
**ALFALAH
STRATEGIC
ALLOCATION FUND**

FUND INFORMATION

Management Company:	Alfalah Asset Management Limited
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Zaigham Sheriff Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC)	Mr. Farooq Ahmed Khan Mr. Zaigham Sheriff Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC)	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Company Secretary:	Mr. Saad Haseeb Qureshi
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited
Auditors:	Yousuf Adil Chartered Accountants. Cavish Court, A-35 Shahrah-e-Faisal Road, Bangalore Town Block A Bangalore Town, Karachi
Legal Advisor:	Mohsin Tayebaly & Co. 1st Floor, Dime Centre, BC-4, Block-9, Kehkashan, Clifton, Karachi – 75600. Pakistan.
Registrar:	Alfalah Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

Alfalah GHP Strategic Allocation Fund Annual Fund Manager's Report

Type of Fund

Open-end Scheme

Category of Fund

Asset Allocation Fund of Fund Scheme

Investment Objective

The Investment Objective of Alfalah Strategic Allocation Plan– I is to earn a competitive return through diversified investment in mutual funds in line with the risk level of the Plan.

Accomplishment of Objective

The Fund has strived to achieve its objective as it provided the unit holders a competitive and attractive return as compared to peer funds.

Equity Market Review:

1HCY26 Market Review: Navigating Through Volatility: The KSE-100 Index experienced significant volatility during the first half of 2026, reflecting a changing macroeconomic and geopolitical environment. The market entered the year on a strong footing, with the benchmark index reaching an all-time closing high of **189,167 points** on **23 January 2026**, supported by improving macroeconomic fundamentals, optimism surrounding external financing, and strong investor participation.

Market sentiment deteriorated sharply during the second quarter following the escalation of the Israel-Iran conflict, which heightened concerns over regional stability, rising global oil prices, and potential disruptions to shipping through the Strait of Hormuz. These developments triggered a broad-based market correction, with the KSE-100 declining to **146,480 points** on **9 March 2026**, representing a fall of nearly **23%** from its January peak. The period also witnessed the index's largest-ever single-day decline of **9.57%**, resulting in temporary trading halts.

Investor confidence gradually recovered during the latter part of the review period as geopolitical conditions improved, Saudi financial assistance and successful international debt issuances strengthened external financing prospects, and record workers' remittances reinforced macroeconomic stability. Although the State Bank of Pakistan increased the policy rate by **100 basis points** to **11.50%** in April 2026 to address inflationary risks, improving economic fundamentals helped restore market sentiment, allowing the KSE-100 to recover and close June at a record fiscal year-end level of **180,302 points**.

Trading activity remained robust throughout the period, with healthy participation from domestic investors offsetting continued foreign selling. Companies, mutual funds, and individual investors remained the primary net buyers, while foreign investors continued to reduce exposure amid global risk aversion and regional uncertainties.

By the end of June 2026, the KSE-100 was trading at a forward P/E of approximately **6.8x**, remaining below its long-term historical average and indicating continued valuation attractiveness. Going forward, market performance is expected to be influenced by the implementation of the FY27 Federal Budget, the trajectory of inflation and interest rates, progress on external financing, and developments in the regional geopolitical landscape. While short-term volatility may persist, improving macroeconomic fundamentals are expected to remain supportive of the market over the medium term.

Money Market Review

Pakistan's money market remained relatively resilient during the first half of 2026, although market conditions became increasingly volatile amid evolving inflation expectations, geopolitical developments, and changing monetary policy outlook. Strong liquidity in the banking system and healthy demand for government securities continued to support participation in Treasury Bill (MTB), Pakistan Investment Bond (PIB), and Government Ijarah Sukuk (GIS) auctions during the early part of the period.

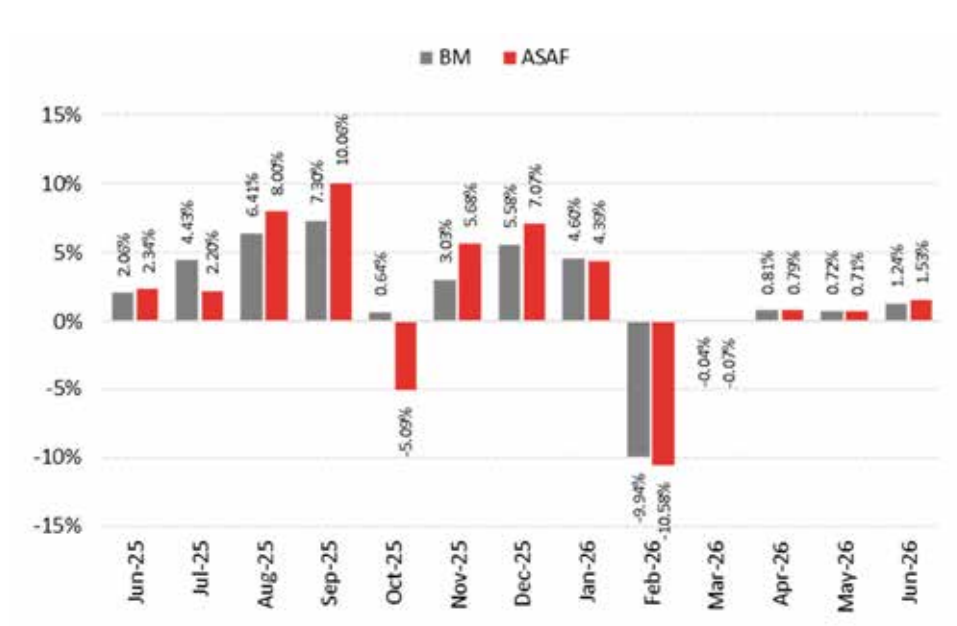
However, persistent core inflation, rising imports, elevated global energy prices, and heightened geopolitical tensions in the Middle East led to renewed inflationary concerns and a reassessment of monetary policy expectations. In response, the State Bank of Pakistan (SBP) increased the policy rate by 100 basis points to **11.50%** in April 2026 after having maintained the policy rate at **10.50%** at the start of the year. Earlier in the period, the SBP also reduced the Cash Reserve Requirement (CRR) by 100 basis points to improve liquidity conditions within the banking system.

Money market yields remained volatile throughout the period. At the start of the year, Treasury Bill yields stood at **10.4859%**, **10.4878%**, **10.4799%**, and **10.4880%** for the 1-month, 3-month, 6-month, and 12-month tenors, respectively. Following a relatively stable start to the year, yields moved higher after the April policy rate hike as markets adjusted to tighter monetary conditions. Towards the end of June 2026, easing geopolitical tensions and moderating inflation expectations contributed to some correction in yields; however, they remained above the levels seen at the beginning of the year, closing at **11.7538%**, **11.7031%**, **11.7239%**, and **11.7557%** for the 1-month, 3-month, 6-month, and 12-month Treasury Bills, respectively.

Government securities continued to attract strong investor demand throughout the period, reflecting ample liquidity in the banking sector and sustained confidence in sovereign instruments. While monetary tightening temporarily lifted yields, improving macroeconomic conditions and easing external risks supported a moderation in yields by the end of June 2026.

Fund Performance

During the period, the fund generated a return of 25.43% compared to the benchmark 26.34%.



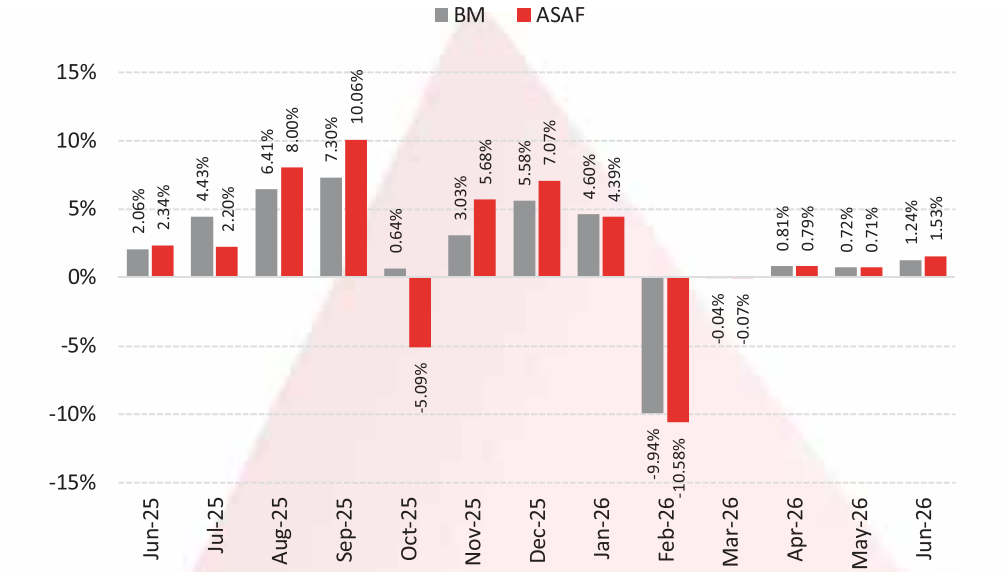
Assets Allocation



Alfalah Strategic Allocation Fund Plan I

Fund Performance

During the period, the fund generated a return of 25.43% compared to the benchmark 26.34%.



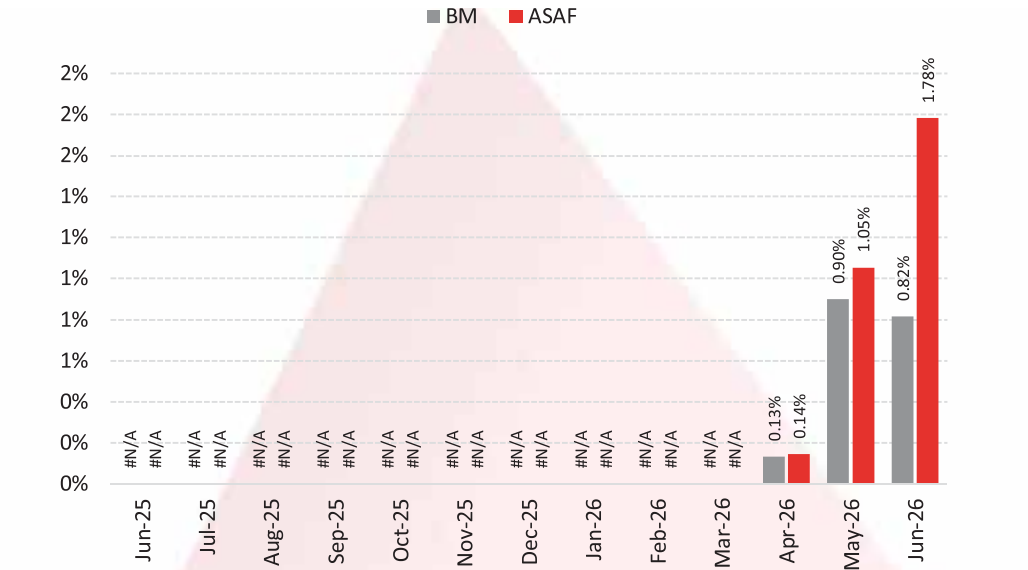
Assets Allocation



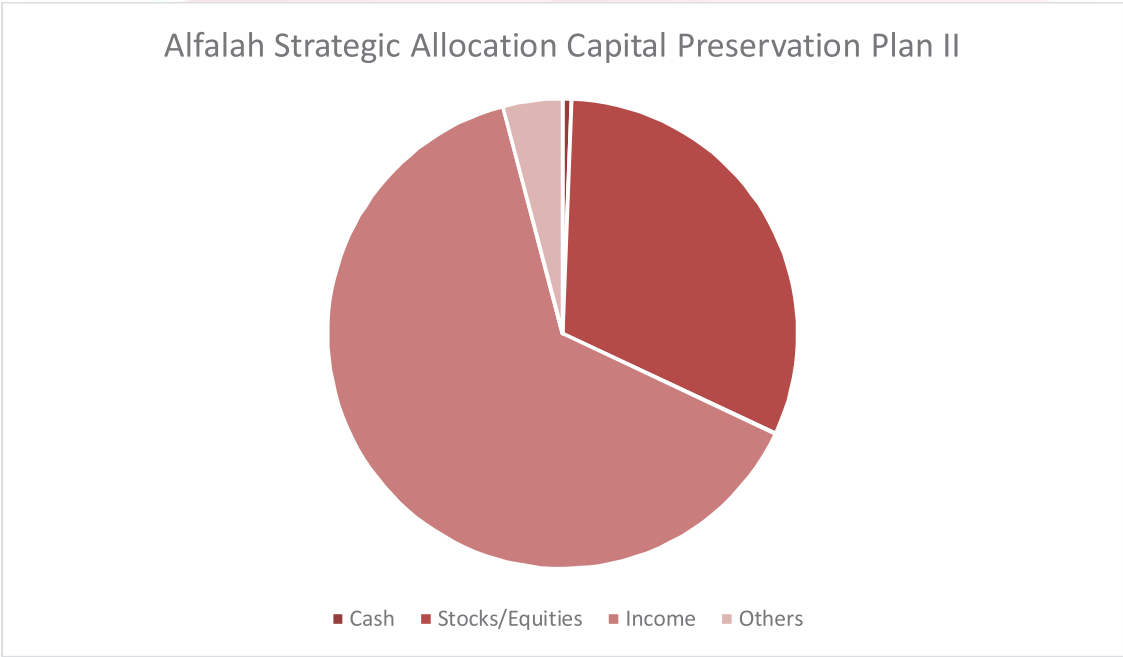
Alfalah Strategic Allocation Capital Preservation Plan II

Fund Performance

During the year, the fund generated a return of 15.65% compared to the benchmark 9.69%.



Assets Allocation



- **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.

- **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

- **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are 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.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

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S.M.C.H.S., Main Shahra-e-Faisal
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TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH STRATEGIC ALLOCATION FUND

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

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

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to 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 07, 2026



INDEPENDENT AUDITOR'S REPORT

To The Unit Holders of Alfalah Strategic Allocation Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Alfalah Strategic Allocation Fund** (the Fund), which comprise the statement of assets and liabilities as at **June 30, 2026**, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and 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 and Alfalah Asset Management Limited (the Management Company) in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Management Company (Alfalah Asset Management Limited) is responsible for the other information. The other information comprises the information included in the Annual Report in respect of the Fund but does not include the financial statements of the Fund, our auditor's report thereon and the information related to any other fund.

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

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

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

The Management Company (Alfalah Asset Management Limited) is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as the 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.

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

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, the accompanying financial statements have been prepared, in all material respects, in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Arif Nazeer**.


Chartered Accountants

Place: Karachi

Date: September 29, 2026

UDIN: AR202610099CvHwdxKbs

ALFALAH STRATEGIC ALLOCATION FUND

STATEMENT OF ASSETS AND LIABILITIES

As AT JUNE 30, 2026

		2026			2025
		Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I
ASSETS					
	Note	----- Rupees -----			
Bank balances	5	1,421,974	13,546,707	14,968,681	515,454
Investments	6	11,614,774,824	2,000,205,585	13,614,980,409	204,431,387
Profit and other receivable	7	15,128	61,021	76,149	9,363
Receivable against sale of investments		9,764	85,000,000	85,009,764	-
Preliminary expenses and floatation costs	8	618,464	180,571	799,035	800,365
Total assets		11,616,840,154	2,098,993,884	13,715,834,038	205,756,569
LIABILITIES					
Payable to Alfalah Asset Management Limited - Management Company	9	-	1,188,280	1,188,280	749
Payable to Central Depository Company of Pakistan Limited - Trustee	10	764,218	142,124	906,342	14,916
Payable to the Securities and Exchange Commission of Pakistan	11	705,141	132,411	837,552	7,241
Payable against conversion of units		-	99,278,183	99,278,183	-
Accrued expenses and other liabilities	12	429,932	2,396,087	2,826,019	1,079,250
Total liabilities		1,899,291	103,137,085	105,036,376	1,102,156
NET ASSETS		11,614,940,863	1,995,856,799	13,610,797,662	204,654,413
UNIT HOLDERS' FUND (AS PER ATTACHED STATEMENT)		11,614,940,863	1,995,856,799	13,610,797,662	204,654,413
Contingencies and commitments	13				
Number of units in issue		116,044,003	19,900,986		2,045,440
Net asset value per unit		100.0908	100.2893		100.0540

