

Alfalah
GHP Islamic Stock Fund

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:	Allied Bank limited Bank Al-Falah Limited Bank Islami Pakistan Limited Dubai Islami Limited Habib Bank Limited MCB Bank Limited MCB Islamic Bank Limited Meezan Bank Limited
Auditors:	Grant Thornton Anjum Rahman (GTAR) 1st & 3rd Floor, Modern Motors House, Beaumont Road, 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 GHP Islamic Stock Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Shariah compliant Islamic Equity Scheme (Previously Shariah Compliant Asset Allocation Scheme)

Investment Objective

The investment objective of Alfalah GHP Islamic Stock Fund (AGISF) is seeking long term capital appreciation and income from a diversified portfolio developed in consistence with the principles of Shariah.

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 via investments in Shariah Compliant avenues.

Equity Market Review

1HCY26 Market Review: Navigating Through Volatility: EQUITY:

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.

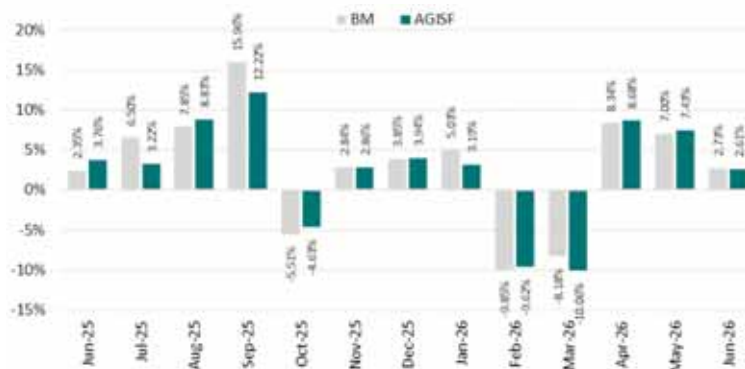
Investor confidence gradually recovered during the latter part of the review period as geopolitical conditions improved, Saudi financial assistance and successful international debt issuances strengthened external financing prospects, and record workers' remittances reinforced macroeconomic stability. 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.

Fund Performance

In FY26, AGISTF earned a return of 29.16% while its benchmark returns of 39.18% during the same period.

AGISF Return Vs Benchmark



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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Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
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TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC STOCK FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of Alfalah GHP Islamic Stock 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 01, 2026



September 17, 2026

AHSA/SSR/AAML/AGISF/613



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

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

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

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

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 2026, comply with the provided Shariah guidelines. Therefore, it is resolved that Alfalah GHP Islamic Stock Fund (AGISF) managed by Alfalah Asset Management Limited is Compliant and in accordance with Shariah principles.

During the year, Alfalah GHP Islamic Stock Fund (AGISF) booked charity amounting to PKR 17,934,849/-.

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

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited and Alfalah Asset Management Limited.



Mufti Irshad Ahmad Aijaz
Chairman Shariah Council



Mufti Javed Ahmed
Shariah Board Member
Alfalah Asset Management Limited



Faraz Younus Bandukda, CFA
Chief Executive

INDEPENDENT ASSURANCE REPORT ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023

To The Board of Directors of Alfalah Asset Management Limited (Management Company of Alfalah GHP Islamic Stock Fund)

1. Introduction

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

2. Applicable Criteria

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

- a) legal and regulatory framework administered by the SECP;
- b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the SECP;
- c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan (ICAP), as notified by the SECP;
- d) guidance and recommendations of the Shariah advisory committee, as notified by the SECP; and
- e) approvals, rulings or pronouncements of Shariah Supervisory board or the Shariah Advisor of the Islamic financial institution, in line with (a) to (d) above.

Our engagement was carried out as required under Regulation 29 of Chapter VII of the Regulations.

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

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Management

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



The firm applies International Standard on Quality Management (ISQM -1), which requires the firm to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications, with Shariah principles in all material respects for the year ended June 30, 2026, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

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

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

6. Conclusion

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

The engagement partner on the assurance resulting in this independent assurance report is **Shafqat Ali**.


Chartered Accountants

Date: September 22, 2026

Place: Karachi

**Grant Thornton Anjum
Rahman**

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah GHP Islamic Stock Fund

Report on the Audit of financial statements

Opinion

We have audited the annexed financial statements of Alfalah GHP Islamic Stock Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026 and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the 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 Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matter	How the matter was addressed in our audit
Valuation of investments	
As disclosed in note 5 to the financial statements, investments of the Fund amount to Rs. 8,242.65 million which constitute approximately 93% of the total assets of the Fund. The valuation of the investments for the determination of net assets value of the Fund was considered a high-risk area and therefore, we considered this as a key audit matter.	Our key procedures, amongst others included the following: - reviewed the processes and key controls relating to existence and valuation and evaluated the design and implementation of such controls; - tested existence of investments from the CDC; - tested valuation of investments by verifying the rates determined by PSX; and - assessed the adequacy and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

Information Other than the financial statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the financial statements

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

In preparing the financial statements, 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.

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

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the benefits of public interest such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion, the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

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



Chartered Accountants
Place: Karachi
Date: 25 September 2026
UDIN: AR202610093BqoAD9ivT

ALFALAH GHP ISLAMIC STOCK FUND
STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
Assets			
Balances with banks	5	852,213,421	1,366,994,224
Investments	6	8,242,646,015	4,879,083,688
Receivable from the Management Company		-	1,053,270
Advances, deposits and other receivable		2,779,070	100,254,293
Total assets		9,097,638,506	6,347,385,475
Liabilities			
Payable to the Management Company	7	29,318,717	35,333,095
Payable to the Trustee	8	822,063	532,933
Payable to the SECP	9	600,685	373,499
Accrued expenses and other liabilities	10	122,275,399	133,706,347
Total liabilities		153,016,864	169,945,874
Net assets		8,944,621,642	6,177,439,601
Unit holders' fund (as per statement attached)		8,944,621,642	6,177,439,601
Contingencies and commitments	11		
----- (Number of units) -----			
Number of units in issue		119,306,388	106,507,863
----- (Rupees) -----			
Net asset value per unit		74.9719	57.9998

The annexed notes from 1 to 22 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
Income			
Profit on bank balances		921,036	851,273
Gain on sale of investments at FVTPL		1,196,195,113	1,100,389,568
Net unrealised appreciation on re-measurement of investments at FVTPL	6.2	402,840,893	498,703,796
Dividend income		245,900,629	147,361,525
Total income		1,845,857,671	1,747,306,162
Expenses			
Remuneration of the Management Company	7.1	210,536,944	104,039,218
Sindh sales tax on remuneration of the Management Company	7.2	31,580,542	15,605,887
Allocated expenses	7.4	-	4,527,048
Sindh sales tax on allocated expense		-	679,024
Selling and marketing expense	7.5	-	15,441,673
Sindh sales tax on selling and marketing expense		-	2,315,909
Remuneration of the Trustee	8.1	8,018,604	4,624,891
Sindh sales tax on remuneration of the Trustee	8.2	1,202,791	692,450
Clearing charges		2,986,731	1,401,132
Fee to the SECP		6,667,003	3,443,247
Auditors' remuneration	12	1,253,267	1,035,796
Brokerage expense		68,649,305	32,874,834
Legal & professional charges		216,650	215,050
Shariah auditors' remuneration		216,102	216,102
Shariah advisory fee		423,186	600,060
Charity expense		17,934,849	5,032,838
Reimbursement from the Management Company		-	(1,053,270)
Other expenses		96,297	76,257
Total expenses		349,782,271	191,768,146
Income before taxation		1,496,075,400	1,555,538,016
Taxation	14	-	-
Net income for the year		1,496,075,400	1,555,538,016
Earnings per unit	4.13		
Allocation of net income for the year			
Net income for the year		1,496,075,400	1,555,538,016
Income already paid on units redeemed		(829,219,385)	(739,436,714)
		666,856,015	816,101,302
Accounting income available for distribution			
- Relating to capital gain		1,599,036,006	816,101,302
- Excluding capital gain		(932,179,991)	-
		666,856,015	816,101,302

The annexed notes from 1 to 22 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026 ----- (Rupees) -----	2025 -----
Net income for the year	1,496,075,400	1,555,538,016
Other comprehensive income	-	-
Total comprehensive income for the year	<u>1,496,075,400</u>	<u>1,555,538,016</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

	2026			2025		
	Capital Value	Undistributed Income	Total	Capital Value	Undistributed Income	Total
	(Rupees)			(Rupees)		
Net assets at beginning of the year	6,015,387,797	162,051,794	6,177,439,591	2,775,001,028	(654,049,508)	2,120,951,520
Issuance of 428,961,819 units (2025: 369,498,444 units)						
- Capital value (at net asset value per unit at the beginning of the year)	24,879,719,307	-	24,879,719,307	14,278,760,075	-	14,278,760,085
- Element of income	5,589,422,485	-	5,589,422,485	5,263,635,965	-	5,263,635,965
Total proceeds on issuance of units	30,469,141,792	-	30,469,141,792	19,542,396,040	-	19,542,396,050
Redemption of 416,163,293 units (2025: 317,875,479 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(24,137,406,791)	-	(24,137,406,791)	(12,283,861,473)	-	(12,283,861,473)
- Element of loss	(4,231,408,965)	(829,219,385)	(5,060,628,350)	(4,018,147,799)	(739,436,714)	(4,757,584,513)
Total payments on redemption of units	(28,368,815,756)	(829,219,385)	(29,198,035,141)	(16,302,009,271)	(739,436,714)	(17,041,445,985)
Total comprehensive income for the year	-	1,496,075,400	1,496,075,400	-	1,555,538,016	1,555,538,016
Net assets at end of the year	8,115,713,833	828,907,809	8,944,621,642	6,015,387,797	162,051,794	6,177,439,601
	(Rupees)			(Rupees)		
Accumulated income / (loss) brought forward						
- Realised loss		(336,652,002)			(1,268,177,047)	
- Unrealised gain		498,703,796			614,127,539	
		<u>162,051,794</u>			<u>(654,049,508)</u>	
Accounting income available for distribution						
- Relating to capital gain	1,599,036,006			816,101,302		
- Excluding capital gain	(932,179,991)			-		
	<u>666,856,015</u>			<u>816,101,302</u>		
Undistributed income carried forward		<u>828,907,809</u>			<u>162,051,794</u>	
Undistributed income carried forward						
- Realised gain / (loss)		426,066,916			(336,652,002)	
- Unrealised gain		402,840,893			498,703,796	
		<u>828,907,809</u>			<u>162,051,794</u>	
	(Rupees)			(Rupees)		
Net asset value per unit at the beginning of the year		<u>57.9998</u>			<u>38.6436</u>	
Net asset value per unit at the end of the year		<u>74.9719</u>			<u>57.9998</u>	

The annexed notes from 1 to 22 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year		1,496,075,400	1,555,538,016
Adjustment for:			
Net unrealised appreciation on re-measurement of investments at FVTPL	6.2	(402,840,893)	(498,703,796)
		1,093,234,507	1,056,834,220
Increase in assets			
Investments - net		(2,960,721,434)	(2,285,814,463)
Receivable against sale of investment		-	20,220,219
Receivable from the Management Company		1,053,270	(1,053,270)
Advances, deposits and other receivable		97,475,223	(96,898,398)
		(2,862,192,941)	(2,363,545,912)
(Decrease) / increase in liabilities			
Payable to the Management Company		(6,014,388)	10,913,200
Payable to the Trustee		289,130	272,294
Payable to the SECP		227,186	221,167
Payable against redemption of units		-	(199,538)
Accrued expenses and other liabilities		(11,430,948)	118,011,636
		(16,929,020)	129,218,759
Net cash used in operating activities		(1,785,887,454)	(1,177,492,933)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amounts received against issuance of units		30,469,141,792	19,542,396,050
Amounts paid against redemption of units		(29,198,035,141)	(17,041,445,985)
Dividend paid		-	(1,672,678)
Net cash generated from financing activities		1,271,106,651	2,499,277,387
Net (decrease) / increase in cash and cash equivalents during the year		(514,780,803)	1,321,784,454
Cash and cash equivalents at the beginning of the year		1,366,994,224	45,209,770
Cash and cash equivalents at the end of the year		<u>852,213,421</u>	<u>1,366,994,224</u>

The annexed notes from 1 to 22 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC STOCK 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 GHP Islamic Stock Fund (formerly Alfalah GHP Islamic Fund) (the Fund) is an open-end collective investment scheme established through a Trust Deed under the Trust Act, 1882, executed between Alfalah Asset Management Limited, (the Management Company) and Central Depository Company of Pakistan Limited, (the Trustee). The Trust Deed was executed on April 11, 2007 and was approved by the Securities and Exchange Commission of Pakistan (the SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), on March 29, 2007. The SECP approved the second Supplemental Trust Deed, under the NBFC Regulations, vide its letter No. SCD/AMCW/AGISF/239/2015 dated February 03, 2015 to modify and restate the previous Trust Deed to effectuate renaming of the Fund to Alfalah GHP Islamic Stock Fund.
- 1.2** 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 on February 23, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry & Agricultural Building, 2nd floor, ST-2/A, Block-9, KDA Scheme 5, Clifton Karachi.
- 1.3** The Fund is categorized as a 'shariah compliant equity scheme' pursuant to the provisions contained in Circular 7 of 2009 and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.4** According to the Trust Deed, the objective of the Fund is to provide good total return through a combination of current income and long-term capital appreciation, consistent with reasonable investment risk in shariah compliant equity securities. The Fund invests in shariah compliant securities and profit bearing accounts. The investment objectives and policies are explained in the Fund's offering document.
- 1.5** VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on January 26, 2026.
- 1.6** The title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2 BASIS OF PRESENTATION

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

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

3.2 New accounting standards

3.2.1 Accounting standards effective for the year

There are certain new standards and amendments that are mandatory for the Fund's accounting period beginning on July 01, 2025 but are considered either to be not relevant or to not have any significant effect on the Funds operations and are, therefore, not detailed in these financial statements.

