

Alfalah
GHP Islamic Prosperity
Planning 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 Soneri Bank Limited Meezan Bank Limited Bank Islami Pakistan Limited Faysal Bank Limited
Auditors:	Yousuf Adil Chartered Accountants. Cavish Court, A-35 Shahrah-e-Faisal Road, Bangalore Town Block A Bangalore Town, Karachi
Legal Advisor:	Mohsin Tayebaly & Co. 1st Floor, Dime Centre, BC-4, Block-9, Kehkashan, Clifton, Karachi – 75600. Pakistan.
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

Alfalah GHP Islamic Prosperity Planning Fund Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Shariah Compliant Fund of Funds Scheme

Investment Objective

Alfalah GHP Islamic Prosperity Planning Fund is an Open-ended Shariah Complaint Fund of Funds Scheme that aims to generate returns on investment as per the respective Allocation Plan by investing in Shariah complaint Mutual funds in line with the risk tolerance of the investor.

Accomplishment of Objective

The Fund has achieved its objective of generating higher return by investing in a mix of underlying fixed income and equity based mutual funds within the guidelines provided under NBFC rules.

Money Market

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.

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.

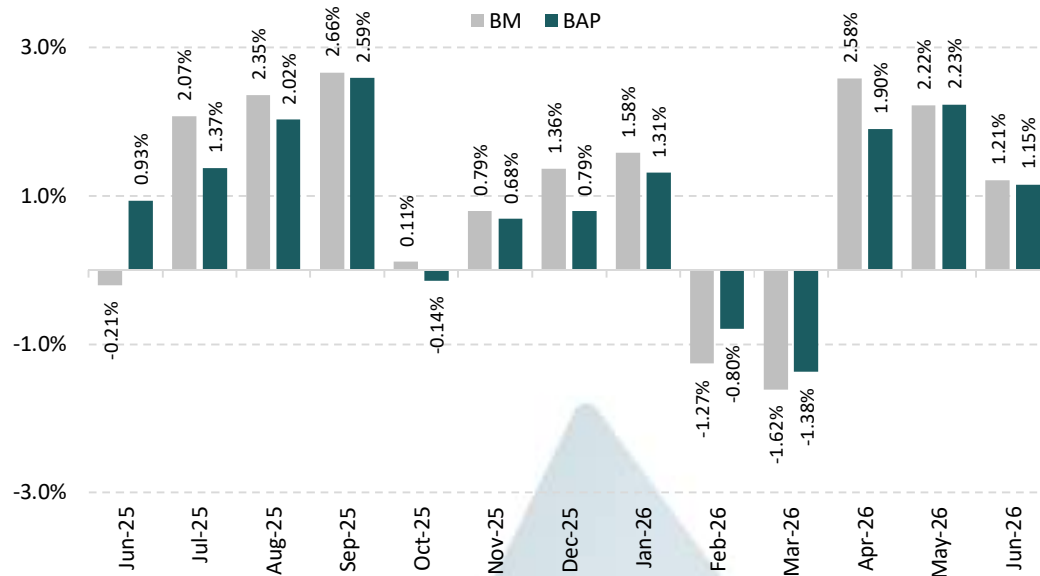
Investor confidence gradually recovered during the latter part of the review period as geopolitical conditions improved, Saudi financial assistance and successful international debt issuances strengthened external financing prospects, and record workers' remittances reinforced macroeconomic stability.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

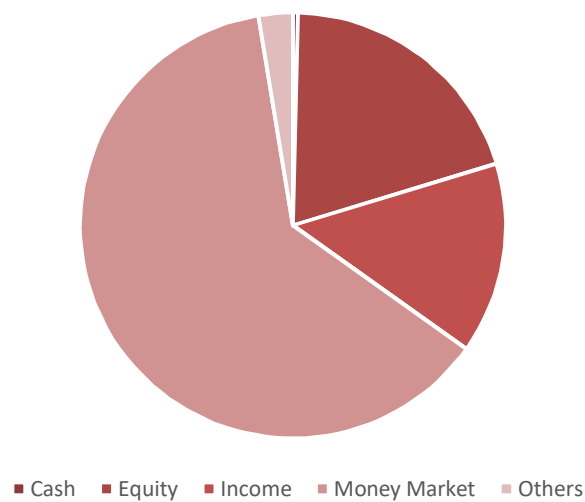
By the end of June 2026, the KSE-100 was trading at a forward P/E of approximately **6.8x**, remaining below its long-term historical average and indicating continued valuation attractiveness. Going forward, market performance is expected to be influenced by the implementation of the FY27 Federal Budget, 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.

Islamic Balance Fund:

During the year, the fund generated a return of 12.28% compared to the benchmark 14.86%.

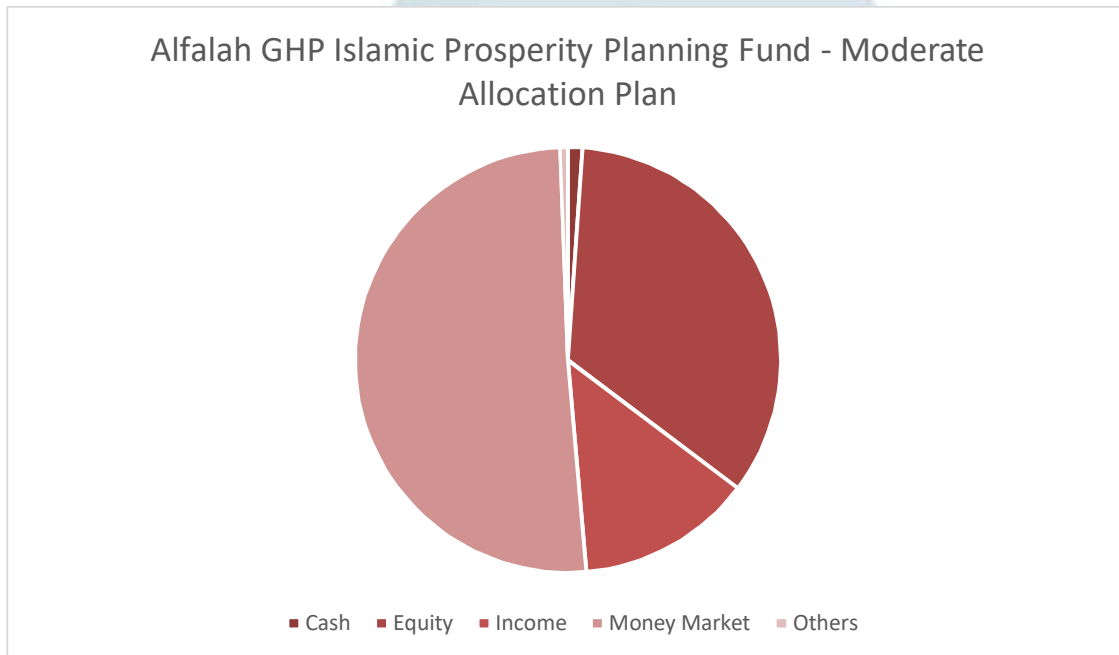
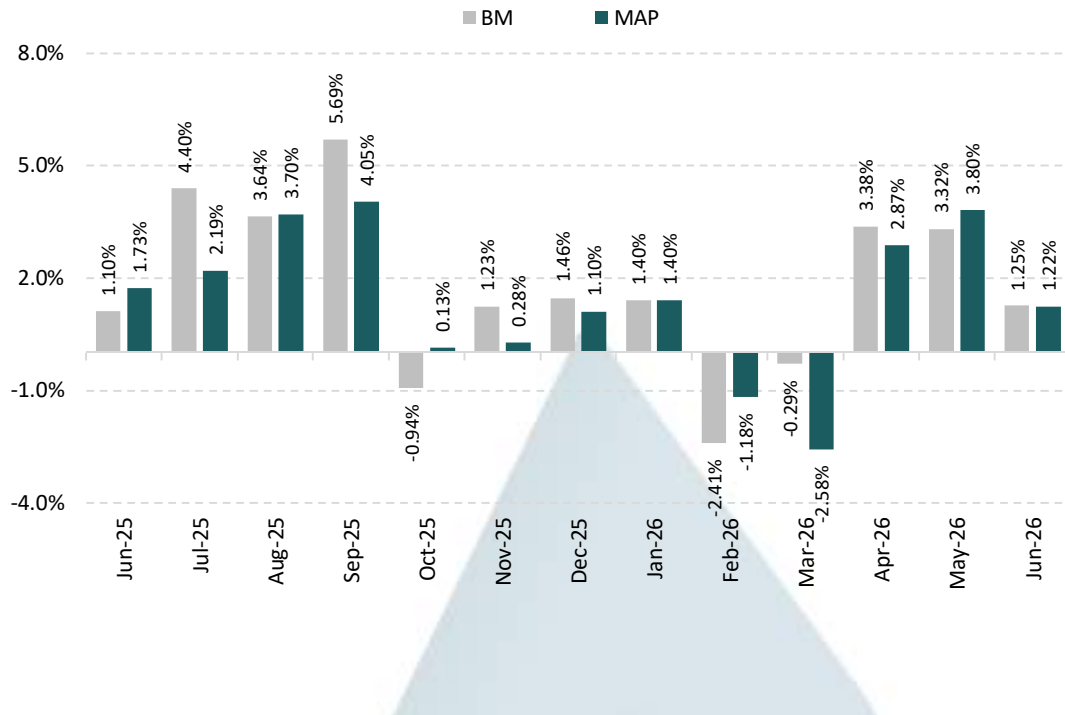


Alfaluh GHP Islamic Prosperity Planning Fund - Balanced Allocation Plan



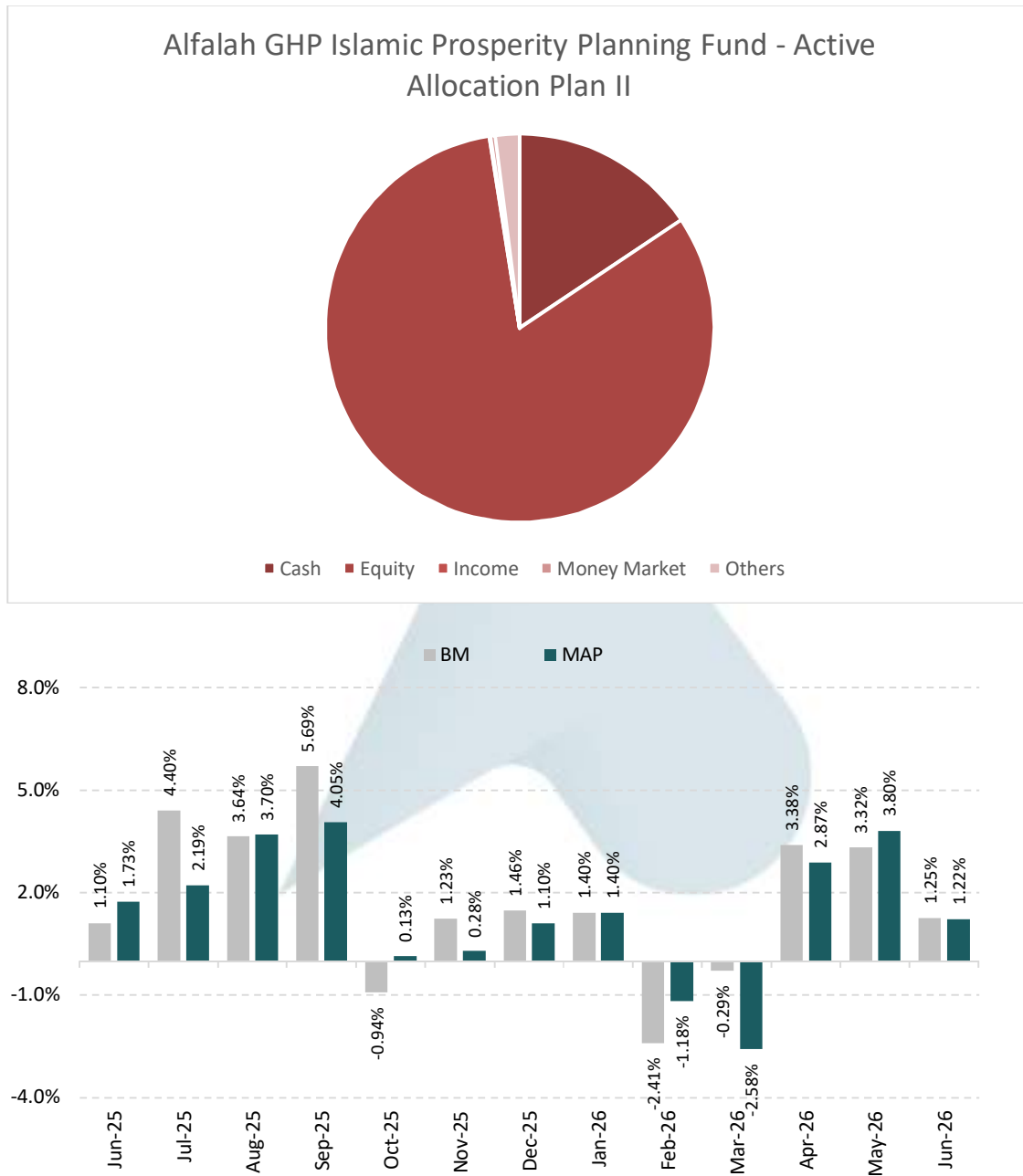
Islamic Moderate Fund:

During the year, the fund generated a return of 18.10% compared to the benchmark 24.16%.



Islamic Active Fund - II:

During the year, the fund generated a return of 17.93% compared to the benchmark 21.38%.



- **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 Shahr-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



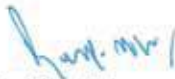
TRUSTEE REPORT TO THE UNIT HOLDERS

ALFALAH GHP ISLAMIC PROSPERITY PLANNING 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 Prosperity Planning Fund (the Fund) are of the opinion that Alfalah Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 07, 2026



September 17, 2026

AHSA/SSR/AAML/AGIPPF/620



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 Prosperity Planning Fund (AGIPPF) managed by Alfalah Asset Management Limited is Compliant and in accordance with Shariah principles.

During the year, Alfalah GHP Islamic Prosperity Planning Fund (AGIPPF) 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.

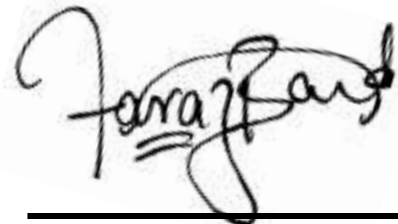
For and on behalf of Shariah Supervisory Council of Al-Hilal Shariah Advisors (Pvt.) Limited and Alfalah Asset Management Limited.



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 Prosperity Planning 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 Prosperity Planning 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

INDEPENDENT AUDITOR'S REPORT

To The Unit Holders of Alfalah GHP Islamic Prosperity Planning Fund

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

Key Audit Matters

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

S. No.	Key audit matter	How the matter was addressed in our audit
1.	Valuation and existence of investments As disclosed in note 6 to the financial statements, the investments held by the Fund amounts to Rs. 338.02 million as at June 30, 2026. The total investment amount is a significant account balance on the statement of assets and liabilities. The Fund invests primarily in shariah compliant Mutual Funds which are one of the main drivers and indicators of the fund's performance and there is a risk that these investments are incorrectly valued.	In this respect, we performed the following procedures: - 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 unit holder account statement received from investee funds;

Y.A.



S. No.	Key audit matter	How the matter was addressed in our audit
	In addition, there is a risk that the Fund may have included investments in its financial statements which are not in the ownership of the Fund and thereby increasing the uncertainty in respect of existence of investments recorded as at year end. In view of the above, we have considered the valuation and existence of investments as a Key Audit Matter. The disclosures regarding investments are included in notes 4.2 & 6 of the financial statements.	• tested valuation of investments held as at June 30, 2026, by verifying the daily net asset value (NAV) reported at MUFAP; • differences identified (if any) during our testing that were over our acceptable threshold were investigated further; and • evaluated the adequacy of disclosures in the financial statements.

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

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

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

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

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

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

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

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

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.

YA



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of Management Company 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 period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

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

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

Yousuf Adil
Chartered Accountants

Place: Karachi

Date: September 29, 2026

UDIN: AR202610099DNd4aMH0z

ALFALAH GHP ISLAMIC PROSPERITY PLANNING FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

		2026						
		Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V	Total
Note		----- Rupees -----						
ASSETS								
Bank balances	5	1,418,880	738,510	8,364,237	45,158	15,870	30,202	10,612,857
Investments	6	129,511,725	164,197,968	44,309,692	-	-	-	338,019,385
Advances and other receivable	7	853,649	4,367,761	1,081,928	372,965	228,085	130,513	7,034,901
Receivable from Alfalah Asset Management Limited - Management Company		-	-	-	-	-	-	-
Total assets		131,784,254	169,304,239	53,755,857	418,123	243,955	160,715	355,667,143
LIABILITIES								
Payable to Alfalah Asset Management Limited - Management Company	8	99,079	162,020	25,835	347,236	131,770	160,715	926,655
Payable to Central Depository Company of Pakistan Limited - Trustee	9	6,996	11,301	9,292	-	217	-	27,806
Payable to the Securities and Exchange Commission of Pakistan	10	15,271	10,529	8,168	-	-	-	33,968
Dividend Payable		-	214,664	-	-	-	-	214,664
Accrued expenses and other liabilities	11	9,131,673	3,712,250	2,516,244	70,887	111,968	-	15,543,022
Total liabilities		9,253,019	4,110,764	2,559,539	418,123	243,955	160,715	16,746,115
NET ASSETS		122,531,235	165,193,475	51,196,318	-	-	-	338,921,028
UNIT HOLDERS' FUND		122,531,235	165,193,475	51,196,318	-	-	-	338,921,028
(AS PER STATEMENT ATTACHED)								
Contingencies and commitments	12	----- Number of units -----						
Number of units in issue		1,077,649	1,593,966	476,822	-	-	-	
		----- Rupees -----						
Net asset value per unit		113.7024	103.6368	107.3699	-	-	-	

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

		2025						
		Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V	Total
	Note	----- Rupees -----						
ASSETS								
Bank balances	5	2,338,802	3,907,909	25,452,964	45,158	15,870	30,202	31,790,905
Investments	6	57,114,799	91,931,377	29,024,373	-	-	-	178,070,549
Advances and other receivable	7	838,626	1,627,960	1,083,002	372,965	228,085	130,513	4,281,151
Receivable from Alfalah Asset Management Limited - Management Company		-	-	140,000	-	-	-	140,000
Total assets		60,292,227	97,467,246	55,700,339	418,123	243,955	160,715	214,282,605
LIABILITIES								
Payable to Alfalah Asset Management Limited - Management Company	8	95,688	135,895	32,815	347,236	131,770	160,715	904,119
Payable to Central Depository Company of Pakistan Limited - Trustee	9	7,502	14,479	4,552	-	217	-	26,750
Payable to the Securities and Exchange Commission of Pakistan	10	6,712	13,443	4,193	-	-	-	24,348
Dividend Payable		-	-	-	-	-	-	-
Accrued expenses and other liabilities	11	5,995,211	5,524,343	2,795,087	70,887	111,968	-	14,497,496
Total liabilities		6,105,113	5,688,160	2,836,647	418,123	243,955	160,715	15,452,713
NET ASSETS		54,187,114	91,779,086	52,863,692	-	-	-	198,829,892
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		54,187,114	91,779,086	52,863,692	-	-	-	198,829,892
Contingencies and commitments								
	12	----- Number of units -----						
Number of units in issue		518,993	906,039	581,420	-	-	-	
		----- Rupees -----						
Net asset value per unit		104.4081	101.2971	90.9217	-	-	-	