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH STRATEGIC ALLOCATION FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	2026	For the period from April 21, 2026 to June 30, 2026	Total	For the period from November 21, 2024 to June 30, 2025
	Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II		Strategic Allocation Plan - I
INCOME	Note ----- Rupees -----			
Profit on savings accounts with banks	2,784,590	1,899,708	4,684,298	1,940,776
Net gain / (loss) on sale of investments	64,867,062	(87,336,778)	(22,469,716)	344,572
Net unrealised diminution on revaluation of investment classified as 'financial assets at fair value through profit or loss'	6.2 (127,291,812)	(24,424,899)	(151,716,711)	(2,273,853)
Dividend income	458,681,524	169,967,260	628,648,784	6,767,111
Other Income	-	4,903,614	4,903,614	-
Total income	399,041,364	65,008,905	464,050,269	6,778,606
EXPENSES				
Remuneration of Alfalah Asset Management Limited - Management Company	9.1 26,760	-	26,760	7,277
Sindh Sales Tax on remuneration of the Management Company	9.2 4,014	-	4,014	1,091
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1 2,734,774	243,569	2,978,343	43,895
Sindh Sales Tax on remuneration of the Trustee	10.2 410,216	36,535	446,751	6,584
Fee to the Securities and Exchange Commission of Pakistan	11.1 2,930,103	260,965	3,191,068	47,031
Printing charges	-	-	-	15,036
Bank charges	317	120	437	50
Amortisation of preliminary expenses and floatation costs	181,901	19,454	201,355	110,160
Legal and professional charges	411,830	6,276	418,106	-
Auditor's remuneration	12.1 296,862	51,013	347,875	269,215
Total expenses	6,996,777	617,932	7,614,709	500,339
Net income for the period before taxation	392,044,587	64,390,973	456,435,560	6,278,267
Taxation	15 -	-	-	-
Net income for the period after taxation	392,044,587	64,390,973	456,435,560	6,278,267
Allocation of net income for the period				
Net income for the period after taxation	392,044,587	64,390,973	456,435,560	6,278,267
Income already paid on units redeemed	(45,103,707)	(6,545,534)	(51,649,241)	-
	346,940,880	57,845,439	404,786,319	6,278,267
Accounting income available for distribution				
- Relating to capital gain	-	-	-	-
- Excluding capital gain	346,940,880	57,845,439	404,786,319	6,278,267
	346,940,880	57,845,439	404,786,319	6,278,267

Earnings per unit

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH STRATEGIC ALLOCATION FUND
STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2026

	2026	For the period from April 21, 2026 to June 30, 2026	Total	For the period from November 21, 2024 to June 30, 2025
	Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II		Strategic Allocation Plan - I
	----- Rupees -----			
Net income for the period after taxation	392,044,587	64,390,973	456,435,560	6,278,267
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	392,044,587	64,390,973	456,435,560	6,278,267

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH STRATEGIC ALLOCATION FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

	2026			For the period from April 21, 2026 to June 30, 2026			Total	For the period from November 21, 2024 to June 30, 2025		
	Strategic Allocation Plan - I			Strategic Allocation Capital Preservation Plan - II				Strategic Allocation Plan - I		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total		Capital value	Undistributed income	Total
Net assets at beginning of the period	204,543,978	110,435	204,654,413	-	-	-	204,654,413	-	-	-
Issuance of units										
- ASAP - t: 116,062,745 units, ASAP - It: 25,290,298 (2025: Plan - t: 2,045,440)										
- Capital value (at net asset value per unit at the beginning of the period)	11,612,541,849	-	11,612,541,849	2,529,029,808	-	2,529,029,808	14,141,571,657	204,543,978	-	204,543,978
- Element of income	2,007,998,630	-	2,007,998,630	2,453,540	-	2,453,540	2,010,452,170	4,691,520	-	4,691,520
Total proceeds on issuance of units	13,620,540,479	-	13,620,540,479	2,531,483,348	-	2,531,483,348	16,152,023,827	209,235,498	-	209,235,498
Redemption of units										
- ASAP - t: 2,064,181, ASAP - It: 5,389,312 units (2025: Plan - t: Nil units)										
- Capital value (at net asset value per unit at the beginning of the period)	(206,529,654)	-	(206,529,654)	(538,931,246)	-	(538,931,246)	(745,460,900)	-	-	-
- Element of income	(129,777)	(45,103,707)	(45,233,484)	(1,758,906)	(6,545,534)	(8,304,440)	(53,537,924)	-	-	-
Total payments on redemption of units	(206,659,431)	(45,103,707)	(251,763,138)	(540,690,152)	(6,545,534)	(547,235,686)	(798,998,824)	-	-	-
Total comprehensive income for the period	-	392,044,587	392,044,587	-	64,390,973	64,390,973	456,435,560	-	6,278,267	6,278,267
Distribution for the year ended June 30, 2026 on June 30, 2026 @ Plan t Rs. 25.3971 and Plan It: 2.7054 per unit	(2,007,868,853)	(342,666,625)	(2,350,535,478)	(428,300)	(52,353,536)	(52,781,836)	(2,403,317,314)	-	-	-
Distribution for the year ended June 30, 2025 on June 27, 2026 @ Plan t Rs. 5.4867	-	-	-	-	-	-	-	(4,691,520)	(5,994,232)	(10,685,752)
Distribution for the year ended June 30, 2025 on November 25, 2026 @ Plan t Rs. 0.1736	-	-	-	-	-	-	-	-	(173,600)	(173,600)
Net assets at end of the period	11,610,556,173	4,384,690	11,614,940,863	1,990,364,896	5,491,903	1,995,856,799	15,208,795,310	204,543,978	110,435	204,654,413
Undistributed income brought forward										
- Realised income	110,435			-				-		
- Unrealised Income	-			-				-		
	110,435			-				-		
Accounting income available for distribution										
- Relating to capital gain	-			-				-		
- Excluding capital gain	346,940,880			57,845,439				6,278,267		
	346,940,880			57,845,439				6,278,267		
Distribution for the year ended June 30, 2026 on June 29, 2026 @ Plan t Rs. 25.3971 and Plan It: 2.7054 per unit		(342,666,625)		(52,353,536)				-		
Distribution for the year ended June 30, 2025 on June 27, 2026 @ Plan t Rs. 5.4867		-		-				(5,994,232)		
Distribution for the year ended June 30, 2025 on November 25, 2026 @ Plan t Rs. 0.1736		-		-				(173,600)		
Undistributed income carried forward	4,274,255			5,491,903				110,435		
Undistributed income carried forward										
- Realised income	131,566,067			29,916,802				110,435		
- Unrealised Income	(127,291,812)			(24,424,899)				-		
	4,274,255			5,491,903				110,435		
Net asset value per unit at the beginning of the period	100.0540			-				-		
Net asset value per unit at the end of the period	100.0908			100.2893				100.0540		

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH STRATEGIC ALLOCATION FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

		2026	For the period from April 21, 2026 to June 30, 2026	Total	For the period from November 21, 2024 to June 30, 2025
		Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II		Strategic Allocation Plan - I
CASH FLOWS FROM OPERATING ACTIVITIES					
Note					
Rupees					
Net income for the period before taxation		392,044,587	64,390,973	456,435,560	6,278,267
Adjustments for:					
Unrealised diminution on revaluation of investments classified as 'financial assets at fair value through profit or loss' - net	6.2	127,291,812	24,424,899	151,716,711	2,273,853
Amortisation of preliminary expenses and floatation costs		(181,901)	(180,571)	(362,472)	(110,160)
		519,154,498	88,635,301	607,789,799	8,441,960
(Increase) / decrease in assets					
Investments		(11,537,635,249)	(2,024,630,484)	(13,562,265,733)	(206,705,240)
Advances and profit receivables		(5,765)	(61,021)	(66,786)	(9,363)
Receivable against sale of investments		(9,764)	(85,000,000)	(85,009,764)	-
Preliminary expenses and floatation costs		363,802	-	363,802	(690,205)
		(11,537,286,976)	(2,109,691,505)	(13,646,978,481)	(198,962,848)
(Decrease) / increase in liabilities					
Payable to Alfalah Asset Management Limited - Management Company		(749)	1,188,280	1,187,531	749
Payable to Central Depository Company of Pakistan Limited - Trustee		749,302	142,124	891,426	14,916
Payable to the Securities and Exchange Commission of Pakistan		697,900	132,411	830,311	7,241
Payable against conversion of units		-	99,278,183	99,278,183	-
Accrued expenses and other liabilities		(649,318)	2,396,087	1,746,769	1,079,250
		797,135	103,137,085	103,934,220	1,102,156
Net cash used in operating activities		(11,017,335,343)	(1,917,919,119)	(12,935,254,462)	(197,860,692)
CASH FLOWS FROM FINANCING ACTIVITIES					
Dividend paid		(2,350,535,478)	(52,781,836)	(2,403,317,314)	(10,859,352)
Amount received against issuance of units		13,620,540,479	2,531,483,348	16,152,023,827	209,235,498
Amount paid against redemption of units		(251,763,138)	(547,235,686)	(798,998,824)	-
Net cash generated from financing activities		11,018,241,863	1,931,465,826	12,949,707,689	198,376,146
Net increase in cash and cash equivalents during the period		906,520	13,546,707	14,453,227	515,454
Cash and cash equivalents at beginning of the period		515,454	-	515,454	-
Cash and cash equivalents at the end of the period	5	1,421,974	13,546,707	14,968,681	515,454

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH STRATEGIC ALLOCATION FUND

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alfalah Strategic Allocation Fund (the Fund) is an open-ended Fund constituted under a trust deed executed under the Trust Act, 1882 entered into on March 12, 2024 between Alfalah Asset Management Limited, the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was registered by the Securities and Exchange Commission of Pakistan (SECP) under the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) vide its letter No. SCD/AMCW/ASAF/2023/450 dated April 05, 2024 and Offering Document was approved by SECP vide its letter No. SCD/AMCW/ASRF/2022/09 dated July 24, 2024.
- 1.2 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Trust Act). Consequently, as empowered under the Eighteen Amendment to the Constitution of Pakistan. The Fund was required to be registered under the Sindh Trust Act. Accordingly, the above-mentioned Trust Deed has been registered under the Sindh Trusts Act.
- 1.3 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP. The registered office of the Management Company is situated at Islamic Chambers of Commerce, Industry & Agriculture Building, 2nd Floor, ST-2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
- 1.4 The Fund is categorized as "Fund of Fund" pursuant to the provisions contained in Circular 7 of 2009 issued by the SECP and is listed on MUFAP. The units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.5 According to the trust deed, the objective of the Fund is to generate returns on investment as per the respective Allocation Plan by investing in collective investment schemes in line with the risk tolerance of the investor. The investment objectives and policy are explained in the Fund's offering document. Presently, the following allocation plans are offered:
- a. Alfalah Strategic Allocation Plan - I;
 - b. Alfalah Strategic Allocation Capital Preservation Plan-II.
- 1.6 The duration of the Alfalah Strategic Allocation Fund is perpetual. The launch date of the Alfalah Strategic Allocation Capital Preservation Plan II is April 22, 2026 and its maturity date is February 10, 2028.
- 1.7 These are the first financial statements of the Alfalah Strategic Allocation Capital Preservation Plan II for the period from April 22, 2026 to June 30, 2026; therefore, comparative figures have only been included for Alfalah Strategic Allocation Fund Plan I.
- 1.8 VIS Credit Rating Company Limited has reaffirmed an asset manager rating of AM1 (stable) to the Management Company on January 26, 2026 [2025: AM1 (Stable) dated: January 2, 2025].
- 1.9 Title to the assets of the Fund are held in the name of CDC 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 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) and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain financial assets are measured at fair value.

2.3 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 functional and presentation currency of the Fund. All amounts have been rounded off to the nearest Pakistani Rupees, unless otherwise indicated.

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 management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and income and expenses. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both the current and future periods. Information about the judgments made by management in the application of the accounting policies, that have the most significant effect on the amount recognised in these financial statements, are given below:

- (i) Classification and measurement of financial assets (notes 4.2.1, 4.2.2 and 6);
- (ii) Impairment of financial assets (note 4.2.3).

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 Amendments to published accounting and reporting standards that are effective for the year ended June 30, 2026

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 effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2026. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant 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 and SECP. IFRS 18 shall impact the presentation of "Income Statement" with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarifies 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 with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The 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.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and short-term highly liquid investments with original maturities of three months or less, that are readily convertible to known amount of cash, are subject to insignificant change in value, and are held for the purpose of meeting short term cash commitments.

4.2 Financial Instruments

4.2.1 Initial recognition and measurement

The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities are not recognised unless one of the parties has performed its part of the contract or the contract is a derivative contract.

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial assets or liabilities, as appropriate, on initial recognition. Transaction costs pertaining to financial assets or financial liabilities at fair value through profit or loss are recognised in the income statement.

4.2.2 Classification and subsequent measurement

4.2.2.1 Financial assets

IFRS 9 has provided three principal classification categories for financial assets:

- At amortized cost ("AC");
- At fair value through other comprehensive income ("FVTOCI"); and
- At fair value through profit or loss ("FVTPL").

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 recognized at FVTPL. 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 FVTPL.

Financial asset at amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL;

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

Financial asset classified at amortised cost is subsequently carried at amortised cost using the effective interest method. Gains or losses are also recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired.

Financial asset at FVTOCI

A financial asset is classified at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL:

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

On initial recognition, for an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, and only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

Financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI, except for the recognition of impairment losses. In case of debt instrument, when the financial asset is derecognized, the cumulative gain or loss previously recognised in OCI is reclassified from equity to income statement. In case of equity instrument, when the financial asset is derecognized there is no subsequent reclassification of fair value gains and losses to income statement.

Financial asset at FVTPL

All other financial assets are classified as FVTPL (for example: equity securities held for trading and debt securities not classified either as AC or FVTOCI).

In addition, on initial recognition, the Fund may irrevocably designate a financial asset, that otherwise meets the requirements to be measured at amortized cost or at FVTOCI, as at FVTPL, if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

Financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

4.2.2.2 Financial liabilities

IFRS 9 has provided two principal classification categories for financial liabilities:

- At amortized cost ("AC"); and
- At fair value through profit or loss ("FVTPL").

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Fund has opted to measure them at FVTPL.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in income statement.
- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to income statement.

4.2.3 Impairment of financial assets

Under expected credit loss (ECL) model of IFRS 9, the Fund recognises loss allowances for ECLs on financial assets other than debt securities. The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

4.2.4 Derecognition

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

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expired.

4.2.5 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of equity securities:

The fair value of shares of listed companies is based on their prices quoted on the Pakistan Stock Exchange Limited at the reporting date without any deduction for estimated future selling costs.

4.2.6 Regular way contracts

All purchases and sales of securities that require delivery within the timeframe established by regulation or market convention are recognised at the trade date, i.e., the date on which the Fund commits to purchase or sell assets.

4.2.7 Offsetting of financial assets and liabilities

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

4.3 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. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

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

4.5 Collaterals

Collaterals provided by the Fund are identified in the statement of assets and liabilities as margin and are not included as a component of cash and cash equivalents. For collaterals other than cash, if the party to whom the collaterals are provided has a right by contract or custom to sell or re-pledge the collaterals, the Fund classifies such collaterals in the statement of assets and liabilities separately from other assets and identifies the assets as pledged collaterals. Where the party to whom the collaterals are provided does not have the right to sell or re-pledge, a disclosure of the collaterals provided is made in the notes to the financial statements.

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 accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units).

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

The Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, to its unit holders.

4.7 Net asset value per unit

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

4.8 Issuance and redemption of units

Units issued are recorded at the offer price, prevalent on the day on which the applications for purchase of units are received, however, units are issued on the receipt of cash / realisation of cheques. The offer price represents the net asset value per unit as at the close of the business day plus the allowable front-end 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 receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less any back-end load and an amount that the Management Company may consider to be an appropriate provision of duties and charges, if applicable. Redemption of units is recorded on acceptance of application for redemption.

4.9 Distributions to unit holders

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP's) guidelines (duly consented upon by the SECP), distribution for the year is deemed to comprise of the portion of amount 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.

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

4.10 Element of income / (loss) included in prices of units issued less those in units redeemed

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

4.11 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
-

- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Dividend income on equity securities is recognised in the income statement when the right to receive the dividend is established.
- Income on bank balances, placements and term deposits are recognised on accrual basis.

4.12 Expenses

All expenses including Management fee, Trustee fee and SECP fee are recognised in the income statement on accrual basis.

4.13 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the fund. These costs are being amortised over a period of 5 year in accordance with the requirements set out in the Trust Deed of the Fund.

		2026			2025
		Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I
5 BANK BALANCES	Note	----- Rupees -----			
In savings accounts	5.1	<u>1,421,974</u>	<u>13,546,707</u>	<u>14,968,681</u>	<u>515,454</u>

- 5.1 This accounts carry profit at the rates ranging between 8% to 12.5% (2025: Plan I: 8% to 10%) per annum. This represents bank balance maintained with Bank Alfalah Limited (a related party).