3.2.2 Accounting standards not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Fund's accounting periods beginning on / after 01 July 2026. However, the Fund expects that these standards (other than IFRS 18) will not have any material impact on the Fund's financial statements in the period of initial application. The Fund is currently working to identify all impacts that IFRS 18 will have on the financial statements.

3.3 Significant accounting estimates and judgments

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.2.1 and 6).

3.4 Accounting convention

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

3.5 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICIES

4.1 Cash and cash equivalents

These are stated at cost.

4.2 Financial Instruments

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

4.2.1 Financial assets

i) Initial recognition and measurement

On initial recognition, financial assets are classified at amortised cost; Fair Value through Other Comprehensive Income (FVTOCI) or Fair Value through Profit or Loss (FVTPL). These are measured at at fair value and transaction cost, if any, except for financial assets at FVTPL, in which case, transaction cost is charged to Income Statement.

ii) Subsequent measurement

Financial assets at amortized cost

These are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in Income Statement when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

These are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in Income Statement.

Financial assets at FVTOCI

The Fund does not have any financial asset at FVTOCI as of the reporting date.

iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of assets and liabilities) when the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement? and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Fund also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

iv) Impairment

The Fund assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Any impairment loss on financial assets including financial assets carried at amortised cost are recognised in Income Statement.

4.2.2 Financial liabilities

i) Initial recognition and measurement

On initial recognition, financial liabilities are classified at amortised cost or FVTPL and these are measured at fair value less transaction cost, if any, except for financial liabilities at FVTPL, in which case, transaction cost is charged to Income Statement.

ii) Subsequent measurement

Financial liabilities at FVTPL:

The Fund has not designated any financial liability at FVTPL as of the reporting date.

Financial liabilities at amortised cost:

These are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Income Statement when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Income Statement.

4.3 Offsetting of financial assets and financial liabilities

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

4.4 Regular way contracts

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

4.5 Provisions

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

4.6 Net asset value per unit

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

4.7 Issue and redemption of units

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

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

4.8 Distributions to unit holders

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

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

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

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

4.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement, on the date when the transaction takes place.
- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend.
- Profit on bank deposits is recognized on a time proportionate basis using effective yield method.

4.11 Expenses

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

4.12 Taxation

The Fund's income is exempt from income tax as per clause (99) of part I of the Income Tax Ordinance, 2001 (the Ordinance). subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders.

Name of the investee company	Note	As at July 1, 2025	Acquired during the year	Bonus / Right shares during the year	Sold during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
							Carrying value	Market value	Unrealized gain / (loss)			
										(Number of shares)		
Fertilizer												
Engro Corporation Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Engro Holding Limited		-	6,220,720	-	4,999,911	1,220,809	339,691,020	351,251,165	11,560,146	3.93%	4.26%	1.01%
Fauji Fertilizer Company Limited		-	2,897,106	-	2,408,562	488,544	274,029,888	280,170,213	6,140,325	3.13%	3.40%	0.03%
Falima Fertilizer Company Limited		-	1,905,200	-	856,854	1,048,346	152,932,481	173,291,594	20,359,113	1.94%	2.10%	0.05%
Engro Fertilizer Bin Qasim Limited		-	450,000	-	450,000	-	-	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Bin Qasim Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
							766,653,389	804,712,972	38,059,583	9.00%	9.76%	1.10%
Cement												
Cesral Cement Company Limited	6.1.2	562,579	668,060	-	980,639	250,000	68,124,890	86,482,500	18,357,610	0.97%	1.05%	0.13%
DG Khan Cement Company Limited		-	1,971,370	-	1,258,000	713,370	155,198,754	159,274,120	4,085,365	1.79%	1.93%	0.16%
Fauji Cement Company Limited		2,489,170	5,922,715	-	6,410,214	2,001,671	110,651,560	115,196,166	4,544,606	1.28%	1.40%	0.08%
Kohat Cement Company Limited	6.1.3	216,495	805,981	-	1,022,475	-	-	-	-	0.00%	0.00%	0.00%
Thatta Cement Company Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Attock Cement Pakistan Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Lucky Cement Limited	6.1.3	282,026	2,283,374	-	2,081,101	1,490,337	637,907,515	685,657,428	47,749,913	7.67%	8.32%	0.50%
Power Cement Company Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Maple Leaf Cement Factory Limited		1,642,362	4,625,597	-	4,214,518	2,053,441	174,598,662	219,533,377	44,934,715	2.45%	2.66%	0.20%
Pioneer Cement Limited		-	1,412,883	-	849,887	562,996	200,226,181	159,536,177	(40,690,004)	1.78%	1.94%	0.25%
							1,346,697,563	1,425,679,768	78,982,205	15.94%	17.30%	1.32%
Power generation and distribution												
The Hub Power Company Limited	6.1.3	-	5,397,476	-	4,416,394	981,082	207,301,979	229,033,593	21,731,614	2.56%	2.78%	0.08%
K-Electric Limited		-	30,876,074	-	17,376,074	13,500,000	107,765,096	115,290,000	7,524,904	1.29%	1.40%	0.05%
Nishat Chunian Power Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Nishat Power Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Saf Power Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
							315,067,075	344,323,593	29,256,518	3.85%	4.18%	0.12%
Refinery												
Attock Refinery Limited		102,630	918,822	-	664,105	357,347	281,525,264	303,984,372	22,459,108	3.40%	3.69%	2.85%
National Refinery Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
							281,525,264	303,984,372	22,459,108	3.40%	3.69%	2.85%
Oil and gas marketing companies												
Attock Petroleum Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Pakistan State Oil Company Limited	6.1.1 & 6.1.2	1,037,058	2,832,185	-	3,044,894	824,349	337,024,442	282,215,880	(54,808,561)	3.16%	3.42%	0.18%
Wafi Energy Pakistan Limited formerly Shell Pakistan Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Sul Southern Gas Company Limited		3,120,577	-	-	3,120,577	-	-	-	-	0.00%	0.00%	0.00%
Hi-Tech Lubricants Limited		1,327,114	-	-	1,327,114	-	-	-	-	0.00%	0.00%	0.00%
Sul Northern Gas Pipelines Limited		1,209,062	3,184,719	-	3,443,303	960,478	102,301,983	114,941,305	12,639,322	1.29%	1.39%	0.15%
Hasecol Petroleum Limited*	6.1.1	4,221	-	-	-	4,221	40,775	87,670	46,895	0.00%	0.00%	0.00%
							439,367,199	397,744,855	(41,622,344)	4.44%	4.82%	0.33%

Name of the investee company	Note	As at July 1, 2025	Acquired during the year	Bonus / Right shares during the year	Sold during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company	
							Carrying value	Market value	Unrealized gain / (loss)				
						(Number of shares)			(Rupees)			%	
Oil and gas exploration companies													
Mari Energies Limited formerly Mari Petroleum Company Limited - Mari	6.1.1	474,146	997,976	-	1,168,888	303,234	206,917,236	204,467,654	(2,449,582)	2.29%	2.48%	0.23%	
Oil & Gas Development Company Limited		2,150,467	3,255,105	-	3,029,211	2,376,361	682,493,081	795,772,008	113,278,927	8.90%	9.65%	0.06%	
Pakistan Oilfields Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Pakistan Petroleum Limited		1,974,819	8,276,522	-	6,893,115	3,358,226	749,215,942	814,772,792	65,556,850	9.11%	9.88%	0.12%	
							1,638,626,260	1,815,012,454	176,386,195	20.29%	22.02%	0.41%	
Automobile assembler													
Milaf Tractors Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Sazgar Engineering Works Limited		112,122	240,841	-	249,944	103,019	205,016,412	212,578,676	7,562,264	2.38%	2.58%	0.17%	
Ghandhara Automobiles Limited		152,167	70,000	-	222,167	-	-	-	-	0.00%	0.00%	0.00%	
Ghandhara Industries Limited		-	399,610	-	399,610	-	-	-	-	0.00%	0.00%	0.00%	
							205,016,412	212,578,676	7,562,264	2.38%	2.58%	0.17%	
Textile composite													
Interloop Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Kohinoor Textile Mills Limited	6.1.1	1,287	5,148	-	-	6,435	252,592	355,276	102,685	0.00%	0.00%	0.00%	
Nishat Mills Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Towellers Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
							252,592	355,276	102,685	0.00%	0.00%	0.00%	
Engineering													
Aisha Steel Mills Limited		-	4,910,638	-	4,910,638	-	-	-	-	0.00%	0.00%	0.00%	
International Industries Limited		-	196,267	-	196,267	-	-	-	-	0.00%	0.00%	0.00%	
International Steels Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Mughal Iron and Steel Industries Limited (Right Shares 2)		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Mughal Iron & Steel Industries Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
							-	-	-	0.00%	0.00%	0.00%	
Pharmaceuticals													
Citi Pharma Limited		917,392	1,600,000	-	1,517,392	1,000,000	80,713,072	77,870,000	(2,843,072)	0.87%	0.94%	0.44%	
Highnoon Laboratories Limited	6.1.1	74,142	50,001	-	122,744	1,399	1,419,987	1,402,777	(17,210)	0.02%	0.02%	0.00%	
Glaxosmithkline Pakistan Limited		105,274	257,860	-	363,134	-	-	-	-	0.00%	0.00%	0.00%	
BF Biosciences Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Ferozsons (Lab)		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Haleon Pakistan Limited		162,537	245,372	-	81,500	326,409	249,685,340	262,824,527	13,139,187	2.94%	3.19%	0.03%	
AGP Limited		455,763	1,864,636	-	1,099,542	1,220,857	242,748,903	251,899,425	9,150,521	2.82%	3.06%	0.44%	
The Searle Company Limited	6.1.1	848,788	21,324	-	848,788	21,324	1,668,496	2,015,971	347,475	0.02%	0.02%	0.00%	
							576,235,799	596,012,700	19,776,901	6.66%	7.23%	0.91%	
Food and personal care products													
Al Shaheer Corporation Limited	6.1.1	274	-	-	-	274	2,115	3,696	1,581	0.00%	0.00%	0.00%	
Big Bird Foods Limited		600,000	3,551,706	-	600,000	3,551,706	165,771,037	163,485,027	(2,286,010)	1.83%	1.98%	3.05%	
Wahdat Poultry Farm Limited		-	4,696,541	-	-	4,696,541	86,384,642	87,308,697	924,055	0.98%	1.06%	0.02%	
National Foods Limited	6.1.3	-	437,932	-	117,564	320,368	123,585,702	124,120,174	534,472	1.39%	1.51%	2.75%	
The Organic Meat Company Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Treet Corporation Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
							375,743,496	374,917,595	(825,901)	4.19%	4.55%	5.81%	
Commercial Banks													
Meezan Bank Limited		1,349,975	2,847,167	-	2,583,328	1,613,814	749,363,708	833,470,378	84,106,671	9.32%	10.11%	0.09%	
Bankislami Pakistan Limited		2,750,000	-	-	2,750,000	-	-	-	-	0.00%	0.00%	0.00%	
Faysal Bank Limited		-	1,980,000	-	1,280,000	720,000	62,688,676	71,452,800	8,764,124	0.80%	0.87%	0.05%	
							812,052,384	904,923,178	92,870,795	10.12%	10.98%	0.14%	
Chemical													
Engro Polymer & Chemicals Limited		-	2,000,000	-	2,000,000	-	-	-	-	0.00%	0.00%	0.00%	
LOTTE CHEMICAL PAKISTAN LIMITED		-	479,730	-	-	479,730	13,431,006	13,466,021	35,015	0.15%	0.16%	0.11%	
Dyneen Pakistan Limited	6.1.3	-	241,539	-	-	241,539	75,159,856	81,398,643	6,238,787	0.91%	0.99%	0.14%	
							88,590,862	94,864,664	6,273,802	1.06%	1.15%	0.25%	
Automobile parts & accessories													
Exide Pakistan Limited		43,498	-	-	43,498	-	-	-	-	0.00%	0.00%	0.00%	
Service Long March Tyres Limited		-	2,293,361	-	2,293,000	361	7,202	9,162	1,960	0.00%	0.00%	0.00%	
Thal Limited	6.1.3	204,235	-	-	204,235	-	-	-	-	0.00%	0.00%	0.00%	
							7,202	9,162	1,960	0.00%	0.00%	0.00%	
Technology & communication													
Systems Limited	6.1.3	1,360,188	10,335,140	-	8,582,396	3,112,932	518,320,531	457,881,168	(60,439,364)	5.12%	5.56%	1.07%	
Zaree Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Pakistan Telecommunication Company Limited		1,610,375	14,401,950	-	11,615,725	4,396,600	250,168,124	288,065,232	37,897,108	3.22%	3.49%	0.09%	
Air Link Communication Limited		-	995,000	-	513,367	481,633	84,745,962	75,587,483	(9,158,479)	0.85%	0.92%	0.12%	
							853,234,617	821,533,883	(31,700,734)	9.18%	9.97%	1.28%	
Glass & Ceramics													
Tariq Glass Industries Limited		421,845	53,397	-	475,242	-	-	-	-	0.00%	0.00%	0.00%	
							-	-	-	0.00%	0.00%	0.00%	
Cable & Electrical Goods													
Pakistan Cables Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
Pak Elektron Limited		1,425,000	1,805,945	-	3,230,945	-	-	-	-	0.00%	0.00%	0.00%	
							-	-	-	0.00%	0.00%	0.00%	
Hospitality													
SHIFA INTERNATIONAL HOSPITAL LTD		137,706	180,000	-	30,000	287,706	139,645,085	145,432,506	5,787,421	1.63%	1.76%	0.59%	
							139,645,085	145,432,506	5,787,421	1.63%	1.76%	0.59%	
Property													
TPL Properties Limited.		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
							-	-	-	0.00%	0.00%	0.00%	
REAL ESTATE INVESTMENT TRUST													
TPL REIT Fund - I		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%	
							-	-	-	0.00%	0.00%	0.00%	
Synthetic & Rayon													
Image Pakistan Limited		3,610,033	4,288,365	-	7,898,398	-	-	-	-	0.00%	0.00%	0.00%	
							-	-	-	0.00%	0.00%	0.00%	
Transport													
Pakistan International Bulk Terminal Limited		-	26,920,984	-	26,920,984	-	-	-	-	0.00%	0.00%	0.00%	
Secure Logistics Group Limited		4,383,899	-	-	4,383,899	-	-	-	-	0.00%	0.00%	0.00%	
							-	-	-	0.00%	0.00%	0.00%	