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

		2026			Total
		Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	
Note		Rupees			
INCOME					
Profit on bank balances		1,158,026	1,216,007	583,640	2,957,673
Dividend income		6,493,189	11,219,206	22,929	17,735,324
Gain on sale of investments - net		2,902,267	8,993,617	7,787,734	19,683,618
Unrealised appreciation / (diminution) on re-measurement of investments classified as fair value through profit or loss - net	6.2	3,131,707	(96,632)	2,572,675	5,607,750
Total income		13,685,189	21,332,198	10,966,978	45,984,365
EXPENSES					
Remuneration of Alfalah Asset Management Limited - Management Company	8.1	236,449	259,868	159,134	655,451
Sindh Sales Tax on remuneration of the Management Company	8.2	35,467	38,980	23,870	98,317
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	76,623	144,071	89,496	310,190
Sindh Sales Tax on remuneration of the Trustee	9.2	11,493	21,611	13,424	46,528
Fee to the Securities and Exchange Commission of Pakistan	10.1	82,095	154,360	95,888	332,343
Auditor's remuneration	13	366,695	461,851	369,647	1,198,193
Annual listing fee charges		11,910	28,069	16,421	56,400
Legal and professional charges		65,659	109,164	108,784	283,607
Shariah advisory fee		61,080	61,447	51,319	173,846
Reimbursement from Alfalah Asset Management Limited - Management Company		-	-	-	-
Bank charges		25	375	200	600
Printing and other charges		-	-	-	-
Total expenses		947,496	1,279,796	928,183	3,155,475
Net income for the year before taxation		12,737,693	20,052,402	10,038,795	42,828,890
Taxation	15	-	-	-	-
Net income for the year after taxation		12,737,693	20,052,402	10,038,795	42,828,890
Allocation of net income for the year					
Net income for the year after taxation		12,737,693	20,052,402	10,038,795	42,828,890
Income already paid on units redeemed		(692,028)	(6,276,475)	(6,827,522)	(13,796,025)
		12,045,665	13,775,927	3,211,273	29,032,865
Accounting income available for distribution					
- Relating to capital gains		6,033,974	8,896,985	3,211,273	18,142,232
- Excluding capital gains		6,011,691	4,878,942	-	10,890,633
		12,045,665	13,775,927	3,211,273	29,032,865
Earnings per unit					

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

		2025			Total
		Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	
Note		Rupees			
INCOME					
Profit on bank balances		28,298	639,206	119,834	787,338
Dividend income		4,110,681	9,413,448	2,194,355	15,718,484
Gain on sale of investments - net		9,643,283	15,520,461	9,441,890	34,605,634
Unrealised appreciation / (diminution) on re-measurement of investments classified as fair value through profit or loss - net	6.2	7,613,153	6,253,893	347,899	14,214,945
Total income		21,395,415	31,827,008	12,103,978	65,326,401
EXPENSES					
Remuneration of Alfalah Asset Management Limited - Management Company	8.1	58	35,224	38,703	73,985
Sindh Sales Tax on remuneration of the Management Company	8.2	9	5,284	1,970	7,263
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	52,710	112,327	46,188	211,225
Sindh Sales Tax on remuneration of the Trustee	9.2	7,883	16,797	6,922	31,602
Fee to the Securities and Exchange Commission of Pakistan	10.1	56,475	120,350	49,487	226,312
Auditor's remuneration	13	317,300	597,348	174,618	1,089,266
Annual listing fee charges		8,793	19,652	2,305	30,750
Legal and professional charges		30,933	63,765	85,543	180,241
Shariah advisory fee		44,208	105,037	24,302	173,547
Reimbursement from Alfalah Asset Management Limited - Management Company		-	-	(140,000)	(140,000)
Bank charges		-	-	-	-
Printing and other charges		17,366	130,478	2,587	150,431
Total expenses		535,735	1,206,262	292,625	2,034,622
Net income for the year before taxation		20,859,680	30,620,746	11,811,353	63,291,779
Taxation	15	-	-	-	-
Net income for the year after taxation		20,859,680	30,620,746	11,811,353	63,291,779
Allocation of net income for the year					
Net income for the year after taxation		20,859,680	30,620,746	11,811,353	63,291,779
Income already paid on units redeemed		(8,095,998)	(14,675,414)	(2,011,309)	(24,782,721)
		12,763,682	15,945,332	9,800,044	38,509,058
Accounting income available for distribution					
- Relating to capital gains		12,763,682	15,945,332	9,789,789	38,498,803
- Excluding capital gains		-	-	10,255	10,255
		12,763,682	15,945,332	9,800,044	38,509,058
Earnings per unit					

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2026			Total
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	
----- Rupees -----				
Net income for the year after taxation	12,737,693	20,052,402	10,038,795	42,828,890
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	12,737,693	20,052,402	10,038,795	42,828,890

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	2025			Total
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	
	----- Rupees -----			
Net income for the year after taxation	20,859,680	30,620,746	11,811,353	63,291,779
Other comprehensive income for the year	-	-	-	-
Total comprehensive income for the year	20,859,680	30,620,746	11,811,353	63,291,779

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

Note	2026														
	Islamic Moderate Allocation Plan			Islamic Balanced Allocation Plan			Islamic Active Allocation Plan II			Islamic Capital Preservation Plan IV			Total		
	Capital value	Accumulated loss	Total	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total
	Rupees														
Net assets at the beginning of the year	84,374,248	(30,187,134)	54,187,114	10,296,246	81,482,840	91,779,086	232,613,086	(179,749,394)	52,863,692	-	-	-	327,283,580	(128,453,688)	198,829,892
Issuance of:															
Islamic Moderate Allocation Plan: 1,290,359 units															
Islamic Balanced Allocation Plan: 3,057,115 units															
Islamic Active Allocation Plan -II: 1,658,608 units															
- Capital value (at net asset value per unit at the beginning of the year)	133,679,822	-	133,679,822	309,676,920	-	309,676,920	150,803,445	-	150,803,445	-	-	-	594,160,187	-	594,160,187
- Element of income / (loss)	15,207,683	-	15,207,683	18,849,361	-	18,849,361	20,972,287	-	20,972,287	-	-	-	55,029,331	-	55,029,331
Total proceeds on issuance of units	148,887,505	-	148,887,505	328,526,281	-	328,526,281	171,775,732	-	171,775,732	-	-	-	649,189,518	-	649,189,518
Redemption of:															
Islamic Moderate Allocation Plan: 721,703 units															
Islamic Balanced Allocation Plan: 2,369,188 units															
Islamic Active Allocation Plan -II: 1,763,206 units															
- Capital value (at net asset value per unit at the beginning of the year)	(75,351,645)	-	(75,351,645)	(239,991,899)	-	(239,991,899)	(160,313,669)	-	(160,313,669)	-	-	-	(475,657,213)	-	(475,657,213)
- Adjustment against capital value	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Element of income / (loss)	(7,566,135)	(692,028)	(8,258,163)	(13,761,284)	(6,276,475)	(20,037,759)	(16,340,710)	(6,827,522)	(23,168,232)	-	-	-	(37,668,129)	(13,796,025)	(51,464,154)
Total payments on redemption of units	(82,917,780)	(692,028)	(83,609,808)	(253,753,183)	(6,276,475)	(260,029,658)	(176,654,379)	(6,827,522)	(183,481,901)	-	-	-	(513,325,342)	(13,796,025)	(527,121,367)
Total comprehensive income for the year	-	12,737,693	12,737,693	-	20,052,402	20,052,402	-	10,038,795	10,038,795	-	-	-	-	42,828,890	42,828,890
Distributions during the year	(2,965,919)	(6,705,350)	(9,671,269)	(3,854,486)	(11,280,150)	(15,134,636)	-	-	-	-	-	-	(6,820,405)	(17,985,500)	(24,805,905)
Net assets at end of the year	147,378,054	(24,846,819)	122,531,235	81,214,858	83,978,617	165,193,475	227,734,439	(176,538,121)	51,196,318	-	-	-	456,327,351	(117,406,323)	338,921,028
Undistributed (loss) / income brought forward															
- Realised (loss) / income	(37,800,287)			75,228,947			(180,097,293)			-					
- Unrealised income / (loss)	7,613,153			6,253,893			347,899			-					
	(30,187,134)			81,482,840			(179,749,394)			-					
Accounting income available for distribution															
- Relating to capital gains	6,033,974			8,896,985			3,211,273			-					
- Excluding capital gains	6,011,691			4,878,942			-			-					
	12,045,665			13,775,927			3,211,273			-					
Distribution during the year	(6,705,350)			(11,280,150)			-			-					
Adjustment against capital value	-			-			-			-					
Accumulated (loss) / undistributed income carried forward	(24,846,819)			83,978,617			(176,538,121)			-					
Accumulated (loss) / undistributed income carried forward															
- Realised (loss) / income	(27,978,526)			84,075,249			(179,110,796)			-					
- Unrealised income /(loss)	3,131,707			(96,632)			2,572,675			-					
	(24,846,819)			83,978,617			(176,538,121)			-					
		(Rupees)			(Rupees)			(Rupees)			(Rupees)				
Net asset value per unit at the beginning of the year		104.4081			101.2971			90.9217			-				
Net asset value per unit at the end of the year		113.7024			103.6368			107.3699			-				

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

		2025														
		Islamic Moderate Allocation Plan			Islamic Balanced Allocation Plan			Islamic Active Allocation Plan II			Islamic Capital Preservation Plan IV			Total		
		Capital value	Accumulated loss	Total	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total
Note		Rupees														
Net assets at the beginning of the year		105,646,962	(30,213,308)	75,433,654	86,882,119	81,703,359	168,585,478	199,592,645	(179,819,595)	19,773,050	(2,545,672)	2,545,672	-	389,576,054	(125,783,872)	263,792,182
Issuance of:																
Islamic Moderate Allocation Plan: 112,198 units																
Islamic Balanced Allocation Plan: 348,926 units																
Islamic Active Allocation Plan -II: 2,241,122 units																
- Capital value (at net asset value per unit at the beginning of the year)		11,708,750	-	11,708,750	35,323,479	-	35,323,479	203,494,700	-	203,494,700	-	-	-	250,526,929	-	250,526,929
- Element of income / (loss)		196,544	-	196,544	3,877,309	-	3,877,309	77,421,560	-	77,421,560	-	-	-	81,495,413	-	81,495,413
Total proceeds on issuance of units		11,905,294	-	11,905,294	39,200,788	-	39,200,788	280,916,260	-	280,916,260	-	-	-	332,022,342	-	332,022,342
Redemption of:																
Islamic Moderate Allocation Plan: 316,042 units																
Islamic Balanced Allocation Plan: 1,108,176 units																
Islamic Active Allocation Plan -II: 1,877,466 units																
- Capital value (at net asset value per unit at the beginning of the year)		(32,981,425)	-	(32,981,425)	(112,186,159)	-	(112,186,159)	(170,474,633)	-	(170,474,633)	-	-	-	(315,642,217)	-	(315,642,217)
- Adjustment against capital value		-	-	-	-	-	-	-	-	-	2,545,672	(2,545,672)	-	2,545,672	(2,545,672)	-
- Element of income / (loss)		(1,501)	(8,095,998)	(8,097,499)	(3,358,219)	(14,675,414)	(18,033,633)	(69,523,873)	(2,011,309)	(71,535,182)	-	-	-	(72,883,593)	(24,782,721)	(97,666,314)
Total payments on redemption of units		(32,982,926)	(8,095,998)	(41,078,924)	(115,544,378)	(14,675,414)	(130,219,792)	(239,998,506)	(2,011,309)	(242,009,815)	2,545,672	(2,545,672)	-	(385,980,138)	(27,328,393)	(413,308,531)
Total comprehensive income for the year		-	20,859,680	20,859,680	-	30,620,746	30,620,746	-	11,811,353	11,811,353	-	-	-	-	63,291,779	63,291,779
Distributions during the year		(195,082)	(12,737,508)	(12,932,590)	(242,283)	(16,165,851)	(16,408,134)	(7,897,313)	(9,729,843)	(17,627,156)	-	-	-	(8,334,678)	(38,633,202)	(46,967,880)
Net assets at end of the year		84,374,248	(30,187,134)	54,187,114	10,296,246	81,482,840	91,779,086	232,613,086	(179,749,394)	52,863,692	-	-	-	327,283,580	(128,453,688)	198,829,892
Undistributed (loss) / income brought forward																
- Realised (loss) / income		(24,652,383)			83,763,714			(175,090,330)			2,545,672					
- Unrealised income / (loss)		(5,560,925)			(2,060,355)			(4,729,265)			-					
		(30,213,308)			81,703,359			(179,819,595)			2,545,672					
Accounting income available for distribution																
- Relating to capital gains		12,763,682			15,945,332			9,789,789			-					
- Excluding capital gains		-			-			10,255			-					
		12,763,682			15,945,332			9,800,044			-					
Distribution during the year		(12,737,508)			(16,165,851)			(9,729,843)			-					
Adjustment against capital value		-			-			-			(2,545,672)					
Accumulated (loss) / undistributed income carried forward		(30,187,134)			81,482,840			(179,749,394)			-					
Accumulated (loss) / undistributed income carried forward																
- Realised (loss) / income		(37,800,287)			75,228,947			(180,097,293)			-					
- Unrealised income /(loss)		7,613,153			6,253,893			347,899			-					
		(30,187,134)			81,482,840			(179,749,394)			-					
		(Rupees)			(Rupees)			(Rupees)			(Rupees)					
Net asset value per unit at the beginning of the year		104.3577			101.2350			90.8004			-					
Net asset value per unit at the end of the year		104.4081			101.2971			90.9217			-					

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

		2026						
		Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V	Total
Note		Rupees						
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the year before taxation		12,737,693	20,052,402	10,038,795	-	-	-	42,828,890
Adjustments for:								
Unrealised (appreciation) / diminution on remeasurement of investments classified at fair value through profit or loss - net		6.2 (3,131,707)	96,632	(2,572,675)	-	-	-	(5,607,750)
		9,605,986	20,149,034	7,466,120	-	-	-	37,221,140
(Increase) / decrease in assets								
Investments - net		(69,265,219)	(72,363,223)	(12,712,644)	-	-	-	(154,341,086)
Advances and other receivable		(15,023)	(2,739,801)	1,074	-	-	-	(2,753,750)
Receivable from Alfalah Asset Management Limited - Management Company		-	-	140,000				140,000
		(69,280,242)	(75,103,024)	(12,571,570)	-	-	-	(156,954,836)
Increase / (decrease) in liabilities								
Payable to Alfalah Asset Management Limited - Management Company		3,391	26,125	(6,980)	-	-	-	22,536
Payable to Central Depository Company of Pakistan Limited - Trustee		(506)	(3,178)	4,740	-	-	-	1,056
Payable to the Securities and Exchange Commission of Pakistan		8,559	(2,914)	3,975	-	-	-	9,620
Accrued expenses and other liabilities		3,136,462	(1,812,093)	(278,843)	-	-	-	1,045,526
		3,147,906	(1,792,060)	(277,108)	-	-	-	1,078,738
Net cash (used in) / generated from operating activities		(56,526,350)	(56,746,050)	(5,382,558)	-	-	-	(118,654,958)
CASH FLOWS FROM FINANCING ACTIVITIES								
Receipts against issuance and conversion of units - net of refund of capital		145,921,586	324,671,795	171,775,732	-	-	-	642,369,113
Payments against redemption and conversion of units		(83,609,808)	(260,029,658)	(183,481,901)	-	-	-	(527,121,367)
Dividends paid		(6,705,350)	(11,065,486)	-	-	-	-	(17,770,836)
Net cash generated / (used in) from financing activities		55,606,428	53,576,651	(11,706,169)	-	-	-	97,476,910
Net (decrease) / increase in cash and cash equivalents during the year		(919,922)	(3,169,399)	(17,088,727)	-	-	-	(21,178,048)
Cash and cash equivalents at the beginning of the year		2,338,802	3,907,909	25,452,964	45,158	15,870	30,202	31,790,905
Cash and cash equivalents at the end of the year		5 1,418,880	738,510	8,364,237	45,158	15,870	30,202	10,612,857

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	2025						Total
	Islamic Moderate Allocation Plan	Islamic Balanced Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V	
Note	Rupees						
CASH FLOWS FROM OPERATING ACTIVITIES							
Net income for the year before taxation	20,859,680	30,620,746	11,811,353	-	-	-	63,291,779
Adjustments for:							
Unrealised (appreciation) / diminution on remeasurement of investments classified at fair value through profit or loss - net	6.2 (7,613,153)	(6,253,893)	(347,899)	-	-	-	(14,214,945)
	13,246,527	24,366,853	11,463,454	-	-	-	49,076,834
(Increase) / decrease in assets							
Investments - net	30,566,785	86,545,391	(8,366,977)	-	-	-	108,745,199
Advances and other receivable	13,756	(485,775)	3,755	-	-	-	(468,264)
Receivable from Alfalah Asset Management Limited - Management Company	-	-	(140,000)	-	-	-	(140,000)
	30,580,541	86,059,616	(8,503,222)	-	-	-	108,136,935
Increase / (decrease) in liabilities							
Payable to Alfalah Asset Management Limited - Management Company	(126,313)	(179,599)	(6,006)	-	-	-	(311,918)
Payable to Central Depository Company of Pakistan Limited - Trustee	(2,911)	(8,443)	(47,709)	-	-	-	(59,063)
Payable to the Securities and Exchange Commission of Pakistan	(3,060)	(7,604)	(5,757)	-	-	-	(16,421)
Accrued expenses and other liabilities	570,666	(378,509)	317,582	-	-	-	509,739
	438,382	(574,155)	258,110	-	-	-	122,337
Net cash (used in) / generated from operating activities	44,265,450	109,852,314	3,218,342	-	-	-	157,336,106
CASH FLOWS FROM FINANCING ACTIVITIES							
Receipts against issuance and conversion of units - net of refund of capital	11,710,212	38,958,505	273,018,947	-	-	-	323,687,664
Payments against redemption and conversion of units	(41,078,924)	(130,219,792)	(242,009,815)	-	-	-	(413,308,531)
Dividends paid	(12,737,508)	(16,165,851)	(9,729,843)	-	-	-	(38,633,202)
Net cash generated / (used in) from financing activities	(42,106,220)	(107,427,138)	21,279,289	-	-	-	(128,254,069)
Net (decrease) / increase in cash and cash equivalents during the year	2,159,230	2,425,176	24,497,631	-	-	-	29,082,037
Cash and cash equivalents at the beginning of the year	179,572	1,482,733	955,333	45,158	15,870	30,202	2,708,868
Cash and cash equivalents at the end of the year	5 2,338,802	3,907,909	25,452,964	45,158	15,870	30,202	31,790,905

The annexed notes from 1 to 25 and the Annexure 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 PROSPERITY PLANNING FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Alfalah GHP Islamic Prosperity Planning 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 as the Trustee. The Trust Deed was executed on March 15, 2016. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and Notified Entities Regulations, 2008 (the NBFC Regulations), on April 25, 2016.
- 1.2** The Trust Act, 1882 was repealed during financial year 2021 due to promulgation of Provincial Trust Act "Sindh Trusts Act, 2020", as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Management Company, after fulfilling the requirements for registration has registered the Collective Investment Scheme's Trust Deed with the Registrar under the Sindh Trusts Act, 2020 on September 13, 2021.
- 1.3** The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Islamic Chambers of Commerce, Industry and Agriculture Building, Clifton, Karachi, Pakistan.
- 1.4** The Fund is categorised as "Fund of Funds" pursuant to the provisions contained in Circular 7 of 2009 issued by the SECP and is listed on the Pakistan Stock Exchange Limited. The units of the Fund are being offered for public subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.
- 1.5** The objective of the Fund is to generate returns on investment as per the respective Allocation Plan by investing in shariah compliant Mutual Funds in line with the risk tolerance of the investor. The duration of the Fund is perpetual, however, allocation plans may have a set time frame. The Fund invests in units of other mutual funds and bank deposits. The investment objectives and policy are explained in the Fund's offering document. Presently, the Fund offers the following allocation plans:
- a. Alfalah GHP Islamic Moderate Allocation Plan (IMAP): The initial maturity of plan was two (2) years from the close of subscription period. However, the duration of the plan has been changed to perpetual. The commencement date of the plan is June 9, 2016.
 - b. Alfalah GHP Islamic Balanced Allocation Plan (IBAP) is perpetual. The commencement date of the plan is June 9, 2016.
 - c. Alfalah GHP Islamic Active Allocation Plan II (IAAP-II): The initial maturity of plan was two (2) years from the close of subscription period. However the duration of the plan has been changed to perpetual. The commencement date of the plan is March 14, 2022.
 - d. Alfalah GHP Islamic Active Allocation Plan III (IAAP-III): The initial maturity of plan was two (2) years and it matured on January 27, 2023.
 - e. Alfalah Islamic Capital Preservation Plan IV (ICCP-IV): The initial maturity of plan was two (2) years and it matured on October 6, 2023.
 - f. Alfalah Islamic Capital Preservation Plan V (ICCP-V): The initial maturity of plan was two (2) years and it matured on January 27, 2023.
- 1.6** VIS Credit Rating Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on January 26, 2026 (2025: AM1 dated January 02, 2025).
- 1.7** The title to the assets of the Fund are held in the name of CDC as the Trustee of the Fund.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and

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

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the functional and presentation currency of the Fund. All the amounts have been rounded off to the nearest of rupee, unless otherwise stated.