		2026			2025
		Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I
6 INVESTMENTS	Note	----- Rupees -----			
At fair value through profit or loss					
Units of open-ended mutual funds	6.1	<u>11,614,774,824</u>	<u>2,000,205,585</u>	<u>13,614,980,409</u>	<u>204,431,387</u>

6.1 Units of mutual funds

Strategic Allocation Plan - I

Particulars	As at July 01, 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	
					Carrying Value	Market Value	Unrealised appreciation/ (diminution)	Net Assets	Total investments
-----Units-----					-----Rupees-----			-----%-----	
Alfalah GHP Stock Fund	-	1,701,478	1,701,478	-	-	-	-	-	-
Alfalah GHP Prosperity Planning Fund									
- Moderate Allocation Plan	104,396	-	104,396	-	-	-	-	-	-
Pak Qatar Cash Plan	1,704,300	841,667	2,545,967	-	-	-	-	-	-
Alfalah Financial Sector Opportunity Fund	-	73,769,231	73,763,289	5,942	735,868	682,336	(53,532)	0.01%	0.01%
Alfalah GHP Sovereign Fund	-	9,397,520	-	9,397,520	1,073,732,868	1,018,909,183	(54,823,685)	8.77%	8.77%
Alfalah Stable Return Plan - XXVII	-	93,015,295	-	93,015,295	9,298,650,797	9,299,538,987	888,190	80.07%	80.07%
Alfalah Government Securities Plan - I	-	12,856,994	-	12,856,994	1,368,947,103	1,295,644,318	(73,302,785)	11.15%	11.16%
Total as at June 30, 2026	1,808,696	191,582,186	78,115,130	115,275,751	11,742,066,636	11,614,774,824	(127,291,812)		
Total as at June 30, 2025	-	2,522,010	713,314	1,808,696	206,705,240	204,431,387	(2,273,853)		

Particulars	As at July 01, 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	
					Carrying Value	Market Value	Unrealised appreciation/ (diminution)	Net Assets	Total investments
			Units			Rupees		%	
Strategic Allocation Capital Preservation Plan - II									
Alfalsh Financial Sector Opportunity Fund	-	12,943,952	12,943,952	-	-	-	-	-	-
Alfalsh GHP Dedicated Equity Fund	-	3,075,493	-	3,075,493	637,154,247	659,911,192	22,756,945	33.06%	32.99%
Alfalsh GHP Income Fund	-	2,959,614	2,946,367	13,247	1,639,393	1,520,263	(119,130)	0.08%	0.08%
Alfalsh GHP Income Multiplier Fund	-	4,612,125	4,612,125	-	-	-	-	-	-
Alfalsh GHP Islamic Income Fund	-	3,385,780	2,696,887	688,893	76,415,860	71,535,760	(4,880,100)	3.58%	3.58%
Alfalsh GHP Sovereign Fund	-	9,026,891	8,685,716	341,175	39,011,855	36,991,218	(2,020,637)	1.85%	1.85%
Alfalsh KTrade Islamic Plan - VII	-	2,406,009	-	2,406,009	324,341,963	300,782,339	(23,559,624)	15.07%	15.04%
Alfalsh Government Securities Fund - II	-	1,109,269	1,107,086	2,183	295,149	300,494	5,345	0.02%	0.02%
Alfalsh Financial Sector Income Fund Plan - I	-	6,040,178	5,801,098	239,080	26,186,561	24,064,893	(2,121,668)	1.21%	1.20%
Alfalsh Islamic Asset Allocation Plan - I	-	1,000,489	997,769	2,720	272,001	273,509	1,508	0.01%	0.01%
Alfalsh GHP Islamic Income Growth Fund	-	9,028,469	-	9,028,469	919,313,455	904,825,917	(14,487,538)	45.34%	45.24%
Total as at June 30, 2026	-	55,588,269	39,791,000	15,797,269	2,024,630,484	2,000,205,585	(24,424,899)		
Total as at June 30, 2025	-	-	-	-	-	-	-		

2026			2025
Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I

6.2 Net unrealised diminution on revaluation of investment 'classified as 'financial assets at fair value through profit or loss'

Note ----- Rupees -----

Market value of investments	6.1	11,614,774,824	2,000,205,585	13,614,980,409	204,431,387
Less: carrying value of investments	6.1	(11,742,066,636)	(2,024,630,484)	(13,766,697,120)	(206,705,240)
		(127,291,812)	(24,424,899)	(151,716,711)	(2,273,853)

2026			2025
Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I

7 PROFIT AND OTHER RECEIVABLE

----- Rupees -----

Profit receivable on bank balances	15,128	61,021	76,149	9,363
	15,128	61,021	76,149	9,363

8 PRELIMINARY EXPENSES AND FLOATATION COSTS Note

Balance at the beginning of the year	800,365	200,025	1,000,390	910,525
Less: amortized during the year	(181,901)	(19,454)	(201,355)	(110,160)
Balance as at year end	618,464	180,571	799,035	800,365

8.1 Preliminary expenses and flotation costs represent expenditure incurred prior to the commencement of operations of the Fund. These costs are amortized over a period of five years in accordance with the requirements set out in the Trust Deed of the Fund and the NBFC Regulations.

		2026			2025
		Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I
9	PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANGEMENT COMPANY	----- Rupees -----			
	Management remuneration payable 9.1	-	-	-	651
	Sindh Sales Tax payable on management remuneration 9.2	-	-	-	98
	Sales load payable	-	874,226	874,226	-
	Sindh Sales Tax payable on sales load	-	114,029	114,029	-
	Payable against preliminary expenses and floatation costs	-	200,025	200,025	-
		-	1,188,280	1,188,280	749

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, subject to the maximum limit prescribed by SECP vide SRO 600(I)/2025 dated April 10, 2025, for the scheme categorized as Fund of Fund Schemes. The remuneration is payable to the Management Company on a monthly basis in arrears. During the period ended June 30, 2026, the management company has charged management fee at the rate of Plan 1: 0.05% and Plan 2: Nil (2025: Plan 1: 0.05% - 1.45%) per annum of the average daily net assets of the Fund.

9.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

		2026			2025
		Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I
10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	----- Rupees -----			
	Remuneration of the Trustee 10.1	664,538	123,586	788,124	12,970
	Sindh Sales Tax payable on remuneration of the Trustee 10.2	99,680	18,538	118,218	1,946
		764,218	142,124	906,342	14,916

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net assets value of the Fund. The remuneration is payable to the Trustee at the rate of 0.07% (2025: 0.07%) per annum of average daily net assets of the Fund.

10.2 The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

		2026			2025
		Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I
11	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	----- Rupees -----			
	Fee payable 11.1	705,141	132,411	837,552	7,241

- 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% (2025: 0.075%) per annum of the daily net assets during the period ended June 30, 2026.

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

2026			2025
Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I

12 ACCRUED EXPENSES AND OTHER LIABILITIES

Rupees			
Withholding tax payable	-	-	899,135
Capital gain tax payable on redemption	-	22,605	-
Legal and professional charges	13,795	6,275	-
Auditor's remuneration payable	416,137	17,380	180,115
Dividend payable	-	104,592	-
Sales load payable	-	2,245,235	-
	429,932	2,396,087	1,079,250

2026			2025
Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total	Strategic Allocation Plan - I

12.1 Auditor's remuneration

Rupees			
Annual audit fee	164,272	28,228	97,514
Review and other certifications	70,402	12,098	41,250
Out of pocket expenses	23,467	4,033	13,876
Sindh Sales Tax	38,721	6,654	27,475
	296,862	51,013	180,115

13 CONTINGENCIES AND COMMITMENTS

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

14 TOTAL EXPENSE RATIO

The annualized Total Expense Ratio (TER) of the Fund for the period ended June 30, 2026 is 0.19% and 0.17% (2025: 0.8%) which includes 0.01% and 0.01% (2025: Plan I: 0.09%) representing government levy, SECP fee and the Sales Tax for Strategic Allocation Plan I and Strategic Allocation Capital Preservation Plan II respectively. Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification SRO 600(I)/2025 dated April 10, 2025, the requirement related to maximum Total Expense Ratio limits has been removed as applicable to Collective Investment Schemes, effective from July 01, 2025.

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 ninety percent of the accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90% 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. Accordingly, no provision for taxation has been recognised in the financial statements.

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.

16 EARNINGS PER UNIT

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

17 TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons include Alfalah Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, Bank Alfalah Limited, MAB Investment Incorporation, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah Investment Company Limited, JS Bank Limited and Alfalah GHP Investment Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also includes any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with related parties / 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 investment and distribution payments to related parties / connected persons. The transactions with related parties / connected person are in the normal course of business, at contracted rates as duly approved by the Board of Directors.

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

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

17.1 Unit Holder's Fund

Strategic Allocation Plan - I:

2026											
	As at July 01, 2025	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2026	As at July 01, 2025 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2026 ** ***	
Note	Units					Rupees					
Associated companies / undertakings											
Alfalah Asset management Limited - Management Company	17.1.1	2,045,440	131,671	-	2,064,138	112,973	204,654,413	13,303,434	-	240,454,282	11,307,562
Unit holder holding less than 10% units		-	45	-	44	1	-	5,063	-	5,359	100
Unit holder holding 10% or more units		-	92,551,334	23,492,669	-	116,044,003	-	11,268,000,000	2,350,535,478	-	11,614,940,891

Strategic Allocation Capital Preservation Plan - II

Strategic Allocation Capital Preservation Plan "A"											
For the period from April 21, 2026 to June 30, 2026											
	As at July 01, 2025	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2026	As at July 01, 2025 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2026 ** ***	
Note	Units					Rupees					
Associated companies / undertakings											
Unit holder holding less than 10% units	17.1.1	-	134,936	2,756	-	137,692	-	13,500,763	275,581	-	13,808,988
Unit holder holding 10% or more units		-	9,877,328	197,077	-	10,074,405	-	986,735,198	19,709,488	-	1,010,355,069

Strategic Allocation Plan - I:

		2025									
		As at July 01, 2024	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2025	As at July 01, 2024 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2025 ** / ***
		Units					Rupees				
Associated companies / undertakings		Note									
Alfalsh Asset management Limited											
- Management Company	17.1.1	-	1,946,272	99,168	-	2,045,440	-	102,933,145	9,916,817	-	204,654,413

* These amounts are based on transactions price.

** These amounts are based on the net asset value per unit as at year end.

*** These include transactions and balances in relation to the entities where common directorship / key executives / other connected persons that exists as at year end. However, it does not include the transactions and balances whose status changed during the year.

17.1.1 This reflects the position of related party / connected persons status as at June 30 2026.

2026	For the period from April 21, 2026 to June 30, 2026	Total	For the period from November 21, 2024 to June 30, 2025
Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II		Strategic Allocation Plan - I

17.2 Transactions during the year / period

Associated Companies / Undertakings

Alfalsh Asset Management Limited - Management Company

Remuneration of Alfalah Asset Management Limited - Management Company	26,760	-	26,760	7,277
Sindh Sales Tax on remuneration of the Management Company	4,014	-	4,014	1,091
Sales load payable	-	18,468,180	18,468,180	-
Sindh Sales Tax payable on sales load	-	2,770,227	2,770,227	-

Bank Alfalah Limited

Profit on savings accounts with banks	2,784,590	1,899,708	4,684,298	1,940,776
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Other related party

Central Depository Company of Pakistan Limited - Trustee

Remuneration of Central Depository Company of Pakistan Limited - Trustee	2,734,774	243,569	2,978,343	43,895
Sindh Sales Tax on remuneration of the Trustee	410,216	36,535	446,751	6,584

Amounts outstanding as at year / period end

17.3 Associated Companies / Undertakings

Alfalsh Asset Management Limited - Management Company

Management remuneration payable	-	-	-	651
Sindh Sales Tax payable on management remuneration	-	-	-	98
Sales load payable	-	874,226	874,226	-
Sindh Sales Tax payable on sales load	-	114,029	114,029	-
Payable against preliminary expenses and floatation costs	-	200,025	200,025	-

Bank Alfalah Limited

Bank balances	1,421,974	13,546,707	14,968,681	515,454
Profit on savings account with banks	15,128	61,021	76,149	9,363

Other related party

Central Depository Company of Pakistan Limited - Trustee

Trustee remuneration payable	664,538	123,586	788,124	12,970
Sindh Sales Tax payable on remuneration of Trustee	99,680	18,538	118,218	1,946

18 FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	2026		
	At amortised cost	At fair value through profit or loss	Total
	Strategic Allocation Plan - I		
----- Rupees -----			
Financial assets			
Bank balances	1,421,974	-	1,421,974
Investments	-	11,614,774,824	11,614,774,824
Receivable against sale of investments	9,764	-	9,764
Profit and other receivable	15,128	-	15,128
	1,446,866	11,614,774,824	11,616,221,690
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	764,218	-	764,218
Payable against conversion of units	-	-	-
Accrued expenses and other liabilities	429,932	-	429,932
	1,194,150	-	1,194,150

Particulars	2026		
	At amortised cost	At fair value through profit or loss	Total
	Strategic Allocation Capital Preservation Plan - II		
----- Rupees -----			
Financial assets			
Bank balances	13,546,707	-	13,546,707
Investments	-	2,000,205,585	2,000,205,585
Receivable against sale of investments	85,000,000	-	85,000,000
Profit and other receivable	61,021	-	61,021
	98,607,728	2,000,205,585	2,098,813,313
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	1,188,280	-	1,188,280
Payable to Central Depository Company of Pakistan Limited - Trustee	142,124	-	142,124
Payable against conversion of units	99,278,183	-	99,278,183
Accrued expenses and other liabilities	2,373,482	-	2,373,482
	102,982,069	-	102,982,069

Particulars	2025		
	At amortised cost	At fair value through profit or loss	Total
	Strategic Allocation Plan - I		
----- Rupees -----			
Financial assets			
Bank balances	515,454	-	515,454
Investments	-	204,431,387	204,431,387
Receivable against sale of investments	-	-	-
Profit and other receivable	9,363	-	9,363
	524,817	204,431,387	204,956,204

Particulars	2025		
	At amortised cost	At fair value through profit or loss	Total
	Strategic Allocation Plan - I		

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	749	-	749
Payable to Central Depository Company of Pakistan Limited - Trustee	14,916	-	14,916
Payable against conversion of units	-	-	-
Accrued expenses and other liabilities	1,079,250	-	1,079,250
	<u>1,094,915</u>	<u>-</u>	<u>1,094,915</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 SECP.

Market risk comprises of three types of risk: currency risk, interest 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. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

19.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. 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. The interest rate profile of the Fund's interest bearing financial instruments, as at June 30, 2026, is as follows:

	Note	2026		
		Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II	Total
Variable rate instrument (financial asset)		----- Rupees -----		
Bank balances	5	<u>1,421,974</u>	<u>13,546,707</u>	<u>14,968,681</u>
				2025
				Strategic Allocation Plan - I
Variable rate instrument (financial asset)	Note	----- Rupees -----		
Bank balances	5			<u>515,454</u>

a) Sensitivity analysis for variable rate instrument

Presently, the Fund holds bank balances which expose 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 income for the year and net assets of the Fund would have been higher / lower by Rs. 0.15 million (2025: Rs. 0.005 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2026, The Fund does not hold any investment in fixed rate instruments.

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

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 profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

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 profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

Particulars	2026					Total
	Strategic Allocation Plan - I					
	Effective yield / interest rate	Exposed to yield / interest risk			Not exposed to yield / interest rate risk	
		Up to 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	8% to 12.5%	-	-	-	1,421,974	1,421,974
Investments		-	-	-	11,614,774,824	11,614,774,824
Profit and other receivable		-	-	-	15,128	15,128
Receivable against sale of investments		-	-	-	9,764	9,764
		-	-	-	11,616,221,690	11,616,221,690
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	764,218	764,218
Payable against conversion of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	429,932	429,932
		-	-	-	1,194,150	1,194,150
On-balance sheet gap (a)		-	-	-	11,615,027,540	11,615,027,540
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total interest rate sensitivity gap (a) + (b)		-	-	-	11,615,027,540	11,615,027,540
Cumulative interest rate sensitivity gap		-	-	-		

Particulars	2026					
	Strategic Allocation Capital Preservation Plan - II					
	Effective yield / interest rate	Exposed to yield / interest risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		

----- Rupees -----

On-balance sheet financial instruments

Financial assets

Bank balances	8% to 12.5%	-	-	-	13,546,707	13,546,707
Investments		-	-	-	2,000,205,585	2,000,205,585
Profit and other receivable		-	-	-	61,021	61,021
Receivable against sale of investments		-	-	-	85,000,000	85,000,000
		-	-	-	2,098,813,313	2,098,813,313

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company		-	-	-	1,188,280	1,188,280
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	142,124	142,124
Payable against conversion of units		-	-	-	99,278,183	99,278,183
Accrued expenses and other liabilities		-	-	-	2,396,087	2,396,087
		-	-	-	103,004,674	103,004,674

On-balance sheet gap (a)

	-	-	-	-	1,995,808,639	1,995,808,639
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Off-balance sheet financial instruments

	-	-	-	-	-	-
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Off-balance sheet gap (b)

	-	-	-	-	-	-
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Total interest rate sensitivity gap (a) + (b)

	-	-	-	-	1,995,808,639	1,995,808,639
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Cumulative interest rate sensitivity gap

	-	-	-	-	-	-
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Particulars	2025					
	Strategic Allocation Plan - I					
	Effective yield / interest rate	Exposed to yield / interest risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		

----- Rupees -----

On-balance sheet financial instruments

Financial assets

Bank balances	8% to 10%	-	-	-	515,454	515,454
Investments		-	-	-	204,431,387	204,431,387
Profit and other receivable		-	-	-	9,363	9,363
Receivable against sale of investments		-	-	-	-	-
		-	-	-	204,956,204	204,956,204

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company		-	-	-	749	749
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	14,916	14,916
Payable against conversion of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	1,079,250	1,079,250
		-	-	-	1,094,915	1,094,915

Particulars	2025					
	Strategic Allocation Plan - I					
	Effective yield / interest rate	Exposed to yield / interest risk			Not exposed to yield / interest rate risk	Total
		Up to three months	More than three months and up to one year	More than one year		
----- Rupees -----						
On-balance sheet gap (a)	-	-	-	203,861,289	203,861,289	
Off-balance sheet financial instruments	-	-	-	-	-	
Off-balance sheet gap (b)	-	-	-	-	-	
Total interest rate sensitivity gap (a) + (b)	-	-	-	203,861,289	203,861,289	
Cumulative interest rate sensitivity gap	-	-	-			

19.1.3 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 yield / interest 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 ended mutual funds which are categorized as open ended asset allocation fund of funds schemes. 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.