Name of the investee company	Note	As at July 1, 2025	Acquired during the year	Bonus / Right shares during the year	Sold during the year	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments	Paid-up value of shares held as a percentage of total paid-up capital of the Investee Company
							Carrying value	Market value	Unrealized gain / (loss)			
			(Number of shares)			(Rupees)			%			
Miscellaneous												
SPEL Limited (formerly Synthetic Products Enterprises Limited)	6.1.1 & 6.1.3	20,494	3,905,102	-	3,905,102	20,494	1,089,924	1,060,360	(29,564)	0.01%	0.01%	0.02%
MACPAC Films Limited		100,000	-	-	100,000	-	-	-	-	0.00%	0.00%	0.00%
Pakistan Aluminium Beverage Cans Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
							1,089,924	1,060,360	(29,564)	0.01%	0.01%	0.02%
As at June 30, 2026							7,839,805,122	8,242,646,015	402,840,893			
As at June 30, 2025							4,372,691,552	4,868,288,948	495,597,396			

6.1.1 In accordance with Section 236Z of the Ordinance, every company listed on Pakistan Stock Exchange that issues bonus shares to its shareholders is required to withhold 10% of the bonus shares as tax. The aggregate market value of the withheld shares amounted to Rs. 27.029 million as of June 30, 2026. In this respect, Management Company applied for exemption of withholding tax on bonus shares before the Federal Board of Revenue (FBR), however, the said exemption was not granted. Accordingly, the Trustee, along with other Collective Investment Schemes (CISs) filed a petition in the High Court of Sindh (the Court) against the above decision which directed the FBR to resolve the matter within 60 days of the Court's order i.e. May 05, 2025. However, the said matter is pending with FBR and the Fund has included this investment in its portfolio as at June 30, 2026.

6.1.2 The above investments include shares having a market value (in aggregate) amounting to Rs. 119.823 million (2025: Rs. 248.225 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no. 11 dated October 23, 2007 issued by the SCEP. The details of shares which have been pledged are as follows:

Name of security	2026		2025	
	Number of shares	Market value	Number of shares	Market value
Cherat Cement Company Limited	-	-	400,000	116,120,000
Pakistan State Oil Company Limited	<u>350,000</u>	<u>119,822,500</u>	<u>350,000</u>	<u>132,135,500</u>
	<u>350,000</u>	<u>119,822,500</u>	<u>750,000</u>	<u>248,255,500</u>

6.1.3 All shares have a nominal value of Rs 10 each except for the shares of Lucky Cement Limited, Kohat Cement Company Limited and Systems Limited which have face value of Rs 2 each, K-Electric Limited have face value of Rs 3.5 each and National Foods Limited, Thal Limited, Dynea Pakistan Limited and Spel Limited which have face value of Rs 5 each.

6.2 Net unrealised appreciation on re-measurement of investments at FVTPL	Note	2026	2025
		----- (Rupees) -----	----- (Rupees) -----
Market value of investments	6.1	8,242,646,015	4,879,083,688
Less: Carrying value of investments	6.1	(7,839,805,122)	(4,380,379,892)
		<u>402,840,893</u>	<u>498,703,796</u>
7 PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration of the Management Company	7.1	18,973,918	13,981,582
Sindh sales tax on remuneration of the Management Company	7.2	3,751,345	2,878,749
Federal Excise Duty payable on remuneration of the Management Company	7.3	5,412,371	5,412,371
Allocated expenses payable	7.4	-	1,478,941
Sindh sales tax payable on allocated expense		-	221,808
Selling and marketing expense	7.5	-	8,795,109
Sindh sales tax on selling & marketing expense		-	1,318,924
Sales load		<u>1,181,083</u>	<u>1,245,611</u>
		<u>29,318,717</u>	<u>35,333,095</u>

7.1 As per Regulation 61 of the NBFC Regulations, Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. The Management Company has charged remuneration at a rate of 3% (2025: 2.76% to 2.98%) of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 During the year, sales tax at the rate of 15% on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011.

7.3 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs). Accordingly, FED at the rate of 16% on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Court by the Management Company together with various other AMCs challenging the levy of FED. During the year ended June 30, 2017, the Court passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

With effect from July 1, 2016, FED on services provided or rendered by NBFIs dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016. Accordingly, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 5.412 million is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provisions not been made, the Net Asset Value per unit of the Fund would have been higher by Re 0.5 per unit (2025: Re 0.05 per unit).

7.4 Effective from April 10, 2025, the SECP, through SRO 600(I)/2025 dated April 10, 2025, amended the NBFC Regulations to disallow the AMCs to charge allocated expenses to the Fund. Accordingly, the Management Company has not charged such allocated expenses in the current year. However, prior to such amendment, the Management Company charged such allocated expenses to the Fund at the rate of 0.175% per annum of the average net assets of the Fund till aforementioned date.

7.5 Effective from April 10, 2025, the SECP, through SRO 600(I)/2025 dated April 10, 2025, amended the NBFC Regulations to disallow the AMCs to charge selling and marketing expenses to the Fund. Accordingly, the Management Company has not charged such selling and marketing expenses in the current year. However, prior to such amendment, the Management Company charged such selling and marketing expenses to the Fund at the rate of 0.675% per annum of the average annual net assets of the Fund till aforementioned date.

8	PAYABLE TO THE TRUSTEE	Note	2026 ----- (Rupees) -----	2025 -----
	Trustee remuneration payable	8.1	714,838	462,318
	Sindh sales tax payable on Trustee remuneration	8.2	107,225	70,615
			<u>822,063</u>	<u>532,933</u>

8.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily NAV of the Fund. The remuneration is payable to the Trustee according to the following tariff structure:

Net Assets (Rs.)	Tariff for the year ended June 30, 2026
up to Rs. 1,000 million	Rs. 0.7 million or 0.20% pa of NAV which ever is higher
from Rs.1,000 million and above	Rs. 2.0 million plus 0.10% per annum of NAV exceeding Rs. 1,000 million.

8.2 During the year, sales tax at the rate of 15% on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO THE SECP

In accordance with the NBFC Regulations, CISs are required to pay non-refundable fee to the SECP. Accordingly, the Fund has charged the SECP fee at the rate of 0.095% per annum of the daily net assets during the year which is required to be paid within fifteen days of the close of every calendar month.

10	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	2026 ----- (Rupees) -----	2025 -----
	Payable against purchase of investments		86,961,376	91,321,421
	Brokerage expense payable		7,426,550	20,673,577
	Clearing charges payable		459,555	451,533
	Withholding tax payable		5,825,816	11,351,272
	Charity payable	10.1	17,934,849	6,904,924
	Shariah advisory fee payable		30,797	854,973
	Shariah audit fee payable		208,348	217,746
	Others		3,428,108	1,930,901
			<u>122,275,399</u>	<u>133,706,347</u>

10.1 According to the instruction of the Shariah Advisory Board, if any income is earned by the Fund from investments, a portion of which has been made in non-shariah compliant avenues, such portion of the income of the Fund from that investee should be donated for charitable purposes directly by the Fund.

11 CONTINGENCIES AND COMMITMENTS

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

12 AUDITORS' REMUNERATION

	2026	2025
	----- (Rupees) -----	
Audit fee	529,535	435,941
Review and other certification	479,536	435,941
Out of pocket expenses	151,361	87,188
Sindh sales tax	92,835	76,726
	<u>1,253,267</u>	<u>1,035,796</u>

13 TOTAL EXPENSE RATIO

Total Expense Ratio (TER) of the Fund as at June 30, 2026 is 4.98% (2025: 4.5%) which includes 0.59% (2025: 0.73%) representing government levies, sales taxes and annual fee to the SECP. Pursuant to the amendments in the NBFC Regulations by SECP wide notification SRO 600(I)/2025 dated April 10, 2025, the requirement related to maximum TER limits has been removed as applicable to CIS, effective from July 1, 2025.

14 TAXATION

During the year, the Fund has distributed more than 90% of its accounting income, accordingly no provision is required in these financial statements.

