	-	-	-	46,589
-	201,960	185	-	-	202,145
1,570,901	201,960	185	-	-	1,773,046

2025					
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investment Limited - Pension Fund Manager
 Payable to Central Depository Company of Pakistan Limited - Trustee
 Accrued expenses and other liabilities

1,497,132	-	-	-	-	1,497,132
36,480	-	-	-	-	36,480
8,855	201,960	315	-	-	211,130
1,542,467	201,960	315	-	-	1,744,742

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

JS Pension Savings Fund - Money Market Sub Fund

2026					
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investment Limited - Pension Fund Manager
Payable to Central Depository Company of Pakistan Limited - Trustee
Accrued expenses and other liabilities

1,247,232	-	-	-	-	1,247,232
101,919	-	-	-	-	101,919
7,419	201,960	-	-	-	209,379
1,356,570	201,960	-	-	-	1,558,530

2025					
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year	Financial instruments with no fixed maturity	Total

Rupees

Financial Liabilities

Payable to JS Investment Limited - Pension Fund Manager
Payable to Central Depository Company of Pakistan Limited - Trustee
Accrued expenses and other liabilities

1,234,842	-	-	-	-	1,234,842
86,137	-	-	-	-	86,137
8,257	201,960	-	-	-	210,217
1,329,236	201,960	-	-	-	1,531,196

21 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 on 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.

21.1 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 June 30, 2026 and June 30, 2025, the Fund held the following financial instruments measured at fair values:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

2026			
Level 1	Level 2	Level 3	Total
Rupees			

JS Pension Savings Fund - Equity Sub-Fund

Financial assets classified at 'fair value through profit and loss'

- Listed equity securities

232,188,504	-	-	232,188,504
-------------	---	---	-------------

JS Pension Savings Fund - Debt Sub-Fund

Financial assets classified at 'fair value through profit and loss'

- Government securities

- Listed debt securities

- Short term sukuk

-	185,767,063	-	185,767,063
6,441,750	-	-	6,441,750
-	-	-	-
6,441,750	185,767,063	-	192,208,813

2025			
Level 1	Level 2	Level 3	Total
Rupees			

JS Pension Savings Fund - Equity Sub-Fund

Financial assets classified at 'fair value through profit and loss'

- Listed equity securities

137,249,309	-	-	137,249,309
-------------	---	---	-------------

JS Pension Savings Fund - Debt Sub-Fund

Financial assets classified at 'fair value through profit and loss'

- Government securities

- Listed debt securities

- Short term sukuk *

-	122,424,825	-	122,424,825
8,282,250	-	-	8,282,250
-	15,000,000	-	15,000,000
8,282,250	137,424,825	-	145,707,075

JS Pension Savings Fund - Money Market Sub-Fund

Financial assets classified at 'fair value through profit and loss'

- Government securities

- Short term sukuk *

-	367,957,710	-	367,957,710
-	25,000,000	-	25,000,000
-	392,957,710	-	392,957,710

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

21.2 The following valuation techniques have been used in the determination of fair values of the investments:

Items	Valuation approach and input used
Listed equity securities	The valuation has been determined through closing rates provided on Pakistan Stock Exchange Limited at the reporting date.
Market Treasury Bills & Pakistan Investment Bonds - Fixed rate	The fair value of Market Treasury Bills has been derived using PKRV rates as on the reporting date. The PKRV rates are announced by FMA (Financial Market Association) through Reuters.
Term Finance Certificates	The valuation has been determined from MUFAP debt valuation sheet as on the reporting date. The closing rates are announced by MUFAP daily on its website.

21.3 There were no transfers between level 1 and level 2 and no movement in or out of level 3 fair value hierarchy during the year ended June 30, 2026.

22 DETAILS OF MEMBERS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

S. No.	Name	Designation	Experience in years	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	20	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer & Company Secretary	33	MBA
3	Ms. Samina Faisal	Country head Business development	32	MBA
4	Mr. Syed Hussain Haider	Chief Investment Officer	20	CFA / CIPM
5	Syed Muhamamd Safdar Raza	Vice President - Fixed Income Funds	9	BCOM

22.1 Name and qualification of the Fund Manager

Name	Designation	Qualification	Other funds managed by the Fund Manager
Syed Muhammad Safdar Raza	Vice President - Fixed Income Funds	Bachelors in Commerce	JS Cash Fund, JS Money Market Fund, JS Fixed Term Munafa Fund, JS Income Fund, JS Government Securities Fund, JS Microfinance Sector Fund, JS Islamic Income Fund, JS Islamic Pension Savings Fund, JS KPK Pension Fund, JS KPK Islamic Pension Fund, JS Punjab Islamic Pension Fund, JS Punjab Pension Fund.

23 UNITHOLDING PATTERN OF THE FUND

Category	Number of unitholders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Individuals (including directors)	641	2,142,043	1,312,880,594	100%
-----2025-----				
Category	Number of unitholders	Number of units held	Investment amount (Rupees)	Percentage of total investment (%)
Individuals (including directors)	522	1,958,204	1,033,229,745	100%

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2026

24 PARTICIPANTS' SUB-FUND RISK MANAGEMENT

The Participants' Fund is represented by redeemable units. These units are entitled to payment of a proportionate share, based on the Fund's net asset value per unit on the redemption date.

The Fund has no restrictions on the subscription and redemption of units. There is no specific capital requirement which is applicable to the Fund.

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

In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the participants of the Fund have invested with a long term objective, the possibility of a significant redemption pressure is limited, such liquidity being augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments where necessary.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the Fund and rank parri passu as their rights in the net assets and earning of the sub-fund are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

25 GENERAL

25.1 Figures have been rounded off to the nearest rupee.

26 CORRESPONDING FIGURES

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

27 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 23, 2026 by Board of Directors of the Pension Fund Manager.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.
- **Regional Office - Lahore**
1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094
- **Wealth Centre - Lahore**
Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094
- **Wealth Centre - Peshawar**
Ground Floor, Shop #10-A,
Fakhr e Alam Road, Super Market, Peshawar

☎ 0800-00887 ✉ "Invest to 8027" ✉ ir@jsil.com 🌐 www.jsil.com
f www.facebook.com/jsinvestments t http://twitter.com/JSinvestment
in http://www.linkedin.com/company/js-investment-limited



QR Code for
website access



JS ISLAMIC FIXED TERM MUNAFA FUND
ANNUAL REPORT 2026

GROWING STRONGER.

**SCALING
SMARTER**

CONTENT AT A GLANCE

COMPANY INFORMATION

01

Company Information	02
Vision	03
Mission	
Directors' Report to the Unit Holders	04
Fund Manager's Report	09
Performance Table / Key Financial Data	11
Report of the Shariah Advisory	12
Statement of Compliance with Shariah Principles	13
Trustee Report to the Unit Holders	14
Independent Auditors' Report to the Unit Holders	16

FINANCIAL STATEMENTS

02

Statement of Assets And Liabilities	02
Statement of Income	04
Statement of Comprehensive Income	05
Statement of Movement In Unit Holders' Fund	06
Statement of Cash Flows	12
Notes to and Forming Part of the Financial Statements	14
	15
	16

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Suleman Lalani
Non-Executive Director / Chairman

Ms. Iffat Zehra Mankani
Chief Executive Officer

Mr. Hasan Shahid
Non-Executive Director

Syed Kazim Raza
Non-Executive Director

Mr. Atif Salim Malik**
Non-Executive Director

Ms. Maria Mittermair
Independent Director

Ms. Mediha Kamal Afsar
Independent Director

Mr. Ahsan Jamal
Non-Executive Director

Mr. Faisal Anwar*
Non-Executive Director

Chief Executive Officer
Ms. Iffat Zehra Mankani

Chief Financial Officer
Mr. Raheel Rehman

Chief Investment Officer
Syed Hussain Haider

Chief Operating Officer & Company Secretary
Mr. Muhammad Khawar Iqbal

Statutory Auditors
Grant Thornton Anjum Rahman, Chartered Accountants

Legal Advisors
Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee
Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Ms. Maria Mittermair

Trustee
Digital Custodian Company Limited
4th Floor, Perdesi House 2/1, R-Y-16,
Old Queens Road, Karachi - 75530

Shariah Advisors
Al - Hilal Shariah Advisors (Pvt) Limited.