Based on the Fund's investment portfolio as at June 30, 2026, a 1% increase / decrease in the fair value of investments in collective investment schemes, with all other variables held constant, would result in an increase / decrease in the Fund's total income for the year and net assets by Rs. 1.273 million and Rs. 0.244 million for Plan I and Plan II respectively (2025: Plan I: Rs. 0.022 million), arising from corresponding gains/losses on investments classified as financial assets at fair value through profit or loss.

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 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 and as listed in the offering document. 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.

19.2.1 Exposure to credit risk

The table below analyses the Fund's maximum exposure to credit risk as at June 30, 2026:

	Strategic Allocation Plan - I		Strategic Allocation Capital Preservation Plan - II	
	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	1,421,974	1,421,974	13,546,707	13,546,707
Investments	11,614,774,824	11,614,774,824	2,000,205,585	2,000,205,585
Profit and other receivable	15,128	15,128	61,021	61,021
Receivable against sale of investments	9,764	9,764	85,000,000	85,000,000
	11,616,221,690	11,616,221,690	2,098,813,313	2,098,813,313

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.

The maximum exposure to credit risk as at June 30, 2025 is as follows:

	2025	
	Strategic Allocation Plan - I	
	Balance as per statement of assets and liabilities	Maximum exposure
	----- Rupees -----	
Bank balances	515,454	515,454
Investments	204,431,387	204,431,387
Profit and other receivable	9,363	9,363
Receivable against sale of investments	-	-
	204,956,204	204,956,204

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired as at June 30, 2025.

19.2.2 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	Rating (Short Term / Long Term)	2026	
			Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II
			% of bank balances exposed to credit risk	
Bank Alfalah Limited	PACRA	A1+ / AAA	100%	100%

Above ratings are on the basis of available ratings assigned by PACRA as of June 30, 2026.

The Fund held bank balances at June 30, 2025 with banks having following credit ratings:

Name of bank	Rating (Short Term / Long Term)	Rating Agency	2025
			Strategic Allocation Plan - I
			% of bank balances exposed to credit risk
Bank Alfalah Limited	A1+ / AAA	PACRA	100%

Above rates are on the basis of available ratings assigned by PACRA as of June 30, 2025

19.2.3 Open end mutual fund

The Fund had investments at June 30, 2026 with open end mutual funds having following ratings:

Name of open ended mutual funds	Rating	Rating Agency	2026	
			Strategic Allocation Plan - I	Strategic Allocation Capital Preservation Plan - II
			Percentage of total balance	
Alfalah Stable Return Plan - XXVII	Not Rated	Not Rated	80.07%	0.00%
Alfalah Government Securities Plan - I	AA(f)	VIS	11.16%	0.00%
Alfalah Financial Sector Opportunity Fund	A(f)	VIS	0.01%	0.00%
Alfalah GHP Dedicated Equity Fund	Not Rated	Not Rated	0.00%	32.99%
Alfalah GHP Income Fund	AA-(f)	PACRA	0.00%	0.08%
Alfalah GHP Islamic Income Fund	AA-(f)	PACRA	0.00%	3.58%
Alfalah GHP Sovereign Fund	AA(f)	PACRA	8.77%	1.85%
Alfalah KTrade Islamic Plan - VII	Not Rated	Not Rated	0.00%	15.04%
Alfalah Government Securities Fund	AA(f)	PACRA	0.00%	0.02%
Alfalah Financial Sector Income Fund Plan - I	A+(f)	PACRA	0.00%	1.20%
Alfalah Islamic Asset Allocation Plan - I	Not Rated	Not Rated	0.00%	0.01%
Alfalah GHP Islamic Income Growth Fund	Not Rated	Not Rated	0.00%	45.24%

Above ratings are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2026.

The Fund had investments at June 30, 2025 with open end mutual funds having following ratings:

Name of open end mutual funds	Rating	Rating Agency	2025
			Strategic Allocation Plan - I
			Percentage of total balance
Alfalah GHP Moderate Allocation Plan	Not Rated	Not Rated	5.06%
Pak Qatar Cash Plan	AA(f)	PACRA	94.94%

19.2.4 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect the group of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk, the Fund has entered into transactions with credit worthy counterparties thereby mitigating any significant risk due to concentration of 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 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 in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum 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 summarizes the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, the liabilities that are payable on demand have been included in the maturity grouping of one month.

2026			
Strategic Allocation Plan - I			
Upto three months	More than three months and up to one year	More than one year	Total

----- Rupees -----

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	764,218	-	-	764,218
Payable to the Securities and Exchange Commission of Pakistan	705,141	-	-	705,141
Payable against conversion of units	-	-	-	-
Accrued expenses and other liabilities	429,932	-	-	429,932
	<u>1,899,291</u>	<u>-</u>	<u>-</u>	<u>1,899,291</u>

2026			
Strategic Allocation Capital Preservation Plan - II			
Upto three months	More than three months and up to one year	More than one year	Total

----- Rupees -----

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	1,188,280	-	-	1,188,280
Payable to Central Depository Company of Pakistan Limited - Trustee	142,124	-	-	142,124
Payable to the Securities and Exchange Commission of Pakistan	132,411	-	-	132,411
Payable against conversion of units	99,278,183	-	-	99,278,183
Accrued expenses and other liabilities	2,396,087	-	-	2,396,087
	<u>103,137,085</u>	<u>-</u>	<u>-</u>	<u>103,137,085</u>

2025				
Strategic Allocation Plan - I				
Upto three months	More than three months and up to one year	More than one year	Total	
----- Rupees -----				
Financial liabilities				
Payable to Alfalah Asset Management Limited - Management Company	749	-	-	749
Payable to Central Depository Company of Pakistan Limited - Trustee	14,916	-	-	14,916
Payable to the Securities and Exchange Commission of Pakistan	7,241	-	-	-
Payable against conversion of units	-	-	-	-
Accrued expenses and other liabilities	1,079,250	-	-	1,079,250
	1,102,156	-	-	1,094,915

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 "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.

Fair value hierarchy

Levels	Description	Valuation approach and input
Level 1:	Quoted prices in active markets for identical assets or liabilities.	Not applicable.
Level 2:	Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).	Mutual fund units are valued at redemption prices announced by the respective Asset Management Companies / MUFAP, based on observable market inputs, and are classified as Level 2 in the fair value hierarchy.
Level 3:	Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	Not applicable.

As at June 30, 2026, the Fund held the following assets measured at fair values:

----- 2026 -----					
Level 1		Level 2		Level 3	Total
----- Rupees -----					
Financial assets 'at fair value through profit or loss'					
Strategic Allocation Plan - I					
Investments					
Units of open-ended mutual funds	-	11,614,774,824		-	11,614,774,824
Strategic Allocation Capital Preservation Plan - II					
Investments					
Units of open-ended mutual funds	-	2,000,205,585		-	2,000,205,585
	-	13,614,980,409		-	13,614,980,409

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.

As at June 30, 2025, the Fund held the following assets measured at fair values:

	----- 2025 -----			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	----- Rupees -----			
Investments				
Units of open-ended mutual funds	-	204,431,387	-	204,431,387
	-	204,431,387	-	204,431,387

During the year ended June 30, 2025, 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.

21 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 the risk 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 the unexpected losses in investment portfolio which may causes adverse effects on the Fund's continuation as going concern.

The Fund's objective when managing net assets attributable to unit holders is to safe guard the Fund's ability to continue as 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 unit in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions as allowed under rules and regulations; and
- Monitors portfolio allocations and return on net assets and where required make necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive of the Management Company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well returns earned on the net assets to maintain investors confidence and achieve future growth in business. Further the Board of Directors is updated about the Fund 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 gain 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.

The information regarding unit holding pattern of the Fund, top ten brokers of the Fund, members of the Investment Committee, fund manager, meetings of the Board of Directors as required under Schedule V of the NBFC Regulations has been disclosed in the Annexure to the financial statements.

23 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.

24 GENERAL

24.1 Figures have been rounded off to the nearest Pakistani Rupee.

25 DATE OF AUTHORISATION FOR ISSUE

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

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**SUPPLEMENTARY NON FINANCIAL INFORMATION
AS REQUIRED UNDER SECTION 6(D), (F), (G), (H), (I), AND (J)
OF THE FIFTH SCHEDULE TO THE NON BANKING FINANCE
COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008**

Annexure I

(i) UNIT HOLDING PATTERN OF THE FUND

Alfalah Strategic Allocation Plan - I

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Other Corporate	1	□ 116,044,002	11,614,937,044	100%
	1	116,044,002	11,614,937,044	100%

Alfalah Strategic Allocation Plan - II

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Retirement Funds	4	483,261	48,465,895	2%
Other Corporate	1	4,579,380	459,262,791	23%
Individual	132	14,838,345	1,488,127,232	75%
	137	19,900,986	1,995,855,918	100%

(iii) PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Mr. Khaldoon Bin Latif - CEO
Mr. Ayub Khoro – Chief Investment Officer
Mr. Faisal Ali Khan - Chief Financial Officer
Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer
Mr. Imad Ansari – Chief Risk Officer
Mr. Muddasir Ahmed Shaikh - -- Head of Equities
Mr. Mustafa Kamal - Head of Fixed Income
Ms. Sana Abdullah - Head of Research
Mr. Salman Jawaid - Fund Manager Fixed Income Fund
Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Khaldoon Bin Latif - CEO

Mr. Khaldoon has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Asset Management Limited Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds, he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan.

Mr. Latif also brings both buy and sell side exposure of domestic capital markets in Pakistan. Mr. Latif began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the Buy side, Mr. Latif has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund. Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director Certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Prior to joining Alfalah, he was associated with Faysal Asset Management Limited as Chief Investment Officer. In his tenure at FAML he revamped the investment process, fund management teams and research department to significantly contribute to the company's unprecedented growth and to cater to the ever growing business needs and market dynamics.

Mr. Ayub has over 15 years of experience in banking / asset management industry in research, capital markets and fund management functions. He started his career with Pak Oman AMC in the research division before moving on to Faysal Bank Limited as Research Head in the Equity Capital Markets Division. At Faysal Bank, he was involved in managing the equity portfolio worth over USD 80mn and spearheading the research effort to provide in-depth advice and coverage across the capital markets for the Investment Committee. He was also involved in IPO's and private equity valuations for the bank.

Mr. Ayub has developed a unique understanding of equity, fixed income and money market investments. With the power to exercise all investment options for FAML, he has ensured that his investment decisions have encompassed both strategic and tactical asset allocations, implemented via thorough research and evaluation of historical performance of multiple asset classes and instruments. Mr. Ayub holds a Bachelor's of Science (BSc Hons) degree in Economics from Lahore University of Management Sciences (LUMS).

Mr. Faisal Ali Khan - Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed

the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Imad Ansari – Chief Risk Officer

Mr. Imad Ansari is a seasoned Risk Professional with overall experience of 19 years (15 in financial sector and 4 years with leading television networks as Anchor/Research Analyst). He has extensive experience in implementing risk frameworks across the entity and funds under management, by combining Financial, Operational, Information Security and Business Continuity under the ambit of Enterprise Risk Management.

Before joining Alfalah Asset Management Limited as Chief Risk Officer, he has worked with HBL Asset Management, Faysal Funds, Al Meezan Investment Management Limited, UBL Funds, CNBC, PTV & Business Plus."

Mr. Muddasir Ahmed Shaikh – Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management. Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Mustafa Kamal - Head of Fixed Income

Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes.

Ms. Sana Abdullah - Head of Research

Ms. Sana Abdullah, CFA, is the Head of Research at Alfalah Investments and has over 17 years of experience in the financial sector, primarily in equity and macroeconomic research, investment management and advisory. She has previously worked with Lakson Investments Limited, Tundra Fonder, Global Securities and other leading research and brokerage firms in Pakistan. She also previously served as Head of Separately Managed Accounts & Equity Portfolio Manager at Alfalah Investments. Sana is a CFA Charterholder and holds an MBA in MIS/Information Technology from Iqra University, Karachi, where she was a Gold Medalist.

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below:

Name of Director	Meeting held on				
	August 16, 2025	October 29, 2025	January 8, 2026	February 26, 2026	April 27, 2026
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	Leave	✓	✓
Mr. Khaled Khanfer	✓	✓	✓	Leave	Leave
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Ms. Farooq Ahmed Khan	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	Leave	✓
Mr. Zaigham Shariff	-	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 15, 2025	October 28, 2025	February 25, 2026	April 23, 2026
Mr. Khaled Khanfer	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	✓	✓	✓	✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 13, 2025	October 28, 2025	February 24, 2026	April 23, 2026
Mr. Khaled Khanfer	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	October 24, 2025	February 24, 2026	April 24, 2026
Mr. Zaigham Shariff	✓	✓	Leave
Mr. Farooq Ahmed Khan	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 15, 2025	October 28, 2025	February 23, 2026	April 20, 2026
Mr. Farooq Ahmed Khan	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓

**SUPPLEMENTARY NON FINANCIAL INFORMATION
AS REQUIRED UNDER SECTION 6(D), (F), (G), (H), (I), AND (J)
OF THE FIFTH SCHEDULE TO THE NON BANKING FINANCE
COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008**

PERFORMANCE TABLE - ASAF

	30 June 2026	30 June 2026
	Strategic Allocation Plan - I	Strategic Allocation Plan - II
Net Assets	11,614,940,863	1,995,856,799
NAV per unit	₹100.0908	100.2893
Selling price per unit	103.5439	103.7493
Redemption price per unit	100.0908	100.2893
Highest selling price per unit	144.7286	104.6917
Highest redemption price per unit	139.9020	101.2003
Lowest selling price per unit	103.5439	103.7493
Lowest redemption price per unit	100.0908	100.2893
First interim distribution per unit	25.3971	2.7054
Interim distribution date	6/30/2026	6/30/2026
Second interim distribution per unit	NIL	NIL
Second distribution date	N/A	N/A
Annualized returns	25.43%	15.65%
Income distribution	25.40%	2.71%
Weighted avg. portfolio duration	NIL	NIL

ASAF I - Return since inception is 32.38%

ASAF II - Return since inception is 15.65%

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



Alfalah Cash Fund - II

FUND INFORMATION

Management Company:	Alfalalah Asset Management Limited
Board of Directors of the Management Company:	Mr. Atif Aslam Bajwa Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Zaigham Sheriff Mr. Sohail Sultan Mr. Khalilullah Shaikh Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Audit Committee (BAC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh
Business Risk Management Committee (BRMC)	Mr. Khaled Khanfer Mr. Farooq Ahmed Khan Mr. Khalilullah Shaikh Mr. Khaldoon Bin Latif (CEO)
Human Resource & Remuneration Committee (HRRC)	Mr. Farooq Ahmed Khan Mr. Zaigham Sheriff Ms. Ayesha Aziz Mr. Khaldoon Bin Latif (CEO)
Board Investment Committee (BIC)	Mr. Farooq Ahmed Khan Mr. Sohail Sultan Ms. Ayesha Aziz
Company Secretary:	Mr. Saad Haseeb Qureshi
Chief Financial Officer:	Mr. Faisal Ali Khan
Trustee:	Central Depository Company of Pakistan Limited CDC House, 99-B, Block 'B', SMCHS, Main Share-e-Faisal, Karachi
Bankers to the Fund:	Bank Alfalah Limited MCB Bank Limited Allied Bank limited Bank Al-Falah Limited Soneri Bank Limited Khushhali MicroFinance Bank
Auditors:	Yousuf Adil Chartered Accountants. Cavish Court, A-35 Shahrah-e-Faisal Road, Bangalore Town Block A Bangalore Town, Karachi
Legal Advisor:	Mohsin Tayebaly & Co. 1st Floor, Dime Centre, BC-4, Block-9, Kehkashan, Clifton, Karachi – 75600. Pakistan.
Registrar:	Alfalalah Asset Management Limited Islamic Chamber of Commerce, Industry and Agriculture Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
Distributor:	Bank Alfalah Limited

Alfalah Cash Fund -II

Annual Fund Manager`s Report

Type of Fund: Open-end Scheme

Category of Fund: Conventional Money Market Scheme

Investment Objective

The Objective of the Fund is to seek maximum possible preservation of capital and a competitive rate of return via investing primarily in money market securities.

Accomplishment of Objective

The Fund has strived to achieve its objective as it provided the unit holders a competitive return as compared to peer funds with minimum possible risk through investing in low duration money market instruments within the guidelines provided under NBFC rules.

Money Market Review

Pakistan's money market remained relatively resilient during the first half of 2026, although market conditions became increasingly volatile amid evolving inflation expectations, geopolitical developments, and changing monetary policy outlook. Strong liquidity in the banking system and healthy demand for government securities continued to support participation in Treasury Bill (MTB), Pakistan Investment Bond (PIB), and Government Ijarah Sukuk (GIS) auctions during the early part of the period.