15 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include Alfalah Asset Management Limited being the Management Company, Funds under management of the Management Company, Bank Alfalah Limited, and MAB Investment Incorporation being associated companies of Management Company, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of Alfalah GHP Investment Management Limited and CDC being the Trustee of the Fund, other associated companies and any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons / related parties essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments. These transactions are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Transactions and balances during the year with connected persons / related parties are as follows:

Unit holders' Fund

2026									
As at July 1 2025	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out/ transfer out	As at June 30, 2026	As at July 1 2025	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2026
(Units)					(Rupees)				

Associated Companies / Undertakings

Key Management Personnel (Employees)

Director Private Equity	20,575	-	-	-	20,575	1,202,091	-	-	-	1,542,547
Chief Strategy Officer	-	47	-	-	47	-	3,132	-	-	3,495
Chief Financial Officer	98	19,465	-	-	19,563	5,711	1,436,899	-	-	1,466,658
Chief Investment Officer	-	70,448	-	46,205	24,243	-	4,800,000	-	3,246,681	1,817,539
Business Head – Corporate Sales	-	-	-	-	-	-	-	-	-	-
Chief Compliance Officer	15	-	-	15	-	903	-	-	969	35
Director	4,785,008	3,704,924	-	5,078,487	3,411,445	277,529,498	260,000,000	-	318,548,500	255,762,351
Unit holder holding 10% or more units	35,839,749	-	-	-	35,839,749	2,093,930,189	-	-	-	2,686,972,613

2025									
As at July 1, 2024	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out/ transfer out	As at June 30, 2025	As at July 1, 2024	Issued for cash / conversion in / transfer in	Bonus	Redeemed / conversion out / transfer out	Net asset value as at June 30, 2025
(Units)					(Rupees)				

Associated Companies / Undertakings

Key Management Personnel (Employees)

Head of Corporate sales	-	-	-	-	-	-	-	-	-
Business Head of Corporate sales	1	-	-	1	58	-	-	-	58
Chief Financial Officer	-	11,585	-	11,487	98	-	500,000	-	530,000
Chief Strategy Officer	18,561	2,372	-	20,933	-	807,904	100,991	-	996,213
Chief Investment Officer	-	156,323	-	156,323	-	-	8,900,000	-	8,923,580
Director Private Equity	20,431	144	-	20,575	806,535	8,346	-	-	789,517
Business Head - Retail sales	-	94	-	94	-	-	-	-	5,396
Head of Compliance	15	-	-	-	15	596	4	-	-
Head of Fixed Income	-	-	-	-	-	-	-	-	-
Head of Investment Services	-	-	-	-	-	-	-	-	-
Unit holder holding 10% or more units	23,066,756	-	18,241,663	5,468,669	35,839,750	1,362,167,803	-	698,628,125	100,000,000
								2,078,699,935	

Other transactions during the year

Associated companies / undertakings

Alfalah Asset Management Limited - the Management Company

	2026	2025
	(Rupees)	
Remuneration of the Management Company	210,536,944	104,039,218
Sindh sales tax on remuneration of the Management Company	31,580,542	15,605,887
Allocated expenses	-	4,527,048
Sindh sales tax on allocated expenses	-	679,024
Selling and marketing expenses	-	15,441,673
Sindh sales tax on selling and marketing expenses	-	2,315,909
Reimbursement of expenses from the Management Company	-	1,053,270
Sales load	14,338,074	8,817,885

Bank Alfalah Limited - Islamic Banking Division

Profit on bank balances	110,846	262,097
Sales load	1,877,074	3,723,875

Trustee

Central Depository Company of Pakistan Limited

Remuneration of the Trustee	8,018,604	4,624,891
Sindh sales tax on remuneration of the Trustee	1,202,791	692,450
Settlement charges	1,456,085	476,721

Alfalah Consumer Index Exchange Traded Fund

(fund managed by the Management Company)

Units redeemed: Nil units (2025: 72,000 units)	-	883,945
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Balances outstanding as at year end

Associated companies / undertakings

Alfalah Asset Management Limited - the Management Company

Management remuneration payable	18,973,918	13,981,582
Sindh sales tax payable on management remuneration	3,751,345	2,878,749
Federal excise duty payable on management remuneration	5,412,371	5,412,371
Payable against allocated expenses	-	1,478,941
Sindh sales tax payable on allocated expense	-	221,808

	2026	2025
	----- (Rupees) -----	
Payable against selling and marketing expenses	-	8,795,109
Sindh sales tax on selling & marketing expense	-	1,318,924
Receivable from alfalah asset management	-	1,053,270
Sales load payable	1,181,083	1,245,611
Bank Alfalah Limited		
Bank balances	847,992,773	1,457,428,155
Sales load payable	2,313,454	1,314,176
Trustee		
Central Depository Company of Pakistan Limited		
Trustee remuneration payable	714,838	462,318
Sindh sales tax payable on trustee remuneration	107,225	70,615
Security deposit	100,000	100,000
Alfalah Consumer Index Exchange Traded Fund (Fund managed by the Management Company)		
Outstanding nil units (June 30, 2025: 706,000 units)	-	10,794,740

16 FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets

	At amortised cost	At FVTPL	Total
Balances with banks	852,213,421	-	852,213,421
Investments	-	8,242,646,015	8,242,646,015
Dividend and profit receivable	122,343	-	122,343
	<u>852,335,764</u>	<u>8,242,646,015</u>	<u>9,094,981,779</u>

Financial liabilities

Payable to the Management Company	29,318,717	-	29,318,717
Payable to the Trustee	822,063	-	822,063
Accrued expenses and other liabilities	116,449,583	-	116,449,583
	<u>146,590,363</u>	<u>-</u>	<u>146,590,363</u>

Financial assets

	At amortised cost	At FVTPL	Total
Balances with banks	1,366,994,224	-	1,366,994,224
Investments	-	4,879,083,688	4,879,083,688
Dividend and profit receivable	597,567	-	597,567
	<u>1,367,591,791</u>	<u>4,879,083,688</u>	<u>6,246,675,479</u>

Financial liabilities

Payable to the Management Company	35,333,095	-	35,333,095
Payable to the Trustee	532,933	-	532,933
Accrued expenses and other liabilities	122,355,075	-	122,355,075
	<u>158,221,103</u>	<u>-</u>	<u>158,221,103</u>

17 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

17.1 Risk management framework

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.

17.2 Financial risks

The Fund's activities expose it to a variety of financial risks as follows:

17.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee. Market risk comprises of three types of risks: yield / profit rate risk, currency 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) Yield / profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The 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 Fund's variable profit rate risk arises from balances with banks amounting to Rs 852.213 million (2025: 1,367 million). 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. 8.522 million (2025: Rs 13.670 million).

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 interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

The Fund has exposure to price risk arising from the Fund's investments in equity securities. The Fund manages its price risk 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.

Effect due to 1% increase / decrease in KSE index

	2026	2025
	----- (Rupees) -----	
Investment and net assets	<u>82,426,460</u>	<u>48,790,837</u>
Income statement	<u>82,426,460</u>	<u>48,790,837</u>

At June 30, 2026, the fair value of equity securities exposed to price risk was disclosed in note 6.1.

17.2.2 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. 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 maximum exposure to credit risk as at June 30, 2026 is as follows:

	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- Rupees -----				
Balances with banks	852,213,421	852,213,421	1,366,994,224	1,366,994,224
Investments	8,242,646,015	-	4,879,083,688	-
Dividend and profit receivable	122,343	65,617	597,567	540,841
	<u>9,094,981,779</u>	<u>852,279,038</u>	<u>6,246,675,479</u>	<u>1,367,535,065</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets. Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities of Rs. 8.243 million (2025: Rs. 4.879 million) is not exposed to credit risk.

No financial assets were considered to be past due or impaired as at June 30, 2026.

Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and mark-up accrued thereon and receivable against sale of investments. The credit rating profile of balances with banks is as follows:

Name of bank	Rating agency	Rating (Short Term / Long Term)	2026	2025
			Percentage of balances with banks	
Bank Alfalah Limited	PACRA	A1+ / AAA	99.55%	99.55%
Meezan Bank Limited	VIS	A1+ / AAA	0.00%	0.00%
National Bank of Pakistan	VIS	A1+ / AAA	0.00%	0.00%
Habib Bank Limited	VIS	A1+ / AAA	0.00%	0.00%
Bank Islami Pakistan Limited	PACRA	A1 / AA-	0.00%	0.00%
Dubai Islamic Bank Pakistan Limited	VIS	A1+ / AA	0.01%	0.01%
MCB Islamic Bank Limited	PACRA	A1 / A+	0.02%	0.02%
Allied Bank Limited	PACRA	A1+ / AAA	0.42%	0.42%
			<u>100%</u>	<u>100%</u>

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

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.

17.2.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund. The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable. As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement, the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

As of the reporting date the Fund is exposed to liquidity risk in respect of the following which are due within one month:

	2026	2025
	(Rupees)	
Financial liabilities		
Payable to the Management Company	29,318,717	35,333,095
Payable to the Trustee	822,063	532,933
Accrued expenses and other liabilities	116,449,583	122,355,075
	<u>146,590,363</u>	<u>158,221,103</u>

18 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates. Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. 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.

The following table shows asset side recognized at fair value, analysed between those whose fair value is based on:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: those involving inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	2026			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Financial assets at FVTPL				
Investments				
Listed equity securities	8,242,646,015	-	-	8,242,646,015
	<u>8,242,646,015</u>	<u>-</u>	<u>-</u>	<u>8,242,646,015</u>
	2025			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Financial assets at FVTPL				
Investments				
Listed equity securities	4,868,288,948	-	-	4,868,288,948
Units of mutual funds	10,794,740	-	-	10,794,740
	<u>4,879,083,688</u>	<u>-</u>	<u>-</u>	<u>4,879,083,688</u>

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 during the year.

19 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.

20 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.

21 CORRESPONDING FIGURES

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

22 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 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**

(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
Individuals	2,817	52,161,562	3,910,651,424.72	44%
Retirement & Other Funds	28	48,141,374	3,609,250,255	40%
Insurance Co.	4	8,121,691	608,898,575	7%
Others	24	10,881,762	815,821,387.02	9%
	2,873	119,306,388	8,944,621,642	100%

Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	1,516	44,875,308	2,602,758,908.86	42%
Retirement & Other Funds	16	41,641,172	2,415,179,659	39%
Insurance Co.	5	9,979,553	578,812,061	9%
Others	34	10,011,914	580,688,972.96	9%
	1,571	106,507,947	6,177,439,601	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2026 %
Optimus Markets Pvt Ltd	798%
KTRADE SECURITIES Ltd.	746%
Arif Habib Limited	669%
Topline Securities Limited	646%
Multiline Securities Limited	644%
CHASE SECURTIES	566%
JS Global Capital Limited	428%
Spectrum Securities Limited	416%
Intermarket Securities Limited	404%
GROWTH SECURITIES	395%

	30 June 2025 %
Chase Securities	24.31%
Arif Habib Limited	22.84%
AL HABIB CAPITAL MAR	15.26%
AKD Securities Ltd	7.71%
AHM Securities Ltd	7.64%
AKIK Capital Pvt Ltd	7.05%
Alfalah CLSA Securities Ltd	6.27%
BMA Capital Management Limited	5.43%
Alfa Adhi Securities ltd	3.16%
Adam Securities Ltd	0.32%

(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)
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COMPANIES AND NOTIFIED ENTITIES REGULATIONS, 2008**

PERFORMANCE TABLE - AGISF

	30 June 2026	30 June 2025	30 June 2024	30 June 2023 (Rupees in '000)	30 June 2022
Net Assets	8,944,622	6,177,440	2,120,952	1,252,211	1,415,311
NAV per unit	74.9719	57.9998	38.6436	36.9196	36.9032
Selling price per unit	77.5584	59.9660	39.9536	38.1712	38.1542
Redemption price per unit	74.9719	57.9998	38.6436	36.9196	36.9032
Highest selling price per unit	82.3132	61.3389	74.1058	40.2843	49.7932
Highest redemption price per unit	79.5681	59.2933	72.3928	38.9634	48.1606
Lowest selling price per unit	60.4405	38.4822	39.9536	35.2819	37.3559
Lowest redemption price per unit	58.4248	37.1988	38.6436	34.1251	36.1311
Total interim distribution per unit	Nil	Nil	Nil	Nil	Nil
Interim distribution date	Nil	Nil	Nil	0.45	N/A
Final distribution per unit	Nil	0.95	0.95	Nil	Nil
Final distribution date	Nil	Nil	28-Jun-24	Nil	N/A
Annualized returns	29.16%	50.09%	93.40%	6.44%	-18.67%
Income distribution	-	-	0.03	0.01	Nil
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A	N/A