2.4 Critical accounting estimates and judgments

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

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

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

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

3.1 Amendments to published accounting and reporting standards that are effective in the current year

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

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

There are certain new standards and amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2026. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on the Fund's financial statements except for:

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

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

4.2 Financial instruments

4.2.1 Initial recognition and measurement

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

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

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

4.2.2 Classification and subsequent measurement

4.2.2.1 Financial Assets

There are three principal classification categories for financial assets:

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

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

Financial asset at amortised cost

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

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

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

Financial asset at FVTOCI

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

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

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

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

Financial asset at FVTPL

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

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

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

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

4.2.2.2 Financial liabilities

The Fund classifies its financial liabilities in the following categories:

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

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

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

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

4.2.3 Impairment of financial assets

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

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

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

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

4.2.4 Derecognition

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

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

4.2.5 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation in the units of mutual funds

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

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

4.2.6 Regular way contract

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

4.2.7 Offsetting of financial assets and liabilities

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

4.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

4.4 Provisions

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

4.5 Collaterals

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

4.6 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units).

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

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

4.7 Distributions to unit holders

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

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

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

4.8 Issuance and redemption of units

Units issued are recorded at the offer price, prevalent on the day on which the applications for purchase of units are received, however, units are issued on the receipt of cash / realisation of cheques. The offer price represents the net asset value per unit as at the close of the business day plus the allowable front-end sales load and provision of any duties and charges, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less any back-end load and an amount that the Management Company may consider to be an appropriate provision of duties and charges, if applicable. Redemption of units is recorded on acceptance of application for redemption.

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

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

4.10 Net asset value per unit

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

4.11 Revenue recognition

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

4.12 Expenses

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

5 BANK BALANCES

BANK BALANCES		Note	2026						
			IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
			Rupees						
In savings accounts	5.1	1,418,880	738,510	8,364,237	45,158	15,870	30,202	10,612,857	
		Note	2025						
			IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
			Rupees						
In savings accounts	5.1	2,338,802	3,907,909	25,452,964	45,158	15,870	30,202	31,790,905	

5.1 These accounts carry profit rates ranging from 6.51% to 10.75% (2025: 6.33% to 9.50%) per annum. These include bank balances of Rs. 1.265 million, Rs. 0.565 million, Rs. 7.886 million, Rs. 0.045 million, Rs. 0.016 million and Rs. 0.030 million maintained with Bank Alfalah Limited (a related party) for IMAP, IBAP, IAAP II, IAAP III, ICPP IV and ICPP V (2025: Rs. 2.197 million, Rs. 2.708 million, Rs. 25.010 million, Rs. 0.045 million, Rs. 0.016 million and Rs. 0.030 million) carrying profit at the rate of 6.51% (2025: 6.33%) per annum.

6 INVESTMENTS

INVESTMENTS		2026						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
At fair value through profit or loss		Rupees						
Units of open-end mutual funds	6.1	129,511,725	164,197,968	44,309,692	-	-	-	338,019,385
		2025						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
At fair value through profit or loss		Rupees						
Units of open-end mutual funds	6.1	57,114,799	91,931,377	29,024,373	-	-	-	178,070,549

6.1 Units of open-end mutual funds

6.1.1 Islamic Moderate Allocation Plan

Name of investee	As at July 1, 2025	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2026 *	As at June 30, 2026			Market value as a percentage	
					Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the Fund
----- Number of units -----					----- Rupees -----			----- % -----	
Alfalah GHP Islamic Income Fund	192,982	20,874	45,480	168,375	17,424,690	17,484,476	59,786	14.27	13.50
Alfalah Islamic Amdani Fund	26	120,368	27	120,367	12,289,074	12,084,078	(204,996)	9.86	9.33
Alfalah GHP Islamic Dedicated Equity Fund	241,752	367,452	245,436	363,767	39,715,642	45,014,975	5,299,333	36.74	34.76
Alfalah Islamic Money Market Fund	140,234	759,440	353,814	545,860	56,950,612	54,928,196	(2,022,416)	44.83	42.41
Total as at June 30, 2026					126,380,018	129,511,725	3,131,707	105.70	100.00
Total as at June 30, 2025					49,501,646	57,114,799	7,613,153	105.40	100.00

6.1.2 Islamic Balanced Allocation Plan

Name of investee	As at July 1, 2025	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2026 *	As at June 30, 2026			Market value as a percentage	
					Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the Fund
----- Number of units -----					----- Rupees -----			----- % -----	
Alfalah GHP Islamic Income Fund	415,056	19,777	197,755	237,078	24,520,647	24,618,561	97,914	14.90	14.99
Alfalah Islamic Amdani Fund	90	50,362	183	50,269	5,120,725	5,046,607	(74,118)	3.05	3.07
Alfalah GHP Islamic Dedicated Equity Fund	199,123	414,931	341,564	272,490	30,492,126	33,719,595	3,227,469	20.41	20.54
Alfalah Islamic Money Market Fund	298,830	2,291,785	1,588,764	1,001,851	104,161,102	100,813,205	(3,347,897)	61.03	61.40
Total as at June 30, 2026					164,294,600	164,197,968	(96,632)	99.39	100.00
Total as at June 30, 2025					85,677,484	91,931,377	6,253,893	100.17	100.00

6.1.3 Islamic Active Allocation Plan II

Name of investee	As at July 1, 2025	Purchased / reinvested during the year	Redeemed during the year	As at June 30, 2026 *	As at June 30, 2026			Market value as a percentage	
					Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the Fund
----- Number of units -----					----- Rupees -----			----- % -----	
Alfalah GHP Islamic Income Fund	366	29	-	395	40,833	40,997	164	0.08	0.09
Alfalah Islamic Amdani Fund	56	59	115	-	-	-	-	-	-
Alfalah GHP Islamic Dedicated Equity Fund	148,772	1,499,101	1,292,061	355,812	41,457,952	44,030,194	2,572,242	86.00	99.37
Alfalah Islamic Money Market Fund	147,279	139,264	284,173	2,370	238,232	238,501	269	0.47	0.54
Total as at June 30, 2026					41,737,017	44,309,692	2,572,675	86.55	100.00
Total as at June 30, 2025					28,676,474	29,024,373	347,899	54.90	100.00

* Units have been rounded off.

6.2 Unrealised appreciation / (diminution) on remeasurement of investments classified 'at fair value through profit or loss'

		2026						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
Market value of investments	6.1	129,511,725	164,197,968	44,309,692	-	-	-	338,019,385
Less: carrying value of investments	6.1	126,380,018	164,294,600	41,737,017	-	-	-	332,411,635
		3,131,707	(96,632)	2,572,675	-	-	-	5,607,750

		2025						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
Market value of investments	6.1	57,114,799	91,931,377	29,024,373	-	-	-	178,070,549
Less: carrying value of investments	6.1	49,501,646	85,677,484	28,676,474	-	-	-	163,855,604
		7,613,153	6,253,893	347,899	-	-	-	14,214,945

7 ADVANCES AND OTHER RECEIVABLE

ADVANCES AND OTHER RECEIVABLE		2026						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
Advance tax	7.1	848,531	1,062,237	914,078	372,965	228,085	130,513	3,556,409
Profit receivable on bank balances		5,118	471,723	167,850	-	-	-	644,691
Receivable against sales of investment		-	2,833,801	-	-	-	-	2,833,801
		853,649	4,367,761	1,081,928	372,965	228,085	130,513	7,034,901

		2025						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
Advance tax	7.1	838,626	1,040,971	906,131	372,965	228,085	130,513	3,517,291
Profit receivable on bank balances		-	586,989	176,871	-	-	-	763,860
		838,626	1,627,960	1,083,002	372,965	228,085	130,513	4,281,151

- 7.1 As per clause 47(B) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to Collective Investment Schemes (CISs) are exempt from withholding tax under section 150 and 151. However, during the current and prior years withholding tax on profit on bank balances paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015, which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on bank balances amounts to Rs. 0.839 million, Rs. 1.062 million, Rs. 0.914 million, Rs. 0.373 million, Rs. 0.228 million and Rs. 0.131 million for IMAP, IBAP, IAAP II, IAAP III, ICPP IV and ICPP V respectively (2025: Rs. 0.839 million, Rs. 1.041 million, Rs. 0.906 million, Rs. 0.373 million, Rs. 0.228 million and Rs. 0.131 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR), which was decided by the SHC in favour of FBR. Subsequently, 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 SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on bank balance received by the Fund has been shown as advance tax as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

**PAYABLE TO ALFALAH
ASSET MANAGEMENT
LIMITED - MANAGEMENT
COMPANY**

		2026						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
Management remuneration payable	8.1	4,581	7,633	8,588	-	1,438	-	22,240
Sindh Sales Tax payable on Management remuneration	8.2	677	1,147	1,288	-	187	-	3,299
Allocated expenses payable		-	-	15,959	-	70,145	-	86,104
Payable against preliminary expenses and floatation costs		-	-	-	-	60,000	-	60,000
Federal Excise Duty payable on management remuneration	8.3	83,821	83,234	-	-	-	-	167,055
Sales load payable		-	60,006	-	-	-	-	60,006
Other payable		10,000	10,000	-	347,236	-	160,715	527,951
		99,079	162,020	25,835	347,236	131,770	160,715	926,655

		2025						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
Management remuneration payable	8.1	1,802	6,481	15,201	-	1,438	-	24,922
Sindh Sales Tax payable on Management remuneration	8.2	65	972	1,655	-	187	-	2,879
Allocated expenses payable		-	-	15,959	-	70,145	-	86,104
Payable against preliminary expenses and floatation costs		-	-	-	-	60,000	-	60,000
Federal Excise Duty payable on management remuneration	8.3	83,821	83,234	-	-	-	-	167,055
Sales load payable		-	35,208	-	-	-	-	35,208
Other payable		10,000	10,000	-	347,236	-	160,715	527,951
		95,688	135,895	32,815	347,236	131,770	160,715	904,119

- 8.1** 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 maximum limit prescribed by the SECP vide S.R.O. 600(I)/2025 dated April 10, 2025. For Fund of Fund schemes, the applicable management fee cap is determined using a weighted average approach based on the respective allocation of net assets. During the year ended, the Management Company has charged management fee at the rate of 1.45% (2025: 1.25% to 1.45%) per annum of the average daily net assets of the Fund. The remuneration is payable to the Management Company on a monthly basis in arrears.
- 8.2** The Provincial Government of Sindh has levied Sindh Sales Tax at the rate of 15% (2025: 15%) on the remuneration of the Management Company through the Sindh Sales Tax on Services Act, 2011.
- 8.3** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 1, 2016. However, as a matter of abundant caution, the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs. 0.0838 million and Rs. 0.0832 million (2025: Rs. 0.0838 million and Rs. 0.0832 million) for IMAP and IBAP is being retained in the financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan.

Had the provision for FED not been recorded in these statements of the Fund, the net asset value of the Fund as at June 30, 2026 would have been higher by Rs. 0.078 and Rs. 0.052 (2025: Rs. 0.162 and Rs. 0.092) per unit for IMAP and IBAP respectively.

9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Trustee remuneration payable
Sindh Sales Tax payable on
Trustee remuneration

		2026						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
9.1		6,085	9,827	8,080	-	192	-	24,184
9.2		911	1,474	1,212	-	25	-	3,622
		6,996	11,301	9,292	-	217	-	27,806
		2025						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
9.1		6,546	12,590	3,959	-	192	-	23,287
9.2		956	1,889	593	-	25	-	3,463
		7,502	14,479	4,552	-	217	-	26,750

9.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration is payable to the trustee at the rate of 0.07% (2025: 0.075%) per annum of the daily net assets of the Fund for IMAP, IBAP and IAAP II respectively.

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

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Fee payable

		2026						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
10.1		15,271	10,529	8,168	-	-	-	33,968
		2025						
		IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Note		Rupees						
10.1		6,712	13,443	4,193	-	-	-	24,348

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged fee at the rate of 0.075% (2025: 0.075%) per annum of the daily net assets of the Fund for IMAP, IBAP and IAAP II respectively.

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

11 ACCRUED EXPENSES AND OTHER LIABILITIES

Withholding tax payable on:

- Redemption of units	403,372	47,271	1,268,527	-	-	-	1,719,170
- Dividend	1,738,015	3,253,498	-	-	-	-	4,991,513
Auditor's remuneration payable	212,026	117,775	475,333	54,579	50,998	-	910,711
Listing fee payable	8,132	20,464	7,709	-	-	-	36,305
Rating fee payable	92,130	142,752	157,451	-	17,705	-	410,038
Shariah advisory fee payable	31,338	394	5,997	-	26,738	-	64,467
Shariah audit fee payable	20,272	34,335	-	-	-	-	54,607
Legal and professional fee payable	10,621	15,941	55,090	-	-	-	81,652
Printing charges payable	8,139	-	-	-	16,527	-	24,666
Payable against redemption of units	4,016,223	-	-	-	-	-	4,016,223
Sales load payable	2,492,925	79,820	-	-	-	-	2,572,745
Other payable	98,480	-	546,137	16,308	-	-	660,925
	9,131,673	3,712,250	2,516,244	70,887	111,968	-	15,543,022

	2025						
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
	Rupees						
Withholding tax payable on:							
- Redemption of units	402,728	161,134	48,427	-	-	-	612,289
- Dividend	1,915,632	4,677,776	1,557,987	-	-	-	8,151,395
Auditors' remuneration payable	157,578	226,386	448,399	54,579	50,998	-	937,940
Listing fee payable	9,169	23,641	5,900	-	-	-	38,710
Rating fee payable	92,130	142,752	157,451	-	17,705	-	410,038
Shariah advisory fee payable	75,530	30,273	13,611	-	26,738	-	146,152
Shariah audit fee payable	-	-	-	-	-	-	-
Legal and professional fee payable	-	-	-	-	-	-	-
Printing charges payable	11,137	121,131	17,175	-	16,527	-	165,970
Payable against redemption of units	400,000	-	-	-	-	-	400,000
Sales load payable	2,832,827	141,250	-	-	-	-	2,974,077
Other payable	98,480	-	546,137	16,308	-	-	660,925
	5,995,211	5,524,343	2,795,087	70,887	111,968	-	14,497,496

12 CONTINGENCIES AND COMMITMENTS

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

13 AUDITOR'S REMUNERATION

	2026				
	IMAP	IBAP	IAAP-II	ICPP-IV	Total
	Rupees				
Annual audit fee	154,332	194,381	155,576	-	504,289
Fee for half yearly review of condensed interim financial statements	92,600	116,629	93,345	-	302,574
Fee for other certifications	61,733	77,753	62,230	-	201,716
Out of pocket expenses	30,867	38,876	31,115	-	100,858
	339,532	427,639	342,266	-	1,109,437
Sindh Sales Tax	27,163	34,212	27,381	-	88,756
	366,695	461,851	369,647	-	1,198,193

	2025				
	IMAP	IBAP	IAAP-II	ICPP-IV	Total
	Rupees				
Annual audit fee	133,544	251,409	73,493	-	458,446
Fee for half yearly review of condensed interim financial statements	80,126	150,845	44,095	-	275,066
Fee for other certifications	53,417	100,564	29,397	-	183,378
Out of pocket expenses	26,709	50,282	14,698	-	91,689
	293,796	553,100	161,683	-	1,008,579
Sindh Sales Tax	23,504	44,248	12,935	-	80,687
	317,300	597,348	174,618	-	1,089,266

14 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2026 are 0.84%, 0.62%, 0.67% (2025: 0.71%, 0.75%, 0.44%) which includes 0.05%, 0.03%, 0.10% (2025: 0.09%, 0.09%, 0.09%) representing government levies on IMAP, IBAP and IAAP II respectively such as government levy, SECP fee and the Sales Tax. Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O 600(I)/2025 dated April 10, 2025, the requirement related to maximum Total Expense Ratio limits has been removed as applicable to Collective Investment Schemes, effective from July 01, 2025.

15 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Further, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. During the year ended June 30, 2026, the Fund has distributed by way of cash dividend at minimum 90 percent of accounting income for the year as reduced by capital gains, whether realised or unrealised, to the unit holders. Accordingly, no provision for taxation has been recognised in the financial statements.

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

16 EARNINGS PER UNIT (EPU)

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

17 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

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

Transactions with related parties / connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges, sale and purchase of investment and distribution payments to connected persons. The transactions with related parties / connected person are also in the normal course of business, at contracted rates as duly approved by the Board of Directors.

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

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

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

17.1 Unit holders' fund

	2026									
	As at July 01,2025	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2026	As at July 01,2025 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2026 **
	Units					Rupees				
Islamic Moderate Allocation Plan										
Unit holder holding 10% or more units	482,964	281,278	52,291	-	816,533	50,425,374	32,800,173	5,939,236	-	92,841,784
	2025									
	As at July 01,2024	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2025	As at July 01,2024 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2025 ** / ***
	Units					Rupees				
Unit holder holding 10% or more units	563,628	204	98,152	179,020	482,964	58,818,922	26,614	10,242,969	23,354,649	50,425,374
	2026									
	As at July 01,2025	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2026	As at July 01,2025 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2026 **
	Units					Rupees				
Islamic Balance Allocation Plan										
Unit holder holding 10% or more units	-	582,327	45,826	-	628,153	-	61,199,589	4,747,228	-	65,099,767
	2025									
	As at July 01,2024	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2025	As at July 01,2024 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2025 **
	Units					Rupees				
Unit holder holding 10% or more units	771,330	-	-	771,330	-	78,085,593	-	-	78,085,593	-
	2026									
	As at July 01,2025	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2026	As at July 01,2025 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2026 **
	Units					Rupees				
Islamic Active Allocation Plan II										
Associated companies / undertakings										
Alfalah Asset Management Limited - Management Company	-	274,788	-	274,788	-	-	28,518,320	-	28,299,260	-
Bank Alfalah Limited - Employees Gratuity Fund	-	266	-	-	266	-	24,933	-	-	28,560
Unit holder holding 10% or more units	278,677	-	-	-	278,677	25,337,824	-	-	-	29,921,522
	2025									
	As at July 01,2024	Issued for cash / conversion in / transfer in	Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2025	As at July 01,2024 **	Issued for cash / conversion in / transfer in *	Dividend reinvested *	Redeemed / conversion out / transfer out *	Net asset value as at June 30, 2025 **
	Units					Rupees				
Islamic Active Allocation Plan II										
Associated companies / undertakings										
Unit holder holding 10% or more units	102,926	95,016	80,765	30	278,677	9,345,722	12,271,375	7,333,665	3,871	25,337,824

17.1.1 This reflects the position of Related Party / Connected Persons status as at June 30, 2026 and June 30, 2025

* These amounts are based on transactions price.