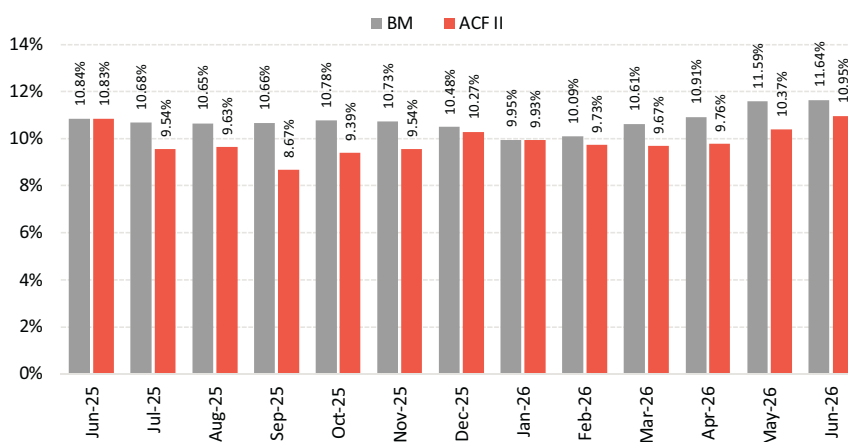
However, persistent core inflation, rising imports, elevated global energy prices, and heightened geopolitical tensions in the Middle East led to renewed inflationary concerns and a reassessment of monetary policy expectations. In response, the State Bank of Pakistan (SBP) increased the policy rate by 100 basis points to 11.50% in April 2026 after having maintained the policy rate at 10.50% at the start of the year. Earlier in the period, the SBP also reduced the Cash Reserve Requirement (CRR) by 100 basis points to improve liquidity conditions within the banking system.

Money market yields remained volatile throughout the period. At the start of the year, Treasury Bill yields stood at 10.4859%, 10.4878%, 10.4799%, and 10.4880% for the 1-month, 3-month, 6-month, and 12-month tenors, respectively. Following a relatively stable start to the year, yields moved higher after the April policy rate hike as markets adjusted to tighter monetary conditions. Towards the end of June 2026, easing geopolitical tensions and moderating inflation expectations contributed to some correction in yields; however, they remained above the levels seen at the beginning of the year, closing at 11.7538%, 11.7031%, 11.7239%, and 11.7557% for the 1-month, 3-month, 6-month, and 12-month Treasury Bills, respectively.

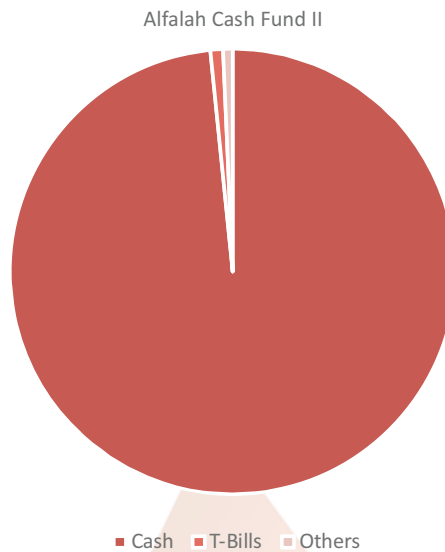
Government securities continued to attract strong investor demand throughout the period, reflecting ample liquidity in the banking sector and sustained confidence in sovereign instruments. While monetary tightening temporarily lifted yields, improving macroeconomic conditions and easing external risks supported a moderation in yields by the end of June 2026.

Fund Performance

During the period, Alfalah GHP Cash Fund (AGCF) generated a return of 10.24% while the benchmark of the fund generated 10.73% during the same period.



Assets Allocation



Credit Quality (as % of Total Assets)			
Govt. Securities (Rated AAA)	0.9%	A1+	0.0%
AAA	0.2%	A1	0.0%
AA+	98.2%	A-	0.0%
AA	0.0%	BBB+	0.0%
AA-	0.0%	BBB	0.0%
A+	0.0%	IG	0.0%
A	0.0%	NR	0.7%

⇒ **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.

⇒ **Disclosure on unit split (if any), comprising:-**

There were no unit splits during the period.

⇒ **Disclosures of circumstances that materially affect any interests of unit holders**

Investments are 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.**

No soft commissions are received by the AMC from its brokers or dealers by virtue of transactions conducted by the Collective Investment Scheme.

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-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

ALFALAH CASH FUND - II

**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 Alfalah Cash Fund - II (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to 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: August 27, 2026



INDEPENDENT AUDITOR'S REPORT

To The Unit Holders of Alfalah Cash Fund-II

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Alfalah Cash Fund-II** (the Fund), which comprise the statement of assets and liabilities as at **June 30, 2026**, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and 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 and Alfalah Asset Management Limited (the Management Company) in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Management Company (Alfalah Asset Management Limited) is responsible for the other information. The other information comprises the information included in the Annual Report in respect of the Fund but does not include the financial statements of the Fund, our auditor's report thereon and the information related to any other fund.

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

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

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

The Management Company (Alfalah Asset Management Limited) is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as the 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.

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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of 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.

Other Matter

The financial statements of the Fund for the year ended June 30, 2025 were audited by another firm of Chartered Accountants who had expressed an unmodified opinion thereon vide their report dated September 29, 2025.

Report on Other Legal and Regulatory Requirements

In our opinion, the accompanying financial statements have been prepared, in all material respects, in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is **Arif Nazeer**.


Chartered Accountants

Place: Karachi

Date: September 29, 2026

UDIN: AR202610099CfTIOunHA

ALFALAH CASH FUND II
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

		2026	2025
	Note	------(Rupees)-----	
ASSETS			
Balances with banks	5	5,474,452,951	1,453,537,094
Investments	6	49,874,150	2,532,312,767
Advances, deposits, prepayments and other receivables	7	37,997,353	1,831,607
Receivable from Management Company	8	-	92,025
Preliminary expenses and floatation costs	9	-	51,625
Receivable against sale of units		-	159
Total assets		5,562,324,454	3,987,825,277
LIABILITIES			
Payable to Alfalah Asset Management Limited - Management Company	10	5,592,555	1,004,903
Payable to Central Depository Company of Pakistan Limited - Trustee	11	296,335	324,669
Payable to the Securities and Exchange Commission of Pakistan	12	313,344	385,537
Accrued expenses and other liabilities	13	26,893,020	39,907,289
Total liabilities		33,095,254	41,622,398
NET ASSETS		5,529,229,200	3,946,202,879
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		5,529,229,200	3,946,202,879
Contingencies and commitments	14	----- (Number of units) -----	
Number of units in issue		53,693,670	38,458,913
Net asset value per unit		102.9773	102.6083

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

For Alfalah Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

ALFALAH CASH FUND II
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

		2026	2025
	Note	(Rupees)	
INCOME			
Profit on balances with banks		282,998,766	6,229,880
Profit on Market Treasury Bills		348,540,546	162,163,241
Income on Certificate of Investment		92,585,118	1,023,548
Income on Pakistan Investment Bonds		1,216,171	127,810
(Loss) / gain on sale of investments - net		(3,386,360)	1,679,574
Other loss		(1,365,500)	-
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.4	(3,806)	(35,670)
Total income		720,584,935	171,188,383
EXPENSES			
Remuneration of the Management Company	10.1	38,658,150	2,372,071
Sindh Sales Tax on remuneration of the Management Company	10.2	5,798,722	356,528
Remuneration of Central Depository Company of Pakistan Limited - Trustee	11.1	3,682,270	774,360
Sindh Sales Tax on remuneration of the Trustee	11.2	552,341	116,220
Annual fee to the Securities and Exchange Commission of Pakistan	12.1	5,021,307	1,056,798
Amortisation of preliminary expenses and floatation costs	9.1	51,625	100,375
CDS Charges		1,957	-
Transaction charges		407,873	32,832
Auditor's remuneration	15	1,076,492	858,698
Fees and subscription		62,004	199,296
Reimbursement of expenses from the management company	8.1	-	(624,125)
Bank charges		4,046	10,079
Capital gain tax on debt securities	16.1	4,452,497	-
Legal and professional charges		180,674	136,694
Printing charges		-	17,198
Total operating expenses		59,949,958	5,407,024
Net income for the year before taxation		660,634,977	165,781,359
Taxation	16	-	-
Net income for the year after taxation		660,634,977	165,781,359
Allocation of net income for the year			
Net income for the year after taxation		660,634,977	165,781,359
Income already paid on units redeemed		(648,074,980)	(155,194,388)
		12,559,997	10,586,971
Accounting income available for distribution			
- Relating to capital gains		-	1,643,904
- Excluding capital gains		12,559,997	8,943,067
		12,559,997	10,586,971
Earnings per unit	17		

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

For Alfalah Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

ALFALAH CASH FUND II
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026	2025
	----- (Rupees) -----	
Net income for the year after taxation	660,634,977	165,781,359
Other comprehensive income for the year	-	-
Total comprehensive income for the year	660,634,977	165,781,359

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

For Alfalah Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

ALFALAH CASH FUND II
STATEMENT OF MOVEMENT 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 the beginning of the year	3,939,224,146	6,978,733	3,946,202,879	34,120,953	5,026,847	39,147,800
Issuance of 280,775,665 (2025: 106,594,207) units						
- Capital value (at net asset value per unit at the beginning of the year)	28,809,882,885	-	28,809,882,885	10,930,061,804	-	10,930,061,804
- Element of income	1,077,410,503	-	1,077,410,503	1,102,786,851	-	1,102,786,851
Total proceeds on issuance of units	29,887,293,388	-	29,887,293,388	12,032,848,655	-	12,032,848,655
Redemption of 265,540,909 (2025: 68,517,078) units						
- Capital value (at net asset value per unit at the beginning of the year)	(27,246,701,253)	-	(27,246,701,253)	(7,025,672,649)	-	(7,025,672,649)
- Element of income	(1,035,455,106)	(648,074,980)	(1,683,530,086)	(832,198,708)	(155,194,388)	(987,393,096)
Total payments on redemption of units	(28,282,156,359)	(648,074,980)	(28,930,231,339)	(7,857,871,357)	(155,194,388)	(8,013,065,745)
Total comprehensive income for the year	-	660,634,977	660,634,977	-	165,781,359	165,781,359
Distribution for the year ended June 30, 2026 @ Rs.10.103 per unit declared on June 19, 2026	(31,774,522)	(2,896,181)	(34,670,703)	-	-	-
Distribution for the year ended June 30, 2025 @ Rs.14.753 per unit declared on June 27, 2025	-	-	-	(269,874,105)	(8,635,085)	(278,509,190)
Net income for the year less distribution	(31,774,522)	657,738,796	625,964,274	(269,874,105)	157,146,275	(112,727,831)
Net assets at the end of the year	5,512,586,652	16,642,549	5,529,229,200	3,939,224,146	6,978,733	3,946,202,879
Undistributed income brought forward						
- Realised income		7,014,403			5,014,540	
- Unrealised (loss) / income		(35,670)			12,307	
		6,978,733			5,026,847	
Accounting income available for distribution:						
- Relating to capital gains		-			1,643,904	
- Excluding capital gains		12,559,997			8,943,067	
		12,559,997			10,586,971	
Distribution for the year ended June 30, 2026 @ Rs.10.103 per unit declared on June 19, 2026		(2,896,181)			-	
Distribution for the year ended June 30, 2025 @ Rs.14.753 per unit declared on June 27, 2025		-			(8,635,085)	
Undistributed income carried forward		16,642,549			6,978,733	
Undistributed income carried forward						
- Realised income		16,646,355			7,014,403	
- Unrealised income / (loss)		(3,806)			(35,670)	
		16,642,549			6,978,733	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the year		102.6083			102.5390	
Net asset value per unit at the end of the year		102.9773			102.6083	

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

For Alfalah Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

ALFALAH CASH FUND II
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		660,634,977	165,781,359
Adjustments for:			
Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.4	3,806	35,670
Amortisation of preliminary expenses and floatation costs	9.1	51,625	100,375
Profit on balances with banks		(282,998,766)	(6,229,880)
Profit on market treasury bills		(348,540,546)	(162,163,241)
Income on certificate of investment		(92,585,118)	(1,023,548)
Income on pakistan investment bonds		(1,216,171)	(127,810)
		(64,650,193)	(3,627,075)
Decrease / (increase) in assets			
Investments - net		2,482,446,211	(2,482,485,687)
Advances, deposits, prepayments and other receivables		(6,500,958)	(16,593)
Receivable from management company		92,025	367,975
Receivable against sale of units		-	(159)
		2,476,037,278	(2,482,134,463)
(Decrease) / increase in liabilities			
Payable to Alfalah Asset Management Limited - Management Company		4,587,652	875,652
Payable to Central Depository Company of Pakistan Limited - Trustee		(28,334)	322,445
Payable to the Securities and Exchange Commission of Pakistan		(72,037)	383,248
Accrued expenses and other liabilities		(13,014,269)	36,698,915
		(8,526,988)	38,280,260
Profit received on bank balances		695,675,813	169,357,170
Net cash generated from / (used in) operating activities		3,098,535,910	(2,278,124,108)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units - net of refund of capital		29,855,518,866	11,762,974,550
Payment against redemption and conversion of units		(28,930,231,339)	(8,013,065,745)
Dividend paid		(2,896,180)	(8,635,085)
Net cash generated from financing activities		922,391,346	3,741,273,720
Net increase in cash and cash equivalents during the year		4,020,927,256	1,463,149,612
Cash and cash equivalents at the beginning of the year		1,503,399,845	40,250,233
Cash and cash equivalents at the end of the year	5.2	5,524,327,101	1,503,399,845

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

For Alfalah Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

ALFALAH CASH FUND II
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** Alfalah Cash Fund-II (Formerly: Faysal Cash Fund pursuant to the arrangement as mentioned in note 1.6) (the Fund), is an open end mutual fund constituted under a trust deed entered into between Faysal Asset Management Limited Management Company ("the former Management Company") as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was registered on June 9, 2020. The investment activities and administration of the Fund are managed by the Management Company. The Management Company of the Fund has been licensed 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 the Management Company is situated at Islamic Chamber of Commerce, Industry & Agriculture Building, 2nd floor, ST-2/A, Block-9, KDA Scheme 5, Clifton, Karachi. The Management Company is a member of the Mutual Funds Association of Pakistan (MUFAP).

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 Trust Act). The Fund was required to be registered under the Sindh Trust Act. Accordingly, on November 29, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

- 1.2** The Fund has been categorised as an open end money market scheme by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009 issued by SECP. The units of the Fund were initially offered for public subscription at a par value of Rs. 100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis from January 8, 2021 and are transferable and redeemable by surrendering them to the Fund.
- 1.3** The objective of the Fund is to seek maximum possible preservation of capital and a competitive rate of return via investing primarily in money market securities.
- 1.4** VIS Credit Rating Company Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on January 26, 2026. (2025: (AAML) "AM 1" dated January 2, 2025) by VIS.
- 1.5** The title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.
- 1.6** During the year ended June 30, 2025, the management rights of this Fund have been transferred from the former Management Company to Alfalah Asset Management Limited ("the Management Company"). As part of former Management Company's plan to become fully Shariah Compliant Asset Management Company, transfer of management rights of all conventional funds being managed by former Management Company to the Management Company was executed on December 31, 2024 through First Supplemental Trust Deed. The scheme was approved by the Securities and Exchange Commission of Pakistan ("the Commission") for the Fund vide letter No. SCD/AMCW/2024/537 dated June 6, 2024. The Commission also approved the change of name and title to "Alfalah Cash Fund II (formerly: Faysal Cash Fund)" through fourth supplemental trust deed dated December 31, 2024.

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 and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except that certain financial assets are measured at fair value.

2.3 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 functional and presentation currency of the Fund. All amounts have been rounded off to the nearest Pakistani rupees, unless otherwise indicated.

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 management to make estimates, judgments and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and income and expenses. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both the current and future periods. Information about the judgments made by management in the application of the accounting policies, that have the most significant effect on the amount recognised in these financial statements, are given below:

- (i) Classification and measurement of financial assets (notes 4.2.2.1 , 4.2.2.2 & 6); and
- (ii) Impairment of financial assets (note 4.2.3)

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO THE PUBLISHED APPROVED ACCOUNTING STANDARDS

3.1 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 effect on the Fund's financial statements and have, therefore, not been disclosed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2026. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant 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 and SECP. IFRS 18 shall impact the presentation of "Income Statement" with certain additional disclosures in the financial statements.
- Amendments to IFRS 9 'Financial Instruments' which clarifies 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 with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

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 applied consistently to all the years presented, unless otherwise stated.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise bank balances and short-term highly liquid investments with original maturities of three months or less, that are readily convertible to known amount of cash, are subject to insignificant change in value, and are held for the purpose of meeting short term cash commitments.

4.2 Financial instruments

4.2.1 The Fund recognises financial assets and financial liabilities on the date it becomes a party to the contractual provisions of the instrument.

Financial liabilities are not recognised unless one of the parties has performed its part of the contract or the contract is a derivative contract.

All financial assets and liabilities are initially measured at cost which is the fair value of the consideration given or received. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets or financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial assets or liabilities, as appropriate, on initial recognition. Transaction costs pertaining to financial assets or financial liabilities at fair value through profit or loss are recognised in the income statement.

4.2.2 Classification and subsequent measurement

4.2.2.1 Financial assets

There are three principal classification categories for financial assets:

- At amortised cost ("AC");
- At fair value through other comprehensive income ("FVTOCI"); and
- At fair value through profit or loss ("FVTPL").

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 recognized at FVTPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore, management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

Financial asset at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL;

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

Financial asset classified at amortised cost is subsequently carried at amortised cost using the effective interest method. Gains or losses are also recognised in the income statement when financial assets carried at amortised cost are derecognised or impaired.

Financial asset at FVTOCI

A financial asset is classified at FVTOCI only if it meets both of the following conditions and is not designated as FVTPL:

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

On initial recognition, for an Equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI, and only dividend income is recognised in income statement. This election is made on an investment-by-investment basis.