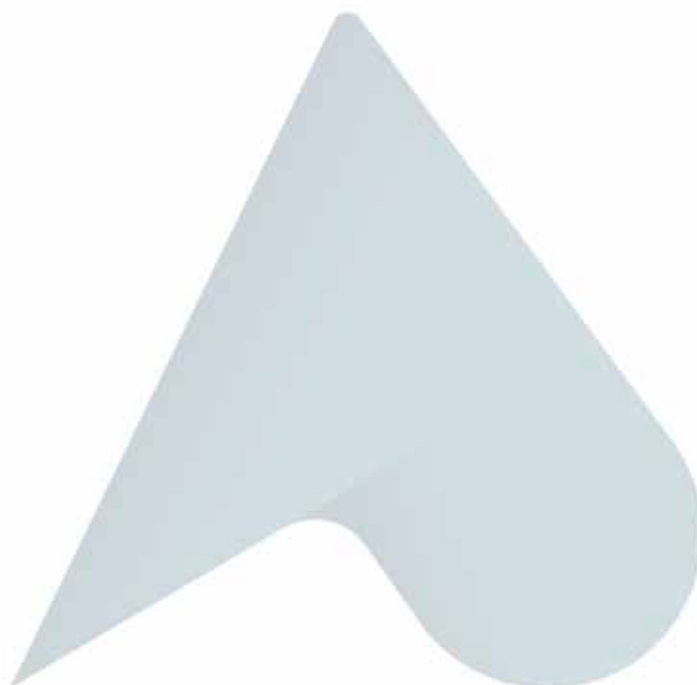
Return since inception is **15.46%**

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

**Summary of Actual Proxy voted by
Alfalsh GHP Islamic Stock Fund
For the year from July 1, 2025 to June 30, 2026**

Nature of Meeting	Meeting Date	Resolutions	Holding	%age Holding	Favour	Against	Abstain
Thal Limited (THALL)							
EOGM	06-Aug-2025	To extend the standby letter of credit (cost overrun support) for ThalNova Power Thar up to USD 23.3 million equivalent, valid for 10 years or until discharge of the loan To maintain the existing debt service reserve account letters of credit (USD 12.4 million equivalent) and commercial risk guarantee letters of credit (USD 12.4 million equivalent) for ThalNova through loan maturity To authorise the CEO, CFO or Company Secretary to negotiate, procure, amend, renew and execute standby letters of credit and related security documents with lenders	204,235	0.2520%	✓		
Lucky Cement Limited (LUCK)							
AGM	26-Sep-2025	To receive, consider and adopt the audited financial statements for the year ended June 30, 2025 together with the Board of Directors' and Independent Auditors' reports To declare and approve the final cash dividend @ 200%, i.e. PKR 4.00 per ordinary share of PKR 2.00 each, for the year ended June 30, 2025 as recommended by the Board To appoint auditors of the Company and fix their remuneration for the year ending June 30, 2026 - M/s A.F. Ferguson & Co. consented to re-appointment To authorise investments in National Resources (Private) Limited comprising equity subscription up to PKR 1.2 billion and acquisition of 250 shares from Muhammad Ali Tabba for PKR 2,500 (sub-resolutions A to D) To ratify and approve related party transactions for FY2025 and to grant advance authorisation for FY2026 related party transactions (sub-resolutions A to C)	1,362,847	0.0930%	✓		
Mari Energies Limited (MARI)							
AGM	26-Sep-2025	To receive, consider and adopt the audited separate and consolidated financial statements for the year ended June 30, 2025 together with the Directors', Auditors' and Chairman's reports To approve the final dividend of Rs. 21.70 per share (217%) for the year ended June 30, 2025 as recommended by the Board To appoint auditors for the year 2025-26 and determine their remuneration	396,954	0.0331%	✓		
The Hub Power Company Limited (HUBC)							
AGM	15-Oct-2025	To receive, consider and adopt the audited standalone and consolidated financial statements for the year ended June 30, 2025 together with the Directors', Auditors' and Shariah reports and Chairman's Review To declare and approve the final cash dividend of PKR 10.00 per share (100%) for the year ended June 30, 2025, in addition to the interim dividend of PKR 5.00 per share (50%) To appoint auditors for the year ending June 30, 2026 and fix their remuneration - re-appointment of M/s A.F. Ferguson & Co. recommended To approve execution of the Sponsor Support Agreement for Mega Motor Company (Private) Limited's New Energy Vehicle manufacturing and assembly plant at Ghoro, Sindh To approve a sponsor support corporate guarantee of up to USD 55 million for MMCPL's financing obligations covering cost overruns, debt servicing shortfalls and working capital	1,798,291	0.1386%	✓		
Maple Leaf Cement Factory Limited (MLCF)							
AGM	16-Oct-2025	To receive, consider and adopt the audited accounts and financial statements for the year ended June 30, 2025 together with the Chairman's Review and the Directors' and Auditor's reports To appoint auditors for the year ending June 30, 2026 and fix their remuneration - M/s KPMG Taseer Hadi & Co. recommended by the Board To approve loans/advances up to Rs. 1,000 million to Kohinoor Textile Mills Limited (holding company) for one year commencing November 1, 2025 at markup rate To approve loans/advances up to Rs. 1,000 million to Maple Leaf Capital Limited (associated company) for one year commencing November 1, 2025 at markup rate To ratify related party transactions for the year ended June 30, 2025 as disclosed in note 46 to the financial statements To authorise the Board to approve related party transactions on a case-by-case basis for the year ending June 30, 2026, for shareholder ratification at the next AGM	1,552,362	0.1482%	✓		
Dynea Pakistan Limited (DYNO)							
AGM	20-Oct-2025	To receive, consider and adopt the audited financial statements for the year ended June 30, 2025 together with the Chairman's Review and the Directors' and Auditors' reports To approve the final cash dividend of Rs. 10.00 per share (200%) for the year ended June 30, 2025, in addition to the interim dividend of Rs. 5.00 per share (100%), totalling Rs. 15.00 per share (300%) To appoint external auditors and fix their remuneration for 2025-26 - Messrs. BDO Ebrahim & Co. seek re-appointment	166,539	0.8824%	✓		
Sazgar Engineering Works Limited (SAZEW)							
AGM	25-Sep-2025	To receive, consider and adopt the annual audited accounts for the year ended June 30, 2025 together with the Directors', Auditor's reports and Chairperson review report To appoint auditors and fix their remuneration for the year ending June 30, 2026 To approve the payment of final cash dividend @ 200% of current paid up share capital i.e. Rupees 20/- per ordinary share as recommended by Board of Directors, in addition to the interim cash dividend of 320% already paid making total of 520% for the year ended June 30, 2025	125,856	0.2082%	✓		

Nature of Meeting	Meeting Date	Resolutions	Holding	%age Holding	Favour	Against	Abstain
K-Electric Limited (KEL)							
EOGM	25-Mar-2026	To elect Directors in place of retiring Directors - the Board fixed the number of Directors at thirteen, of which ten positions require election	15,000,000	0.0543%	✓		
Faysal Bank Limited (FABL)							
EOGM	12-May-2026	To confirm the minutes of the 31st Annual General Meeting held on March 26, 2026	720,000	0.0474%	✓		
		To elect Eleven (11) Directors on the Board of FBL for a period of three years commencing from May 12, 2026, in accordance with the provisions of the Companies Act, 2017 and Memorandum and Articles of Association of FBL			✓		
Highnoon Laboratories Limited (HINOON)							
AGM	30-Apr-2026	To confirm the minutes of the Annual General Meeting held on April 29, 2025	1,397	0.0026%	✓		
		To receive, consider and adopt the Chairman's Review, Directors' and Auditors' reports together with the standalone and consolidated audited financial statements for the year ended December 31, 2025					
		To approve the final cash dividend of Rs. 50.00 per share (500%) for the year ended December 31, 2025 as recommended by the Board					
		To appoint auditors and fix their remuneration - re-appointment of M/s BDO Ebrahim & Co. for the financial year ending December 31, 2026					
		To ratify related party transactions during 2025 and authorise the Board to approve related party transactions during 2026 and until the next Annual General Meeting					



Alfalah
GHP Islamic Value Fund

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:	Allied Bank limited Bank Al-Falah Limited Bank Al-Habib Limited Bank Islami Pakistan Limited Dubai Islamic Bank Pakistan Habib Metropolitan Bank Limited Al-Baraka Bank (Pakistan) Limited MCB Islamic Bank Limited Meezan Bank Limited Zarai Tarqati Bank Limited
Auditors:	Grant Thornton Anjum Rahman (GTAR) 1st & 3rd Floor, Modern Motors House, Beaumont Road, Karachi
Legal Advisor:	Mohsin Tayebaly & Co. 1st Floor, Dime Centre, BC-4, Block-9, Kehkashan, Clifton, Karachi – 75600. Pakistan.
Shariah Advisor:	Bank Islami Pakistan Limited 11th Floor, Dolmen Executive Towers, Marine Drive, Clifton, Block-4, Karachi
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
Rating:	Not Yet Rated

Alfalah GHP Islamic Value Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Conventional Asset Allocation Scheme

Investment Objective

The investment objective of Alfalah GHP Islamic Value Fund (AGIVF) is to earn a potentially high return through allocation of assets between Shari'ah

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

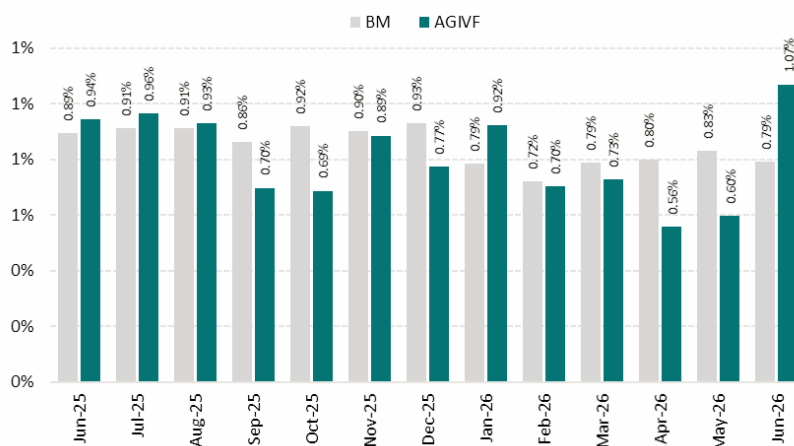
Pakistan's money market remained relatively resilient during the first half of 2026, although market conditions became increasingly volatile amid evolving inflation expectations, geopolitical developments, and changing monetary policy outlook. Strong liquidity in the banking system and healthy demand 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.

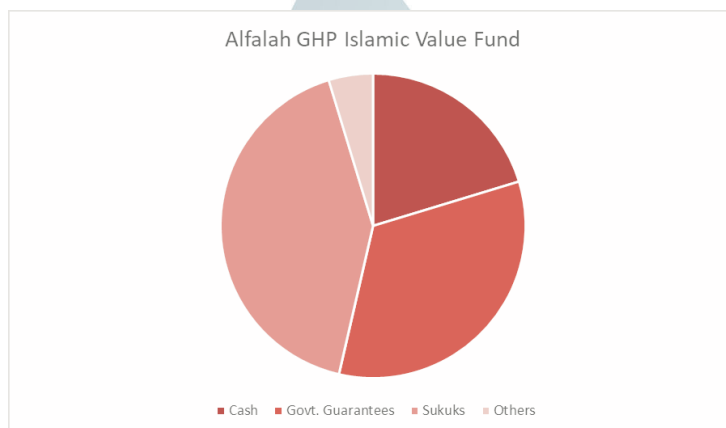
Government securities continued to attract strong investor demand throughout the period, reflecting ample liquidity in the banking sector and sustained confidence in sovereign instruments. While monetary tightening temporarily lifted yields, improving macroeconomic conditions and easing external risks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

Fund Performance

The fund generated a return of 9.93% against the benchmark which generated 10.63% in FY26.



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:

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



TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC VALUE 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 GHP Islamic Value 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 23, 2026



September 17, 2026

AHSA/SSR/AAML/AGIVF/615



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

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

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

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

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 2026, comply with the provided Shariah guidelines. Therefore, it is resolved that Alfalah GHP Islamic Value Fund (AGIVF) managed by Alfalah Asset Management Limited is Compliant and in accordance with Shariah principles.

During the year, Alfalah GHP Islamic Value Fund (AGIVF) did not book any charity amount.

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

For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited and Alfalah Asset Management Limited.



Mufti Irshad Ahmad Aijaz
Chairman Shariah Council



Mufti Javed Ahmed
Shariah Board Member
Alfalah Asset Management Limited



Faraz Younus Bandukda, CFA
Chief Executive

INDEPENDENT ASSURANCE REPORT ON COMPLIANCE WITH THE SHARIAH GOVERNANCE REGULATIONS, 2023

To The Board of Directors of Alfalah Asset Management Limited (Management Company of Alfalah GHP Islamic Value Fund)

1. Introduction

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

2. Applicable Criteria

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

- a) legal and regulatory framework administered by the SECP;
- b) Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by the SECP;
- c) Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan (ICAP), as notified by the SECP;
- d) guidance and recommendations of the Shariah advisory committee, as notified by the SECP; and
- e) approvals, rulings or pronouncements of Shariah Supervisory board or the Shariah Advisor of the Islamic financial institution, in line with (a) to (d) above.