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

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

17.2 Transactions during the year

2026						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Rupees						

Associated companies / undertakings

Alfalah Asset Management Limited - Management Company

Remuneration of the Management Company	236,449	259,868	159,134	-	-	-	655,451
Sindh Sales Tax on remuneration of the Management Company	35,467	38,980	23,870	-	-	-	98,317
Sales load payable	940,283	1,064,545	2,733,722	-	-	-	4,738,550

Bank Alfalah Limited

Profit on balances with banks	1,110,917	1,212,667	573,138	-	-	-	2,896,722
-------------------------------	-----------	-----------	---------	---	---	---	-----------

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	76,623	144,071	89,496	-	-	-	310,190
Sindh Sales Tax on remuneration of the Trustee	11,493	21,611	13,424	-	-	-	46,528

2025						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Rupees						

Associated companies / undertakings

Alfalah Asset Management Limited - Management Company

Remuneration of the Management Company	58	35,224	38,703	-	-	-	73,985
Sindh Sales Tax on remuneration of the Management Company	9	5,284	1,970	-	-	-	7,263

Bank Alfalah Limited

Profit on balances with banks	14,652	45,849	86,085	-	-	-	146,586
-------------------------------	--------	--------	--------	---	---	---	---------

Central Depository Company of Pakistan Limited - Trustee

Remuneration of the Trustee	52,710	112,327	46,188	-	-	-	211,225
Sindh Sales Tax on remuneration of the Trustee	7,883	16,797	6,922	-	-	-	31,602

17.3 Amounts outstanding as at year end

2026						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Rupees						

Associated companies / undertakings

Alfalah Asset Management Limited - Management Company

Management remuneration payable	4,581	7,633	8,588	-	1,438	-	22,240
Sindh Sales Tax on management remuneration	677	1,147	1,288	-	187	-	3,299
Allocated expenses payable	-	-	15,959	-	70,145	-	86,104
Payable against preliminary expenses and floatation costs	-	-	-	-	60,000	-	60,000

2026						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total

Rupees

Associated companies / undertakings

**Alfalah Asset Management Limited -
Management Company**

Sales load payable	-	60,006	-	-	-	-	60,006
Payable on Federal Excise							
Duty on management remuneration	83,821	83,234	-	-	-	-	167,055
Other payable	10,000	10,000	-	347,236	-	160,715	527,951

Bank Alfalah Limited

Bank balances	1,264,524	565,427	7,885,769	45,158	15,870	30,202	9,806,950
Profit receivable on bank							
balances	13,538	16,000	62,054	-	-	-	91,592

**Central Depository Company of
Pakistan Limited - Trustee**

Trustee remuneration payable	6,085	9,827	8,080	-	192	-	24,184
Sindh Sales Tax payable on							
Trustee remuneration	911	1,474	1,212	-	25	-	3,622

2025						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total

Rupees

Associated companies / undertakings

**Alfalah Asset Management Limited -
Management Company**

Management remuneration payable	1,802	6,481	15,201	-	1,438	-	24,922
Sindh Sales Tax on management							
remuneration	65	972	1,655	-	187	-	2,879
Allocated expenses payable	-	-	15,959	-	70,145	-	86,104
Payable against preliminary expenses							
and floatation costs	-	-	-	-	60,000	-	60,000
Sales load payable	-	35,208	-	-	-	-	35,208
Payable on Federal Excise							
Duty on management remuneration	83,821	83,234	-	-	-	-	167,055
Other payable	10,000	10,000	-	347,236	-	160,715	527,951

Bank Alfalah Limited

Bank balances	2,196,751	2,708,195	25,009,716	45,158	15,870	30,202	30,005,892
Profit receivable on bank							
balances	18,197	557,456	35,879	-	-	-	611,532

**Central Depository Company of
Pakistan Limited - Trustee**

Trustee remuneration payable	6,546	12,590	3,959	-	192	-	23,287
Sindh Sales Tax payable on							
Trustee remuneration	956	1,889	593	-	25	-	3,463

Particulars	2026																	
	Islamic Moderate Allocation Plan			Islamic Balanced Allocation Plan			Islamic Active Allocation Plan II			Islamic Active Allocation Plan III			Islamic Capital Preservation Plan IV			Islamic Capital Preservation Plan V		
	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total
Rupees																		
Financial assets																		
Bank balances	1,418,880	-	1,418,880	738,510	-	738,510	8,364,237	-	8,364,237	45,158	-	45,158	15,870	-	15,870	30,202	-	30,202
Investments	-	129,511,725	129,511,725	-	164,197,968	164,197,968	-	44,309,692	44,309,692	-	-	-	-	-	-	-	-	-
Profit receivable	5,118	-	5,118	3,305,524	-	3,305,524	167,850	-	167,850	-	-	-	-	-	-	-	-	-
	<u>1,423,998</u>	<u>129,511,725</u>	<u>130,935,723</u>	<u>4,044,034</u>	<u>164,197,968</u>	<u>168,242,002</u>	<u>8,532,087</u>	<u>44,309,692</u>	<u>52,841,779</u>	<u>45,158</u>	<u>-</u>	<u>45,158</u>	<u>15,870</u>	<u>-</u>	<u>15,870</u>	<u>30,202</u>	<u>-</u>	<u>30,202</u>
Financial liabilities																		
Payable to Alfalah Asset Management Limited - Management Company	99,079	-	99,079	162,020	-	162,020	25,835	-	25,835	347,236	-	347,236	131,770	-	131,770	160,715	-	160,715
Payable to Central Depository Company of Pakistan Limited - Trustee	6,996	-	6,996	11,301	-	11,301	9,292	-	9,292	-	-	-	217	-	217	-	-	-
Dividend Payable	-	-	-	214,664	-	214,664	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	6,990,286	-	6,990,286	411,481	-	411,481	1,247,717	-	1,247,717	70,887	-	70,887	111,968	-	111,968	-	-	-
	<u>7,096,361</u>	<u>-</u>	<u>7,096,361</u>	<u>799,466</u>	<u>-</u>	<u>799,466</u>	<u>1,282,844</u>	<u>-</u>	<u>1,282,844</u>	<u>418,123</u>	<u>-</u>	<u>418,123</u>	<u>243,955</u>	<u>-</u>	<u>243,955</u>	<u>160,715</u>	<u>-</u>	<u>160,715</u>
2025																		
Particulars	Islamic Moderate Allocation Plan			Islamic Balanced Allocation Plan			Islamic Active Allocation Plan II			Islamic Active Allocation Plan III			Islamic Capital Preservation Plan IV			Islamic Capital Preservation Plan V		
	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total	At amortised cost	At fair value through profit or loss	Sub Total
Rupees																		
Financial assets																		
Bank balances	2,338,802	-	2,338,802	3,907,909	-	3,907,909	25,452,964	-	25,452,964	45,158	-	45,158	15,870	-	15,870	30,202	-	30,202
Investments	-	57,114,799	57,114,799	-	91,931,377	91,931,377	-	29,024,373	29,024,373	-	-	-	-	-	-	-	-	-
Profit receivable	-	-	-	586,989	-	586,989	176,871	-	176,871	-	-	-	-	-	-	-	-	-
	<u>2,338,802</u>	<u>57,114,799</u>	<u>59,453,601</u>	<u>4,494,898</u>	<u>91,931,377</u>	<u>96,426,275</u>	<u>25,629,835</u>	<u>29,024,373</u>	<u>54,654,208</u>	<u>45,158</u>	<u>-</u>	<u>45,158</u>	<u>15,870</u>	<u>-</u>	<u>15,870</u>	<u>30,202</u>	<u>-</u>	<u>30,202</u>
Financial liabilities																		
Payable to Alfalah Asset Management Limited - Management Company	95,688	-	95,688	135,895	-	135,895	32,815	-	32,815	347,236	-	347,236	131,770	-	131,770	160,715	-	160,715
Payable to Central Depository Company of Pakistan Limited - Trustee	7,502	-	7,502	14,479	-	14,479	4,552	-	4,552	-	-	-	217	-	217	-	-	-
Dividend Payable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	3,676,851	-	3,676,851	685,433	-	685,433	1,188,673	-	1,188,673	70,887	-	70,887	111,968	-	111,968	-	-	-
	<u>3,780,041</u>	<u>-</u>	<u>3,780,041</u>	<u>835,807</u>	<u>-</u>	<u>835,807</u>	<u>1,226,040</u>	<u>-</u>	<u>1,226,040</u>	<u>418,123</u>	<u>-</u>	<u>418,123</u>	<u>243,955</u>	<u>-</u>	<u>243,955</u>	<u>160,715</u>	<u>-</u>	<u>160,715</u>

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

19.1 Market risk

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

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

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

19.1.1 Currency risk

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

19.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2026, the Fund is exposed to such risk on Bank balances. 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 profit rate profile of the Fund's profit bearing financial instruments, as at June 30, 2026, is as follows:

2026						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
----- Rupees -----						
Variable rate instruments (financial assets)						
Bank balances	<u>1,418,880</u>	<u>738,510</u>	<u>8,364,237</u>	<u>45,158</u>	<u>15,870</u>	<u>10,612,857</u>
2025						
IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
----- Rupees -----						
Variable rate instruments (financial assets)						
Bank balances	<u>2,338,802</u>	<u>3,907,909</u>	<u>25,452,964</u>	<u>45,158</u>	<u>15,870</u>	<u>31,790,905</u>

a) Sensitivity analysis of variable rate instruments

Presently, the Fund holds Bank balances which expose the Fund to cash flow profit rate risk. A reasonably possible change of 100 basis points in profit rates at the reporting date with all other variables held constant the impact on net income and net assets will be as follows:

	2026						
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Change in basis points	Rupees						
Increase in 100 basis points	14,189	7,385	83,642	452	159	302	106,129
Decrease in 100 basis points	(14,189)	(7,385)	(83,642)	(452)	(159)	(302)	(106,129)
	2025						
	IMAP	IBAP	IAAP-II	IAAP-III	ICPP-IV	ICPP-V	Total
Change in basis points	Rupees						
Increase in 100 basis points	23,388	39,079	254,530	452	159	302	317,910
Decrease in 100 basis points	(23,388)	(39,079)	(254,530)	(452)	(159)	(302)	(317,910)

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

Profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date which is as follows:

Islamic Moderate Allocation Plan

Particulars	2026					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- Rupees -----				
Financial assets						
Bank balances	6.51% - 10.75%	1,418,880	-	-	-	1,418,880
Investments		-	-	-	129,511,725	129,511,725
Profit receivable		-	-	-	5,118	5,118
Sub total		1,418,880	-	-	129,516,843	130,935,723
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	99,079	99,079
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	6,996	6,996
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	6,990,286	6,990,286
Sub total		-	-	-	7,096,361	7,096,361
On-balance sheet gap (a)		1,418,880	-	-	122,420,482	123,839,362
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		1,418,880	-	-		
Cumulative profit rate sensitivity gap		1,418,880	1,418,880	1,418,880		

Particulars	2025					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- Rupees -----				
Financial assets						
Bank balances	6.33% - 9.5%	2,338,802	-	-	-	2,338,802
Investments		-	-	-	57,114,799	57,114,799
Sub total		2,338,802	-	-	57,114,799	59,453,601
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	95,688	95,688
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	7,502	7,502
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	3,676,851	3,676,851
Sub total		-	-	-	3,780,041	3,780,041
On-balance sheet gap (a)		2,338,802	-	-	53,334,758	55,673,560
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		2,338,802	-	-		
Cumulative profit rate sensitivity gap		2,338,802	2,338,802	2,338,802		

Islamic Balanced Allocation Plan

Particulars	2026					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees				
Financial assets						
Bank balances	6.51% - 10.75%	738,510	-	-	-	738,510
Investments		-	-	-	164,197,968	164,197,968
Profit receivable		-	-	-	3,305,524	3,305,524
Sub total		738,510	-	-	167,503,492	168,242,002
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	162,020	162,020
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	11,301	11,301
Dividend Payable		-	-	-	214,664	214,664
Accrued expenses and other liabilities		-	-	-	411,481	411,481
Sub total		-	-	-	799,466	799,466
On-balance sheet gap (a)		738,510	-	-	166,704,026	167,442,536
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		738,510	-	-		
Cumulative profit rate sensitivity gap		738,510	738,510	738,510		

Particulars	2025					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees				
Financial assets						
Bank balances	6.33% - 9.5%	3,907,909	-	-	-	3,907,909
Investments		-	-	-	91,931,377	91,931,377
Profit receivable		-	-	-	586,989	586,989
Sub total		3,907,909	-	-	92,518,366	96,426,275
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	135,895	135,895
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	14,479	14,479
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	685,433	685,433
Sub total		-	-	-	835,807	835,807
On-balance sheet gap (a)		3,907,909	-	-	91,682,559	95,590,468
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		3,907,909	-	-		
Cumulative profit rate sensitivity gap		3,907,909	3,907,909	3,907,909		

Islamic Active Allocation Plan II

Particulars	2026					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees				
Financial assets						
Bank balances	6.51% - 10.75%	8,364,237	-	-	-	8,364,237
Investments		-	-	-	44,309,692	44,309,692
Profit receivable		-	-	-	167,850	167,850
Sub total		8,364,237	-	-	44,477,542	52,841,779
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	25,835	25,835
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	9,292	9,292
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	1,247,717	1,247,717
Sub total		-	-	-	1,282,844	1,282,844
On-balance sheet gap (a)		8,364,237	-	-	43,194,698	51,558,935
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		8,364,237	-	-		
Cumulative profit rate sensitivity gap		8,364,237	8,364,237	8,364,237		

Particulars	2025					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees				
Financial assets						
Bank balances	6.33% - 9.5%	25,452,964	-	-	-	25,452,964
Investments		-	-	-	29,024,373	29,024,373
Profit receivable		-	-	-	176,871	176,871
Sub total		25,452,964	-	-	29,201,244	54,654,208
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	32,815	32,815
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	4,552	4,552
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	1,188,673	1,188,673
Sub total		-	-	-	1,226,040	1,226,040
On-balance sheet gap (a)		25,452,964	-	-	27,975,204	53,428,168
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		25,452,964	-	-		
Cumulative profit rate sensitivity gap		25,452,964	25,452,964	25,452,964		

Islamic Active Allocation Plan III

Particulars	2026					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- Rupees				
Financial assets						
Bank balances	6.51% - 10.75%	45,158	-	-	-	45,158
Sub total		45,158	-	-	-	45,158
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	347,236	347,236
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	70,887	70,887
Sub total		-	-	-	418,123	418,123
On-balance sheet gap (a)		45,158	-	-	(418,123)	(372,965)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		45,158	-	-		
Cumulative profit rate sensitivity gap		45,158	45,158	45,158		

Particulars	2025					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees				
Financial assets						
Bank balances	6.33% - 9.5%	45,158	-	-	-	45,158
Sub total		45,158	-	-	-	45,158
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	347,236	347,236
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	70,887	70,887
Sub total		-	-	-	418,123	418,123
On-balance sheet gap (a)		45,158	-	-	(418,123)	(372,965)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		45,158	-	-		
Cumulative profit rate sensitivity gap		45,158	45,158	45,158		

Islamic Capital Preservation Plan IV

Particulars	2026					
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	----- Rupees -----				

Financial assets

Bank balances	6.51% - 10.75%	15,870	-	-	-	15,870
Sub total		15,870	-	-	-	15,870

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company		-	-	-	131,770	131,770
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	217	217
Dividend Payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	111,968	111,968
Sub total		-	-	-	243,955	243,955

On-balance sheet gap (a)		15,870	-	-	(243,955)	(228,085)
---------------------------------	--	--------	---	---	-----------	-----------

Off-balance sheet financial instruments		-	-	-	-	-
--	--	---	---	---	---	---

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

Total profit rate sensitivity gap (a) + (b)		15,870	-	-		
--	--	--------	---	---	--	--

Cumulative profit rate sensitivity gap		15,870	15,870	15,870		
---	--	--------	--------	--------	--	--

Particulars	2025					
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	Total
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees				

Financial assets

Bank balances	6.33% - 9.5%	15,870	-	-	-	15,870
Sub total		15,870	-	-	-	15,870

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company		-	-	-	131,770	131,770
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	217	217
Dividend payable		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	111,968	111,968
Sub total		-	-	-	243,955	243,955

On-balance sheet gap (a)		15,870	-	-	(243,955)	(228,085)
---------------------------------	--	--------	---	---	-----------	-----------

Off-balance sheet financial instruments		-	-	-	-	-
--	--	---	---	---	---	---

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

Total profit rate sensitivity gap (a) + (b)		15,870	-	-		
--	--	--------	---	---	--	--

Cumulative profit rate sensitivity gap		15,870	15,870	15,870		
---	--	--------	--------	--------	--	--

Islamic Capital Preservation Plan V

Particulars	2026					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	----- Rupees -----				
Financial assets						
Bank balances	6.51% - 10.75%	30,202	-	-	-	30,202
Sub total		30,202	-	-	-	30,202
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	160,715	160,715
Sub total		-	-	-	160,715	160,715
On-balance sheet gap (a)		30,202	-	-	(160,715)	(130,513)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		30,202	-	-		
Cumulative profit rate sensitivity gap		30,202	30,202	30,202		

Particulars	2025					Total
	Effective profit rate	Exposed to profit rate risk			Not exposed to profit rate risk	
		Upto three months	More than three months and upto one year	More than one year		
	%	Rupees				
Financial assets						
Bank balances	6.33% - 9.5%	30,202	-	-	-	30,202
Sub total		30,202	-	-	-	30,202
Financial liabilities						
Payable to Alfalah Asset Management Limited - Management Company		-	-	-	160,715	160,715
Sub total		-	-	-	160,715	160,715
On-balance sheet gap (a)		30,202	-	-	(160,715)	(130,513)
Off-balance sheet financial instruments		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a) + (b)		30,202	-	-		
Cumulative profit rate sensitivity gap		30,202	30,202	30,202		

19.1.3 Other Price risk

Other 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 equity price arising from the Fund's investments in open end mutual funds. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's constitutive documents, the NBFC regulations and circulars issued by the SECP time to time.

In case of 5% increase / decrease in PSX index on June 30, 2025, with all other variables held constant, the total income for the year would increase / decrease by Rs. 6.476 million, 8.210 million and 2.215 million (2025: Rs. 2.856 million, 4.597 million and 1.451 million) for IMAP, IBAP and IAAP-II and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on investments classified as financial assets at fair value through profit or loss.