* Mr. Faisal Anwar resigned from the board on April 27, 2026.

** Mr. Atif Salim Malik joined the board on May 07, 2026.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.

MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.



DIRECTORS' REPORT TO THE UNITHOLDERS

The Board of Directors of JS Investments Limited ('JSIL'), the Management Company of **JS Islamic Fixed Term Munafa Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2026.

ECONOMIC REVIEW

FY2026 marked a further strengthening of Pakistan's macroeconomic foundations despite a more challenging external environment. The resurgence of geopolitical tensions in the Middle East temporarily disrupted the disinflation process and heightened external uncertainty; however, continued policy discipline, progress under the IMF-supported reform programme and improving investor confidence helped preserve macroeconomic stability and reinforce policy credibility through the year.

Real GDP growth accelerated to 3.7%, the strongest pace in four years, supported by a broad-based recovery in manufacturing and services. While inflation reaccelerated toward year-end amid higher global energy prices, average inflation remained contained at 7.1%. Fiscal consolidation continued, supported by stronger revenue collection and an improved primary balance, while record remittances, reserve accumulation and renewed access to international capital markets strengthened the external position despite a widening trade deficit.

The year also witnessed a further improvement in Pakistan's sovereign credit profile, with international rating upgrades reinforcing the progress achieved under the macroeconomic adjustment agenda and supporting renewed access to global capital markets. While these developments provide a firmer macroeconomic foundation, the challenge ahead extends beyond preserving stability. Sustaining higher long-term growth will require continued reform implementation, stronger private-sector investment, productivity enhancement and a gradual transition from stabilization-led recovery to a more competitive, investment- and export-oriented economy.

INCOME / MONEY MARKET REVIEW

Domestic fixed income markets moved through two distinct phases during FY2026. The year began with contained inflation and continued monetary easing, with the State Bank of Pakistan reducing the policy rate by 50 basis points to 10.5% in December. However, higher global energy prices following renewed Middle East tensions altered the inflation outlook, prompting a 100-basis point increase in the policy rate to 11.5% in April.

Government security yields initially benefited from the improving inflation outlook before repricing higher as geopolitical tensions intensified, and subsequently partially retraced as tensions eased and oil prices moderated. The 3-month, 12-month and 5-year benchmark yields closed the year at 11.60%, 11.60% and 11.80%, respectively. The relatively contained adjustment in longer-tenor yields suggested that investors continued to view the inflation shock as largely transitory rather than structural.

The outlook for domestic fixed income remains broadly constructive. A gradual normalization in inflation should provide scope for monetary conditions to ease over time, although the pace of any future policy adjustment will remain contingent upon sustained geopolitical de-escalation, continued fiscal discipline and inflation converging toward the SBP's medium-term target range. Against this backdrop, duration positioning is expected to remain selective, with valuation opportunities likely to emerge as policy visibility improves and inflation risks become more balanced.

REVIEW OF FUND PERFORMANCE

Allocation Schemes	Net Assets (PKR. In billions)	Return %	Benchmark Return %	Total Expense Ratio %	Dividend Per Unit
JS IFTMF Plan 1	0.96	9.24	9.47	2.29	-

ASSET MANAGER RATING

Pakistan Credit Rating Agency Limited (PACRA) upgraded JS Investments Limited's Asset Manager Rating to 'AM1' with a 'Stable Outlook' on November 5, 2025 — the highest management-quality assessment, reflecting sound governance, institutionalized investment processes and consistent operational performance. PACRA has also maintained the stability rating of "AAA(f)" to the Fund.

AUDITORS

The external auditors of the Fund, M/s. Grant Thornton Anjum Rahman, Chartered Accountants, retired and, being eligible, offered themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board, has approved the appointment of M/s. Grant Thornton Anjum Rahman, Chartered Accountants as the Fund's auditors for the ensuing year ending June 30, 2027.

SHARIAH ADVISORS

M/s. Al-Hilal Shariah Advisors (Private) Limited, completed its tenure. The Board of Directors of JS Investments Limited, the Pension Fund Manager of the Fund, upon recommendation of the Audit Committee has approved the appointment of M/s. Al-Hilal Shariah Advisors for the ensuing year ending June 30, 2027.

ADDITIONAL MATTERS

- a. Annexed to the Annual Report is the Fund Manager's Report, providing a description of principal risks and uncertainties along with a reasonable indication of future profit prospects.
- b. The Pattern of Unit holding as of June 30, 2026, is annexed to this annual report.
- c. The system of internal control is sound in design and has been effectively implemented and monitored.
- d. A performance table/key financial data is annexed to this annual report.

ACKNOWLEDGMENT

The Board of Directors expresses its gratitude to the Securities and Exchange Commission of Pakistan and Central Depository Company of Pakistan Limited for their continued support, assistance and guidance. The Board also places on record its appreciation for the dedication and commitment of the employees of the Management Company and thanks the unitholders for their continued confidence in the Management Company.

On behalf of the Board



Director



Chief Executive Officer

August 23, 2026
Karachi

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز، میسرز گرانٹ تھورنٹن انجمن رحمن، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور از سر نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز گرانٹ تھورنٹن انجمن رحمن، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2027 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

شرعی مشیران:

میسرز الہلال شرعیہ ایڈوائزرز (پرائیویٹ) لمیٹڈ کی تقرری کی مدت مکمل ہو گئی۔ فنڈ کی مینجمنٹ کمپنی، جے ایس انویسٹمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی کی سفارش پر 30 جون 2027 کو اختتام پذیر ہونے والے آئندہ سال کے لیمیسرز الہلال شرعیہ ایڈوائزرز (پرائیویٹ) لمیٹڈ کی بطور شرعی مشیر تقرری کی منظوری دی ہے۔

اضافی معلومات:

- الف۔ سالانہ رپورٹ کے ساتھ فنڈ مینجری کی رپورٹ منسلک ہے، جس میں اہم خطرات اور غیر یقینی عوامل کی وضاحت کے ساتھ مستقبل کے منافع کے امکانات کی نشاندہی کی گئی ہے۔
- ب۔ 30 جون 2026 تک یونٹ ہولڈنگ کا پیٹرن اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
- ج۔ اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- د۔ کارکردگی کا جدول/کلیدی مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

اظہار تشکر:

ڈائریکٹرز پاکستان سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور سینٹرل ڈپازٹری کمپنی آف پاکستان کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ مینجمنٹ کمپنی کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون ہے۔

بورڈ کی جانب سے



ڈائریکٹر

کراچی، 23 اگست 2026



چیف ایگزیکٹو آفیسر

حکومتی سیکورٹیز کی ییلڈز نے ابتدا میں افراط زر کے بہتر ہوتے ہوئے منظر نامے سے فائدہ اٹھایا، تاہم جغرافیائی سیاسی کشیدگی میں اضافے کے باعث ان میں دوبارہ اضافہ ہوا۔ بعد ازاں کشیدگی میں کمی اور تیل کی قیمتوں میں اعتدال آنے کے ساتھ ییلڈز میں جزوی طور پر کمی واقع ہوئی۔ 3 ماہ، 12 ماہ اور 5 سالہ بینچ مارک ییلڈز بالترتیب 11.60 فیصد، 11.60 فیصد اور 11.80 فیصد کی سطح پر سال کے اختتام پر بند ہوئیں۔ طویل مدتی میچورٹی والی سیکورٹیز کی ییلڈز میں نسبتاً محدود تبدیلی اس امر کی عکاسی کرتی ہے کہ سرمایہ کار افراط زر میں اس اضافے کو ایک ساختی مسئلے کے بجائے بڑی حد تک عارضی نوعیت کا جھٹکا سمجھتے رہے۔