Financial assets at FVTOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI, except for the recognition of impairment losses. In case of debt instrument, when the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to income statement. In case of equity instrument, when the financial asset is derecognised there is no subsequent reclassification of fair value gains and losses to income statement.

Financial asset at FVTPL

All other financial assets are classified as FVTPL (for example: equity securities held for trading and debt securities not classified either as AC or FVTOCI).

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

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

Financial assets designated at fair value through profit or loss are subsequently carried at fair value, with gains and losses arising from changes in fair value recorded in the income statement.

4.2.2.2 Financial liabilities

The Fund classifies its financial liabilities in the following categories:

- At amortised cost ("AC"); and
- At fair value through profit or loss ("FVTPL").

Financial liabilities are measured at amortised cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Fund has opted to measure them at FVTPL.

With regard to the measurement of financial liabilities designated as at fair value through profit or loss, IFRS 9 requires as follows:

- The amount of change in the fair value of a financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of such changes in other comprehensive income would create or enlarge an accounting mismatch in income statement.
- Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to income statement.

4.2.3 Impairment of financial assets

Under expected credit loss (ECL) model of IFRS 9, the Fund recognises loss allowances for ECLs on financial assets other than debt securities. The Fund measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- Financial assets that are determined to have low credit risk at the reporting date; and
- Other financial assets for which credit risk (i.e. the risk of default occurring over the expected life of the asset) has not increased significantly since initial recognition.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

The SECP through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of International Financial Reporting Standard (IFRS) 9 'Financial Instruments' in relation to debt securities for mutual funds. Accordingly, the Asset Management Companies are required to continue to follow the requirements of Circular 33 of 2012 for impairment of debt securities. As allowed under circular no. 13 of 2009 dated May 04, 2009 issued by the SECP, the Management Company may also make provision against debt securities over and above minimum provision requirement prescribed in aforesaid circular, in accordance with the provisioning policy approved by the Board of Directors and disseminated by the Management Company on its website.

4.2.4 Derecognition

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

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expired.

4.2.5 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of government securities

The government securities not listed on a stock exchange and traded in the interbank market (other than GoP ijarah sukuk) are valued at the average rates quoted on a widely used electronic quotation system (PKRV and PKFRV rates), which are based on the remaining tenor of the securities.

For unlisted GoP ijarah sukuk, the fair value is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan.

The government securities listed on stock exchange (for example Listed GoP ijarah sukuk) are valued on their prices quoted on the Pakistan Stock Exchange Limited at reporting date.

Basis of valuation of debt securities

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan.

In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorizes them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non performing debt securities.

4.2.6 Regular way contract

All purchases and sales of securities that require delivery within the timeframe established by regulation or market convention are recognised at the trade date. Trade date is the date on which the Fund commits to purchase or sell assets.

4.2.7 Offsetting of financial assets and liabilities

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

4.3 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. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

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

4.5 Collaterals

Collaterals provided by the Fund are identified in the statement of assets and liabilities as margin and are not included as a component of cash and cash equivalents. For collaterals other than cash, if the party to whom the collaterals are provided has a right by contract or custom to sell or re-pledge the collaterals, the Fund classifies such collaterals in the statement of assets and liabilities separately from other assets and identifies the assets as pledged collaterals. Where the party to whom the collaterals are provided does not have the right to sell or re-pledge, a disclosure of the collaterals provided is made in the notes to the financial statements.

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 90% of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders.

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

The Fund has not recognised any amount in respect of deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, to its unit holders.

4.7 Distributions to unit holders

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP's) guidelines (duly consented upon by the SECP), distribution for the year is deemed to comprise of the portion of amount 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.

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

4.8 Issuance and redemption of units

Units issued are recorded at the offer price, prevalent on the previous day on which the applications for purchase of units are received, however, units are issued on the receipt of cash / realisation of cheques. The offer price represents the net asset value per unit as at the close of the previous business day plus the allowable front-end 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 receives redemption applications during the business hours of previous day. The redemption price represents the net asset value per unit as at the close of the previous business day less any back-end load and an amount that the Management Company may consider to be an appropriate provision of duties and charges, if applicable. Redemption of units is recorded on acceptance of application for redemption.

4.9 Element of income / (loss) included in prices of units issued less those in units redeemed

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

4.10 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 of the Fund in circulation at the year-end.

4.11 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the income statement on the date at which the sale transaction takes place.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Mark-up / return on investments in debt, government securities and income from Marginal Trading System (MTS) is recognised using effective interest method.
- Profit on bank balances, placements and term deposits are recognised on accrual basis

4.12 Expenses

All expenses including Management fee, Trustee fee and SECP fee are recognised in the income statement on accrual basis.

4.13 Preliminary expenses and floatation costs

Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the fund. These costs are being amortised over a period of 5 year in accordance with the requirements set out in the Trust Deed of the Fund.

5	BALANCES WITH BANKS	Note	2026	2025
			----- (Rupees) -----	
	Balances with banks in saving accounts	5.1	5,474,452,951	1,453,537,094
5.1	These balances in savings accounts carry interest rates at 8% to 12.5% (2025: 7% to 10.5%) per annum. Deposits in savings accounts also include Rs.10.11 million maintained with Bank Alfalah Limited, a related party (2025: 0.183 million maintained with Bank Alfalah Limited) and carry interest at the rate of 12.5% (2025: 8.25% to 8.75%).			
5.2	CASH AND CASH EQUIVALENTS	Note	2026	2025
			----- (Rupees) -----	
	Balances with banks	5	5,474,452,951	1,453,537,095
	Investments - Market Treasury Bills	6	49,874,150	49,862,750
			5,524,327,101	1,503,399,845
6	INVESTMENTS			
	At fair value through profit or loss			
	Market Treasury Bills	6.1	49,874,150	2,532,312,767
			49,874,150	2,532,312,767

6.1 Government Securities - Market Treasury Bills

Name of the security	Issue date	Tenor	Profit rate	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) as at June 30, 2026	Market value as percentage of	
											net assets of the Fund	total investments of the Fund
				----- (Number of certificates) -----				----- (Rupees) -----			----- % -----	
T-Bill - 3 months	17-Apr-25	3 months	11.98%	10,000	-	10,000	-	-	-	-	-	-
T-Bill - 12 months	25-Jul-24	12 months	11.20%	500,000	100,000,000	100,500,000	-	-	-	-	-	-
T-Bill - 3 months	2-Oct-25	3 months	10.96%	-	500,000,000	500,000,000	-	-	-	-	-	-
T-Bill - 1 months	24-Jul-25	1 months	10.85%	-	125,000,000	125,000,000	-	-	-	-	-	-
T-Bill - 3 months	24-Jul-25	3 months	10.68%	-	250,000,000	250,000,000	-	-	-	-	-	-
T-Bill - 12 months	5-Sep-24	12 months	10.70%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
T-Bill - 3 months	12-Jun-25	3 months	10.60%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
T-Bill - 3 months	29-May-25	3 months	10.95%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
T-Bill - 12 months	8-Aug-24	12 months	11.03%	-	400,000,000	400,000,000	-	-	-	-	-	-
T-Bill - 1 months	7-Aug-25	1 months	10.87%	-	500,000,000	500,000,000	-	-	-	-	-	-
T-Bill - 3 months	10-Jul-25	3 months	10.96%	-	1,250,000,000	1,250,000,000	-	-	-	-	-	-
T-Bill - 1 months	10-Jul-25	1 months	11.15%	-	700,000,000	700,000,000	-	-	-	-	-	-
T-Bill - 1 months	21-Aug-25	1 months	10.87%	-	250,000,000	250,000,000	-	-	-	-	-	-
T-Bill - 6 months	21-Aug-25	6 months	10.83%	-	250,000,000	250,000,000	-	-	-	-	-	-
T-Bill - 1 months	4-Sep-25	1 months	10.73%	-	250,000,000	250,000,000	-	-	-	-	-	-
T-Bill - 3 months	21-Aug-25	3 months	10.83%	-	666,600,000	666,600,000	-	-	-	-	-	-
T-Bill - 12 months	31-Oct-24	12 months	10.83%	-	141,715,000	141,715,000	-	-	-	-	-	-
T-Bill - 3 months	7-Aug-25	3 months	10.83%	-	946,750,000	946,750,000	-	-	-	-	-	-
T-Bill - 12 months	14-Nov-24	12 months	10.90%	-	684,585,000	684,585,000	-	-	-	-	-	-
T-Bill - 3 months	17-Apr-25	3 months	11.05%	-	500,000,000	500,000,000	-	-	-	-	-	-
T-Bill - 1 months	13-Nov-25	1 months	10.97%	-	500,000,000	500,000,000	-	-	-	-	-	-
T-Bill - 6 months	15-May-25	6 months	10.83%	-	324,380,000	324,380,000	-	-	-	-	-	-
T-Bill - 12 months	6-Mar-25	12 months	10.05%	-	1,350,000,000	1,350,000,000	-	-	-	-	-	-
T-Bill - 1 months	26-Dec-25	1 months	10.05%	-	545,000,000	545,000,000	-	-	-	-	-	-
T-Bill - 1 months	11-Dec-25	1 months	10.15%	-	50,400,000	50,400,000	-	-	-	-	-	-
T-Bill - 1 months	22-Jan-26	1 months	9.90%	-	500,000,000	500,000,000	-	-	-	-	-	-
T-Bill - 3 months	22-Jan-26	3 months	9.88%	-	500,000,000	500,000,000	-	-	-	-	-	-
T-Bill - 6 months	22-Jan-26	6 months	9.93%	-	500,000,000	500,000,000	-	-	-	-	-	-
T-Bill - 3 months	22-Jan-26	3 months	9.90%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
T-Bill - 1 months	8-Jan-26	1 months	10.20%	-	150,000,000	150,000,000	-	-	-	-	-	-
T-Bill - 3 months	8-Jan-26	3 months	10.15%	-	300,000,000	300,000,000	-	-	-	-	-	-
T-Bill - 6 months	8-Jan-26	6 months	10.87%	-	150,000,000	150,000,000	-	-	-	-	-	-
T-Bill - 1 months	6-Feb-26	1 months	10.18%	-	500,000,000	500,000,000	-	-	-	-	-	-
T-Bill - 12 months	20-Mar-25	12 months	10.20%	-	1,500,000,000	1,500,000,000	-	-	-	-	-	-
T-Bill - 1 months	19-Feb-26	1 months	10.45%	-	3,000,000,000	3,000,000,000	-	-	-	-	-	-
T-Bill - 1 months	17-Mar-26	1 months	10.92%	-	2,000,000,000	2,000,000,000	-	-	-	-	-	-
T-Bill - 1 months	17-Mar-26	1 months	10.93%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
T-Bill - 3 months	17-Mar-26	3 months	11.24%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
T-Bill - 3 months	7-Apr-26	3 months	11.24%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
T-Bill - 6 months	7-Apr-26	6 months	10.70%	-	950,000,000	950,000,000	-	-	-	-	-	-
T-Bill - 1 months	16-Apr-26	1 months	10.67%	-	500,000,000	500,000,000	-	-	-	-	-	-

Name of the security	Issue date	Tenor	Profit rate	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised (diminution) as at June 30, 2026	Market value as percentage of		
												net assets of the Fund	total investments of the Fund
				----- (Number of certificates) -----							----- (Rupees) -----		
T-Bills - 3 months	16-Apr-26	3 months	11.43%	-	500,000,000	450,000,000	50,000,000	49,877,956	49,874,150	(3,806)	0.90%	100%	
T-Bills - 3 months	24-Apr-26	3 months	11.08%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-	
T-Bills - 3 months	4-May-26	3 months	11.75%	-	500,000,000	500,000,000	-	-	-	-	-	-	
T-Bills - 3 months	5-May-26	3 months	11.74%	-	1,500,000,000	1,500,000,000	-	-	-	-	-	-	
T-Bills - 6 months	11-May-26	6 months	11.90%	-	250,000,000	250,000,000	-	-	-	-	-	-	
T-Bills - 3 months	12-May-26	3 months	11.75%	-	2,000,000,000	2,000,000,000	-	-	-	-	-	-	
T-Bills - 6 months	12-May-26	6 months	11.91%	-	250,000,000	250,000,000	-	-	-	-	-	-	
T-Bills - 3 months	12-May-26	3 months	11.53%	-	150,000,000	150,000,000	-	-	-	-	-	-	
T-Bills - 3 months	13-May-26	3 months	11.70%	-	1,300,000,000	1,300,000,000	-	-	-	-	-	-	
T-Bills - 3 months	13-May-26	3 months	11.42%	-	300,000,000	300,000,000	-	-	-	-	-	-	
T-Bills - 3 months	5-Jun-26	3 months	11.55%	-	700,000,000	700,000,000	-	-	-	-	-	-	
T-Bills - 6 months	11-Jun-26	6 months	11.95%	-	150,000,000	150,000,000	-	-	-	-	-	-	
T-Bills - 6 months	19-Jun-26	6 months	11.64%	-	500,000,000	500,000,000	-	-	-	-	-	-	
Total as at June 30, 2026								49,877,956	49,874,150	(3,806)			
Total as at June 30, 2025								2,532,348,437	2,532,312,767	(35,670)			

6.2 Pakistan Investment Bonds

Name of the security	Issue date	Tenor	Profit rate	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) as at June 30, 2026	Market value as percentage of		
											net assets of the Fund	total investments of the Fund	
				----- (Number of certificates) -----						----- (Rupees) -----			
Pakistan Investment Bond	15-Aug-25	5 Years	11.10%	-	100,000,000	100,000,000	-	-	-	-	-	-	
Total as at June 30, 2026								-	-	-			
Total as at June 30, 2025								-	-	-			

6.3 Letter of Placement

Name of investee company	Maturity date	Profit rate	Face value				Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) as at June 30, 2026	Market value as a percentage of	
			As at July 1, 2025	Purchased during the year	Matured / sold during the year	As at June 30, 2026				Net assets of the Fund	total investments of the Fund
			----- (Number of certificates) -----				----- (Rupees) -----				
Zarai Taraqiati Bank Limited	16-Jul-25	11.10%	-	425,000,000	425,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	17-Jul-25	11.10%	-	425,000,000	425,000,000	-	-	-	-	-	-
United Bank Limited	24-Jul-25	11.00%	-	400,000,000	400,000,000	-	-	-	-	-	-
United Bank Limited	11-Aug-25	11.00%	-	250,000,000	250,000,000	-	-	-	-	-	-
United Bank Limited	12-Aug-25	11.00%	-	250,000,000	250,000,000	-	-	-	-	-	-
United Bank Limited	13-Aug-25	11.00%	-	250,000,000	250,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	2-Oct-25	11.30%	-	300,000,000	300,000,000	-	-	-	-	-	-
United Bank Limited	6-Oct-25	11.00%	-	300,000,000	300,000,000	-	-	-	-	-	-
Pakistan Mortgage Refinance Company Limited	17-Oct-25	11.00%	-	200,000,000	200,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	21-Oct-25	11.10%	-	200,000,000	200,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	7-Jan-26	10.25%	-	900,000,000	900,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	7-Jan-26	10.00%	-	900,000,000	900,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	7-Jan-26	10.25%	-	900,000,000	900,000,000	-	-	-	-	-	-
JS Bank Limited	7-Jan-26	10.25%	-	450,000,000	450,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	8-Jan-26	10.25%	-	900,000,000	900,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	8-Jan-26	10.10%	-	900,000,000	900,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	12-Jan-26	10.00%	-	600,000,000	600,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Pvt) Limited	13-Jan-26	9.85%	-	900,000,000	900,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Pvt) Limited	19-Jan-26	10.20%	-	850,000,000	850,000,000	-	-	-	-	-	-
JS Bank Limited	20-Jan-26	10.35%	-	400,000,000	400,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	20-Jan-26	10.30%	-	590,000,000	590,000,000	-	-	-	-	-	-
JS Bank Limited	21-Jan-26	10.25%	-	400,000,000	400,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Pvt) Limited	21-Jan-26	10.30%	-	800,000,000	800,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	26-Jan-26	10.50%	-	700,000,000	700,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	30-Jan-26	10.40%	-	800,000,000	800,000,000	-	-	-	-	-	-
JS Bank Limited	30-Jan-26	10.40%	-	400,000,000	400,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	2-Feb-26	10.45%	-	850,000,000	850,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	2-Feb-26	10.50%	-	800,000,000	800,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	3-Feb-26	10.50%	-	800,000,000	800,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	4-Feb-26	10.65%	-	850,000,000	850,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	9-Feb-26	10.30%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	13-Feb-26	10.45%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	16-Feb-26	10.35%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Pvt) Limited	18-Feb-26	10.30%	-	950,000,000	950,000,000	-	-	-	-	-	-