19.2 Credit risk

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

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

19.2.1 Exposure to credit risk

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

Islamic Moderate Allocation Plan	2026		2025	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	Rupees			
Bank balances	1,418,880	1,418,880	2,338,802	2,338,802
Investments	129,511,725	-	57,114,799	-
Advances and other receivable	5,118	5,118	-	-
	130,935,723	1,423,998	59,453,601	2,338,802
Islamic Balance Allocation Plan				
Bank balances	738,510	738,510	3,907,909	3,907,909
Investments	164,197,968	-	91,931,377	-
Advances and other receivable	3,305,524	3,305,524	586,989	586,989
	168,242,002	4,044,034	96,426,275	4,494,898
Islamic Active Allocation Plan II				
Bank balances	8,364,237	8,364,237	25,452,964	25,452,964
Investments	44,309,692	-	29,024,373	-
Advances and other receivable	167,850	167,850	176,871	176,871
	52,841,779	8,532,087	54,654,208	25,629,835
Islamic Active Allocation Plan III				
Bank balances	45,158	45,158	45,158	45,158
Islamic Capital Preservation Plan IV				
Bank balances	15,870	15,870	15,870	15,870
Islamic Capital Preservation Plan V				
Bank balances	30,202	30,202	30,202	30,202

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in units of mutual funds are not exposed to credit risk.

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

No financial assets were considered to be past due or impaired as at June 30, 2026 and June 30, 2025.

19.2.2 Credit quality of financial assets

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

Islamic Moderate Allocation Plan

Bank	Rating agency	Rating (Short term / Long term)	2026	2025
			Percentage of total bank balance	
Allied Bank Limited	PACRA	A1+ / AAA	0.70%	0.42%
Bank Alfalah Limited	PACRA	A1+ / AAA	89.12%	93.93%
Bank Islami Pakistan Limited	PACRA	A1 / AA-	4.12%	2.44%
Dubai Islamic Bank Limited	VIS	A1+ / AA	3.39%	1.66%
Soneri Bank Limited	PACRA	A1+ / AA	1.14%	0.62%
Meezan Bank Limited	VIS	A1+ / AAA	0.74%	0.45%
Faysal Bank Limited	PACRA	A1+ / AA+	0.80%	0.48%
			100.00%	100.00%

Islamic Balance Allocation Plan

Bank	Rating agency	Rating (Short term / Long term)	2026	2025
			Percentage of total bank balance	
Allied Bank Limited	PACRA	A1+ / AAA	1.37%	0.26%
Dubai Islamic Bank Limited	VIS	A1+ / AA	4.07%	0.58%
Soneri Bank Limited	PACRA	A1+ / AA	2.27%	0.37%
Bank Alfalah Limited	PACRA	A1+ / AAA	76.56%	69.30%
Bank Islami Pakistan Limited	PACRA	A1 / AA-	12.56%	28.93%
Meezan Bank Limited	VIS	A1+ / AAA	1.59%	0.27%
Faysal Bank Limited	PACRA	A1+ / AA+	1.58%	0.29%
			100.00%	100.00%

Islamic Active Allocation Plan II

Bank	Rating agency	Rating (Short term / Long term)	2026	2025
			Percentage of total bank balance	
Allied Bank Limited	PACRA	A1+ / AAA	0.13%	0.04%
Bank Alfalah Limited	PACRA	A1+ / AAA	94.28%	98.26%
Bank Islami Pakistan Limited	PACRA	A1 / AA-	4.76%	1.43%
Dubai Islamic Bank Limited	VIS	A1+ / AA	0.32%	0.11%
Soneri Bank Limited	PACRA	A1+ / AA	0.29%	0.09%
Meezan Bank Limited	VIS	A1+ / AAA	0.13%	0.04%
Faysal Bank Limited	PACRA	A1+ / AA+	0.10%	0.03%
			100.00%	100.00%

Islamic Active Allocation Plan III

Bank	Rating agency	Rating (Short term / Long term)	2026	2025
			Percentage of total bank balance	
Bank Alfalah Limited	PACRA	A1+ / AAA	100.00%	100.00%
			100.00%	100.00%

Islamic Capital Preservation Plan IV

Bank	Rating agency	Rating (Short term / Long term)	2026	2025
			Percentage of total bank balance	
Bank Alfalah Limited	PACRA	A1+ / AAA	100.00%	100.00%
			100.00%	100.00%

Islamic Capital Preservation Plan V

Bank	Rating agency	Rating (Short term / Long term)	2026	2025
			Percentage of total bank balance	
Bank Alfalah Limited	PACRA	A1+ / AAA	100.00%	100.00%
			100.00%	100.00%

Above ratings are on the basis of available ratings assigned by PACRA and Vital Information Services (VIS) as of June 30, 2026.

19.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors affect the group of counter parties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk, the Fund has entered into transactions with credit worthy counterparties thereby mitigating any significant risk due to concentration of credit risk.

19.3 Liquidity risk

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

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

As per the NBFC Regulations, 2008, the Fund can borrow in the short-term to ensure settlement subject to the maximum limit which is fifteen percent of the net assets up to 90 days and would be secured by the assets of the Fund. However, no borrowing was required to be obtained by the Fund during the year.

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

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

Islamic Moderate Allocation Plan

2026				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total
Rupees				
Payable to Alfalah Asset Management Limited - Management Company	99,079	-	-	99,079
Payable to Central Depository Company of Pakistan Limited - Trustee	6,996	-	-	6,996
Accrued expenses and other liabilities	6,990,286	-	-	6,990,286
	7,096,361	-	-	7,096,361
2025				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total
Rupees				
Payable to Alfalah Asset Management Limited - Management Company	95,688	-	-	95,688
Payable to Central Depository Company of Pakistan Limited - Trustee	7,502	-	-	7,502
Accrued expenses and other liabilities	3,676,851	-	-	3,676,851
	3,780,041	-	-	3,780,041

Islamic Balanced Allocation Plan

2026				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

Rupees

Financial liabilities

Payable to Alfalah Asset Management

Limited - Management Company

Payable to Central Depository Company of

Pakistan Limited - Trustee

Accrued expenses and other liabilities

162,020	-	-	-	162,020
11,301	-	-	-	11,301
411,481	-	-	-	411,481
584,802	-	-	-	584,802

2025				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

Rupees

Financial liabilities

Payable to Alfalah Asset Management

Limited - Management Company

Payable to Central Depository Company of

Pakistan Limited - Trustee

Accrued expenses and other liabilities

135,895	-	-	-	135,895
14,479	-	-	-	14,479
685,433	-	-	-	685,433
835,807	-	-	-	835,807

Islamic Active Allocation Plan II

2026				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

Rupees

Financial liabilities

Payable to Alfalah Asset Management

Limited - Management Company

Payable to Central Depository Company of

Pakistan Limited - Trustee

Accrued expenses and other liabilities

25,835	-	-	-	25,835
9,292	-	-	-	9,292
1,247,717	-	-	-	1,247,717
1,282,844	-	-	-	1,282,844

2025				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

----- Rupees -----

Financial liabilities

Payable to Alfalah Asset Management

Limited - Management Company

Payable to Central Depository Company of

Pakistan Limited - Trustee

Accrued expenses and other liabilities

32,815	-	-	-	32,815
4,552	-	-	-	4,552
1,188,673	-	-	-	1,188,673
1,226,040	-	-	-	1,226,040

Islamic Active Allocation Plan III

2026				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

----- Rupees -----

Financial liabilities

Payable to Alfalah Asset Management

Limited - Management Company

Accrued expenses and other liabilities

347,236	-	-	-	347,236
70,887	-	-	-	70,887
418,123	-	-	-	418,123

2025				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

----- Rupees -----

Financial liabilities

Payable to Alfalah Asset Management

Limited - Management Company

Accrued expenses and other liabilities

347,236	-	-	-	347,236
70,887	-	-	-	70,887
418,123	-	-	-	418,123

Islamic Capital Preservation Plan IV

2026				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

Rupees

Financial liabilities

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

131,770	-	-	-	131,770
217	-	-	-	217
111,968	-	-	-	111,968
243,955	-	-	-	243,955

2025				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

Rupees

Financial liabilities

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

131,770	-	-	-	131,770
217	-	-	-	217
111,968	-	-	-	111,968
243,955	-	-	-	243,955

Islamic Capital Preservation Plan V

2026				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

Rupees

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company

160,715	-	-	-	160,715
160,715	-	-	-	160,715

2025				
Upto three months	More than three months and upto one year	More than one year	Financial Instruments with no fixed maturity	Total

Rupees

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company

160,715	-	-	-	160,715
160,715	-	-	-	160,715

20 FAIR VALUE MEASUREMENT

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

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

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

20.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

2026				2025			
Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total

Financial assets 'at fair value through profit or loss'

Units of open-end mutual funds

Islamic Moderate Allocation Plan	45,014,975	84,496,750	-	129,511,725	23,082,660	34,032,139	-	57,114,799
Islamic Balanced Allocation Plan	33,719,595	130,478,373	-	164,197,968	19,012,372	72,919,005	-	91,931,377
Islamic Active Allocation Plan II	44,030,194	279,498	-	44,309,692	14,204,767	14,819,606	-	29,024,373

21 UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund is an open end collective investment scheme. The unit holders' fund of open end schemes is represented by net assets attributable to unit holders. The risk in case of an open end scheme is 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 times during the life of the scheme. The Fund has maintained minimum size of one hundred million rupees at all times during the year.

22 DISTRIBUTIONS DURING THE YEAR

Distribution for the year ended June 30, 2026

2026				
Rate per unit	Declaration date	Refund of capital	Distribution from income	
----- Rupees -----				
Islamic Moderate Allocation Plan	Rs. 9.5964	June 29, 2026	2,965,919	6,705,350
Islamic Balanced Allocation Plan	Rs. 10.2168	June 29, 2026	3,854,486	11,280,150
Islamic Active Allocation Plan II	Rs. Nil	-	-	-

2025				
	Rate per unit	Declaration date	Refund of capital	Distribution from income
	----- Rupees -----			
Islamic Moderate Allocation Plan	Rs. 31.3133	June 27, 2025	13,517,194	6,069,823
Islamic Balanced Allocation Plan	Rs. 20.7654	June 27, 2025	17,051,285	20,829,510
Islamic Active Allocation Plan II	Rs. 43.5829	June 27, 2025	3,301,806	3,930,958

23 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.

24 CORRESPONDING FIGURES

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

25 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

Islamic Moderate Allocation Plan

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	3	8,605	978,367	1%
Retirement & Other Funds	1	0	2	0%
Others	67	1,069,044	121,552,897	99%
	71	1,077,649	122,531,266	100%

Balance Allocation Plan

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Retirement Funds	4	90,350	9,363,571	6%
Others	3	628,153	65,099,744	39%
Other Corporate	4	93	9,663	0%
Individual	463	832,111	86,237,307	52%
Foreign Investor - Individuals	2	43,259	4,483,235	3%
	476	1,593,966	165,193,519	100%

Islamic Active Allocation PlanII

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Retirement Funds	3	426	45,779	0%
Others	1	66	7,081	0%
Other Corporate	1	4	463	0%
Individual	28	476,325	51,142,977	100%
	33	476,822	51,196,301	100%

Islamic Moderate Allocation Plan

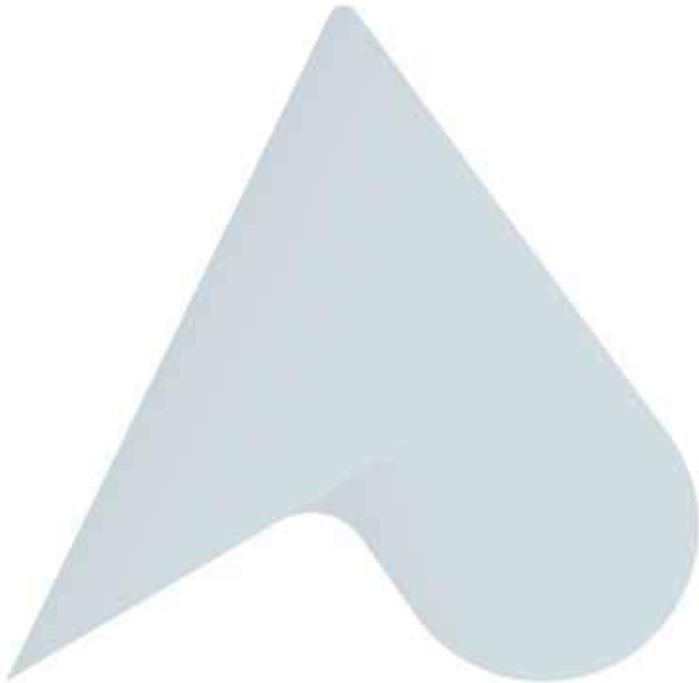
Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	40	510,687	53,319,841	98%
Retirement & Other Funds	1	189	19,703	0%
Others	3	8,118	847,550	2%
	-	-	-	-
	44	518,993	54,187,095	100%

Balance Allocation Plan

Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	460	771,598	78,160,619	85%
Retirement & Other Funds	10	122,622	12,420,000	14%
Others	3	11,818	1,197,131	1%
	473	906,038	91,777,750	100%

Islmaic Active Allocation PlanII

Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	20	306,135	27,834,321	53%
Retirement & Other Funds	3	426	38,766	0%
Others	3	274,858	24,990,000	47%
	26	581,419	52,863,087	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 Khor – 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 Khor – 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 - AGIPPF

	30 June 2026		
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II
Net Assets	122,531,235	165,193,475	51,196,318
NAV per unit	113.7024	103.6368	107.3699
Selling price per unit	116.2721	105.9790	108.8860
Redemption price per unit	113.7024	103.6368	107.3699
Highest selling price per unit	126.5390	118.6871	112.1214
Highest redemption price per unit	123.7424	117.0052	108.9880
Lowest selling price per unit	107.1956	102.9643	90.9206
Lowest redemption price per unit	104.8265	101.5052	88.3797
Total interim distribution per unit	9.5964	10.2168	Nil
Interim distribution date	30-Jun-26	30-Jun-26	N/A
Final distribution per unit	Nil	Nil	Nil
Final distribution date	Nil	Nil	Nil
Annualized returns	18.10%	12.28%	17.93%
Income distribution	9.60%	10.22%	0.00%
Weighted avg. portfolio duration	N/A	N/A	N/A

	30 June 2025		
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II
Net Assets	54,187,114	91,779,086	52,863,692
NAV per unit	104.4081	101.2971	90.9217
Selling price per unit	106.7677	102.7274	93.5402
Redemption price per unit	104.4081	101.2971	90.9217
Highest selling price per unit	138.7401	123.8527	139.1287
Highest redemption price per unit	135.6739	122.0975	135.2405
Lowest selling price per unit	106.2338	102.6648	90.9869
Lowest redemption price per unit	104.0836	101.2354	88.4441
Total interim distribution per unit	31.3133	20.7654	43.5829
Interim distribution date	27-Jun-25	27-Jun-25	27-Jun-25
Final distribution per unit	Nil	Nil	Nil
Final distribution date	Nil	Nil	Nil
Annualized returns	30.07%	20.71%	48.40%
Income distribution	30.01%	20.51%	48.00%
Weighted avg. portfolio duration	N/A	N/A	N/A

**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 - AGIPPF

	30 June 2024		
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II
Net Assets	75,434	168,585	19,773
NAV per unit	104.3577	101.2350	90.8004
Selling price per unit	106.1579	102.6903	93.4109
Redemption price per unit	104.3577	101.2350	90.8004
Highest selling price per unit	144.4200	131.5217	144.4376
Highest redemption price per unit	140.4522	129.5001	141.3885
Lowest selling price per unit	101.8619	102.5832	93.4109
Lowest redemption price per unit	101.8619	101.1544	90.8001
Total interim distribution per unit	36.0190	28.4405	49.6636
Interim distribution date	28-Jun-24	28-Jun-24	28-Jun-24
Final distribution per unit	Nil	Nil	Nil
Final distribution date	Nil	Nil	Nil
Annualized returns	34.62%	28.22%	54.70%
Income distribution	34.54%	28.12%	0.476193946
Weighted avg. portfolio duration	N/A	N/A	N/A

	30 June 2023			
	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II	Islamic Capital Preservation Plan IV
Net Assets	72,083	187,466	83,034	16,811
NAV per unit	104.2928	101.1543	90.8003	100.5237
Selling price per unit	107.2391	102.5831	93.3655	103.3634
Redemption price per unit	104.2928	101.1543	90.8003	100.5237
Highest selling price per unit	119.7372	114.4605	N/A	N/A
Highest redemption price per unit	116.4476	112.8663	97.8216	110.9696
Lowest selling price per unit	102.5927	102.0858	N/A	N/A
Lowest redemption price per unit	104.1550	100.6639	88.7973	99.7612
Total interim distribution per unit	12.7217	12.2024	Nil	11.0495
Interim distribution date	23-Jun-23	23-Jun-23	Nil	23-Jun-22
Final distribution per unit	Nil	Nil	Nil	Nil
Final distribution date	Nil	Nil	Nil	Nil
Annualized returns	12.88%	12.67%	10.63%	11.92%
Income distribution	12.26%	12.12%	Nil	12.57%
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A

**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 - AGIPPF

30 June
2022

	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V
Net Assets	75,755	206,383	369,159	71,943	47,333	25,048
NAV per unit	103.7259	100.6639	90.1495	87.9206	99.7612	99.6905
Selling price per unit	106.6562	102.0858	N/A	N/A	N/A	N/A
Redemption price per unit	103.7259	100.6639	88.7973	85.7226	99.7612	99.6905
Highest selling price per unit	119.9332	109.9228	N/A	N/A	N/A	N/A
Highest redemption price per unit	116.6382	108.3918	99.0438	92.7973	103.9026	103.0860
Lowest selling price per unit	106.2719	101.7748	N/A	N/A	N/A	N/A
Lowest redemption price per unit	103.3522	100.3573	87.6922	85.4858	99.1751	98.4790
Total interim distribution per unit	10.1737	7.6181	Nil	4.5627	1.5049	1.5035
Interim distribution date	24-Jun-22	24-Jun-22	Nil	24-Jun-22	24-Jun-22	24-Jun-22
Final distribution per unit	Nil	Nil	Nil	Nil	Nil	Nil
Final distribution date	Nil	Nil	Nil	Nil	Nil	Nil
Annualized returns	10.25%	7.97%	-7.30%	5.55%	1.86%	1.36%
Income distribution	9.85%	7.60%	Nil	5.21%	1.51%	1.51%
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A	N/A	N/A

30 June
2021

	Islamic Moderate Allocation Plan	Balance Allocation Plan	Islamic Active Allocation Plan II	Islamic Active Allocation Plan III	Islamic Capital Preservation Plan IV	Islamic Capital Preservation Plan V
Net Assets	63,260	212,075	394,214	73,652	50,898	25,208
NAV per unit	103.3169	100.3020	97.2449	87.6002	99.7087	99.6445
Selling price per unit	106.2356	101.7188	N/A	N/A	N/A	N/A
Redemption price per unit	103.3169	100.3020	95.7862	85.4102	99.7087	99.6445
Highest selling price per unit	120.2134	111.5738	N/A	N/A	N/A	N/A
Highest redemption price per unit	116.9107	110.0198	113.7988	101.2267	106.8190	106.8779
Lowest selling price per unit	101.8665	101.0792	N/A	N/A	N/A	N/A
Lowest redemption price per unit	99.0679	99.6714	89.6575	79.9089	99.7087	99.6445
Total interim distribution per unit	12.0278	9.1196	15.0438	13.2285	5.0917	5.0202
Interim distribution date	25-Jun-21	25-Jun-21	25-Jun-21	25-Jun-21	25-Jun-21	25-Jun-21
Final distribution per unit	Nil	Nil	Nil	Nil	Nil	Nil
Final distribution date	Nil	Nil	Nil	Nil	Nil	Nil
Annualized returns	17.00%	10.06%	24.50%	23.91%	4.49%	4.36%
Income distribution	12.20%	9.17%	16.70%	16.28%	5.08%	5.01%
Weighted avg. portfolio duration	N/A	N/A	N/A	N/A	N/A	N/A

IAAP - Return since inception is 13.26%
BAP - Return since inception is 10.93%
IAAP II - Return since inception is 13.41%

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

Alfalah
Islamic Sovereign 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:	MCB Islamic Bank Limited Allied Bank limited Bank Al-Falah Limited Bank Al-Habib Limited Dubai Islamic Bank Pakistan Faysal Bank Limited
Auditors:	Yousuf Adil Chartered Accountants. Cavish Court, A-35 Shahrah-e-Faisal Road, Bangalore Town Block A Bangalore Town, Karachi
Legal Advisor:	Mohsin Tayebaly & Co. 1st Floor, Dime Centre, BC-4, Block-9, Kehkashan, Clifton, Karachi – 75600. Pakistan.
Registrar:	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 Islamic Sovereign Fund

Annual Fund Manager's Report

Type of Fund: Open-end Scheme

Category of Fund: Shariah Complaint Income Scheme

Investment Objective

The Investment Objective of the plan is to generate a competitive return with low risk, by investing primarily in Shariah Compliant Government Securities, Shariah Compliant Short term Sukuks / commercial papers and Islamic Banks and licensed Islamic Banking Windows of Conventional Banks.