ملکی فلسفہ آئٹم مارکیٹ کا آئندہ منظر نامہ مجموعی طور پر حوصلہ افزا ہے۔ افراط زر میں بتدریج معمول کی سطح کی جانب واپسی سے وقت کے ساتھ مانیٹری حالات میں مزید نرمی کی گنجائش پیدا ہو سکتی ہے، تاہم مستقبل میں پالیسی میں کسی بھی ممکنہ تبدیلی کی رفتار کا انحصار جغرافیائی سیاسی کشیدگی میں پائیدار کمی، مسلسل مالیاتی نظم و ضبط اور افراط زر کے اسٹیٹ بینک آف پاکستان (SBP) کی درمیانی مدت کی ہدفی حد کی جانب واپس آنے پر ہوگا۔ اس پس منظر میں سرمایہ کاری کی مدت کے حوالے سے حکمت عملی محتاط اور منتخب بنیادوں پر برقرار رہنے کی توقع ہے، جبکہ پالیسی کے حوالے سے صورتحال مزید واضح ہونے اور افراط زر کے خطرات میں توازن پیدا ہونے کے ساتھ ویلیو ایشن کی بنیاد پر سرمایہ کاری کے مواقع بھی سامنے آنے کا امکان ہے۔

فنڈ کی کارکردگی کا جائزہ:

مختص اسکیمیں	مجموعی اثاثے (روپے بلین میں)	ریٹرن فیصد	بینچ مارک ریٹرن فیصد	مجموعی اخراجات کا ریشو فیصد	ڈویڈنڈ فی یونٹ
جے ایس آئی ایف ٹی ایم ایف پلان 1	0.96	9.24	9.47	2.29	-

ایسٹس مینجر کی ریٹنگ:

پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) نے 5 نومبر 2025 کو جے ایس انویسٹمنٹ لمیٹڈ کی ایسیٹ مینجر ریٹنگ بڑھا کر "AM1" کردی، جبکہ آؤٹ لک "مستحکم" برقرار رکھا گیا۔ "AM1" انتظامی معیار کی اعلیٰ ترین درجہ بندی ہے، جو مضبوط طرز حکمرانی، ادارہ جاتی بنیادوں پر قائم سرمایہ کاری کے طریقہ کار اور مسلسل موثر آپریشنل کارکردگی کی عکاسی کرتی ہے۔ PACRA نے فنڈ کی "AAA(f)" کی استحکامی ریٹنگ بھی برقرار رکھی ہے۔

یونٹ ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2026 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمپنی برائے جے ایس اسلاک فکسڈ ٹرم منافع فنڈ (فنڈ) کی سالانہ رپورٹ پیش کرتے ہوئے پُرمسرت ہیں۔

معاشی جائزہ:

مالی سال 2026 کے دوران پاکستان کی مجموعی معاشی بنیادوں میں مزید استحکام آیا، اگرچہ بیرونی معاشی ماحول پہلے کے مقابلے میں زیادہ مشکل رہا۔ مشرق وسطیٰ میں جغرافیائی سیاسی کشیدگی میں دوبارہ اضافے کے باعث افراط زر میں کمی کا عمل عارضی طور پر متاثر ہوا اور بیرونی غیر یقینی صورتحال میں اضافہ ہوا۔ تاہم، پالیسیوں میں مسلسل نظم و ضبط، آئی ایم ایف کے تعاون سے جاری اصلاحاتی پروگرام میں پیش رفت اور سرمایہ کاروں کے اعتماد میں بہتری نے سال بھر معاشی استحکام برقرار رکھنے اور پالیسیوں کی سادھ کو مزید مضبوط بنانے میں مدد دی۔

حقیقی مجموعی ملکی پیداوار کی شرح نموبڑھ کر 3.7 فیصد ہو گئی، جو گزشتہ چار سالوں میں بلند ترین شرح نمو ہے۔ اس بہتری کو مینوفیکچرنگ اور خدمات کے شعبوں میں وسیع البیاد بحالی سے تقویت ملی۔ اگرچہ عالمی توانائی کی قیمتوں میں اضافے کے باعث سال کے اختتام پر افراط زر کی شرح میں دوبارہ اضافہ ہوا، تاہم سال کی اوسط افراط زر 7.1 فیصد کی سطح پر قابو میں رہی۔ مالیاتی استحکام کا عمل بھی جاری رہا، جسے محصولات کی بہتر وصولی اور بنیادی مالیاتی توازن میں بہتری سے مدد ملی۔ دوسری جانب، ریکارڈ ٹریسیلات زر، زرمبادلہ کے ذخائر میں اضافہ اور عالمی سرمایہ مارکیٹوں تک دوبارہ رسائی نے بڑھتے ہوئے تجارتی خسارے کے باوجود ملک کی بیرونی مالی پوزیشن کو مزید مضبوط کیا۔

سال کے دوران پاکستان کے خود مختار کریڈٹ پروفائل میں بھی مزید بہتری آئی۔ بین الاقوامی کریڈٹ ریٹنگ اداروں کی جانب سے ریٹنگ میں بہتری نے میکرو اکنامک ایڈجسٹمنٹ کے تحت حاصل ہونے والی پیش رفت کو تقویت دی اور عالمی سرمایہ مارکیٹوں تک ملک کی دوبارہ رسائی میں معاونت فراہم کی۔ اگرچہ یہ پیش رفت پاکستان کے لیے زیادہ مضبوط معاشی بنیاد فراہم کرتی ہے، تاہم مستقبل کا چیلنج محض معاشی استحکام برقرار رکھنے تک محدود نہیں۔ طویل مدت میں بلند شرح نمو کو برقرار رکھنے کے لیے اصلاحات پر مسلسل عمل درآمد، نجی شعبے کی سرمایہ کاری میں اضافہ، پیداواری صلاحیت میں بہتری اور معیشت کو بتدریج استحکام پر مبنی بحالی سے ایک زیادہ مسابقتی، سرمایہ کاری اور برآمدات پر مرکوز معیشت کی جانب منتقل کرنا ضروری ہوگا۔

انکم/منی مارکیٹ کا جائزہ

مالی سال 2026 کے دوران ملکی فکسڈ انکم مارکیٹ کو دو نمایاں مراحل سے گزرنا پڑا۔ سال کا آغاز قابو میں رہنے والی افراط زر اور مسلسل مانیٹری پالیسی میں نرمی کے ساتھ ہوا، جبکہ دسمبر میں اسٹیٹ بینک آف پاکستان نے پالیسی ریٹ میں 50 پیس پوائنٹس کی کمی کر کے اسے 10.5 فیصد کر دیا۔ تاہم، مشرق وسطیٰ میں کشیدگی میں دوبارہ اضافے کے بعد عالمی سطح پر توانائی کی قیمتوں میں ہونے والے اضافے نے افراط زر کے منظر نامے کو تبدیل کر دیا، جس کے نتیجے میں اپریل میں پالیسی ریٹ میں 100 پیس پوائنٹس کا اضافہ کر کے اسے 11.5 فیصد کر دیا گیا۔

FUND MANAGER REPORT

Annual Report 2026

JS ISLAMIC FIXED TERM MUNAFA FUND

- **Description of the Collective Investment Scheme category and type**
Shariah Compliant Fixed Rate / Return Scheme
- **Statement of Collective Investment Scheme's investment objective**
JS Islamic Fixed Term Munafa Fund (Plan 1) is to generate potentially high returns through investment in a diversified portfolio of Shariah-compliant instruments, while ensuring the original investment amount is protected upon maturity.
- **Explanation as to whether the Collective Investment Scheme has achieved its stated objective**
The collective investment scheme achieved its stated objective.
- **Statement of benchmark(s) relevant to the Collective Investment Scheme**
3 months PKISRV rate (at the time of plan launch)

Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks

	JSFTMF_1
Jul-25	n/a
Aug-25	n/a
Sep-25	n/a
Oct-25	n/a
Nov-25	n/a
Dec-25	n/a
Jan-26	n/a
Feb-26	n/a
Mar-26	n/a
Apr-26	29.61%
May-26	5.94%
Jun-26	10.51%
FY26	9.24%
Benchmark	9.47%

- **Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**
During the review period, the fund invested across Shariah-compliant government debt instruments, aligning allocations with respective plan tenors and prevailing yields. Asset allocation remained disciplined as interest-rate expectations shifted during the year, while heightened geopolitical uncertainty reinforced the focus on managing reinvestment, liquidity and credit risks in accordance with Shariah principles.
- **Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

JSIFTMF_1	Jun-26	Jun-25
Cash	99.99%	n/a
Other including receivables	0.01%	n/a
Total	100.00%	n/a

• **Analysis of the Collective Investment Scheme's performance**

	Fund		Fund
Monthly Portfolio Turnover Ratio	0.0%	Modified Duration	0.00
Information Ratio	0.08	Yield to Maturity (YTM)	11.00%
Macaulay's Duration	0.00	WAM (Yr)	0.00

• **Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)**

	Net Assets Excluding JSIL FoFs (PKR mn)	NAV per Unit (PKR)
30-Jun-26	965.15	101.62
30-Jun-25	n/a	n/a

• **Disclosure of the markets that the Collective Investment Scheme has invested in:**

JS Islamic Fixed Term Munafa Fund mainly invests in government securities. Other allowable investment avenues include money market placements, bank deposits, certificates of deposits, certificates of Musharaka, Term Deposit Receipts (TDR), and any other securities or instruments approved under SECP rules, regulations, or directives from time to time.

• **Disclosure on distribution (if any), comprising:-**

- Particulars of income distribution or other forms of distribution made and proposed during the period; and
- Statement on effects on the NAV before and after distribution is made

Distribution

JSIFTMF_1: Nil

NAVs per unit as on June 30, 2026

	Cum NAV (PKR)	Ex-NAV (PKR)
JSIFTMF_1	101.62	101.62

• **Description and explanation of any significant changes in the state of affairs of the Collective Investment Scheme during the period and up till the date of the manager's report, not otherwise disclosed in the financial statements**

There were no significant changes in the state of affairs during the year under review.

• **Breakdown of unit holdings by size**

Fund Name	Ranges			Number of Folios
JS Islamic Fixed Term Munafa Fund - Plan-1	0.0001	to	9,999.9999	-
	10,000.0000	to	49,999.9999	2
	50,000.0000	to	99,999.9999	-
	100,000.0000	to	499,999.9999	-
	500,000.0000	&	above	2
			Total	4

• **Disclosure on unit split (if any), comprising:-**

The Fund has not carried out any unit split exercise during the year.

• **Disclosure of circumstances that materially affect any interests of the unit holders**

Investment is subject to market risk.

• **Disclosure if the Asset Management Company or its delegate, if any, receives any soft commission (i.e. goods and services) from its broker(s) or dealer(s) by virtue of transactions conducted by the Collective Investment Scheme, disclosure of the following:-**

The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

JS ISLAMIC FIXED TERM MUNAFA FUND PERFORMANCE TABLE

Year 2025-2026		
Js Islamic Fixed Term Munafa Fund		
Plan-1		
Net assets - Rupees in '000'	Rs.	965,145
Net income - Rupees in '000'	Rs.	15,438
Total return of the Fund	%	9.24
Total dividend distribution	%	-
Capital Growth	%	9.24
Average annual return	%	9.24
NAV per unit	Rs.	101.62
Offer price per unit at launched date	Rs.	100.00
Highest repurchase price per unit	Rs.	101.62
Lowest repurchase price per unit	Rs.	100.00
Year-end repurchase price per unit	Rs.	101.62
First interim distribution	Rs.	-
Announcement date		-
Total distribution as % of par value	%	-

Notes

- Js Islamic Fixed Term Munafa Fund April 28, 2026
- Js Islamic Fixed Term Munafa Fund Plan-1 A 28 April, 2026
- Units have par value of Rs. 100/- each.
- Investment portfolio composition of the Fund is disclosed in note 5 of the financial statements.

Disclaimer

- Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

September 23, 2026

AHSA/SSR/JSIFTMFP-I/655



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

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

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

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

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2026 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in JS Islamic Fixed Munafa Fund Plan-1 managed by JS Investments 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 نبيينا محمد وعلى آله وصحبه وبارك وسلم

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



Mufti Irshad Ahmad Aijaz
Member Shariah Council



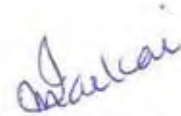
Faraz Younus Bandukda, CFA
Chief Executive

JS Investments Limited
The Centre, 19th Floor,
Plot No. 28, SB-5,
Abdullah Haroon Road,
Saddar Karachi - 74400,
Pakistan.
www.jsil.com
UAN: (+92 21) 111-222-626

STATEMENT OF COMPLIANCE WITH SHARIAH PRINCIPLES

JS Islamic Fixed Term Munafa Fund (the Fund) has fully complied with Shariah Principles specified in the Trust Deed and in the guidelines issued by the Shariah Advisors for its operations, investments, bank accounts and placements made during the year ended June 30, 2026. The Shariah Advisors has also confirmed that the transactions were observed to be compliant with the guidelines laid down by Shariah Advisors.

Karachi: September 10, 2026


Iffat Zehra Mankani
Chief Executive Officer

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

**To The Board of Directors of
JS Investment Limited**

**Grant Thornton Anjum
Rahman**

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

1. Introduction

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

2. Applicable Criteria

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

- a) legal and regulatory framework administered by the SECP;
- b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the SECP;
- c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan (ICAP), as notified by the SECP;
- d) guidance and recommendations of the Shariah Advisory Committee, as notified by the SECP; and
- e) approvals, rulings, or pronouncements of Shariah Supervisory Board or the Shariah Advisor of the Islamic financial institution, in line with (a) to (d) above.

Our engagement was carried out as required under Regulation 29 of Chapter VII of the Regulations.

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

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its unit holders, other financial institutions, and stakeholders and related policies and procedures are,

in substance and legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

4. Our Independence and Quality Control

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

The firm applies International Standard on Quality Management (ISQM-I) "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements", and accordingly maintains a comprehensive system of quality management including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

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

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

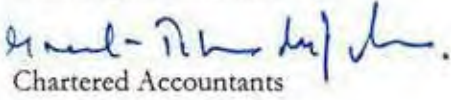
We believe that the evidence we have obtained through performing our procedures were sufficient and appropriate to provide a basis for our opinion.

6. Conclusion

Based on our reasonable assurance engagement, we report that, in our opinion, the Fund's financial arrangements, contracts, and transactions for the year ended June 30,

2026 are in compliance with the Shariah principles (criteria specified in paragraph 2 above), in all material respects.

The engagement partner on the assurance resulting in this independent assurance report is **Muhammad Khalid Aziz.**


Chartered Accountants

Date: September 28, 2026

Place: Karachi

REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

JS ISLAMIC FIXED TERM MUNAFA FUND

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

JS Islamic Fixed Term Munafa Fund (the Fund) was established and registered under the Trust Deed and under the Sindh Trusts Act, 2020 respectively executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was executed on November 22, 2024 in accordance with the requirement of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules).

1. JS Investments Limited, the Management Company of JS Islamic Fixed Term Munafa Fund has, in all material respects, managed JS Islamic Fixed Term Munafa Fund during the year ended June 30, 2026 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement
2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and

Statement

No short coming has been addressed during the year ended June 30, 2026.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the short coming(s).