Name of investee company	Maturity date	Profit rate	Face value				Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) as at June 30, 2026	Market value as a percentage of	
			As at July 1, 2025	Purchased during the year	Matured / sold during the year	As at June 30, 2026				Net assets of the Fund	total investments of the Fund
			----- (Number of certificates) -----				----- (Rupees) -----				
Saudi Pak Industrial & Agricultural Investment Company Limited	18-Feb-26	10.30%	-	200,000,000	200,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	23-Feb-26	10.45%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	27-Feb-26	10.45%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
JS Bank Limited	2-Mar-26	10.45%	-	500,000,000	500,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Pvt) Limited	3-Mar-26	10.50%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
JS Bank Limited	6-Mar-26	10.45%	-	500,000,000	500,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	13-Mar-26	10.50%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	30-Mar-26	11.00%	-	1,000,000,000	1,000,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Pvt) Limited	1-Apr-26	11.00%	-	500,000,000	500,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Pvt) Limited	3-Apr-26	10.60%	-	1,200,000,000	1,200,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	10-Apr-26	10.60%	-	1,200,000,000	1,200,000,000	-	-	-	-	-	-
JS Bank Limited	16-Apr-26	10.40%	-	600,000,000	600,000,000	-	-	-	-	-	-
Pakistan Kuwait Investment Company (Pvt) Limited	16-Apr-26	10.31%	-	1,200,000,000	1,200,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	17-Apr-26	10.42%	-	1,200,000,000	1,200,000,000	-	-	-	-	-	-
Samba Bank Limited	17-Apr-26	10.48%	-	1,200,000,000	1,200,000,000	-	-	-	-	-	-
Saudi Pak Industrial & Agricultural Investment Company Limited	24-Apr-26	10.45%	-	600,000,000	600,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	30-Apr-26	11.75%	-	1,250,000,000	1,250,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	4-May-26	11.50%	-	1,250,000,000	1,250,000,000	-	-	-	-	-	-
Saudi Pak Industrial & Agricultural Investment Company Limited	4-May-26	11.60%	-	600,000,000	600,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	5-May-26	11.50%	-	1,250,000,000	1,250,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	5-May-26	11.50%	-	1,300,000,000	1,300,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	6-May-26	11.40%	-	1,300,000,000	1,300,000,000	-	-	-	-	-	-
Pak Oman Investment Company Limited	8-May-26	11.50%	-	1,200,000,000	1,200,000,000	-	-	-	-	-	-
Pakistan Mortgage Refinance Company Limited	14-May-26	11.60%	-	135,000,000	135,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	25-May-26	11.60%	-	600,000,000	600,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	1-Jun-26	11.55%	-	600,000,000	600,000,000	-	-	-	-	-	-
Zarai Taraqiati Bank Limited	2-Jun-26	11.60%	-	600,000,000	600,000,000	-	-	-	-	-	-
Pak Brunei Investment Company Limited	9-Jun-26	11.60%	-	550,000,000	550,000,000	-	-	-	-	-	-
Total as at June 30, 2026								-	-	-	-
Total as at June 30, 2025								-	-	-	-

	Note	2026 ----- (Rupees) -----	2025
6.4 Unrealised diminution on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net			
Market value of investments		49,874,150	2,532,312,767
Less: Carrying value of investments		(49,877,956)	(2,532,348,437)
		(3,806)	(35,670)

7 ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES

Profit receivable on bank balances	7.1	31,027,553	1,362,765
Advance tax	7.2	6,869,800	368,842
Security deposit with NCCPL		100,000	100,000
		37,997,353	1,831,607

7.1 This includes profit receivable amounting to Rs. 2.46 million on bank balance maintained with Bank Alfalah, a related party (2025: 0.001 million on bank balance held with Bank Alfalah.)

7.2 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 debt paid to the Fund has been 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 withholding agent. As at reporting date the tax withheld on profit on debt amounts to Rs. 6.87 million (2025: Rs. 0.369 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, has 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 be refunded.

	Note	2026 ----- (Rupees) -----	2025
8 RECEIVABLE FROM MANAGEMENT COMPANY			
Reimbursement from the Management Company	8.1	-	92,025

8.1 The Total Expense Ratio (TER) of the Fund shall be within the maximum limit of 2% as prescribed under the NBFC Regulations for a collective investment scheme categorised as an Money Market Scheme. Hence, the Fund has recorded reimbursement from the Management Company to ensure compliance with the maximum limit of 2% for TER of the Fund.

	Note	2026 ----- (Rupees) -----	2025
9 PRELIMINARY EXPENSES AND FLOATATION COSTS			
Balance at beginning of the year		51,625	152,000
Less: amortisation during the year	9.1	(51,625)	(100,375)
Balance at end of the year		-	51,625

9.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund. These costs are being amortised over a period of five years in accordance with the Trust Deed of the Fund and the NBFC Regulations.

	Note	2026 ----- (Rupees) -----	2025
10 PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANGEMENT COMPANY			
Remuneration payable to the Management Company	10.1	4,863,091	873,829
Sindh Sales Tax payable on remuneration of the management company Management Company	10.2	729,464	131,074
		5,592,555	1,004,903

- 10.1** 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, subject to the maximum limit prescribed by SECP vide SRO 600(I)/2025 dated April 10, 2025, for the scheme categorized as money market Schemes. The remuneration is payable to the Management Company on a monthly basis in arrears.

Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rates ranging from 1% to 1.25% (2025: 0.01% to 0.7%) per annum of the average annual net assets of the fund during the year. The remuneration is payable to the Management Company in arrears.

- 10.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.

11 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

		2026	2025
	Note	------(Rupees)-----	
Remuneration payable to the Trustee	11.1	257,683	282,320
Sindh Sales Tax on remuneration of the Trustee	11.2	38,652	42,349
		<u>296,335</u>	<u>324,669</u>

- 11.1** The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.055% per annum of the average annual net assets of the Fund (2025: 0.055%).

- 11.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration of the Trustee through the Sindh Sales Tax on Services Act, 2011.

12 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		2026	2025
	Note	------(Rupees)-----	
Annual fee payable	12.1	313,344	385,537

- 12.1** 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 period ended June 30, 2026.

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

13 ACCRUED EXPENSES AND OTHER LIABILITIES

		2026	2025
		------(Rupees)-----	
Transaction charges payable		265,684	39,402
Auditor's remuneration payable		702,007	427,171
Legal and professional charges payable		50,138	431,265
Rating fee payable		252,438	259,771
Printing charges payable		15,592	26,549
Capital gain tax payable on redemption		23,975,643	37,370,880
Others		1,631,518	1,352,251
		<u>26,893,020</u>	<u>39,907,289</u>

14 CONTINGENCIES AND COMMITMENTS

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

15 AUDITORS' REMUNERATION

		2026	2025
		------(Rupees)-----	
Annual audit fee		443,828	397,441
Half yearly review fee		198,000	264,961
Other certifications		209,154	102,371
Out of pocket expense		85,098	39,930
		<u>936,080</u>	<u>804,703</u>
Sindh Sales tax		140,412	64,376
		<u>1,076,492</u>	<u>869,079</u>

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 accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Further, as per Regulation 63 of the NBFC Regulations, 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. During the year ended June 30, 2026, the Fund has distributed by way of cash dividend at minimum 90 percent of accounting income for the year as reduced by capital gains, whether realised or unrealised, to the unit holders. Accordingly, no provision for taxation has been recognised in the financial statements.

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

- 16.1** Through Finance Act, 2025, effective from July 1, 2025, amendment to the Income Tax Ordinance, 2001 was introduced through Section 151A whereby every custodian of debt securities including a banking company responsible to maintain Investor Portfolio Securities (IPS) Account on behalf of holder of a debt security shall at the time of disposal of debt securities including government securities deduct tax at the rate specified in the Income Tax Ordinance, 2001, on the gross amount of capital gain arising to such holder and deposit the same in government treasury. Accordingly, during the year, Rs. 4.45 millions were withheld by the custodian on disposal of securities. The Fund received the exemption certificate subsequent to year end, however, such exemption certificate disallowed the refund of previously withheld tax, therefore, the amount has been recorded as an expense.

Through the Finance Act, 2026 an amendment was introduced in Clause 47 (B) of part IV of the Second schedule of the Income Tax Ordinance, 2001, whereby, payments made to collective investment schemes (CIS) were made exempt from withholding tax under section 151A.

17 EARNINGS PER UNIT

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

18 TOTAL EXPENSE RATIO

The annualized total expense ratio (TER) of the Fund for the year ended June 30, 2026 is 0.58% (2025: 0.38%) which includes 0.16% (2025: 0.11%) representing government levy, sales taxes and secp fees etc. Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification SRO 600(I)/2025 dated April 10, 2025, the requirement related to maximum Total Expense Ratio limits has been removed as applicable to Collective Investment Schemes, effective from July 01, 2025.

19 TRANSACTIONS WITH CONNECTED PERSONS AND RELATED PARTIES

Related parties / connected persons include Alfalah Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee of the Fund, Bank Alfalah Limited, MAB Investment Incorporation, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah Investment Company Limited, JS Bank Limited and Alfalah GHP Investment Management Limited - Staff Provident Fund being the associates of the Management Company, Funds under management of the Management Company and directors and their close family members and key management personnel of the Management Company. Connected persons also include any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with related parties / 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 investment and distribution payments to connected persons. The transactions with connected person are also in the normal course of business, at contracted rates and at terms determined in accordance with the market rates as duly approved by the Board of Directors.

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

Details of transactions and balances with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

19.1 Unit holders' fund

2026									
As at 01 July 2025	Issued for cash	Dividend/ Bonus	Redeemed	As at 30 June 2026	As at July 01, 2025**	Issued for cash / conversion in / transfer in*	Dividend reinvested*	Redeemed / conversion out / transfer out*	Net assets value as at June 30, 2026 (18.1.1) **/***
----- Units -----					----- (Rupees) -----				

Associated Companies / Undertakings

Alfalah Asset Management Ltd	4,204	5,886	-	10,090	-	431,359	10,719	-	1,078,304	-
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Key Management Personnel

Chief Executive Officer	32	2	-	-	34	3,235	239	-	-	3,501
Units holder 10% or more holding	9,932,952	36,870,238	-	22,475,572	24,327,618	1,019,203,369	3,877,021,441	-	2,498,433,724	2,505,192,465

2025									
As at 01 July 2024	Issued for cash	Dividend/ Bonus	Redeemed	As at 30 June 2025	As at July 01, 2024**	Issued for cash / conversion in / transfer in*	Dividend reinvested*	Redeemed / conversion out / transfer out*	Net assets value as at June 30, 2025 (18.1.1) **/***
----- Units -----					----- (Rupees) -----				

Associated Companies / Undertakings

Alfalah Asset Management Ltd	-	4,204	-	-	4,204	-	431,359	-	-	431,359
------------------------------	---	-------	---	---	-------	---	---------	---	---	---------

Key Management Personnel

Chief Executive Officer	-	32	-	-	32	-	3,235	-	-	3,235
Units holder 10% or more holding	-	9,932,952	-	-	9,932,952	-	1,019,203,369	-	-	1,019,203,369

* These amounts are based on transaction price.

** These amounts are based on the net asset value per unit at year end.

*** These include transactions and balances in relation to the entities where common directorship / key executive / other connected persons that exists as at the year end. However, it does not include the transactions and balances whose status changed during the year.

18.1.1 This reflects the position of related party / connected persons as at June 30, 2026

2026	2025
(Rupees)	

19.2 Transactions during the year

Associated companies / undertakings

Faysal Asset Management Limited - Former Management Company

Remuneration of the Management Company	-	30,534
Sindh Sales Tax on remuneration of the Management Company	-	4,580
Reimbursement of expenses from the management company	-	624,125

Alfalalah Asset Management Limited - Management Company

Remuneration of the Management Company	38,658,150	2,341,537
Sindh Sales Tax on remuneration of the Management Company	5,798,722	351,949

Faysal Bank Limited

Profit on balance with bank	87,505,125	47,963
Bank charges	-	4,741

Bank Alfalah Limited

Profit on balance with bank	49,664,714	15,272
T-Bills buy	1,331,305,200	-

Alfalalah GHP Money Market Fund

T-Bills sell	236,861,000	-
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Alfalalah GHP Cash Fund

T-Bills sell	641,938,200	-
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JS Bank Limited

T-Bills buy	1,623,156,459	-
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Central Depository Company of Pakistan Limited -Trustee

Remuneration of Central Depository Company of Pakistan Limited - Trustee	3,682,270	774,360
Sindh Sales Tax on remuneration of the Trustee	552,341	116,220
CDS charges	1,957	5,240

19.3 Amounts outstanding as at year end

Associated companies / undertakings

Alfalalah Asset Management Limited - Management Company

Management fee payable	4,863,091	873,829
Sindh sales tax payable on Management fee	729,464	131,074
Receivable from the Management Company	-	92,025

Bank Alfalah Limited

Balance with bank	10,107,016	183,143
Profit receivable on balance with bank	2,457,127	1,003

Central Depository Company of Pakistan Limited -Trustee

Trustee fee payable	257,683	282,320
Sindh sales tax payable on Trustee fee	38,652	42,349

20 FINANCIAL INSTRUMENTS BY CATEGORY

	2026		
	At amortised cost	At fair value through profit or loss	Total
(Rupees)			
Financial assets			
Balances with banks	5,474,452,951	-	5,474,452,951
Investments	-	49,874,150	49,874,150
Receivable from Management Company	-	-	-
Deposits and other receivables	31,127,553	-	31,127,553
Receivable against sale of units	-	-	-
	5,505,580,504	49,874,150	5,555,454,654

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

----- Rupees -----

Financial liabilities

Payable to management company	5,592,555	-	5,592,555
Payable to Central Depository Company of Pakistan Limited - Trustee	296,335	-	296,335
Accrued expenses and other liabilities	2,917,377	-	2,917,377
	8,806,267	-	8,806,267

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

----- Rupees -----

Financial assets

Balances with banks	1,453,537,094	-	1,453,537,094
Investments	-	2,532,312,767	2,532,312,767
Receivable from Management Company	92,025	-	92,025
Deposits and other receivables	1,462,765	-	1,462,765
Receivable against sale of units	159	-	159
	1,455,092,043	2,532,312,767	3,987,404,810

Financial liabilities

Payable to Management company	1,004,903	-	1,004,903
Payable to Central Depository Company of Pakistan Limited - Trustee	324,669	-	324,669
Accrued expenses and other liabilities	2,536,409	-	2,536,409
	3,865,981	-	3,865,981

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 financial instruments 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 the internal risk management policies and investment guidelines approved by Investment Committee and the regulations laid down by the Securities and Exchange Commission of Pakistan.

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

(i) 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.

(ii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2026, the Fund is exposed to such risk on its balances held with banks and investments in T- Bills. 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

Presently, the Fund holds balances with banks which expose the Fund to cash flow 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 / loss for the year and net assets of the Fund would have been higher / lower by Rs. 54.72 million (2025: Rs.14.54 million).

b) Sensitivity analysis for fixed rate instruments

The fund is exposed to fair value interest rate risk for investment in government securities.

In case of 100 basis points increase in interest rates on June 30, 2026 with all other variables held constant, the net income for the year and the net assets would have been lower by Rs. 4.01 millions (2025: Rs.191.84 millions)

In case of 100 basis points decrease in interest rates on June 30, 2026 with all other variables held constant, the net income for the year and the net assets would have been increase by Rs. 4.78 millions (2025: Rs. 226.10 millions)

Yield / 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 profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

----- 2026 -----					
Effective interest rate (%)	Exposed to interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- Rupees -----					
Financial assets					
Balances with banks	8% to 12.5%	5,474,452,951	-	-	5,474,452,951
Investments	11.43%	49,874,150	-	-	49,874,150
Receivable against sale of units		-	-	-	-
Deposits and other receivables		-	-	31,127,553	31,127,553
		5,524,327,101	-	31,127,553	5,555,454,654
Financial liabilities					
Payable to Management Company		-	-	5,592,555	5,592,555
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	296,335	296,335
Accrued expenses and other liabilities		-	-	2,917,377	2,917,377
		-	-	8,806,267	8,806,267
On-balance sheet gap (a)		5,524,327,101	-	22,321,286	5,546,648,387
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a+b)		5,524,327,101	-	-	
Cumulative interest rate sensitivity gap		5,524,327,101	5,524,327,101	5,524,327,101	

2025					
Effective interest rate (%)	Exposed to interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
----- Rupees -----					
Financial assets					
Balances with banks	7% to 10.5%	1,453,537,094	-	-	1,453,537,094
Investments	11.05% to 11.20%	2,532,312,767	-	-	2,532,312,767
Receivable from management company		-	-	92,025	92,025
Receivable against sale of units		-	-	159	159
Deposits and other receivables		-	-	1,462,765	1,462,765
		3,985,849,861	-	1,554,949	3,987,404,810
Financial liabilities					
Payable to Management Company		-	-	1,004,903	1,004,903
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	-
		-	-	324,669	324,669
Accrued expenses and other liabilities		-	-	2,536,409	2,536,409
		-	-	3,865,981	3,865,981
On-balance sheet gap (a)		3,985,849,861	-	(2,311,031)	3,983,538,829
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total interest rate sensitivity gap (a+b)		3,985,849,861	-	-	
Cumulative interest rate sensitivity gap		3,985,849,861	3,985,849,861	3,985,849,861	

(iii) **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 yield / 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. As at June 30, 2026, the Fund is not exposed to price risk.

21.2 Liquidity risk

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

The Fund is exposed to daily 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 the maximum limit of which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the 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 dates. However, the liabilities that are payable on demand have been included in the maturity grouping of one month:

Financial liabilities

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

2026			
Upton three months	More than three months and upto one year	More than one year	Total
Rupees			
5,592,555	-	-	5,592,555
296,335	-	-	296,335
2,917,377	-	-	2,917,377
8,806,267	-	-	8,806,267

Financial liabilities

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

2025			
Upto three months	More than three months and upto one year	More than one year	Total
Rupees			
1,004,903	-	-	1,004,903
324,669	-	-	324,669
2,536,409	-	-	2,536,409
3,865,981	-	-	3,865,981

21.3 Credit risk

21.3.1 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 arising on the debt instruments is mitigated by investing in rated instruments or instruments issued by rated counterparties of credit ratings of at least investment grade by the recognised rating agencies. The Fund receives a monthly rating update, against which investments are reviewed.