Our engagement was carried out as required under Regulation 29 of Chapter VII of the Regulations.

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

3. Management's Responsibility for Shariah Compliance

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

4. Our Independence and Quality Management

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



The firm applies International Standard on Quality Management (ISQM -1), which requires the firm to design, implement, and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications, with Shariah principles in all material respects for the year ended June 30, 2026, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), 'Assurance Engagements Other than Audits or Reviews of Historical Financial Information', issued by the International Auditing and Assurance Standards Board. That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

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

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

6. Conclusion

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

The engagement partner on the assurance resulting in this independent assurance report is **Shafqat Ali**.


Chartered Accountants

Date: September 22, 2026
Place: Karachi

**Grant Thornton Anjum
Rahman**

1st & 3rd Floor,
Modern Motors House,
Beaumont Road,
Karachi, Pakistan.

T +92 21 35672951-56

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alfalah GHP Islamic Value Fund

Report on the Audit of financial statements

Opinion

We have audited the annexed financial statements of Alfalah GHP Islamic Value Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026 and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the financial statements section of our report*. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matter	How the matter was addressed in our audit
Valuation of investments	
As disclosed in note 6 to the financial statements, investments carried at fair value through profit or loss amount to Rs. 689.11 million which constitute approximately 75% of the total assets of the Fund. The valuation of the Investments for the determination of net assets value of the Fund was considered a high-risk area and therefore, we considered this as a key audit matter.	Our procedures, amongst others included the following: - reviewed the processes and key controls relating to existence and valuation and evaluated the design and implementation of such controls; - tested existence of investments from the CDC account statement; - tested valuation of investments by verifying the average rates quoted on a widely used electronic quotation system by MUFAP; and - assessed the adequacy of and appropriateness of disclosures for compliance with the requirements of applicable financial reporting framework.

Information Other than the financial statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Board of Directors for the financial statements

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

In preparing the financial statements, management is responsible for assessing the 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 are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the financial statements

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

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

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

We also provide to the Board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion, the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

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



Chartered Accountants

Place: Karachi

Date: 25 September 2026

UDIN: AR202610093uCahyrwg0

ALFALAH GHP ISLAMIC VALUE FUND
STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025
Assets			
Balances with banks	5	200,904,322	194,942,907
Investments	6	689,105,796	618,227,428
Advances, deposits and other receivables		28,743,334	27,646,276
Total assets		918,753,452	840,816,611
Liabilities			
Payable to the Management Company	7	108,248	274,569
Payable to the Trustee	8	127,303	75,734
Payable to the SECP	9	71,054	73,652
Accrued expenses and other liabilities		1,390,473	6,598,187
Total liabilities		1,697,078	7,022,142
Net assets		917,056,374	833,794,469
Unit holder's fund (as per the statement attached)		917,056,374	833,794,469
Contingencies and commitments	10		
		----- (Number of units) -----	
Number of units in issue		6,471,757	6,468,512
		----- (Rupees) -----	
Net asset value per unit		141.7013	128.9005

The annexed notes 1 to 20 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE FUND

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025 -----
Income			
Profit on bank balances	5.1	15,810,151	37,352,949
Return on investments		81,658,920	201,118,325
Loss on sale of investments at FVTPL		(3,123,686)	(1,153,852)
Net unrealised (diminution) / appreciation on re-measurement of investments at FVTPL	6.3	(5,863,190)	1,937,005
Other income		279,692	308,786
Total income		88,761,887	239,563,213
Expenses			
Remuneration of the Management Company	7.1	1,300,789	1,813,693
Sindh sales tax on remuneration of the Management Company	7.2	195,119	272,052
Selling and marketing expense	7.3	-	206,031
Sindh sales tax on selling & marketing expenses		-	30,905
Allocated expenses	7.4	-	82,773
Sindh sales tax on allocated expenses		-	12,416
Remuneration of the Trustee	8.1	659,604	1,051,259
Sindh sales tax on remuneration of the Trustee	8.2	98,942	157,690
Fee to the SECP	9	835,490	1,331,584
Auditors' remuneration	11	1,050,092	859,124
Brokerage expense		159,403	737,070
Legal & professional charges		216,355	183,425
Shariah auditors' remuneration		188,260	216,000
Shariah advisor fee		472,316	295,000
Other expenses		528,962	705,299
Total expenses		5,705,332	7,954,321
Income before taxation		83,056,555	231,608,892
Taxation	13	-	-
Net income for the year		83,056,555	231,608,892
Earnings per unit	4.13		
Allocation of net income for the year			
Net income for the year		83,056,555	231,608,892
Income already paid on units redeemed		(79,292,497)	(228,688,214)
		3,764,058	2,920,678
Accounting income available for distribution			
- Relating to capital gains		-	783,153
- Excluding capital gains		3,764,058	2,137,525
		3,764,058	2,920,678

The annexed notes 1 to 20 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026 ----- (Rupees) -----	2025 -----
Net income for the year	83,056,555	231,608,892
Other comprehensive income	-	-
Total comprehensive income for the year	<u>83,056,555</u>	<u>231,608,892</u>

The annexed notes 1 to 20 form an integral part of these financial statements.



For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE FUND

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS

FOR THE YEAR ENDED JUNE 30, 2026

	2026			2025		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	(Rupees)			(Rupees)		
Net assets at the beginning of the year	845,775,487	(11,981,018)	833,794,469	2,988,656,662	(14,901,696)	2,973,754,966
Issuance of 11,090,678 (2025: 13,617,219) units						
- Capital value (at net asset value per unit at the beginning of the year)	1,429,593,940	-	1,429,593,940	1,514,276,967	-	1,514,276,967
- Element of income	101,104,188	-	101,104,188	229,817,690	-	229,817,690
Total proceeds on issuance of units	1,530,698,128	-	1,530,698,128	1,744,094,657	-	1,744,094,657
Redemption of 11,087,433 (2025: 33,890,367) units						
- Capital value (at net asset value per unit at the beginning of the year)	(1,429,175,658)	-	(1,429,180,245)	(3,768,713,871)	-	(3,768,713,871)
- Element of income	(22,020,036)	(79,292,497)	(101,312,533)	(118,261,961)	(228,688,214)	(346,950,175)
Total payments on redemption of units	(1,451,195,694)	(79,292,497)	(1,530,492,778)	(3,886,975,832)	(228,688,214)	(4,115,664,046)
Total comprehensive income for the year	-	83,056,555	83,056,555	-	231,608,892	231,608,892
Net assets at end of the year	925,277,921	(8,216,960)	917,056,374	845,775,487	(11,981,018)	833,794,469
	(Rupees)			(Rupees)		
Accumulated loss brought forward						
- Realised loss		(13,918,023)			(15,699,267)	
- Unrealised gain		1,937,005			797,571	
		(11,981,018)			(14,901,696)	
Accounting income available for distribution						
- Relating to capital gains		-			786,153	
- Excluding capital gains		3,764,058			2,137,525	
		3,764,058			2,920,678	
Accumulated loss carried forward		(8,216,960)			(11,981,018)	
Accumulated loss carried forward						
- Realised loss		(2,353,770)			(13,918,023)	
- Unrealised (loss) / gain		(5,863,190)			1,937,005	
		(8,216,960)			(11,981,018)	
	(Rupees)			(Rupees)		
Net asset value per unit at the beginning of the year	128.9005			111.2031		
Net asset value per unit at the end of the year	141.7013			128.9005		

The annexed notes 1 to 20 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE FUND

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2026

	Note	2026 ----- (Rupees) -----	2025
CASH FLOW S FROM OPERATING ACTIVITIES			
Net income for the year		83,056,555	231,608,892
Adjustments for:			
Net unrealised diminution / (appreciation) on re-measurement of investments at FVTPL	6.3	5,863,190	(1,937,005)
		88,919,745	229,671,887
(Increase) / decrease in assets			
Investments - net		(76,741,558)	1,807,851,520
Advances, deposits and other receivables		(1,097,058)	82,420,624
		(77,838,616)	1,890,272,144
Decrease in liabilities			
Payable to the Management Company		(166,322)	(143,407)
Payable to the Trustee		51,569	(157,334)
Payable to the SECP		(2,598)	(155,975)
Accrued expenses and other liabilities		(5,207,713)	4,865,312
Payable against purchase of investments		-	(26,690,362)
		(5,325,064)	(22,281,766)
Net cash generated from operating activities		5,756,065	2,097,662,265
CASH FLOW S FROM FINANCING ACTIVITIES			
Amounts received against issuance of units		1,530,698,128	1,744,094,657
Amounts paid against redemption of units		(1,530,492,778)	(4,115,664,046)
Net cash generated from / (used in) financing activities		205,350	(2,371,569,389)
Net decrease in cash and cash equivalents during the year		5,961,415	(273,907,124)
Cash and cash equivalents at the beginning of the year		194,942,907	468,850,031
Cash and cash equivalents at the end of the year	5	200,904,322	194,942,907

The annexed notes 1 to 20 form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH GHP ISLAMIC VALUE 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 GHP Islamic Value Fund (the Fund) is an open-end collective investment scheme established through a Trust Deed registered under the Sindh Trusts Act, 2020 executed between Alfalah Asset Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (the Trustee), on July 3, 2008 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the NBFC (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2** 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 on February 23, 2023. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry & Agricultural Building, 2nd floor, ST-2/A, Block-9, KDA Scheme 5, Clifton Karachi.
- 1.3** The Fund is categorised as a 'shariah compliant islamic asset allocation scheme' by the Board of Directors of the Management Company pursuant to the provisions contained in circular 7 of 2009. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units were being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.4** The objective of the Fund is to earn a potentially high return through allocation of assets between shariah compliant equity instruments, Shariah Compliant fixed income instruments and any other shariah compliant instrument as permitted by the SECP and Shariah Advisor.
- 1.5** VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on January 26, 2026.
- 1.6** The title to the assets of the Fund are held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

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

3 BASIS OF PREPARATION

3.1 STATEMENT OF COMPLIANCE

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

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

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

3.2 New accounting standards

3.2.1 Accounting Standards effective for the year

There are certain new standards and amendments that are mandatory for the Fund's accounting period beginning on July 01, 2025 but are considered either to be not relevant or to not have any significant effect on the Fund's operations and are, therefore, not detailed in these financial statements.

3.2.2 Accounting standards not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Fund's accounting periods beginning on / after 01 July 2026. However, the Fund expects that these standards (other than IFRS 18) will not have any material impact on the Fund's financial statements in the period of initial application. The Fund is currently working to identify all impacts that IFRS 18 will have on the financial statements.

3.3 Significant accounting estimates and judgments

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

The estimates and judgments that have a significant effect on these financial statements of the Fund relate to classification and valuation of financial assets (notes 4.2.1 and 6).

3.4 Accounting convention

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

3.5 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICIES

4.1 Cash and cash equivalents

These are stated at cost.

4.2 Financial Instruments

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

4.2.1 Financial assets

i) Initial recognition and measurement

On initial recognition, financial assets are classified at amortised cost; Fair Value through Other Comprehensive Income (FVTOCI) or Fair Value through Profit or Loss (FVTPL). These are measured at fair value and transaction cost, if any, except for financial assets at FVTPL, in which case, transaction cost is charged to Income Statement.

ii) Subsequent measurement

Financial assets at amortized cost

These are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains or losses are recognised in Income Statement when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

These are subsequently measured at fair value with gains and losses arising from changes in fair value recognised in Income Statement.

Financial assets at FVTOCI

The Fund does not have any financial asset at FVTOCI as of the reporting date.

iii) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of assets and liabilities) when the Fund has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement? and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Fund has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Fund continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Fund has retained.

iv) Impairment

The Fund assesses at each reporting date whether there is any objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an incurred 'loss event') and that loss event has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated. Any impairment loss on financial assets including financial assets carried at amortised cost are recognised in Income Statement.

4.2.2 Financial liabilities

i) Initial recognition and measurement

On initial recognition, financial liabilities are classified at amortised cost or FVTPL and these are measured at fair value less transaction cost, if any, except for financial liabilities at FVTPL, in which case, transaction cost is charged to Income Statement.

ii) Subsequent measurement

Financial liabilities at FVTPL:

The Fund has not designated any financial liability at FVTPL as of the reporting date.