Disclosure of the steps

We have critically examined the fund in accordance with circular, directives, NBFC Regulations 2008 and its constitutive documents. However, no shortcoming has been addressed.

D.K.



#MonetizeYourAssets

4. Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

Trustee Opinion

"The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents".

Dabeer Khan
Manager Compliance
Digital Custodian Company Limited

Karachi: September 25, 2026

ONLINE

+923-111-322-228

 digitalcustodian.co

    / digitalcustodian

LAHORE

LSE Plaza, 508

Kashmir Egerton Road

+92 42 3630 4406

KARACHI

Perdesi House

Old Queens Road

+92 21 3241 9770

INDEPENDENT AUDITOR'S REPORT TO THE

To the unit holders of JS Islamic Fixed Term Munafa Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **JS Islamic Fixed Term Munafa Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund, the statement of cash flow for the period from April 28, 2026 to June 30, 2026 and notes to the financial statements, including a summary of material accounting policies.

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

Basis for Opinion

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

Key Audit Matters

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

Grant Thornton Anjum

Rahman

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

Following is the key audit matter:

Key audit matter	How our audit addressed the key audit matter
Net assets value (NAV)	
The balances with banks constitute the most significant component of the net assets value (NAV). The balances with banks as at June 30, 2026 amounted to Rs. 959,367 million as disclosed in note 5. The existence and proper valuation of balances with banks for the determination of NAV of the Fund as at June 30, 2026 was considered as a high risk area and therefore we consider this as a Key Audit Matter (KAM).	We performed the following audit procedures: • Obtained an understanding of design effectiveness of the key controls on the balances with bank. • Obtained independent confirmations for verifying the existence of the balances with banks as at June 30, 2026 and reconciled it with the books and records of the Fund. • Obtained bank reconciliation statements and tested reconciling items on a sample basis. • Checked presentation and disclosure as per applicable financial reporting framework.

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

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or 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 these financial statements in accordance with the approved 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 Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern

and using the going concern basis of accounting unless Management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

As part of an audit in accordance with auditing standards 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 Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.


Chartered Accountants

Karachi

Date: September 28, 2026

UDIN: AR202610154aGbTvKruW

FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

ASSETS

Bank balances
Investments
Profit receivable
Preliminary expenses & floatation costs
Advances, prepayments & other receivables

Total assets

LIABILITIES

Payable to JS Investments Limited -
Management Company
Payable to Digital Custodian
Company Limited - Trustee
Payable to the Securities and Exchange
Commission of Pakistan
Accrued expenses and other liabilities

Total liabilities

NET ASSETS

UNIT HOLDERS' FUND

(as per statement attached)

CONTINGENCIES AND COMMITMENTS

NUMBER OF UNITS IN ISSUE

NET ASSET VALUE PER UNIT

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

	2026
	JS Islamic Fixed Term Munafa Fund Plan - 1
Note	Rupees
5	959,367,357
6	-
7	12,247,465
8	94,462
	189,289
	971,898,573
9	2,020,689
10	68,281
11	59,434
12	4,604,957
	6,753,361
	965,145,212
	965,145,212
13	---
	--- (Number of units) ---
	9,497,636
	Rupees
	101.62



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

For The Period Ended
April 28, 2026 to June
30, 2026

JS Islamic Fixed Term
Munafa Fund Plan - 1

Note ----- Rupees -----

INCOME

Profit / mark-up income	15	19,664,962
Loss on sale of investments - net		(365,500)
Total income		19,299,462

EXPENSES

Remuneration of JS Investments Limited - Management Company	9.1	1,473,115
Sindh sales tax on remuneration of the Management Company	9.2	220,967
Remuneration of Digital Custodian Company Limited - Trustee	10.1	126,332
Sindh sales tax on remuneration of the Trustee	10.2	18,910
Fee to the Securities and Exchange Commission of Pakistan	11.1	126,407
Auditor's remuneration	16	920,700
Brokerage and settlement charges		16,578
Other expenses		720,235
Shariah advisory fee		16,232
Bank charges		6,191
Amortisation of preliminary expenses and floatation costs		215,914
Total expenses		3,861,581

Net income for the period before taxation 15,437,881

Taxation 18 -

Net income for the period after taxation 15,437,881

Allocation of net income for the period

Net income for the period after taxation	15,437,881
Income already paid on units redeemed	(14,777,570)
	660,311

Accounting income available for distribution:

Relating to capital gains	-
Excluding capital gains	660,311
	660,311

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



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

For The Period Ended
April 28, 2026 to June
30, 2026

JS Islamic Fixed Term
Munafa Fund Plan - 1

----- Rupees -----

Net income for the period after taxation	15,437,881
Other comprehensive income for the period	-
Total comprehensive income for the period	15,437,881

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



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

For The Period Ended April 28, 2026 to June 30, 2026		
Capital value	Undistributed income / (loss)	Total
-----Rupees-----		
Net assets at beginning of the period	-	-
Issuance of 19,031,551 units:		
- Capital value (at net asset value per unit)	1,903,155,154	1,903,155,154
- Element of income	14,721,335	14,721,335
Total proceeds on issuance of units	1,917,876,489	1,917,876,489
Redemption of 9,533,915 units:		
- Capital value (at net asset value per unit)	(953,391,588)	(953,391,588)
- Element of loss	- (14,777,570)	(14,777,570)
Total payments on redemption of units	(953,391,588) (14,777,570)	(968,169,158)
Total comprehensive income for the period	- 15,437,881	15,437,881
Distribution during the period	- -	-
Net income for the period less distribution	- 15,437,881	15,437,881
Net assets as at the end of the period	964,484,901	965,145,212
Undistributed income brought forward		
- Realised Income	-	-
- Unrealised income	-	-
Accounting income available for distribution		
- Relating to capital gains	-	-
- Excluding capital gains	660,311	660,311
Distributions made during the period	-	-
Accumulated income carried forward	660,311	660,311
Accumulated income carried forward		
- Realised income	660,311	660,311
- Unrealised income	-	-
	660,311	660,311
	(Rupees)	
Net asset value per unit at beginning of the period		-
Net asset value per unit at end of the period		101.62

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

Chief Financial Officer

Chief Executive Officer

Director

STATEMENT OF CASH FLOWS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

For The Period Ended
April 28, 2026 to June
30, 2026

JS Islamic Fixed Term
Munafa Fund Plan - 1

Note ----- Rupees -----

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the period before taxation 15,437,881

Adjustment for :

Profit/markup on balances with banks and investments (19,664,962)

Realized loss on sale of investments at fair value through profit or loss - net 365,500

(3,861,581)

(Increase) / decrease in assets

Investments - net (365,500)

Advances, prepayments & other receivables (189,289)

Preliminary expenses & floatation costs (94,462)

(649,251)

(Decrease) / increase in liabilities

Payable to JS Investments Limited - Management Company 2,020,689

Payable to Digital Custodian Company Limited - Trustee 68,281

Payable to the Securities and Exchange Commission of Pakistan 59,434

Accrued expenses and other liabilities 4,604,958

6,753,362

Profit received on bank balances and investments 7,417,496

Net cash generated from operating activities 9,660,026

CASH FLOWS FROM FINANCING ACTIVITIES

Amount received on issuance of units 1,917,876,489

Amount paid on the redemption of units (968,169,158)