Money Market Review

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

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

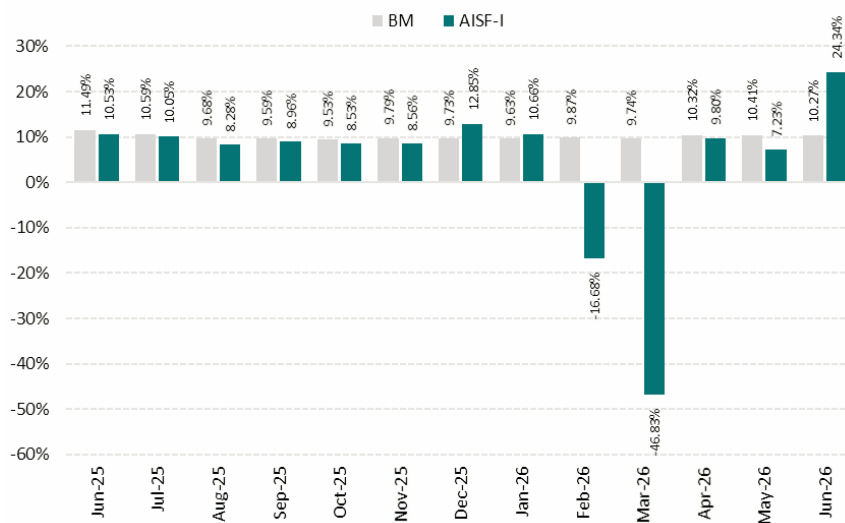
Money market yields remained volatile throughout the period. At the start of the year, Treasury Bill yields stood at 10.4859%, 10.4878%, 10.4799%, and 10.4880% for the 1-month, 3-month, 6-month, and 12-month tenors, respectively. Following a relatively stable start to the year, yields moved higher after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

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

Fund Performance

During the year, the fund generated a return of 3.81% compared to the benchmark 9.93%.

Performance comparison with Benchmark



Assets Allocation

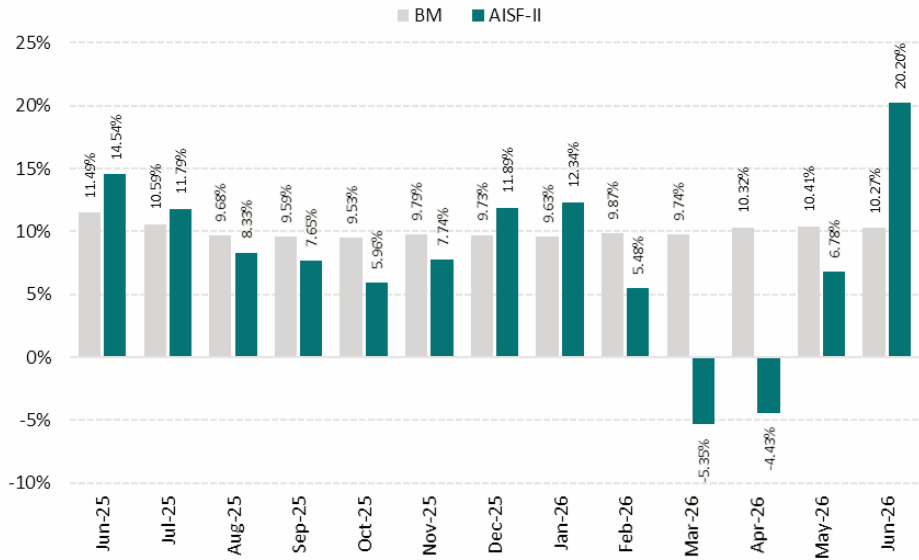


Alfalsh GHP Islamic Sovereign Fund - II

Fund Performance

During the year, the fund generated a return of 7.61% compared to the benchmark 9.93%.

Performance comparison with Benchmark



Assets Allocation



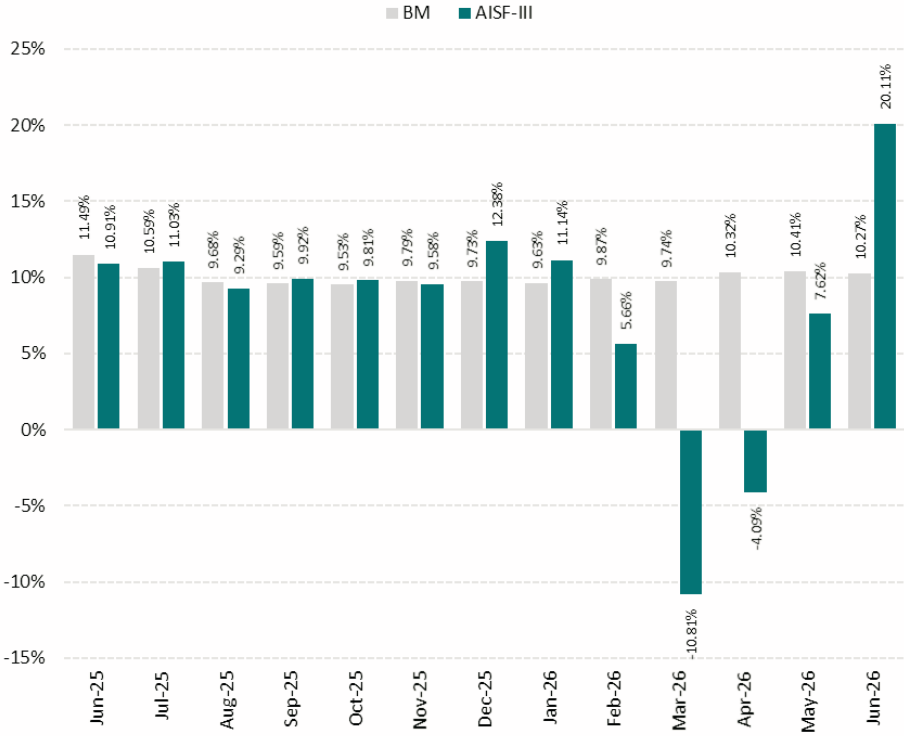
Credit Quality (as % of Total Assets)			
Govt. Securities (Rated AAA)	73.4%	A1+	0.0%
AAA	0.8%	A1	0.0%
AA+	13.9%	A-	0.0%
AA	0.0%	BBB+	0.0%
AA-	0.0%	BBB	0.0%
A+	0.0%	IG	0.0%
A	0.0%	NR	11.9%

Alfalalah GHP Islamic Sovereign Fund - III

Fund Performance

During the year, the fund generated a return of 7.88% compared to the benchmark 9.93%.

Performance comparison with 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.

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 ISLAMIC SOVEREIGN 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 Islamic Sovereign 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 21, 2026

September 17, 2026

AHSA/SSR/AAML/AISP- I/617



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 Islamic Sovereign Plan-I (AISP- I) managed by Alfalah Asset Management Limited is Compliant and in accordance with Shariah principles.

During the year, Alfalah Islamic Sovereign Plan-I (AISP- I) 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

September 17, 2026

AHSA/SSR/AAML/AISP- II/618



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 Islamic Sovereign Plan-II (AISP-II) managed by Alfalah Asset Management Limited is Compliant and in accordance with Shariah principles.

During the year, Alfalah Islamic Sovereign Plan-II (AISP- II) 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

September 17, 2026

AHSA/SSR/AAML/AISP- III/619



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 Islamic Sovereign Plan-III (AISP- III) managed by Alfalah Asset Management Limited is Compliant and in accordance with Shariah principles.

During the year, Alfalah Islamic Sovereign Plan-III (AISP- III) 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 Islamic Sovereign 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 Islamic Sovereign 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

INDEPENDENT AUDITOR'S REPORT

To The Unit Holders of Alfalah Islamic Sovereign Fund

Report on the Audit of the Financial Statements

Opinion

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

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

Basis for Opinion

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

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

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

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

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

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

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

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

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

YA

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

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

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



Yousuf Adil
Chartered Accountants

Place: Karachi

Date: September 29, 2026

UDIN: AR202610099lwHeb3WaY

ALFALAH ISLAMIC SOVEREIGN FUND
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

		2026				2025			
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
ASSETS	Note	Rupees							
Bank balances	5	216,453,748	730,338,612	781,132,587	1,727,924,947	21,312,391	1,663,500,443	75,887,288	1,760,700,122
Investments	6	1,471,464,470	2,139,447,408	1,799,041,579	5,409,953,457	5,372,156,823	2,011,302,686	2,665,071,459	10,048,530,968
Advance, deposit, prepayment and other receivables	7	32,232,633	47,109,816	30,518,758	109,861,207	43,548,096	35,085,874	36,274,766	114,908,736
Preliminary expenses and floatation costs	8	452,202	-	-	452,202	698,901	-	-	698,901
Total assets		1,720,603,053	2,916,895,836	2,610,692,924	7,248,191,813	5,437,716,211	3,709,889,003	2,777,233,513	11,924,838,727
LIABILITIES									
Payable to Alfalah Asset Management Limited - Management Company	9	813,647	4,381,939	3,650,689	8,846,275	10,237,612	16,932,957	1,484,629	28,655,198
Payable to Central Depository Company of Pakistan Limited - Trustee	10	29,977	158,150	343,833	531,960	269,717	148,444	243,445	661,606
Payable to the Securities and Exchange Commission of Pakistan	11	36,516	958,489	394,478	1,389,483	318,854	951,066	288,655	1,558,575
Dividend payable		9,227	26,663	-	35,890	101,664	58	-	101,722
Accrued expenses and other liabilities	12	11,907,657	24,091,374	30,363,762	66,362,793	14,909,287	698,472,542	23,493,216	736,875,045
Total liabilities		12,797,024	29,616,615	34,752,762	77,166,401	25,837,134	716,505,067	25,509,945	767,852,146
NET ASSETS		1,707,806,029	2,887,279,221	2,575,940,162	7,171,025,412	5,411,879,077	2,993,383,936	2,751,723,568	11,156,986,581
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,707,806,029	2,887,279,221	2,575,940,162	7,171,025,412	5,411,879,077	2,993,383,936	2,751,723,568	11,156,986,581
Contingencies and commitments	13	-----Number of units-----				-----Number of units-----			
Number of units in issue		17,212,430	25,997,306	25,437,896		53,974,609	27,211,010	27,478,936	
		-----Rupees-----				-----Rupees-----			
Net asset value per unit		99.2193	111.0607	101.2639		100.2671	110.0064	100.1394	

The annexed notes from 1 to 26 and the annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**ALFALAH ISLAMIC SOVEREIGN FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026**

For the year ended June 30, 2026			Total	For the year ended June 30, 2025		For the period from August 21, 2024 to June 30, 2025	Total
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	

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

INCOME

Profit on bank balances	27,581,360	41,439,739	59,549,390	128,570,489	106,196,730	228,070,104	12,964,375	347,231,209
Income on Government of Pakistan Ijarah sukuks	213,956,568	289,145,231	234,953,040	738,054,839	521,559,476	841,547,002	87,872,158	1,450,978,636
Income on term deposit receipts	-	1,134,575	1,075,890	2,210,465	7,273,082	26,588,836	-	33,861,918
Income on bai muajjal	45,837,359	25,755,334	31,994,869	103,587,562	21,368,678	20,622,178	37,485,984	79,476,840
(Loss) / gain on sale of investments - net	(18,109,283)	(36,895,668)	(22,669,283)	(77,674,234)	66,176,460	21,084,681	9,280,653	96,541,794
Unrealised appreciation / (diminution) on re-measurement of investments classified at 'fair value through profit or loss' - net	6.4	4,442,898	(35,757,944)	(22,548,977)	(53,864,023)	19,648,439	19,823,817	2,851,064
Total income	273,708,902	284,821,267	282,354,929	840,885,098	742,222,865	1,157,736,618	150,454,234	2,050,413,717

EXPENSES

Remuneration of Alfalah Asset Management Limited - Management Company	9.1	30,559,938	47,320,518	27,159,338	105,039,794	55,114,742	112,384,093	4,144,812	171,643,647
Sindh sales tax on remuneration of the Management Company	9.2	4,583,990	7,098,078	4,073,901	15,755,969	8,285,631	16,857,615	621,722	25,764,968
Allocated expenses		-	-	-	-	455,521	1,465,368	15,331	1,936,220
Sindh sales tax on allocated expenses		-	-	-	-	68,328	219,806	2,300	290,434
Selling and marketing expenses		-	-	-	-	18,684,448	40,599,009	129,732	59,413,189
Sindh sales tax on selling and marketing expense		-	-	-	-	2,784,247	6,089,851	19,460	8,893,558
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	1,502,534	1,740,086	1,747,689	4,990,309	2,467,887	4,138,651	706,501	7,313,039
Sindh sales tax on remuneration of the Trustee	10.2	225,381	261,013	262,153	748,547	370,183	620,798	105,976	1,096,957
Fee to the Securities and Exchange Commission of Pakistan	11.1	2,048,831	2,372,724	2,383,140	6,804,695	3,365,136	5,643,271	963,397	9,971,804
Fees and subscriptions charges		303,547	239,826	182,663	726,036	336,896	225,325	7,475	569,696
Brokerage expenses		517,603	404,200	627,816	1,549,619	1,271,195	4,423,169	192,189	5,886,553
Auditor's remuneration	14	283,140	283,140	283,140	849,420	374,568	207,179	190,453	772,200
Legal and professional charges		1,414	26,467	22,119	50,000	135,293	96,567	930	232,790
Bank and settlement charges		6,753	19,690	3,281	29,724	15,469	53,056	1,085	69,610
Printing charges		-	-	-	-	12,491	15,392	6,910	34,793
Rating fee expense		147,197	287,398	158,236	592,831	380,812	348,153	3,529	732,494
Shariah advisory fee		176,949	83,869	103,112	363,930	173,873	223,127	-	397,000
Capital gain tax	16.1	-	-	169,907	169,907	-	-	-	-
Amortisation of preliminary expenses and floatation costs	8.1	246,699	-	-	246,699	246,699	-	-	246,699
Total expenses		40,603,976	60,137,009	37,176,495	137,917,480	94,543,419	193,610,430	7,111,802	295,265,651
Net income for the year / period before taxation		233,104,926	224,684,258	245,178,434	702,967,618	647,679,446	964,126,188	143,342,432	1,755,148,066
Taxation	16	-	-	-	-	-	-	-	-
Net income for the year / period after taxation		233,104,926	224,684,258	245,178,434	702,967,618	647,679,446	964,126,188	143,342,432	1,755,148,066
Allocation of net income for the year / period									
Net income for the year / period after taxation		233,104,926	224,684,258	245,178,434	702,967,618	647,679,446	964,126,188	143,342,432	1,755,148,066
Income already paid on units redeemed		(2,791,524)	(215,892,916)	(234,590,300)	(453,274,740)	(29,429,593)	(945,993,236)	(125,018,955)	(1,100,441,784)
		230,313,402	8,791,342	10,588,134	249,692,878	618,249,853	18,132,952	18,323,477	654,706,282
Accounting income available for distribution									
- Relating to capital gains		-	-	-	-	85,824,899	40,908,498	12,131,717	138,865,114
- Excluding capital gains		230,313,402	8,791,342	10,588,134	249,692,878	532,424,954	(22,775,546)	6,191,760	515,841,168
		230,313,402	8,791,342	10,588,134	249,692,878	618,249,853	18,132,952	18,323,477	654,706,282

Earnings per unit

17

The annexed notes from 1 to 26 and the annexure form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

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

For the year ended June 30, 2026			Total	For the year ended June 30, 2025		For the period from August 21, 2024 to June 30, 2025	Total
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	
Rupees							
233,104,926	224,684,258	245,178,434	702,967,618	647,679,446	964,126,188	143,342,432	1,755,148,066
-	-	-	-	-	-	-	-
233,104,926	224,684,258	245,178,434	702,967,618	647,679,446	964,126,188	143,342,432	1,755,148,066

The annexed notes from 1 to 26 and the annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

ALFALAH ISLAMIC SOVEREIGN FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

For the year ended June 30, 2026									
Islamic Sovereign Plan - I			Islamic Sovereign Plan - II			Islamic Sovereign Plan - III			
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Total
5,402,924,159	8,954,918	5,411,879,077	2,979,054,929	14,329,007	2,993,383,936	2,747,893,600	3,829,968	2,751,723,568	11,129,872,688

Net assets at the beginning of the year / period

Issuance of units:
AISOP - I: 28,572,372 units, AISOP - II: 78,205,763 units and AISOP - III:
82,648,387

Capital value (at net value per unit at the
beginning of the year)

Element of (loss) / income

Total proceeds on issuance of units

2,864,868,881	-	2,864,868,881	8,603,134,447	-	8,603,134,447	8,276,359,885	-	8,276,359,885	19,744,363,213	-	19,744,363,213
(26,847,981)	-	(26,847,981)	298,315,905	-	298,315,905	318,343,709	-	318,343,709	589,811,633	-	589,811,633
2,838,020,900	-	2,838,020,900	8,901,450,352	-	8,901,450,352	8,594,703,594	-	8,594,703,594	20,334,174,846	-	20,334,174,846

Redemption of units:

AISOP - I: 65,334,551 units, AISOP - II: 79,419,467 units and AISOP - III:
84,689,427

Capital value (at net asset value per unit at
the beginning of the period)

Element of (loss) / income

Total payments on redemption of units

(6,550,905,959)	-	(6,550,905,959)	(8,736,649,655)	-	(8,736,649,655)	(8,480,748,406)	-	(8,480,748,406)	(23,768,304,020)	-	(23,768,304,020)
17,215,095	(2,791,524)	14,423,571	(92,549,821)	(215,892,916)	(308,442,737)	(140,905,247)	(234,590,300)	(375,495,547)	(216,239,973)	(453,274,740)	(669,514,713)
(6,533,690,864)	(2,791,524)	(6,536,482,388)	(8,829,199,476)	(215,892,916)	(9,045,092,392)	(8,621,653,653)	(234,590,300)	(8,856,243,953)	(23,984,543,993)	(453,274,740)	(24,437,818,733)

Total comprehensive income for the year / period

Distributions made (refer note 23)