Financial liabilities at amortised cost:

These are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in the Income Statement when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

4.3 Offsetting of financial assets and financial liabilities

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

4.4 Regular way contracts

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

4.5 Provisions

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

4.6 Net asset value per unit

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

4.7 Issue and redemption of units

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

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

4.8 Distributions to unit holders

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

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

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

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

4.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement, on the date when the transaction takes place.
- Profit on term deposit receipts and commercial papers is recognised on time proportion basis using the effective yield;
- Profit on sukuk certificates is recognised on a time proportionate basis using the effective yield method except for the securities which are classified as non-performing asset under Circular 33 of 2012 issued by SECP for which the profits are recorded on cash basis;
- Profit on bank deposits is recognized on a time proportionate basis using effective yield method.

4.11 Expenses

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

4.12 Taxation

The Fund's income is exempt from income tax as per clause (99) of part I of the Income Tax Ordinance, 2001 (the Ordinance), subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realized or unrealized is distributed amongst the unit holders.

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 Ordinance.

4.13 Earnings per unit (EPU)

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

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

		2026	2025
5	BALANCES WITH BANKS	Note	------(Rupees)-----
	Saving accounts	5.1	197,067,837
	Current account		141,289,266
			3,836,484
			53,653,641
			<u>200,904,322</u>
			<u>194,942,907</u>

5.1 These carry mark-up rates ranging from 6.69% to 10% (2025: 5.53% to 10.6%) per annum

		2026	2025
6	INVESTMENTS - at FVTPL	Note	------(Rupees)-----
	Sukuk certificates	6.1	382,797,662
	GoP ijara sukuk certificates	6.2	377,874,644
			240,352,784
			<u>689,105,796</u>
			618,227,428

6.1 Sukuk certificates

Name of investee company	Profit payments / principal redemptions	Profit rate	Issue date	Maturity date	As at July 01, 2025	Purchased during the quarter	Disposed / matured during the quarter	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of		
									Carrying value	Market value	Unrealised appreciation/ (diminution)	total investments of the Fund	net assets	
----- Number of certificates ----- Rupees ----- Percentage -----														
Commercial banks														
Meezan Bank Limited* (AA+, VIS) (Face value of Rs. 1,000,000)	Monthly	3 month KIBOR + 1.75%	August 1, 2018	Perpetual	20	-	-	20	20,000,000	20,000,000	-	2.90%	2.18%	
Meezan Bank Limited* (AA+, VIS) (Face value of Rs. 1,000,000)	Monthly	6 month KIBOR + 0.35%	December 16, 2021	Perpetual	25	50	-	75	74,687,375	73,212,825	(1,474,550)	10.62%	7.98%	
Dubai Islamic Bank Pakistan Limited* (A+, VIS) (Face value of Rs. 5,000 each)	Monthly	6 Months KIBOR + 2.8%	December 2, 2022	Perpetual	20	20	25	15	15,128,430	15,150,000	21,570	2.20%	1.65%	
Bank Islami Pakistan Limited (A-, PACRA) (Face value of Rs. 5,000 each)	Monthly	6 months KIBOR + 2.8%	March 01, 2024	Perpetual	3,000	-	-	3,000	15,000,000	15,412,500	412,500	2.24%	1.68%	

Name of investee company	Profit payments / principal redemptions	Profit rate	Issue date	Maturity date	As at July 01, 2025	Purchased during the quarter	Disposed / matured during the quarter	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation/ (diminution)	total investments of the Fund	net assets
----- Number of certificates -----						----- Rupees -----			----- Percentage -----				
Bank Islami Pakistan Limited (A-, PACRA) (Face value Rs. 5,000)	Monthly	3 month KIBOR + 2.75%	April 21, 2020	Perpetual	1,300	-	-	1,300	6,500,000	6,500,000	-	0.94%	0.71%
Bank Islami Pakistan Limited (A-, PACRA) (Face value of Rs. 5,000)	Monthly	3 month KIBOR + 2.75%	February 22, 2024	Perpetual	10,000	-	-	10,000	50,000,000	50,000,000	-	7.26%	5.45%
Albaraka Bank Pakistan Limited (A-, PACRA) (Face value of Rs. 1,000,000)	Half yearly	6 month KIBOR + 2.05%	December 22, 2021	December 22, 2031	-	80	55	25	25,212,500	25,212,500	-	3.66%	2.75%
Power generation & distribution													
K-Electric Limited (AA+, VIS) (Face value of Rs. 5,000	Quarterly	3 months KIBOR + 1.7%	August 3, 2020	August 3, 2027	17,919	-	-	17,919	22,759,416	22,585,605	(173,810)	3.28%	2.46%
K-Electric Limited (AA+, VIS) (Face value of Rs. 100,000	Quarterly	3 months KIBOR + 1.7%	November 23, 2022	November 22, 2029	515	786	652	649	46,479,706	46,452,175	(27,531)	6.74%	5.07%
Pharmaceuticals													
OBS AGP (Pvt.) Limited (A+, PACRA) (Face value of Rs. 50,000	Quarterly	3 month KIBOR + 1.55%	July,15 2021	July,15 2026	464	-	-	464	2,924,830	2,904,747	(20,083)	0.42%	0.32%
TEXTILE													
ALKARAM TEXTILE MILLS (PVT) LTD-SUKUK (AA+, VIS) (Face value Rs. 166,667)	Quarterly	3 month KIBOR + 1.50%	8-Apr-24	8-Apr-27	-	200	-	200	15,000,000	15,000,000	-	2.18%	1.64%
Chemical													
Ghani Chemical Industries Limited (A , PACRA) (Face value Rs. 100,000)	Quarterly	3 Months KIBOR + 1.25%	16-Jan-24	16-Jan-32	1,200	1,150	1,387	96	390,939,342	90,371,531	(567,811)	13.11%	9.85%
Total as at June 30, 2026									384,628,825	382,797,662	(1,831,164)		
Total as at June 30, 2025									378,726,423	377,874,644	(851,779)		

6.2 GoP ijara sukuk certificates

Particulars	Yield per annum	Issue Date	Maturity date	As at July 01, 2025	Purchased during the period	Sold during the period	As at June 30, 2026	As at June 30, 2026			Market value as a percentage of	
								Carrying value	Market value	Unrealised (diminution) / appreciation	Net assets of the Fund	Total investment of the Fund
				Number of certificates							(Rupees)	
Variable rate												
GoP ijara sukuk-5 year	11.22%	May 10, 2024	May 10, 2029	215	370	200	385	39,247,055	38,683,295	(563,760)	0.04	0.06
GoP ijara sukuk-5 year	11.03%	January 24, 2024	January 24, 2029	1,210	500	-	1,710	175,686,179	173,643,554	(2,042,625)	0.19	0.25
GoP ijara sukuk-5 year	10.87%	April 27, 2022	April 27, 2027	20	-	-	20	2,050,200	2,017,200	(33,000)	0.00	0.00
GoP ijara sukuk-5 year	11.41%	June 26, 2023	June 26, 2028	490	360	845	5	519,351	508,050	(11,301)	0.00	0.00
GoP ijara sukuk-10 year	10.83%	September 18, 2024	September 18, 2034	50	150	50	150	14,992,500	14,880,000	(112,500)	0.02	0.02
GoP ijara sukuk-03 year	10.82%	October 21, 2024	October 21, 2034	65	300	50	315	31,820,450	31,452,750	(367,700)	0.03	0.05
GoP ijara sukuk-10 year		April 16, 2026	April 16, 2036	-	1,000	-	1,000	5,025,000	5,025,000	-	0.01	0.01
Fixed rate											-	-
GoP ijara sukuk-3 year	13.89%	September 18, 2024	September 18, 2027	10	50	-	60	6,330,020	6,148,800	(181,220)	0.01	0.01
GoP ijara sukuk-3 year	12.00%	October 26, 2022	October 26, 2027	-	25	-	25	2,407,500	2,502,500	95,000	0.00	0.00
GoP ijara sukuk-3 year	10.85%	May 30, 2025	May 30, 2028	-	50	-	50	5,046,075	4,935,500	(110,575)	0.01	0.01
GoP ijara sukuk-5 year	12.49%	October 21, 2024	October 21, 2027	-	50	-	50	5,131,160	5,009,500	(121,660)	0.01	0.01
GoP ijara sukuk-5 year	11.98%	March 7, 2025	March 7, 2030	-	2,000	-	2,000	10,168,230	9,985,000	(183,230)	0.01	0.01
GoP ijara sukuk-5 year	12.53%	October 21, 2024	October 21, 2029	-	60	-	60	6,317,545	6,131,400	(186,145)	0.01	0.01
GoP ijara sukuk-5 year	13.85%	September 18, 2024	September 18, 2029	-	50	-	50	5,485,880	5,224,500	(261,380)	0.01	0.01
GoP ijara sukuk-10 year	11.24%	October 21, 2024	October 21, 2034	-	1,000	1,000	-	-	-	-	-	-
Total as at June 30, 2026								310,227,145	306,147,049	(4,080,096)		
Total as at June 30, 2025								237,564,000	240,352,784	2,788,784		

6.3 Net unrealised (diminution) / appreciation on re-measurement of investments at FVTPL

	Note	June 30, 2026	June 30, 2025
Market value of investments	6.1 & 6.2	689,105,796	618,227,428
Less: carrying value of investments	6.1 & 6.2	(694,968,986)	(616,290,423)
		(5,863,190)	1,937,005

7 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Profit receivable on:			
- Balances with banks		2,496,599	1,961,343
- Sukuk certificates		354,375	6,933,555
- GoP ijara sukuk certificates		10,593,878	7,652,479
Advance tax	7.1	846,530	833,058
Prepaid legal charges		-	-
Security deposit with the National Clearing Company of Pakistan Limited (NCCPL)		2,500,000	2,500,000
Receivables against sale of Investment		4,186,109	
Exposure margin with the National Clearing Company of Pakistan Limited (NCCPL)		7,665,841	7,665,841
Security deposit with the Trustee		100,000	100,000
		28,743,332	27,646,276

7.1 As per the Ordinance, payments to CISs are exempt from withholding tax under the relevant sections; however, certain withholding agents deduct the said tax as per FBR's interpretation requiring an exemption certificate. This interpretation was challenged in the Court by the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds including the Funds managed by the Management Company, which was upheld by the Court in favour of FBR. Accordingly, the Management Company filed an appeal in the Supreme Court of Pakistan (SCP) through the Trustees, which is pending. The management in view of the tax advice, expects a favourable outcome, accordingly, no provision has been made in these financial statements.

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 High Court of Sindh challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the Court in favour of FBR. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Honourable Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, a petition was filed in the Honourable Supreme Court 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 judgement of the High Court of Sindh. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund has been shown as advance tax as at June 30, 2025 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

7 PAYABLE TO THE MANAGEMENT COMPANY	Note	June 30, 2026	June 30, 2025
Remuneration of the Management Company	7.1	90,431	112,800
Sindh sales tax on remuneration of the Management Company	7.2	13,565	16,920
Allocated expenses	7.3	-	1,225
Sindh sales tax on allocated expenses		-	184
Selling & marketing expense	7.4	-	124,635
Sindh sales tax on selling & marketing expense		-	18,696
Sales load		4,252	109
		<u>108,248</u>	<u>274,569</u>

- 7.1** As per Regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the Offering Document subject to the total expense ratio limit. The Management Company has charged remuneration at a rate of 0.15% to 0.30% (2025: 0.15%) of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.
- 7.2** During the year, sales tax at the rate of 15% on remuneration of the Management Company levied through the Sindh Sales Tax on Services Act, 2011.
- 7.3** Effective from April 10, 2025, the SECP, through SRO 600(I)/2025 dated April 10, 2025, amended the NBFC Regulations to disallow the AMCs to charge allocated expenses to the Fund. Accordingly, the Management Company has not charged such allocated expenses in the current year. However, prior to such amendment, the Management Company charged such allocated expenses to the Fund at the rate of 0.02% per annum of the average net assets of the Fund till aforementioned date.
- 7.4** Effective from April 10, 2025, the SECP, through SRO 600(I)/2025 dated April 10, 2025, amended the NBFC Regulations to disallow the AMCs to charge selling and marketing expenses to the Fund. Accordingly, the Management Company has not charged such selling and marketing expenses in the current year. However, prior to such amendment, the Management Company charged such selling and marketing expenses to the Fund at the rate of 0.10% per annum of the average annual net assets of the Fund till aforementioned date.

8 PAYABLE TO THE TRUSTEE	Note	2026	2025
		----- (Rupees) -----	
Remuneration payable to the Trustee	8.1	56,220	58,225
Sindh sales tax payable on Trustee remuneration	8.2	8,433	8,980
CDS charges payable		62,650	8,529
		<u>127,303</u>	<u>75,734</u>

- 8.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified therein, based on the daily net assets of the Fund at the rate of 0.075% per annum of the net assets of the Fund.
- 8.2** During the year, sales tax at the rate of 15% on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011.