Dividend paid during the period -

Net cash generated from financing activities 949,707,331

Net increase in cash and cash equivalents during the period 959,367,357

Cash and cash equivalents at beginning of the period -

Cash and cash equivalents at end of the period 959,367,357

5.2

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



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** JS Islamic Fixed Term Munafa Fund (the Fund) was established/registered under the Trust Deed and under section 16 of the Sindh Trusts Act, 2020 respectively executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was executed on January 29, 2025 in accordance with the requirement of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations on April 28, 2026.
- 1.2** The Management Company of the Fund has been licensed by SECP to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the Securities and Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at The Centre, 19th Floor, Plot No. 28 SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.
- 1.3** The Fund is an open end mutual fund categorised as “Shariah Complaint Fixed Rate / Return Scheme” and is listed on the Pakistan Stock Exchange. The investment objectives and policies are explained in the Fund’s offering document. The units of the Fund were initially offered for public subscription at par value of Rs. 100 per unit.
- 1.4** As per the offering document, the Fund shall invest in Shariah Complaint fixed income securities such as government securities, cash in bank account ,money market placements, deposits, certificate of deposits, certificate of musharakas (COM), and TDRs, as per respective authorized investable avenues, and such as approved by SECP and Shariah Advisors.
- 1.5** The objective of fund is to optimise risk adjusted return through prudent deployment of capital in shariah compliant instruments,structure in a manner that safeguards the initial investment amount contributed by unit holders over the life of the plan.
- 1.6** The maturity of the Fund is perpetual, however plans may have a set time frame. The plans overview is as follows:

Plans	Duration	Risk Profile	Issue date (close of subscription period)	Maturity date	Status
JS ISLAMIC FIXED TERM MUNAFA FUND PLAN - 1	3 Months	Low	April 28, 2026	July 28, 2026	Active

- 1.7** The Management Company measured the assets and liabilities of the plans in accordance with material accounting policy information as disclosed in note 3 to these condensed interim financial statements. In preparing these condensed interim financial statements, the management has given due consideration to the fact that the measurement of assets and liabilities of the Plan may be affected by changes in judgements that can arise when the going concern assumption ceases to be valid.
- 1.8** The Pakistan Credit Rating Agency Limited (PACRA) has upgraded the asset manager rating of ‘AM1’ with ‘stable outlook’ dated November 5, 2025 of the Management Company. Further, the Fund is not rated by any rating agency as at June 30, 2026.
- 1.9** The title to the assets of the Fund are held in the name of Digital Custodian Company Limited (DCCL) as the Trustee of the Fund.
- 1.10** These are the first annual financial statements of the fund for the period from April 28, 2026 to June 30, 2026 Therefore comparative figures are not presented.

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.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

3 BASIS OF PREPERATION

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 (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of, directives and notifications issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- The Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these are not considered relevant or do not have any material impact on the Fund's financial statements and, therefore, have not been detailed in these condensed interim financial statements.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective in the current period

In addition certain new standards, amendments and interpretations to approved accounting standards are not yet effective. The Fund is in the process of assessing the impact of these Standards, amendments and interpretations to the published standards on the financial statements of the Fund.

3.4 Standards, amendments and interpretations to the published standards that are not yet notified by the Securities and Exchange Commission of Pakistan (SECP)

Further, certain new standards, amendments and interpretations have been issued by the International Accounting Standards Board (IASB) which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

3.5 Critical accounting estimates and judgments

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification, valuation and impairment of financial assets (notes 4.1 and 6).

3.6 Accounting convention

These financial statements have been prepared under the historical cost convention except for certain investments which have been classified as 'at fair value through profit or loss' and which are measured at fair value. The details in respect of valuation techniques under IFRS 13 fairvalue measurement used used for the fair valuation of financial assets has been disclosed in note 23

3.7 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

4 SUMMARY OF MATERIAL ACCOUNTING POLICIES

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

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

4.1 Financial assets

4.1.1 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.

4.1.2 Classification and subsequent measurement

Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified based on the business model of the entity as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVPL).

IFRS 9 also provides an option for securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVPL.

4.1.3 Impairment (other than debt securities)

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

- 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 forecast of future economic conditions.

4.1.4 Impairment loss on debt securities

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

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, in accordance with the provisioning policy duly approved by the Board of Directors of the management company.

4.1.5 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.

4.1.6 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.

4.2 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement.

4.3 Financial liabilities

4.3.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair values and subsequently stated at amortised cost.

4.3.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss arising on derecognition of financial liabilities is taken to the Income Statement.

4.3.3 Offsetting of financial assets and financial liabilities

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

4.4 Cash and cash equivalents

These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

4.5 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 the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.6 Taxation

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

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

4.7 Issuance and redemption of units

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

Units redeemed are recorded at the redemption price applicable to units for which the distribution company / management company receives redemption application during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the management company may consider to be an appropriate provision of duties and charges.

4.8 Element of income / (loss) and capital gains / (losses) included in prices of units issued less those in units redeemed

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

4.9 Distribution to unit holders

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

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

4.10 Revenue recognition

- Capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Income from investments in government securities is recognised on an accrual basis using effective interest method at the rate of return implicit in the instrument.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

- 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.
- Interest income on bank balances is recognised on an accrual basis.

4.11 Expenses

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

4.12 Net asset value per unit

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

5 BANK BALANCES

In savings accounts

5.1 959,367,357

- 5.1 These represent balances maintained with Habib Metropolitan Bank Limited and carry profit at the rate from 6% to 11.0% per annum.

5.2 Cash and cash equivalents

Bank balances
Gop ijara sukuks

959,367,357

-
959,367,357

6 INVESTMENTS

Financial assets 'at fair value through profit or loss'

Gop ijara sukuks

6.1 -

6.1 Gop ijara sukuks

Particulars	Issue date	Face value				Value as at June 30, 2026			Market value as	
		As at July 1, 2025	Purchased during the period	Sold / matured during the period	Holding as at June 30, 2026	Carrying Value	Market Value	Unrealised (diminution) / appreciation	Total investments	Net assets
		-----Rupees-----				-----Rupees-----			----- % -----	
JS Islamic Fixed Term Munafa Fund plan - 1										
- 3 Years	26-Jun-23	-	850,000,000	850,000,000	-	-	-	-	-	-
Total as at June 30, 2026						-	-	-	-	-

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

		2026
		JS Islamic Fixed Term Munafa Fund Plan - 1
	Note	Rupees
7	PRELIMINARY EXPENSES AND FLOATATION COSTS	
Preliminary expenses and floatation costs	7.1	310,375
Less: accumulated amortisation of preliminary expenses and floatation costs		(215,913)
		<u>94,462</u>

7.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and are being amortised over the period.

		2026
		JS Islamic Fixed Term Munafa Fund Plan - 1
	Note	Rupees
8	ADVANCES, PREPAYMENTS & OTHER RECEIVABLES	
Prepaid fees		174,800
Other receivables		14,489
		<u>189,289</u>

9	PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY	
Remuneration payable to the Management Company	9.1	1,473,115
Sindh sales tax payable on remuneration of Management Company	9.2	220,967
Preliminary expenses and floatation costs		310,375
Shariah advisory fee payable		16,232
		<u>2,020,689</u>

9.1 As per Regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document and subject to the capping of 1% for a collective investment scheme categorised as an 'Shariah Compliant Income Scheme'. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate upto 1% per annum of the average daily net assets of the Fund during the year ended June 30, 2026. The remuneration is payable to the Management Company monthly in arrears.

9.2 Sindh Sales Tax is levied at the rate of 15% under the Sindh Sales Tax on Services Act, 2011 on the Management Company's remuneration and any reimbursable expenditure to the Management Company.

9.3 Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services has been excluded.

'The Management Company in pursuance of the above requirement did not charge the above-mentioned expenses in the year ended June 30, 2026.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

		2026
		JS Islamic Fixed Term Munafa Fund Plan - 1
Note		Rupees
10	PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE	
	Remuneration payable to the Trustee	10.1 59,410
	Sindh sales tax payable on remuneration of the Trustee	10.2 8,871
		<u>68,281</u>

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at 0.075% per annum on the average annual net assets of the Fund calculated on a daily basis.

10.2 Sindh sales tax is levied at the rate of 15% under the sindh sales tax on Services Act, 2011 on the Trustee remuneration.

		2026
		JS Islamic Fixed Term Munafa Fund Plan - 1
Note		Rupees
11	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	
	Fee payable	11.1 59,434

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP).