Net assets at the end of the year / period

-	233,104,926	233,104,926	-	224,684,258	224,684,258	-	245,178,434	245,178,434	-	702,967,618	702,967,618
(8,213)	(238,708,273)	(238,716,486)	(179,728,917)	(7,418,016)	(187,146,933)	(149,650,087)	(9,771,394)	(159,421,481)	(329,387,217)	(255,897,683)	(585,284,900)
1,707,245,982	560,047	1,707,806,029	2,871,576,888	15,702,333	2,887,279,221	2,571,293,454	4,646,708	2,575,940,162	7,150,116,324	20,909,088	7,171,025,412

Undistributed income brought forward

- Realised (loss) / income

- Unrealised income

(10,693,521)	(5,494,810)	978,904
19,823,817	19,823,817	2,851,064
8,954,918	14,329,007	3,829,968

Accounting income available for distribution

- Relating to capital gains

- Excluding capital gains

Distributions during the period

Undistributed income carried forward

-	-	-
230,313,402	8,791,342	10,588,134
230,313,402	8,791,342	10,588,134
(238,708,273)	(7,418,016)	(9,771,394)
560,047	15,702,333	4,646,708

Undistributed income carried forward

- Realised income / (loss)

- Unrealised income / (loss)

(3,882,851)	51,460,277	27,195,685
4,442,898	(35,757,944)	(22,548,977)
560,047	15,702,333	4,646,708

(Rupees)

Rupees

Net asset value per unit at the beginning of the year / period

100.2671

Net asset value per unit at the end of the year / period

101.2639

The annexed notes from 1 to 26 and the Annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**ALFALAH ISLAMIC SOVEREIGN FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2026**

	For the year ended June 30, 2025						For the period from August 21, 2024 to June 30, 2025			Total		
	Islamic Sovereign Plan - I			Islamic Sovereign Plan - II			Islamic Sovereign Plan - III					
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	Rupees											
Net assets at the beginning of the year / period	4,258,120,042	6,149,999	4,264,270,041	5,461,077,637	11,176,896	5,472,254,533	-	-	-	9,719,197,679	17,326,895	9,736,524,574
Issuance of units:												
AISOP - I: 182,958,287 units, AISOP - II: 204,883,818 units and AISOP - III: 96,004,702												
Capital value (at net value per unit at the commencement of Fund)	18,329,072,221	-	18,329,072,221	22,515,113,016	-	22,515,113,016	9,600,470,200	-	9,600,470,200	50,444,655,437	-	50,444,655,437
Element of (loss) / income	34,136,789	-	34,136,789	1,674,872,699	-	1,674,872,699	587,221,177	-	587,221,177	2,296,230,665	-	2,296,230,665
Total proceeds on issuance of units	18,363,209,010	-	18,363,209,010	24,189,985,715	-	24,189,985,715	10,187,691,377	-	10,187,691,377	52,740,886,102	-	52,740,886,102
Redemption of units:												
AISOP - I: 171,549,038 units, AISOP - II: 227,469,438 units and AISOP - III: 68,525,766												
Capital value (at net asset value per unit at the beginning of the period)	(17,186,074,260)	-	(17,186,074,260)	(24,997,094,228)	-	(24,997,094,228)	(6,852,576,600)	-	(6,852,576,600)	(49,035,745,088)	-	(49,035,745,088)
Element of (loss) / income	3,635,489	(29,429,593)	(25,794,104)	(1,340,500,278)	(945,993,236)	(2,286,493,514)	(384,936,137)	(125,018,955)	(509,955,092)	(1,721,800,926)	(1,100,441,784)	(2,822,242,710)
Total payments on redemption of units	(17,182,438,771)	(29,429,593)	(17,211,868,364)	(26,337,594,506)	(945,993,236)	(27,283,587,742)	(7,237,512,737)	(125,018,955)	(7,362,531,692)	(50,757,546,014)	(1,100,441,784)	(51,857,987,798)
Total comprehensive income for the year / period	-	647,679,446	647,679,446	-	964,126,188	964,126,188	-	143,342,432	143,342,432	-	1,755,148,066	1,755,148,066
Distributions made (refer note 23)	(35,966,122)	(615,444,934)	(651,411,056)	(334,413,917)	(14,980,841)	(349,394,758)	(202,285,040)	(14,493,509)	(216,778,550)	(572,665,079)	(644,919,284)	(1,217,584,363)
Net assets at the end of the year / period	5,402,924,159	8,954,918	5,411,879,077	2,979,054,929	14,329,007	2,993,383,936	2,747,893,600	3,829,968	2,751,723,568	11,129,872,688	27,113,893	11,156,986,581
Undistributed income brought forward												
- Realised (loss) / income		(5,536,432)			8,812,158			-				
- Unrealised income		11,686,431			2,364,738			-				
		6,149,999			11,176,896			-				
Accounting income available for distribution												
- Relating to capital gains		85,824,899			40,908,498			12,131,717				
- Excluding capital gains		532,424,954			(22,775,546)			6,191,760				
		618,249,853			18,132,952			18,323,477				
Distributions during the period		(615,444,934)			(14,980,841)			(14,493,509)				
Undistributed income carried forward		8,954,918			14,329,007			3,829,968				
Undistributed income carried forward												
- Realised income / (loss)		(10,693,521)			(5,494,810)			978,904				
- Unrealised income / (loss)		19,648,439			19,823,817			2,851,064				
		8,954,918			14,329,007			3,829,968				
		(Rupees)			Rupees			Rupees				
Net asset value per unit at the beginning of the year / period		100.1817			109.8921			-				
Net asset value per unit at the end of the year / period		100.2671			110.0064			100.1394				

The annexed notes from 1 to 26 and the Annexure form an integral part of these financial statements.

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

Chief Executive Officer

Chief Financial Officer

Director

**ALFALAH ISLAMIC SOVEREIGN FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026**

For the year ended June 30, 2026				Total	For the year ended June 30, 2025		For the period from August 21, 2024 to June 30, 2025	Total	
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Islamic Sovereign Plan - I		Islamic Sovereign Plan - II	Islamic Sovereign Plan - II			
Note				Rupees					
CASH FLOWS FROM OPERATING ACTIVITIES									
Net income for the period before taxation	233,104,926	224,684,258	245,178,434	702,967,618	647,679,446	964,126,188	143,342,432	1,755,148,066	
Adjustments for:									
Unrealised (appreciation) / diminution on re-measurement of investments classified at 'fair value through profit or loss' - net	6.4	(4,442,898)	35,757,944	22,548,977	53,864,023	(19,648,439)	(19,823,817)	(2,851,064)	(42,323,320)
Amortisation of preliminary expenses and floatation costs	8.1	246,699	-	-	246,699	246,699	-	-	246,699
		228,908,727	260,442,202	267,727,411	757,078,340	628,277,706	944,302,371	140,491,368	1,713,071,445
Decrease / (Increase) in assets									
Investments - net		3,905,135,251	(163,902,666)	843,480,903	4,584,713,488	(2,049,360,213)	2,032,648,548	(2,662,220,395)	(2,678,932,060)
Advance, deposits, prepayment and other receivables		11,315,463	(12,023,942)	5,756,008	5,047,529	77,631,039	93,655,060	(36,274,766)	135,011,333
		3,916,450,714	(175,926,608)	849,236,911	4,589,761,017	(1,971,729,174)	2,126,303,608	(2,698,495,161)	(2,543,920,727)
(Decrease) / Increase in liabilities									
Payable to Alfalah Asset Management Limited - Management Company		(9,423,965)	(12,551,018)	2,166,060	(19,808,923)	(3,461,299)	(6,420,197)	1,484,629	(8,396,867)
Payable to Central Depository Company of Pakistan Limited - Trustee		(239,740)	9,706	100,388	(129,646)	76,930	(104,192)	243,445	216,183
Payable to the Securities and Exchange Commission of Pakistan		(282,338)	7,423	105,823	(169,092)	86,494	646,414	288,655	1,021,563
Accrued expenses and other liabilities		(3,001,630)	(674,381,168)	6,870,546	(670,512,252)	9,960,098	662,400,219	23,493,216	695,853,533
		(12,947,673)	(686,915,057)	9,242,817	(690,619,913)	6,662,223	656,522,244	25,509,945	688,694,412
Net cash generated from / (used in) operating activities		4,132,411,768	(602,399,463)	1,126,207,139	4,656,219,444	(1,336,789,245)	3,727,128,223	(2,532,493,848)	(142,154,870)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts against issuance and conversion of units		2,838,012,687	8,721,721,435	8,445,053,507	20,004,787,629	18,327,242,888	23,855,571,798	9,985,406,337	52,168,221,023
Payments against redemption and conversion of units		(6,536,482,388)	(9,045,092,392)	(8,856,243,953)	(24,437,818,733)	(17,211,868,364)	(27,283,587,742)	(7,362,531,692)	(51,857,987,798)
Dividend paid		(238,800,710)	(7,391,411)	(9,771,394)	(255,963,515)	(615,444,934)	(14,980,841)	(14,493,509)	(644,919,284)
Net cash (used in) / generated from financing activities		(3,937,270,411)	(330,762,368)	(420,961,840)	(4,688,994,619)	499,929,590	(3,442,996,785)	2,608,381,136	(334,686,059)
Net increase / (decrease) in cash and cash equivalents during the year / period									
		195,141,357	(933,161,831)	705,245,299	(32,775,175)	(836,859,655)	284,131,438	75,887,288	(476,840,929)
Cash and cash equivalents at the beginning of the year / period		21,312,391	1,663,500,443	75,887,288	1,760,700,122	858,172,046	1,379,369,005	-	2,237,541,051
Cash and cash equivalents at the end of the year	5	216,453,748	730,338,612	781,132,587	1,727,924,947	21,312,391	1,663,500,443	75,887,288	1,760,700,122

The annexed notes from 1 to 26 and the annexure form an integral part of these financial statements.

For Alfalah Asset Management Limited
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**ALFALAH ISLAMIC SOVEREIGN FUND
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** Alfalah Islamic Sovereign Fund (the Fund) an open-end collective investment scheme was established through a Trust Deed under the Sindh Trust Act, 2020, executed between Alfalah Asset Management Limited (the Management Company) and Central Depository Company of Pakistan Limited, (the Trustee). The Trust Deed was executed on August 02, 2023 and was approved by the Securities and Exchange Commission of Pakistan (SECP) in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), on August 22, 2023.
- 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. The registered office of the Management Company is situated at Islamic Chamber of Commerce, Industry and Agricultural Building, 2nd Floor, ST 2/A, Block 9, KDA Scheme 5, Clifton, Karachi.
- 1.3** The Fund commenced its operations from September 26, 2023. The Fund is categorised as a 'Shariah Compliant Sovereign Income 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 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 Offering Document, the objective of the Fund is to seek maximum possible preservation of capital and a reasonable rate of return from a portfolio of medium risk by investing in shariah compliant government securities, shariah compliant deposits and shariah compliant sukuks / commercial papers. The investment objectives and policy are explained in the Fund's offering document. Presently, the following plans are active:
- a. Alfalah Islamic Sovereign Plan I is perpetual.
 - b. Alfalah Islamic Sovereign Plan II: This plan has maturity of 03 years after the close of initial period, it will mature on December 13, 2026.
 - c. Alfalah Islamic Sovereign Plan III: This plan commenced operations on August 21, 2024 and has a maturity of 03 years after the close of initial period, it will mature on August 22, 2027.
- 1.5** VIS Credit Rating Company Limited has assigned an asset manager rating of AM1 (stable outlook) to the Management Company on January 26, 2026 (2025: AM1 dated January 2, 2025). PACRA has assigned a stability rating of AA(f) to the Fund on June 24, 2026 (2025: AA (f) on March 07, 2025).
- 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 PREPARATION

2.1 Statement of compliance

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

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

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the functional and presentation currency of the Fund. All figures have been rounded off to the nearest Pakistani Rupee, unless otherwise stated.

2.4 Critical accounting estimates and judgments

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

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

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

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

3.1 Amendments to published accounting and reporting standards that are effective in the current year

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

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

There are certain new standards and amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2026. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on the Fund's financial statements except for:

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

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

4.2 Financial instruments

4.2.1 Initial recognition and measurement

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

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

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

4.2.2 Classification and subsequent measurement

4.2.2.1 Financial assets

There are three principal classification categories for financial assets:

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

IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a

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

Financial asset at amortised cost

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

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

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

Financial asset at FVTOCI

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

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

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

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

Financial asset at FVTPL

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

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

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

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

4.2.2.2 Financial liabilities

The Fund classifies its financial liabilities in the following categories:

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

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

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

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

4.2.3 Impairment of financial assets

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

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

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

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

4.2.4 Derecognition

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

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

4.2.5 Fair value measurement principles and provision

The fair value of financial instruments is determined as follows:

Basis of valuation of government securities

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

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

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

Basis of valuation of debt securities

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

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

4.2.6 Regular way contract

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

4.2.7 Offsetting of financial assets and liabilities

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

4.3 Derivatives

Derivative instruments are initially recognised at fair value and subsequent to initial measurement, each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognised in the income statement. Derivatives with positive fair values (unrealised gains) are included in other assets and derivatives with negative fair values (unrealised losses) are included in other liabilities in the statement of assets and liabilities.

4.4 Provisions

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

4.5 Collaterals

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

4.6 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders (excluding distribution made by issuance of bonus units).

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

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

4.7 Distributions to unit holders

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

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

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

4.8 Issuance and redemption of units

Units issued are recorded at the offer price, prevalent on the day on which the applications for purchase of units are received, however, units are issued on the receipt of cash / realisation of cheques. The offer price represents the net asset value per unit as at the close of the business day plus the allowable front-end sales load and provision of any duties and charges, if applicable. The sales load is payable to the Management Company / distributors.

Units redeemed are recorded at the redemption price, applicable to units for which the Management Company receives redemption applications during the business hours of that day. The redemption price represents the net asset value per unit as at the close of the business day less any back-end load and an amount that the Management Company may consider to be an appropriate provision of duties and charges, if applicable. Redemption of units is recorded on acceptance of application for redemption.

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

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

4.10 Net asset value per unit

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

4.11 Revenue recognition

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

4.12 Expenses

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

4.13 Preliminary expenses and floatation costs

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

2026					2025				
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	
5 BANK BALANCES					Note:----- Rupees ----- Rupees -----				
Balance with banks in:									
savings accounts	5.1	116,453,748	530,338,612	580,410,977	1,227,203,337	21,312,391	1,663,500,443	75,887,288	1,760,700,122
current accounts	5.2	100,000,000	200,000,000	200,721,610	500,721,610	-	-	-	-
		216,453,748	730,338,612	781,132,587	1,727,924,947	21,312,391	1,663,500,443	75,887,288	1,760,700,122

5.1 These accounts carry profit rates ranging from 11.5% to 12.25% (2025: 6.5% to 11.5%) for AISOP - I, 11.5% to 12.5% (2025: 6.5% to 11.5%) for AISOP - II and 11.5% to 12.5% for AISOP - III (2025: 6.5% to 11.5%) per annum. These include amounts held with a related party (Bank Alfalah Limited) amounting to Rs. 2.17 million (2025: Rs. 6.54 million) for AISOP - I, Rs. 22.04 million (2025: Rs. 1,197 million) for AISOP - II and Rs. 4.86 million (2025: Rs. 1.91 million) for AISOP - III on which return is earned at 11.5% to 12.5% (2025: 6.5% to 11%) for AISOP - I, AISOP - II and AISOP - III.

5.2 This includes Rs. 0.72 million (2025: Nil million) for AISOP - III held with Bank Alfalah Limited (a related party).

2026					2025				
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	
6 INVESTMENTS					Note:----- Rupees ----- Rupees -----				
At fair value through profit or loss									
Government of Pakistan									
Ijarah sukuks	6.1	1,471,464,470	2,139,447,408	1,799,041,579	5,409,953,457	4,214,770,394	1,112,226,412	1,041,659,000	6,368,655,806
Term deposit receipts	6.2	-	-	-	-	-	-	-	-
Bai muajjal	6.3	-	-	-	-	1,157,386,429	899,076,274	1,623,412,459	3,679,875,162
		1,471,464,470	2,139,447,408	1,799,041,579	5,409,953,457	5,372,156,823	2,011,302,686	2,665,071,459	10,048,530,968

Alfalah Islamic Sovereign Plan - I**Alfalah Islamic Sovereign Plan - II**

** These GoP Ijara Sukuks have nominal value of Rs. 100,000 each.

** These GoP liara Sukuks have nominal value of Rs. 100,000 each

Alfalah Islamic Sovereign Plan - III

Particulars	Profit Payments / principal redemptions	Issue date	Maturity date	Profit rate	As at July 01, 2025	Purchased during the year	Sold during the year	Matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
										Carrying value	Market value	Unrealised diminution	Net assets of the Fund	Total investments of the Fund
-----No of Certificates-----										-----Rupees-----			-----%	
Variable rate														
GoP Ijara sukuk-5 year**	Semi-Annually / At maturity	29-Jul-20	29-Jul-25	8.37%	9,300	-	-	9,300	-	-	-	-	0.00	0.00
GoP Ijara sukuk-5 year**	Semi-Annually / At maturity	9-Dec-20	9-Dec-25	11.01%	-	4,250	3,500	750	-	-	-	-	0.00	0.00
GoP Ijara sukuk-5 year*	Semi-Annually / At maturity	21-Oct-24	22-Oct-29	10.47% to 11.55%	-	20,000	-	-	20,000	100,400,000	98,900,000	(1,500,000)	3.84	5.50
Fixed rate														
GoP Ijara sukuk-1 year*	At maturity	24-Jul-25	23-Jul-26	9.99%	-	12,500	-	-	12,500	62,157,761	62,087,500	(70,261)	2.41	3.45
GoP Ijara sukuk-1 year*	At maturity	18-Sep-24	17-Sep-25	10.48%	-	525,000	-	525,000	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	6-Feb-25	4-Feb-26	9.91%	-	111,800	80,001	31,799	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	21-Oct-24	20-Oct-25	10.29%	-	490,000	490,000	-	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	21-Aug-25	20-Aug-26	9.63%	-	206,524	-	-	206,524	1,018,937,741	1,017,233,962	(1,703,779)	39.49	56.54
GoP Ijara sukuk-1 year*	At maturity	7-Nov-24	6-Nov-25	10.20%	-	446,000	438,000	8,000	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	4-Dec-24	3-Dec-25	9.86%	-	80,000	-	80,000	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	9-Jan-25	8-Jan-26	10.00%	-	114,000	114,000	-	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	15-Oct-25	14-Oct-26	10.05%	-	125,000	118,451	-	6,549	31,843,174	31,706,984	(136,190)	1.23	1.76
GoP Ijara sukuk-1 year*	At maturity	11-Dec-25	10-Dec-26	10.48%	-	20,000	20,000	-	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	7-Mar-25	6-Mar-26	9.89%	-	10,000	-	10,000	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	22-Jan-26	21-Jan-27	10.31%	-	50,000	50,000	-	-	-	-	-	0.00	0.00
GoP Ijara sukuk-1 year*	At maturity	14-Nov-25	13-Nov-26	9.88%	-	90,000	80,000	-	10,000	47,909,375	48,005,000	95,625	1.86	2.67
GoP Ijara sukuk-3 year*	Semi-Annually / At maturity	30-May-25	30-May-28	10.85%	-	12,500	-	-	12,500	63,418,750	61,693,750	(1,725,000)	2.39	3.43
GoP Ijara sukuk-3 year*	Semi-Annually / At maturity	22-Jan-26	22-Jan-29	9.63%	-	25,000	10,000	-	15,000	75,000,000	72,000,000	(3,000,000)	2.80	4.00
GoP Ijara sukuk-5 year*	Semi-Annually / At maturity	30-May-25	30-May-30	10.87%	-	99,900	94,200	-	5,700	28,131,847	27,833,100	(298,747)	1.08	1.55
GoP Ijara sukuk-5 year*	Semi-Annually / At maturity	18-Sep-24	18-Sep-29	13.85%	-	12,400	-	-	12,400	68,094,600	64,783,800	(3,310,800)	2.51	3.60
GoP Ijara sukuk-5 year*	Semi-Annually / At maturity	9-Jan-25	9-Jan-30	11.99%	-	15,300	12,500	-	2,800	14,487,308	14,030,800	(456,508)	0.54	0.78
GoP Ijara sukuk-5 year*	Semi-Annually / At maturity	30-Sep-25	30-Sep-30	11.14%	-	110,000	110,000	-	-	-	-	-	0.00	0.00
GoP Ijara sukuk-5 year*	Semi-Annually / At maturity	28-Jun-24	28-Jun-29	15.10%	-	13,000	-	-	13,000	72,605,000	70,616,000	(1,989,000)	2.74	3.93
GoP Ijara sukuk-5 year*	Semi-Annually / At maturity	22-Jan-26	22-Jan-31	9.87%	-	37,500	2	-	37,498	182,015,000	176,390,683	(5,624,317)	6.85	9.80
GoP Ijara sukuk-5 year**	Semi-Annually / At maturity	29-Oct-21	29-Oct-26	11.05%	1,135	-	1,135	-	-	-	-	-	0.00	0.00
GoP Ijara sukuk-5 year**	Semi-Annually / At maturity	4-Dec-23	4-Dec-28	15.75%	-	500	-	-	500	56,590,000	53,760,000	(2,830,000)	2.09	2.99
Total as at June 30, 2026										1,821,590,556	1,799,041,579	(22,548,977)	69.83	100.00
Total as at June 30, 2025										1,038,807,936	1,041,659,000	2,851,064	37.75	39.09

* These GoP Ijara Sukuks are listed on Pakistan Stock Exchange (PSX) and have nominal value of Rs. 5,000 each.
** These GoP Ijara Sukuks have nominal value of Rs. 100,000 each.