9 PAYABLE TO THE SECP

In accordance with the NBFC Regulations, CISs are required to pay non-refundable fee to the SECP. Accordingly, the Fund has charged the SECP fee at the rate of 0.095% per annum of the daily net assets during the year which is required to be paid within fifteen days of the close of every calendar month.

10 CONTINGENCIES AND COMMITMENTS

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

11 AUDITORS' REMUNERATION

	2026	2025
	(Rupees)	
Audit fee	447,741	578,534
Review and other certifications	397,743	144,634
Out of pocket expenses	126,823	72,317
Sindh sales tax	77,785	63,639
	<u>1,050,092</u>	<u>859,124</u>

12 TOTAL EXPENSE RATIO

Total Expense Ratio (TER) of the Fund as at June 30, 2026 is 0.65% (2025: 0.57%) which includes 0.04% (2025: 0.14%) representing government levies, sales taxes and annual fee to the SECP. Pursuant to the amendments in the NBFC Regulations by SECP wide notification SRO 600(I)/2025 dated April 10, 2025, the requirement related to maximum TER limits has been removed as applicable to Collective Investment Schemes, effective from July 1, 2025.

13 TAXATION

During the year, the Fund has distributed more than 90% of its accounting income, accordingly no provision is required in these financial statements.

14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include Alfalah Asset Management Limited being the Management Company, Funds under management of the Management Company, Bank Alfalah Limited, and MAB Investment Incorporation being associated companies of Management Company, Bank Alfalah Limited - Employees' Provident Fund, Bank Alfalah Limited - Employees' Gratuity Fund, Alfalah GHP Investment Management Limited - Staff Provident Fund, directors and key management personnel of the Management Company and CDC being the Trustee of the Fund, other associated companies and any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons / related parties essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments. These transactions are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Transactions and balances during the year with connected persons / related parties are as follows:

Unit holders' fund

2026										
As at July 01, 2025	Issued for cash / conversion in / transfer in	Bonus/ Dividend Reinvestment	Redeemed/ conversion out / transfer out	As at June 30, 2026	As at July 01, 2025	Issued for cash / conversion in / transfer in	Bonus/ Dividend Reinvestment	Redeemed / conversion out / transfer out	As at June 30, 2026	
Units					Rupees					
Unit holder holding 10% or more units	6,330,484	-	-	5,972	6,324,512	816,002,553	-	-	844,139	896,191,572

2025										
As at July 01, 2024	Issued for cash / conversion in / transfer in	Bonus/ Dividend Reinvestment	Redeemed/ conversion out / transfer out	As at June 30, 2025	As at July 01, 2024	Issued for cash / conversion in / transfer in	Bonus/ Dividend Reinvestment	Redeemed / conversion out / transfer out	As at June 30, 2025	
Units					Rupees					
Unit holder holding 10% or more units	23,175,399	12,660,968	-	(29,505,883)	6,330,484	2,588,224,875	1,627,401,522	-	(3,607,401,522)	816,002,553

	2026	2025
	----- (Rupees) -----	
Other transactions during the year		
Associated companies / undertakings		
Alfalah Asset Management Limited - the Management Company		
Remuneration of the Management Company	1,300,789	1,813,693
Sindh sales tax on remuneration of the Management Company	195,119	272,052
Selling & marketing expense	-	206,031
Sales tax on selling & marketing expense	-	30,905
Allocation expenses	-	82,773
Sales tax on allocation expenses	-	12,416
Sales load	128,537	-
Bank Alfalah Limited		
Profit on balances with banks	110,000	119,286
Sales Load	45,551	-
Trustee		
Central Depository Company of Pakistan Limited		
Remuneration of the Trustee	659,604	1,051,259
Sindh sales tax on remuneration of the Trustee	98,942	157,690
CDS charges	119,249	119,249
Balances outstanding as at year end		
Associated companies / undertakings		
Alfalah Asset Management Limited - the Management Company		
Remuneration of the Management Company	90,431	112,800
Sindh sales tax on remuneration of the Management Company	13,565	16,920
Selling & marketing expense	-	124,635
Sindh sales tax on selling & marketing expense	-	18,696
Allocated expenses	-	1,225
Sindh sales tax on allocated expenses	-	184
Sales load	4,254	109
Bank Alfalah Limited		
Balances with banks	5,662,590	60,102,157
Sales load payable	352,702	290,895
Trustee		
Central Depository Company of Pakistan Limited		
Remuneration payable to the Trustee	56,220	58,225
Sindh sales tax payable on Trustee remuneration	8,433	8,980
CDS charges payable	62,650	8,529
Security deposit with the Trustee	100,000	100,000

15 FINANCIAL INSTRUMENTS BY CATEGORY

2026		
At amortised cost	At FVTPL	Total
(Rupees)		

Financial assets

Balances with banks	200,904,322	-	200,904,322
Investments	-	689,105,796	689,105,796
Deposits and other receivables	27,896,804	-	27,896,804
	<u>228,801,126</u>	<u>689,105,796</u>	<u>917,906,922</u>

Financial liabilities

Payable to the Management Company	108,248	-	108,248
Payable to the Trustee	127,303	-	127,303
Accrued expenses and other liabilities	1,322,928	-	1,322,928
	<u>1,558,479</u>	<u>-</u>	<u>1,558,479</u>

2025		
At amortised cost	At FVTPL	Total
(Rupees)		

Financial assets

Balances with banks	194,942,907	-	194,942,907
Investments	-	618,227,428	618,227,428
Deposits and other receivables	26,813,218	-	26,813,218
Receivable against sale of investments	-	-	-
	<u>221,756,125</u>	<u>618,227,428</u>	<u>839,983,553</u>

Financial liabilities

Payable to the Management Company	274,569	-	274,569
Payable to the Trustee	75,734	-	75,734
Accrued expenses and other liabilities	6,580,702	-	6,580,702
	<u>6,931,005</u>	<u>-</u>	<u>6,931,005</u>

16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

16.1 Risk management framework

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.

16.2 Financial risks

The Fund's activities expose it to a variety of financial risks as follows:

16.2.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices. The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee. Market risk comprises of three types of risks: yield / profit rate risk, currency 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) **Yield / profit rate risk**

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. The 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 Fund's variable profit rate risk arises from balances with banks, and investments in sukuk certificates and GoP ijara sukuks amounting to Rs. 890.010 million (2025: Rs. 813.170 million). 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. 8.900 million (2025: Rs. 8.131 million).

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 interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Fund is not exposed to such risk as it does not have any investment in equity securities.

16.2.2 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. 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 maximum exposure to credit risk as at June 30, 2026 is as follows:

	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees)		(Rupees)	
Balances with banks	200,904,322	200,904,322	194,942,907	194,942,907
Investments	689,105,796	382,797,662	618,227,428	377,874,644
Deposits and other receivables	27,896,804	17,302,926	26,813,218	19,160,739
	<u>917,906,922</u>	<u>601,004,910</u>	<u>839,983,553</u>	<u>591,978,290</u>

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets. Difference in the balance as per statement of assets and liabilities and maximum exposure is due to the fact that investments in GoP ijara sukuks and profit receivable thereon are not exposed to credit risk.

No financial assets were considered to be past due or impaired as at June 30, 2026.

Credit quality of financial assets

The Fund's significant credit risk (excluding credit risk relating to settlement of equity securities) arises mainly on account of its placements in banks and mark-up accrued thereon and receivable against sale of investments. The credit rating profile of balances with banks is as follows:

Name of Bank	Rating Agency	Rating (Short Term / Long Term)	2026	2025
			Percentage of balances with banks	
Dubai Islamic Bank Limited	VIS	A1+ / AA	0.06%	0.06%
Bank Al Habib Limited	PACRA	A1+ / AAA	0.01%	0.01%
Bank Alfalah Limited	PACRA	A1+ / AAA	4.76%	4.76%
Allied Bank Limited	PACRA	A1+ / AAA	0.65%	0.65%
Habib Metropolitan Bank Limited	PACRA	A1+ / AA+	0.01%	0.01%
MCB Islamic Bank Limited	PACRA	A1 / A+	0.08%	0.08%
Al baraka Bank (Pakistan) Limited	VIS	A1 / AA-	94.26%	94.26%
Bank Islami Pakistan Limited	PACRA	A1 / AA-	0.06%	0.06%
Zarai Taraqiat Bank Limited	VIS	A1+ / AAA	0.01%	0.01%
Meezan Bank Limited	VIS	A1+ / AAA	0.10%	0.10%
			<u>100.00%</u>	<u>100.00%</u>

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

Ratings of sukuk certificates have been disclosed in related notes to the financial statements.

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.

16.2.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund. The Fund is exposed to redemptions of its redeemable units on a regular basis. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets 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 upto 90 days and would be secured by the assets of the Fund. In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

As of the reporting date the Fund is exposed to liquidity risk in respect of the following which are due within one month:

Financial liabilities

	2026	2025
	----- (Rupees) -----	
Payable to the Management Company	108,248	274,569
Payable to the Trustee	127,303	75,734
Accrued expenses and other liabilities	1,322,928	6,580,702
	<u>1,558,479</u>	<u>6,931,005</u>

17 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.

The following table shows asset side recognized at fair value, analysed between those whose fair value is based on;

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: those involving inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

Level 3: those whose inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

	2026			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial assets at FVTPL				
Investments at FVTPL				
Sukuk certificates	-	382,797,662	-	382,797,662
GoP ijara sukuks certificates	-	306,308,134	-	306,308,134
	<u>-</u>	<u>689,105,796</u>	<u>-</u>	<u>689,105,796</u>
	2025			
	Level 1	Level 2	Level 3	Total
	----- (Rupees) -----			
Financial assets at FVTPL				
Investments at FVTPL				
Sukuk certificates	-	377,874,644	-	377,874,644
GoP ijara sukuks certificates	-	240,352,784	-	240,352,784
	<u>-</u>	<u>618,227,428</u>	<u>-</u>	<u>618,227,428</u>

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 during the year.

18 UNIT HOLDERS' FUND RISK MANAGEMENT

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

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

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

The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically 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 as 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's yield and movement of net asset value and total size at the end of each quarter.

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

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

19 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.

20 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 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**

(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
Individuals	154	146,758	20,795,812.78	2.3%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	2	6,324,512	896,191,542	97.7%
Retirement & Other Funds	-	-	-	0%
Others	1	487	69,019.00	0.01%
	157	6,471,757	917,056,374	100%

Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	118	137,541	17,729,158.59	2.1%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	2	6,330,484	816,002,525	97.9%
Retirement & Other Funds	-	-	-	0%
Others	1	487	62,784.07	0.01%
	121	6,468,512	833,794,468	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2026
	%
Optimus Market Limited	35.58%
AKD Securities Limited	31.25%
Next Capital Limited	29.76%
JS Global Capital Limited	3.41%
	100%
	30 June 2025
	%
Next Capital Limited	88%
AKD Securities Limited	6%
JS Global Capital Limited	6%
	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 - AGIVF

	30 June 2026 (Rupees in '000)	30 June 2025 (Rupees in '000)	30 June 2024 (Rupees in '000)	30 June 2023 (Rupees in '000)	30 June 2022 (Rupees in '000)
Net Assets	833,794	833,794	2,973,755	2,448,851	1,979,978
NAV per unit	141.7013	128.9005	111.2031	89.4572	89.0616
Selling price per unit	131.8652	131.8652	112.1455	90.2153	89.8164
Redemption price per unit	141.7013	128.9005	111.2031	89.4572	89.0616
Highest selling price per unit	144.9604	131.8652	114.5492	105.0426	100.5844
Highest redemption price per unit	141.7013	128.9005	111.9012	104.1598	89.9319
Lowest selling price per unit	131.9038	112.2271	90.4377	89.8408	89.0393
Lowest redemption price per unit	128.9382	111.2674	89.6777	89.0858	89.7939
Total interim distribution per unit	N/A	N/A	N/A	15.0982	N/A
Interim distribution date	N/A	N/A	N/A	23 Jun, 2023	-
Final distribution per unit	N/A	N/A	N/A	N/A	8-Jan-00
Final distribution date	N/A	N/A	N/A	N/A	24 Jun, 2022
Annualized returns	9.93%	15.91%	24.31%	17.47%	9.34%
Income distribution	N/A	N/A	N/A	16.95%	0-Jan-00
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A	N/A

Return since inception is 8.03%

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