'Effective from July 1, 2023, the SECP vide SRO No. 592(I)/2023 dated May 17, 2023, revised the rate of annual fee to 0.075% of net assets, applicable on "Money Market Scheme".

'The Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

		2026
		JS Islamic Fixed Term Munafa Fund Plan - 1
		Rupees
12	ACCRUED EXPENSES AND OTHER LIABILITIES	
	Auditor's remuneration payable	920,700
	Capital gain tax and other payables	3,684,257
		<u>4,604,957</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2026

14 NUMBER OF UNITS IN ISSUE

Units in issue at the beginning of the period
Units issued during the period
Units redeemed during the period
Total units in issue at the end of the period

2026
JS Islamic Fixed Term Munafa Fund Plan - 1
----- Units -----
-
19,031,551
(9,533,915)
<u>9,497,636</u>

15 PROFIT / MARK-UP INCOME

Profit / mark-up income on:

- Bank balances
- GOP Ijarah Sukuk

19,664,962
-
<u>19,664,962</u>

16 AUDITORS' REMUNERATION

Annual audit fee
Out of pocket expenses
Sindh sales tax

727,826
72,783
120,091
<u>920,700</u>

17 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund as at June 30, 2026 based on the current year results is 2.29%, which includes 0.77% representing government levies such as sales taxes and SECP fee etc.

During the year ended June 30, 2025, the Securities and Exchange Commission of Pakistan (SECP), vide S.R.O. 600(I)/2025 dated April 10, 2025, amended the previously applicable Total Expense Ratio (TER) caps. Effective July 1, 2025, this amendment replaced the earlier TER-based cap structure with a direct cap on the management fee, irrespective of the scheme's overall expense ratio. The revised management fee limits are disclosed in Note 9.1 to these financial statements.

18 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 Company intends to distribute the required minimum percentage of income earned by the Fund for the period ending June 30, 2026 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the period.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

19 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons include JS Investments Limited (JSIL) being the Management Company of the Fund, Digital Custodian Company Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Management Company - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20% shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL of which JSBL holds 75.12% shares, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL of which JSBL holds 92.90% shares and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other Funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at June 30, 2026. It also includes staff retirement benefit Funds of the above related parties / connected persons.

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

Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

Transactions and balances with related parties other than disclosed elsewhere in these financial statements are as follows:

2026
JS Islamic Fixed Term Munafa Fund Plan - 1
----- Rupees -----

19.1 Details of transactions with related parties / connected persons during the period

JS Investments Limited - Management Company

Remuneration of JS Investments Limited - Management Company	1,473,115
Sindh sales tax on remuneration of the Management Company	
Amortisation of preliminary expenses and floatation costs	215,914
Shariah advisory fee	16,232

Digital Custodian Company Limited - Trustee

Remuneration of Digital Custodian Company Limited - Trustee	126,332
Sindh sales tax on remuneration of the Trustee	18,910

Unit holder holding 10% or more of units in issue

Amount received against issuance of units	1,890,092,626
Units issued (number of units)	18,900,926
Amount paid against redemption of units	961,529,058
Units redeemed (number of units)	9,468,528

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

2026
JS Islamic Fixed Term Munafa Fund Plan - 1
----- Rupees -----

19.2 Details of transactions with related parties / connected persons during the period

JS Investments Limited - Management Company

Remuneration payable to the Management Company	1,473,115
Sindh sales tax payable on remuneration of Management Company	220,967
Preliminary expenses and floatation costs	310,375
Shariah advisory fee payable	16,232

Digital Custodian Company Limited - Trustee

Remuneration payable to the Trustee	59,410
Sindh sales tax payable on remuneration of the Trustee	8,871

Unit holder holding 10% or more of units in issue

Amount held	958,520,271
Units held (number of units)	9,432,398

20 FINANCIAL INSTRUMENTS BY CATEGORY

	As at June 30, 2026		
	At amortised cost	'At fair value through	Total
	Rupees		
Financial assets			
Bank balances	959,367,357	-	959,367,357
Investments	-	-	-
Deposit and profit receivable	12,261,954	-	12,261,954
	<u>971,629,311</u>	<u>-</u>	<u>971,629,311</u>
Financial liabilities			
Payable to JS Investments Limited - Management Company	2,020,689	-	2,020,689
Payable to Digital Custodian Company Limited - Trustee	68,281	-	68,281
Accrued expenses and other liabilities	920,700	-	920,700
	<u>3,009,670</u>	<u>-</u>	<u>3,009,670</u>

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

21 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, credit risk and liquidity risk arising from the financial instruments it holds.

21.1 Market risk

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

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee and regulations laid down by the SECP.

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

21.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. At present, the Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

21.1.2 Interest / profit rate risk

Interest / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest / profit rates. As of June 30, 2026, the Fund is exposed to such risk on its balances held with banks, market treasury bills, Pakistan investment bonds, sukuk certificates and letter of placements. The Investment Committee of the Fund reviews the portfolio of the fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis for variable rate instruments

As at June 30, 2026, the Fund holds balances with banks amounting Rs. 959 million exposing the fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net assets of the Fund and net income for the year would have been higher / lower by Rs. 9.6 million.

The composition of the Fund's investment portfolio and profit rates are expected to change overtime. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rates.

Interest / 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 financial instruments is based on settlement date.

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

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

-----2026-----					
Effective interest rate	-----Exposed to interest / profit rate risk-----			Not exposed to interest / profit rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
-----%-----	-----Rupees-----				
Financial assets					
Bank balances	6.00 -11.00	959,367,357	-	-	959,367,357
Investments		-	-	-	-
Deposit and profit receivable		-	-	12,261,954	12,261,954
		959,367,357	-	12,261,954	971,629,311
Financial liabilities					
Payable to JS Investments Limited - Management Company		-	-	2,020,689	2,020,689
Payable to Digital Custodian Company Limited - Trustee		-	-	68,281	68,281
Accrued expenses and other liabilities		-	-	4,604,957	4,604,957
		-	-	6,693,927	6,693,927
On-balance sheet gap (a)		959,367,357	-	5,568,027	964,935,384
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a+b)		959,367,357	-	-	-
Cumulative interest rate sensitivity gap		959,367,357	959,367,357	959,367,357	

21.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest/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.

21.1.4 Credit risk

Credit risk represents the risk of a loss that would be recognised at the reporting date if the counter parties fail to perform as contracted. The Fund is exposed to counter party credit risks on investments (other than Shariah complaint government securities), balances with banks and other receivables. The credit risk on the Fund is limited because the counterparties are financial institutions with reasonably high credit ratings.

Exposure to credit risk

The Fund's maximum exposure to credit risk is as follows:

2026	
Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- Rupees -----	
Bank balances	959,367,357
Investments	-
Deposit and profit receivable	12,261,954
	971,629,311

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the investment guidelines approved by the Investment Committee, its Trust Deed and the requirements of the NBFC Rules and Regulations. Before making investment decisions, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.

Credit risk is managed and controlled by the Management Company of the Fund in the following manner:

- Where the Investment Committee makes an investment decision, the credit rating and credit worthiness of the issuer is taken into account along with the financial background so as to minimise the risk of default.
- Analyses of credit ratings.
- The risk of counterparty exposure due to failed trades causing a loss to the Fund is mitigated by a periodic review of the credit ratings and financial statements of the counter party on a regular basis.
- Cash is held only with reputable banks with high quality external credit ratings.
- Investment transactions are carried out with a large number of brokers, whose credit worthiness is taken into account so as to minimise the risk of default and transactions are settled or paid for only upon delivery.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. The Fund does not expect to incur material credit losses on its financial assets.

The analysis below summarises the credit quality of the Fund's financial assets:

21.2.1 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks, investments and profit receivable thereon. The credit rating profile of balances held with banks is as follows:

Name of bank	2026		
	Rating agency	Latest available published rating	Percentage
Habib Metropolitan Bank Limited	PACRA	AAA	100.00%

Ratings of investments have been disclosed in related notes to these financial statements. Since, the assets of the Fund are held with credit worthy counterparties, therefore any significant credit risk is mitigated.