Credit risk arises from deposits with banks and financial instruments, profit receivable on balances with banks and credit exposure arising on investments. Credit risk arising on other 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 committee monitors the credit position on a daily basis which is reviewed by the Board of Directors of the Management Company on a quarterly basis.

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 -----				
Balances with banks	5,474,452,951	5,474,452,951	1,453,537,094	1,453,537,094
Investments	49,874,150	-	2,532,312,767	-
Receivable from Management Company	-	-	92,025	92,025
Deposits and other receivables	31,127,553	31,127,553	1,462,765	1,462,765
Receivable against sale of units	-	-	159	159
	5,555,454,654	5,505,580,504	3,987,404,810	1,455,092,043

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the balances with banks. The difference is due to investment in government securities which is not exposed to credit risk as they are government backed.

21.3.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of balances with banks is as follows:

Bank balances

The Fund held bank balances at June 30, 2026 and June 30, 2025 with banks having following credit ratings:

Name of bank	Rating Agency	Rating (Long Term / Short Term)	2026	2025
			% of bank balances exposed to credit risk	
Faysal bank Limited	PACRA	AA+ / A1+	99.78%	99.87%
Habib Bank Limited	VIS	AAA / A1+	0.03%	0.03%
United Bank Limited	PACRA	AA- / A1+	0.00%	0.03%
Allied Bank Limited	PACRA	AAA / A1+	0.00%	0.05%
Bank Alfalah Limited	PACRA	AAA / A1+	0.18%	0.02%
			100%	100%

21.3.3 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 credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing 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.

Fair value hierarchy

Levels	Description	Valuation approach and input used
Level 1:	Quoted prices in active markets for identical assets or liabilities.	Not applicable.
Level 2:	Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).	The government securities not listed on a stock exchange and traded are valued at the average rates quoted on electronic quotation system (PKRV / PKFRV / PKISRV). The fair value of debt securities (other than government securities) is based on value determined and announced by MUFAP.
Level 3:	Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	Not applicable.

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	
Note	----- Rupees -----				
Financial assets at fair value					
through profit or loss					
Market Treasury Bills	6.1	-	49,874,150	-	49,874,150
2025					
	Level 1	Level 2	Level 3	Total	
Note	----- Rupees -----				
Financial assets at fair value					
through profit or loss					
Market Treasury Bills	6.1	-	2,532,312,767	-	2,532,312,767

25 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 the risk 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 the unexpected losses in investment portfolio which may causes adverse effects on the Fund's continuation as going concern.

The Fund's objective when managing net assets attributable to unit holders is to safe guard the Fund's ability to continue as 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 unit in accordance with the constitutive documents of the Fund, which include the ability to restrict redemptions as allowed under rules and regulations; and
- Monitors portfolio allocations and return on net assets and where required make necessary adjustments in portfolio allocations in light of changes in market conditions.

The Fund Manager / Investment Committee members and the Chief Executive of the Management Company critically monitor capital of the Fund on the basis of the value of net assets attributable to the unit holders and track the movement of "Assets under Management" as well returns earned on the net assets to maintain investors confidence and achieve future growth in business. Further the Board of Directors is updated about the Fund 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 gain 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 times during the life of the scheme. The Fund has maintained minimum size of one hundred million rupees at all times during the year.

26 SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding unit holding pattern of the Fund, top ten brokers of the Fund, members of the Investment Committee, fund manager, meetings of the Board of Directors as required under Schedule V of the NBFC Regulations has been disclosed in the Annexure to the financial statements.

27 CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated 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 were made in these financial statements.

28 GENERAL

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

29 DATE OF AUTHORISATION FOR ISSUE

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

**For Alfalah Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

**SUPPLEMENTARY NON FINANCIAL INFORMATION
AS REQUIRED UNDER SECTION 6(D), (F), (G), (H), (I), AND (J)
OF THE FIFTH SCHEDULE TO THE NON BANKING FINANCE
COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008**

Annexure I

(i) UNIT HOLDING PATTERN OF THE FUND

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Retirement Funds	2	274,715	28,289,380	1%
Others	7	24,500,461	2,522,991,279	46%
Other Corporate	17	23,204,495	2,389,536,213	43%
Individual	210	5,714,000	588,412,281	11%
	236	53,693,670	5,529,229,152	100%

Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	137	1,021,475	104,811,840	3%
Associated Co./ Directors	1	4,204	431,359	0%
Insurance Co.	-	-	-	0%
Banks/ DFIs	-	-	-	0%
Retirement & Other Funds	1	249,648	25,615,946	1%
Others	14	37,183,585	3,815,343,734	97%
	153	38,458,913	3,946,202,879	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2026 %
Paramount Capital (Pvt.)	39.79%
BMA Capital Managemen	11.03%
Optimus Markets Pvt Ltd	10.04%
C&M Management (Private	8.15%
Bright Capital Private Limited	6.92%
CONTINENTAL	6.35%
Magenta Capital(Pvt)Ltd.	4.88%
Invest One Markets Limited	4.63%
Currency Market Association	3.33%
KTRADE SECURITIES LIMITED	2.90%

	30 June 2025 %
Continental Exchange (Pvt.) Limited	4%
AKD Securities Limited	12%
Alfalsh Securities (Private) Limited	0%
Bright Capital (Pvt.) Limited	4%
C&M Management (Pvt) Limited	30%
Continental Exchange (Pvt.) Limited	4%
Currency Markets Associates (Pvt) Limited	40%
JS Global Capital Limited	3%
BMA Capital Management Ltd.	2%
ICON Management (Pvt.) Limited	1%

(iii) PARTICULARS OF MEMBERS OF THE INVESTMENT COMMITTEE

Following are the members of the Investment Committee of the Fund:

Mr. Khaldoon Bin Latif - CEO
Mr. Ayub Khoro – Chief Investment Officer
Mr. Faisal Ali Khan - Chief Financial Officer
Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer
Mr. Imad Ansari – Chief Risk Officer
Mr. Muddasir Ahmed Shaikh - -- Head of Equities
Mr. Mustafa Kamal - Head of Fixed Income
Ms. Sana Abdullah - Head of Research
Mr. Salman Jawaid - Fund Manager Fixed Income Fund
Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Khaldoon Bin Latif - CEO

Mr. Khaldoon has been associated with the capital markets for over 18 years, with both domestic and international experience providing a comprehensive blend. Prior to joining Alfalah Asset Management Limited Mr. Khaldoon was associated with Faysal Asset Management Limited as its Chief Executive Officer (CEO) and under his leadership, Faysal Asset Management has achieved significant growth during his tenure and transformed into major industry player. Earlier he was associated with BMA Asset Management Company Limited as its CEO, JS Investments Limited as its Chief Investment Officer (CIO) and KASB Funds Limited as its CEO. Before KASB Funds, he was the General Manager and Director of TSWLL Bahrain, a wholly owned subsidiary of TAIB Bank BSC, where he headed their brokerage, asset management, custody and advisory operations.

He has been a member of the Mutual Fund Association for over six years and has been the Vice Chairman from FY2021-22. He is also a non-executive director on a bank holding company out of Bahrain, IIBank LLC that has operations in Africa and Europe. He is a former board member of TRG and Pace Pakistan.

Mr. Latif also brings both buy and sell side exposure of domestic capital markets in Pakistan. Mr. Latif began his career on the sell side with AKD Securities Ltd in various capacities including Head of Foreign Institutional Sales and Equity Research in the capacity of Head of Research and Chief Economist. On the Buy side, Mr. Latif has worked with PICIC AMC as Head of Research and Product Development where his tenor also included active management of the PICIC Energy Fund. Mr. Latif is a LUMS Alumni and has done a number of capital market courses with CFA association, Daiwa, J.P. Morgan and Bahrain Institute of Banking and Finance (BIBF). He has also completed his Director Certification program from IBA.

Mr. Ayub Khoro – Chief Investment Officer

Prior to joining Alfalah, he was associated with Faysal Asset Management Limited as Chief Investment Officer. In his tenure at FAML he revamped the investment process, fund management teams and research department to significantly contribute to the company's unprecedented growth and to cater to the ever growing business needs and market dynamics.

Mr. Ayub has over 15 years of experience in banking / asset management industry in research, capital markets and fund management functions. He started his career with Pak Oman AMC in the research division before moving on to Faysal Bank Limited as Research Head in the Equity Capital Markets Division. At Faysal Bank, he was involved in managing the equity portfolio worth over USD 80mn and spearheading the research effort to provide in-depth advice and coverage across the capital markets for the Investment Committee. He was also involved in IPO's and private equity valuations for the bank.

Mr. Ayub has developed a unique understanding of equity, fixed income and money market investments. With the power to exercise all investment options for FAML, he has ensured that his investment decisions have encompassed both strategic and tactical asset allocations, implemented via thorough research and evaluation of historical performance of multiple asset classes and instruments. Mr. Ayub holds a Bachelor's of Science BSc (Hons) degree in Economics from Lahore University of Management Sciences (LUMS).

Mr. Faisal Ali Khan - Chief Financial Officer

Faisal Ali Khan is serving as Chief Financial Officer of Alfalah Investments and prior to joining he was associated with Faysal Funds where he served as CFO and Company Secretary. In past he has worked with reputed financial sector organizations including BMA Funds, Saudi Pak Industrial and Agricultural Company (Pvt.) Ltd, Attock Refinery Limited and KPMG. Mr. Khan is a fellow member of the Institute of Chartered Accountant of Pakistan having a professional experience of over nineteen years ranging from financial reporting, regulatory compliance, budgeting and taxation to corporate and secretarial practices including 15 years of experience in the asset management and investment advisory industry

Mr. Shariq Mukhtar Hashmi – Chief Compliance Officer

Mr. Hashmi holds a diversified experience of over 11 years with various private sector enterprises of repute. He joined IGI Funds Limited (which subsequently merged into Alfalah GHP Investment Management Limited in Oct. 2013) in 2010 to lead the back office function as Head of Operations & Settlements. His association has continued, post-merger, as Head of Compliance & Risk Management. He has previously served National Asset Management Company as Head of Internal Audit and Feroze Sharif Tariq & Co Chartered Accountants in various capacities. He has also headed

the Internal Audit Department of the Company. Mr. Hashmi is a qualified Accountant from the Association of Chartered Certified Accountants, UK and holds MBA degree in Finance from SZABIST University. He is also enrolled for Financial Risk Manager Certification of Global Association of Risk Professionals; USA.

Mr. Imad Ansari – Chief Risk Officer

Mr. Imad Ansari is a seasoned Risk Professional with overall experience of 19 years (15 in financial sector and 4 years with leading television networks as Anchor/Research Analyst). He has extensive experience in implementing risk frameworks across the entity and funds under management, by combining Financial, Operational, Information Security and Business Continuity under the ambit of Enterprise Risk Management.

Before joining Alfalah Asset Management Limited as Chief Risk Officer, he has worked with HBL Asset Management, Faysal Funds, Al Meezan Investment Management Limited, UBL Funds, CNBC, PTV & Business Plus."

Mr. Muddasir Ahmed Shaikh – Head of Equities

Mr. Shaikh is heading the Equity Investments team at Alfalah Investments. He has been an integral part of the team since 2007 and holds about two decades of professional experience. He joined the Investment Management Industry in 2004, right after his graduation with an MBA degree. Over the years, he has served various public and private financial institutions of repute. He started his career as Research Analyst and has progressed over the year to higher levels in portfolio management. Mr. Shaikh is an Alumni of the prestigious Institute of Business Administration, Karachi (IBA).

Mr. Mustafa Kamal - Head of Fixed Income

Mr. Mustafa Kamal has more than 18 years of work experience in the investment management profession out of which he has been associated with the Mutual Fund Industry for over 15 years. Prior to joining Alfalah Investments, he was working as a Chief Investment Officer with Pak Oman Asset Management Limited. Over the years, he has worked at companies like Askari Investments, National Fullerton Asset Management, Crescent Leasing & ORIX Investment Bank. He is an MBA with Majors in Finance.

Currently serving the company as a Head of Fixed Income Funds, Mr. Kamal is a key member of portfolio management team and a member of the investment committee for the mutual funds. During his career he has managed wide range of conventional and Islamic mutual funds schemes.

Ms. Sana Abdullah - Head of Research

Ms. Sana Abdullah, CFA, is the Head of Research at Alfalah Investments and has over 17 years of experience in the financial sector, primarily in equity and macroeconomic research, investment management and advisory. She has previously worked with Lakson Investments Limited, Tundra Fonder, Global Securities and other leading research and brokerage firms in Pakistan. She also previously served as Head of Separately Managed Accounts & Equity Portfolio Manager at Alfalah Investments. Sana is a CFA Charterholder and holds an MBA in MIS/Information Technology from Iqra University, Karachi, where she was a Gold Medalist.

Mr. Salman Jawaid - Fund Manager Fixed Income Fund

Mr. Salman is managing the Fixed Income Funds at Alfalah Investments. He has almost more than 12 years of work experience in the Mutual Fund Industry precisely in the Fund Management Department. He is an MBA in Finance from the Institute of Business Management (IOBM) and also pursuing his education in the CFA program. Over the years, he has worked at National Investment Trust Limited (NIT) and Faysal Asset Management in the portfolio management department.

Mr. Anil Kumar - Jr. Fund Manager Equity Funds

Mr. Anil has over 3 years of well-rounded sectoral exposure in Investment Research and Fund Management. He was earlier associated as Research Analyst with Alfalah Investments, where he has actively covered Chemical Sector, Cement Sector, Pharmaceutical sector, Textile sector and has also identified many profitable investment ideas. Prior to joining Alfalah, he was associated with UBL Fund Managers and Darson Securities Limited. Anil has done Bachelors (BBA) from Iqra University with majors in Finance and is a CFA Level 3 candidate.

(iv) MEETINGS OF BOARD OF DIRECTORS

The dates of the meetings of the Board of Directors of the Management Company of the fund and the attendance of its members are given below:

Name of Director	Meeting held on				
	August 16, 2025	October 29, 2025	January 8, 2026	February 26, 2026	April 27, 2026
Mr. Khaldoon Bin Latif	✓	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	Leave	✓	✓
Mr. Khaled Khanfer	✓	✓	✓	Leave	Leave
Ms. Ayesha Aziz	✓	✓	✓	✓	✓
Ms. Farooq Ahmed Khan	✓	✓	✓	✓	✓
Mr. Atif Bajwa	✓	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	Leave	✓
Mr. Zaigham Shariff	-	✓	✓	✓	✓

(v) **MEETINGS OF BOARD AUDIT COMMITTEE**

The dates of the meetings of the Board Audit Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 15, 2025	October 28, 2025	February 25, 2026	April 23, 2026
Mr. Khaled Khanfer	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	✓	✓	✓	✓

(vi) **MEETINGS OF BOARD RISK MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Risk Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 13, 2025	October 28, 2025	February 24, 2026	April 23, 2026
Mr. Khaled Khanfer	✓	✓	✓	✓
Mr. Khalilullah Shaikh	✓	✓	✓	✓
Mr. Farooq Ahmed Khan	✓	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓	✓

(vii) **MEETINGS OF BOARD HUMAN RESOURCE MANAGEMENT COMMITTEE**

The dates of the meetings of the Board Human Resource Management Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on		
	October 24, 2025	February 24, 2026	April 24, 2026
Mr. Zaigham Shariff	✓	✓	Leave
Mr. Farooq Ahmed Khan	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓
Mr. Khaldoon Bin Latif	✓	✓	✓

(viii) **MEETINGS OF BOARD INVESTMENT COMMITTEE**

The dates of the meetings of the Board Investment Committee of the Management Company of the fund and the attendance of its members are given below

Name of Director	Meeting held on			
	August 15, 2025	October 28, 2025	February 23, 2026	April 20, 2026
Mr. Farooq Ahmed Khan	✓	✓	✓	✓
Mr. Sohail Sultan	✓	✓	✓	✓
Ms. Ayesha Aziz	✓	✓	✓	✓

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PERFORMANCE TABLE - ACF-II

	30 June 2026	30 June 2025	30 June 2024	30 June 2023 (Rupees in '000)	30 June 2022
Net Assets	5,529,229	3,946,203	39,147,800	168,182,793	113,592,400
NAV per unit	102.9773	102.5812	102.5390	101.6377	100.2163
Selling price per unit	105.3458	104.9406	104.8564	103.9348	102.4460
Redemption price per unit	102.9773	102.5812	102.5390	101.6377	100.1818
Highest selling price per unit	115.3019	119.9752	126.1993	118.9049	108.5507
Highest redemption price per unit	112.7096	117.2778	123.4102	116.2770	106.1516
Lowest selling price per unit	104.9683	102.2143	103.9348	102.4812	102.2600
Lowest redemption price per unit	102.6083	99.9162	101.6377	100.2163	99.0000
1st interim distribution per unit	10.24%	14.7534	23.1704	15.3038	
1st interim distribution date	19-Jun-26	27-Jun-25	22-Jun-24	17-Jun-23	
Income distribution %	10.10%	14.39%	22.80%	15.27%	2.46%
Weighted avg. portfolio duration (Days)	1.06	14.95 Days			

Return since inception is **14.11 %**.

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