21.2.2 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure.

As transactions are entered with credit worthy parties and are within the regulatory limits, therefore any significant concentration of credit risk is mitigated.

All financial assets of the Fund as at June 30, 2026 are unsecured and are not impaired.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

21.2.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on the 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. The Fund's 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 NBFC Regulations, 2008, the Fund can borrow in the short term to ensure settlement of the maximum limit which is fifteen percent of net assets upto 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 requests during the year ended June 30, 2026.

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

2026			
Upto three months	More than three months and upto one year	More than one year	Total
Rupees			

Financial liabilities

Payable to JS Investments Limited - Management Company	2,020,689	-	-	2,020,689
Payable to Digital Custodian Company Limited - Trustee	68,281	-	-	68,281
Accrued expenses and other liabilities	920,700	-	-	920,700
	3,009,670	-	-	3,009,670

22 UNIT HOLDERS' FUND RISK MANAGEMENT

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

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

- Monitors the level of daily issuance and redemptions relative to liquid assets;
- Redeems and issues units in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions as allowed under the rules and regulations; and

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

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

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically monitors capital of the Fund on the basis of the value of net assets attributable to the unit holders and tracks the movement of "Assets under Management" as well as returns earned on the net assets to maintain investors' confidence and achieve future growth in business. Further, the Board of Directors are updated about the Fund's yield and movement of net asset value and total size at the end of each quarter.

In accordance with the NBFC Regulations, the Fund is required to distribute at least ninety percent of its income from sources other than capital gains as reduced by such expenses as are chargeable to the Fund.

Under the NBFC Regulations, the minimum size of an open end scheme shall be one hundred million rupees at all the times during the life of the scheme. The Fund has maintained minimum size of one hundred million rupees at all times during the year.

23 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 on 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.

23.1 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 June 30, 2026, the Fund held the following financial instruments measured at fair values:

ASSETS

Financial assets 'at fair value through profit or loss'

GoP Ijara Sukuks

June 30, 2026			
(Unaudited)			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
JS Islamic Fixed Term Munafa Fund Plan -1			
2026			

-	-	-	-
---	---	---	---

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

23.2 During the year ended June 30, 2026, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

23.3 Valuation techniques used in determination of fair values are as follows:

Items	Valuation technique
GOP IJARA SUKUK	The fair value of GOP Ijara have been derived using PKISRV rates as on June 30, 2026. The PKISRV rates are announced by FMA (Financial Market Association) daily through Reuters.

24 UNIT HOLDING PATTERN OF THE FUND

	June 30, 2026		
	Number of unit holders	Investment amount	Percentage of total
	----- Rupees -----		
Individual	65,238	6,629,486	0.69%
Other corporate	9,432,398	958,515,727	99.31%
	9,497,636	965,145,212	100.00%

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

-----2026-----	
Name of broker	Percentage of commission paid
Continental Exchange (private) Limited	100.00%

26 Details of members of investment committee and fund manager

S. No.	Name	Designation	Experience in years	Qualification
1	Ms. Iffat Zehra Mankani	Chief Executive Officer	25	MBA
2	Mr. Khawar Iqbal	Chief Operating Officer and Company Secret	33	MBA
3	Mr. Syed Hussain Haider	Chief Investment officer / Fund Manager	24	CFA
4	Mr. Safdar Raza	Vice President	10	Bcom
5	Ms. Samina Faisal	Country head of Development	35	CFA

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

27 Attendance at the meeting of the Board of Directors of the Management Company

S. No	Name of Directors	Meetings held on					
		Meetings attended	19 August 2025	21 October 2025	09 January 2025	20 February 2025	23 April 2026
1	Mr. Suleman Lalani	5	✓	✓	✓	✓	✓
2	Ms. Iffat Zehra Mankani	5	✓	✓	✓	✓	✓
3	Mr. Hasan Shahid	5	✓	✓	✓	✓	✓
4	Ms. Aisha Fariel Salahuddin*	2	✓	✓	-	-	-
5	Ms. Mediha Kamal Afsar	4	✓	✓	-	✓	✓
6	Mr. Faisal Anwar	5	✓	✓	✓	✓	✓
7	Mr. Farooq Ahmed Malik*	2	✓	✓	-	-	-
8	Syed Kazim Raza	4	✓	✓	-	✓	✓
9	Mr. Ahsan Jamal**	3	-	-	✓	✓	✓
10	Ms. Maria Mittermair**	3	-	-	✓	✓	✓
		38	8	8	6	8	8

* Ms. Aisha Fariel Salahuddin and Mr. Farooq Ahmed Malik completed their term as directors on December 25, 2025.

** Mr. Ahsan Jamal and Ms. Maria Mittermair were elected as directors of the Company w.e.f. December 26, 2025.

Ms. Mediha Kamal Afsar and Syed Kazim Raza were on leave of absence in the 184th Board meeting held on January 9, 2026.

28 Meetings of the audit committee

		Meetings held on				
S. No	Name of Directors	Meetings attended	August 19, 2025	October 20, 2025	February 19, 2026	April 18, 2026
1	Ms. Mediha Kamal Afsar	4	✓	✓	✓	✓
2	Mr. Hasan Shahid	4	✓	✓	✓	✓
3	Mr. Faisal Anwar	3	-	✓	✓	✓
4	Ms. Maria Mittermair*	2	-	-	✓	✓
		13	2	3	4	4

* Ms. Maria Mittermair was appointed to the Audit Committee w.e.f. February 19, 2026

29 Meetings Of Human Resource And Remuneration Committee

S. No	Name of Directors	Meetings held on	
		Meetings attended	August 19, 2025
1	Ms. Maria Mittermair	1	✓
2	Ms. Iffat Zehra Mankani	1	✓
3	Mr. Suleman Lalani	1	✓
		3	3

NOTES TO THE FINANCIAL STATEMENTS

FOR THE FOR THE PERIOD ENDED APRIL 28, 2026 TO JUNE 30, 2026

30 Meetings Of Executive Risk Committee

S. No	Name of Directors	Meetings held on			
		Meetings attended	August 18, 2025	February 19, 2026	April 19, 2025
1	Mr. Suleman Lalani	3	✓	✓	✓
2	Ms. Iffat Zehra Mankani	3	✓	✓	✓
3	Syed Kazim Raza	3	✓	✓	✓
		9	3	3	3

31 Meetings Of Information Technology and Digital Risk Management Committee

S. No	Name of Directors	Meetings held on		
		Meetings attended	August 18, 2025	February 19, 2026
1	Ms.Mediha Kamaal Afsar	2	✓	✓
2	Ms. Iffat Zehra Mankani	2	✓	✓
3	Mr..Ahsan Jamal	2	✓	✓
4	Mr.Malik Zafar Javaid	2	✓	✓
5	Syed Muhammad Anwer	2	✓	✓
		10	3	3

The Information Technology and Digital Risk Management Committee (ITDRMC) was constituted by the Board on January 9, 2026.

32 GENERAL

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

32.2 Units have been rounded off to the nearest decimal place.

33 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on August 23, 2026 by the Board of Directors of the Management Company.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**

19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.

- **Wealth Centre**

Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi

- **Regional Office - Islamabad**

Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.

- **Regional Office - Lahore**

1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Lahore**

Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

- **Wealth Centre - Peshawar**

Ground Floor, Shop #10-A,
Fakhr e Alam Road, Super Market, Peshawar

☎ 0800-00887 ✉ "Invest to 8027" ✉ ir@jsil.com 🌐 www.jsil.com

📘 www.facebook.com/jsinvestments 🐦 http://twitter.com/JSInvestment

🌐 http://www.linkedin.com/company/js-investment-limited



QR Code for
website access