6.2 Term deposit receipts

Alfalah Islamic Sovereign Plan - II

Name of the investee company	Issue date	Maturity date	Profit rate	Face value				Balance as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) as at June 30, 2026	Market value as a percentage of	
				As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026				Net assets of the Fund	Total investments of the Fund
-----Rupees-----												-----%-----
Bank Alfalah Limited - Islamic Banking (A1+, PACRA)	24-Feb-26	10-Mar-26	10.20%	-	290,000,000	290,000,000	-	-	-	-	0%	0%
Total as at June 30, 2026							-	-	-	-	-	-
Total as at June 30, 2025							-	-	-	-	-	-

Alfalah Islamic Sovereign Plan - III

Name of the investee company	Issue date	Maturity date	Profit rate	Face value				Balance as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) as at June 30, 2026	Market value as a percentage of	
				As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026				Net assets of the Fund	Total investments of the Fund
-----Rupees-----										-----%-----		
Bank Alfalah Limited - Islamic Banking (A1+, PACRA)	24-Feb-26	10-Mar-26	10.20%	-	275,000,000	275,000,000	-	-	-	-	0%	0%
Total as at June 30, 2026							-	-	-	-	-	-
Total as at June 30, 2025							-	-	-	-	-	-

6.3 Bai' Muajjal receivable

Alfalah Islamic Sovereign Plan - I

Name of the investee company	Rating (Long Term / Short Term)	Maturity date	Profit rate	Total transaction price	Deferred income	Accrued profit	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) as at June 30, 2026	Carrying value as a percentage of	
									Net assets of the Fund	total investments of the Fund	
				Rupees						%	
Pak Oman Investment Company Limited	AA+ / A1+	July 29, 2025	11.60%	262,385,140	2,334,869	2,334,869	-	-	-	0.00%	0.00%
United Bank Limited	AAA / A1+	July 29, 2025	11.60%	102,293,752	910,274	910,274	-	-	-	0.00%	0.00%
United Bank Limited	AAA / A1+	July 23, 2025	11.60%	210,415,360	1,471,179	1,471,179	-	-	-	0.00%	0.00%
Pak China Investment Company Ltd.	AAA / A1+	October 30, 2025	10.75%	560,923,499	19,989,623	19,989,623	-	-	-	0.00%	0.00%
Pakistan Mortgage Refinance Company Limited	AAA / A1+	February 4, 2026	10.45%	407,780,605	21,131,414	21,131,414	-	-	-	0.00%	0.00%
Total as at June 30, 2026				1,543,798,356	45,837,359	45,837,359	-	-	-	0.00%	0.00%
Total as at June 30, 2025				1,136,017,751	46,074,622	21,368,678	1,157,386,429	1,157,386,429	-	21.39%	21.54%

Alfalsh Islamic Sovereign Plan - II

Name of the investee company	Rating (Long Term / Short Term)	Maturity date	Profit rate	Total transaction price	Deferred income	Accrued profit	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) as at June 30, 2026	Carrying value as a percentage of	
										net assets of the Fund	total investments of the Fund
										----- Rupees -----	
Pak Oman Investment Company Limited	AA+ / A1+	July 29, 2025	11.60%	440,807,035	3,922,579	3,922,579	-	-	-	0.00%	0.00%
United Bank Limited	AAA / A1+	July 29, 2025	11.60%	148,325,941	1,319,897	1,319,897	-	-	-	0.00%	0.00%
United Bank Limited	AAA / A1+	July 23, 2025	11.60%	289,321,120	2,022,870	2,022,870	-	-	-	0.00%	0.00%
Pakistan Mortgage Refinance Company Limited	AAA / A1+	February 4, 2026	10.45%	356,808,029	18,489,988	18,489,988	-	-	-	0.00%	0.00%
Total as at June 30, 2026				1,235,262,125	25,755,334	25,755,334	-	-	-	0.00%	0.00%
Total as at June 30, 2025				878,454,096	27,887,524	20,622,178	899,076,274	899,076,274	-	30.04%	44.70%

Alfalsh Islamic Sovereign Plan - III

Name of the investee company	Rating (Long Term / Short Term)	Maturity date	Profit rate	Total transaction price	Deferred income	Accrued profit	Carrying value as at June 30, 2026	Market value as at June 30, 2026	Unrealised appreciation / (diminution) as at June 30, 2026	Carrying value as a percentage of	
										net assets of the Fund	total investments of the Fund
										----- Rupees -----	
Pak Oman Investment Company Limited	AA+ / A1+	July 29, 2025	11.60%	587,742,713	5,230,105	5,230,105	-	-	-	0.00%	0.00%
United Bank Limited	AAA / A1+	July 29, 2025	11.60%	398,945,634	3,550,070	3,550,070	-	-	-	0.00%	0.00%
United Bank Limited	AAA / A1+	July 21, 2025	11.65%	246,992,376	1,576,691	1,576,691	-	-	-	0.00%	0.00%
Pak China Investment Company Ltd	AAA / A1+	July 29, 2025	11.65%	352,245,752	3,148,015	3,148,015	-	-	-	0.00%	0.00%
Pakistan Mortgage Refinance Company Limited	AAA / A1+	February 4, 2026	10.45%	356,808,029	18,489,988	18,489,988	-	-	-	0.00%	0.00%
Total as at June 30, 2026				1,942,734,504	31,994,869	31,994,869	-	-	-	0.00%	0.00%
Total as at June 30, 2025				1,585,926,475	50,990,865	37,485,984	1,623,412,459	1,623,412,459	-	54.23%	80.71%

6.4 Net unrealised appreciation on remeasurement of investments classified at fair value through profit or loss'

Market value of investments
Less: Carrying value of investments

Note

Rupees

2026				2025			
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
1,471,464,470	2,139,447,408	1,799,041,579	5,409,953,457	5,372,156,823	2,011,302,686	2,665,071,459	10,048,530,968
(1,467,021,572)	(2,175,205,352)	(1,821,590,556)	(5,463,817,480)	(5,352,508,384)	(1,991,478,869)	(2,662,220,395)	(10,006,207,648)
4,442,898	(35,757,944)	(22,548,977)	(53,864,023)	19,648,439	19,823,817	2,851,064	42,323,320

7 ADVANCE, DEPOSIT PREPAYMENT AND OTHER RECEIVABLES

Profit receivable on:
- Bank balances
- Government Securities - GoP Ijarah sukuk

Prepaid rating fee

Advance tax

Security deposit

2026				2025			
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
779,507	58,712	469,420	1,307,639	1,094,484	2,485,914	1,543,862	5,124,260
2,758,405	43,195,721	17,540,900	63,495,026	13,584,587	31,528,202	34,520,904	79,633,693
3,537,912	43,254,433	18,010,320	64,802,665	14,679,071	34,014,116	36,064,766	84,757,953
81,395	65,422	83,752	230,569	-	166,820	-	166,820
18,080,864	875,672	-	18,956,536	18,079,841	804,938	-	18,884,779
10,532,462	2,914,289	12,424,686	25,871,437	10,789,184	100,000	210,000	11,099,184
32,232,633	47,109,816	30,518,758	109,861,207	43,548,096	35,085,874	36,274,766	114,908,736

7.1 These include an amount due from a related party (Bank Alfalah Limited) amounting to Rs. 14,708 (2025: Rs. 14,365) by AISOP - I, Rs. 48,963 (2025: Rs. 2,010,822) by AISOP - II and Rs. 20,527 (2025: Rs. 50,202) by AISOP - III.

7.2 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 150 and 151. However, during current and prior year, withholding tax on profit on balances with banks and debt instruments paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide its letter C. no.1(43) DG (WHT) / 2008 - Vol. II-66417 - R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159 (1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholding agent. As at reporting date, the tax withheld on profit on balances with banks and debt instruments amounts to Rs.18.081 million (2025: Rs. 18.079 million) for AISOP - I and Rs.0.876 million (2025: Rs. 0.805 million) for AISOP - II.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR), which was decided by the SHC in favour of FBR. Subsequently, 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 SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on bank balances and on debt instruments received by the Fund has been shown as advance tax as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8 PRELIMINARY EXPENSES AND FLOATATION COSTS

Balance as at the start of the year
Less: amortised during the year
Balance as at the year end

Note

Rupees

2026				2025			
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
698,901	-	-	698,901	945,600	-	-	945,600
(246,699)	-	-	(246,699)	(246,699)	-	-	(246,699)
452,202	-	-	452,202	698,901	-	-	698,901

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

9 PAYABLE TO ALFALAH ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration payable
Sindh sales tax payable on management remuneration
Allocated expenses payable
Sindh sales tax payable on allocated expense
Selling and marketing expenses payable
Sindh sales tax on selling and marketing expenses payable
Sales load payable
Sindh sales tax on sales load payable
Other payable

Note

Rupees

2026				2025			
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
6,649	3,736,068	3,174,585	6,917,302	3,197,751	1,612,325	1,193,105	6,003,181
998	561,299	476,104	1,038,401	479,663	241,854	178,964	900,481
-	-	-	-	455,522	1,465,368	11,649	1,932,539
-	-	-	-	68,328	219,806	1,748	289,882
-	-	-	-	4,105,581	11,203,239	86,229	15,395,049
-	-	-	-	597,417	1,680,485	12,934	2,290,836
-	73,521	-	73,521	-	443,374	-	443,374
-	11,027	-	11,027	-	66,506	-	66,506
806,000	24	-	806,024	1,333,350	-	-	1,333,350
813,647	4,381,939	3,650,689	8,846,275	10,237,612	16,932,957	1,484,629	28,655,198

9.1 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 maximum limit prescribed by SECP vide S.R.O. 600(I)/2025 dated April 10, 2025, i.e., 1.5% for the scheme categorised as income scheme. The remuneration is payable to the Management Company monthly in arrears. During the year ended June 30, 2026, the Management Company has charged management fee at the rate of 0.75% to 1.5%, (2025: 1.04% to 2%) for AISOP-I, 1.44% to 1.5% (2025: 0.97% to 2%) for AISOP-II and 0.4% to 1.5% for AISOP-III (2025: 0.64% to 1.044%) per annum of daily net assets of the Fund.

9.2 The Provincial Government of Sindh has levied Sindh Sales Tax on the Management remuneration at the rate of 15% (2025: 15%) on AISOP-I, AISOP-II and AISOP-III.

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

Trustee Remuneration payable
Sindh sales tax payable on trustee remuneration

Note

Rupees

2026				2025			
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
26,063	137,108	298,987	462,158	234,531	128,669	211,691	574,891
3,914	21,042	44,846	69,802	35,186	19,775	31,754	86,715
29,977	158,150	343,833	531,960	269,717	148,444	243,445	661,606

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net assets value of the Fund. The remuneration is payable to the Trustee at the rate of 0.055% (2025: 0.055%) per annum of daily net assets of the Fund for AISOP - I, AISOP - II and AISOP - III.

10.2 The Provincial Government of Sindh has levied Sindh sales tax on the Trustee remuneration at the rate of 15% (2025: 15%) on AISOP - I, AISOP - II and AISOP - III.

11	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	2026				2025			
			Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
			----- Rupees -----							
	Fee payable	11.1	36,516	958,489	394,478	1,389,483	318,854	951,066	288,655	1,558,575

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged fee at the rate of 0.075% (2025: 0.075%) per annum for AISOP - I, AISOP - II and AISOP - III on the daily net assets during the year ended June 30, 2026.

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

		2026				2025			
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
12	ACCRUED EXPENSES AND OTHER LIABILITIES	Rupees							
	Withholding tax payable on dividend	9,298	1,161,756	17,535	1,188,589	4,390,749	642,840,963	2,782,380	650,014,092
	Withholding tax payable on redemption	10	14,781,987	29,444,255	44,226,252	120,122	44,234,046	20,238,588	64,592,756
	Brokerage payable	541,611	410,776	554,559	1,506,946	1,158,913	3,722,350	192,189	5,073,452
	Auditor's remuneration payable	201,704	85,445	325,291	612,440	292,112	49,544	273,291	614,947
	Printing charges payable	-	-	-	-	5,790	690	6,768	13,248
	Rating fee payable	-	124,951	-	124,951	-	124,951	-	124,951
	Other payable	11,155,034	7,526,459	22,122	18,703,615	8,941,601	7,499,998	-	16,441,599
		11,907,657	24,091,374	30,363,762	66,362,793	14,909,287	698,472,542	23,493,216	736,875,045

13 CONTINGENCIES AND COMMITMENTS

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

		2026				2025			
		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
14	AUDITOR'S REMUNERATION	Rupees							
	Annual audit fee	100,834	100,834	100,834	302,502	133,393	73,782	67,825	275,000
	Half yearly review	82,500	82,500	82,500	247,500	109,140	60,367	55,493	225,000
	Fee for other certifications	55,000	55,000	55,000	165,000	72,760	40,245	36,995	150,000
	Out of pocket expenses	23,833	23,833	23,833	71,499	31,529	17,439	16,032	65,000
		262,167	262,167	262,167	786,501	346,822	191,833	176,345	715,000
	Sindh Sales Tax	20,973	20,973	20,973	62,919	27,746	15,346	14,108	57,200
		283,140	283,140	283,140	849,420	374,568	207,179	190,453	772,200

15 TOTAL EXPENSE RATIO

The annualized Total Expense Ratio (TER) for the year ended June 30, 2026 is 1.49% (2025: 2.10%) for AISOP - I, 1.90% (2025: 2.58%) for AISOP - II and for AISOP - III is 1.17% (2025: 0.56%) which includes 0.18% (2025: 0.34%) for AISOP - I, 0.23% (2025: 0.4%) for AISOP - II and 0.14% (2025: 0.14%) for AISOP-III representing government levies on the Fund such as Sales Taxes, fee to the SECP, etc. Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O 600(I)/2025 dated April 10, 2025, the requirement related to maximum Total Expense Ratio limits has been removed as applicable to Collective Investment Schemes, effective from July 01, 2025.

16 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Further, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. During the year ended June 30, 2026, the Fund has distributed by way of cash dividend at minimum 90 percent of accounting income for the year as reduced by capital gains, whether realised or unrealised, to the unit holders. Accordingly, no provision for taxation has been recognised in the financial statements.

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

16.1 Through Finance Act, 2025, effective from July 1, 2025, amendment to the Income Tax Ordinance, 2001 was introduced through Section 151A whereby every custodian of debt securities including a banking company responsible to maintain Investor Portfolio Securities (IPS) Account on behalf of holder of a debt security shall at the time of disposal of debt securities including government securities deduct tax at the rate specified in the Income Tax Ordinance, 2001, on the gross amount of capital gain arising to such holder and deposit the same in government treasury. Accordingly, during the year, Rs. 169,907 were withheld by the custodian on disposal of securities. The Fund received the exemption certificate subsequent to year end, however, such exemption certificate disallowed the refund of previously withheld tax, therefore, the amount has been recorded as an expense.

Through the Finance Act, 2026 an amendment was introduced in Clause 47 (B) of part IV of the Second schedule of the Income Tax Ordinance, 2001, whereby, payments

17 EARNINGS PER UNIT (EPU)

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

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

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

Transactions with related parties / connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with related parties / connected persons are also in the normal course of business, at contracted rates as duly approved by the Board of Directors.

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

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

18.1 Unit Holders' Fund

		2026									
		As at July 1, 2025	Issued for cash / conversion in / transfer in	Bonus / Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2026	As at July 1, 2025 *	Issued for cash / conversion in / transfer in *	Bonus / Dividend Reinvestment *	Redeemed / conversion out / transfer out *	As at June 30, 2026 **
Note		Units				Rupees					
Alfalsh Islamic Sovereign Plan - I :											
Associated companies / undertakings											
Trustee Alfalah GHP Islamic Active											
Allocation Plan - II	18.1.1	-	-	-	-	-	-	-	-	-	-
Alfalsh Asset Management Limited	18.1.1	-	-	-	-	-	-	-	-	-	-
Key management personnel											
Dir Structured Inv & Digital Transformation	18.1.1	-	-	-	-	-	-	-	-	-	-
Chief Strategy Officer	18.1.1	1	-	-	-	1	109	-	-	-	99
Chief Financial Officer	18.1.1	2	-	-	-	2	243	-	-	-	198
Units holder 10% or more holding	18.1.1	40,624,836	15,520,319	1,802,667	42,427,503	15,520,319	4,073,736,652	1,531,759,248	180,748,187	4,241,498,944	1,539,915,187
2025											
		As at July 1, 2024	Issued for cash / conversion in / transfer in	Bonus / Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2025	As at July 1, 2024 *	Issued for cash / conversion in / transfer in *	Bonus / Dividend Reinvestment *	Redeemed / conversion out / transfer out *	As at June 30, 2025 **
Note		Units				Rupees					
Alfalsh Islamic Sovereign Plan - I :											
Associated companies / undertakings											
Trustee Alfalah GHP Islamic Active											
Allocation Plan - II	18.1.1	28,891	16	3,062	31,969	-	2,895,817	1,558	306,764	3,204,159	-
Alfalsh Asset Management Limited	18.1.1	-	40,949	118	41,067	-	-	4,114,783	11,790	4,123,230	1
Key management personnel											
Dir Structured Inv & Digital Transformation	18.1.1	-	-	-	-	-	-	-	-	-	-
Chief Strategy Officer	18.1.1	-	1	-	-	1	19	90	-	-	109
Chief Financial Officer	18.1.1	-	41	-	39	2	-	4,139	-	3,896	243
Units holder 10% or more holding	18.1.1	36,424,929	42,535,489	5,338,502	53,645,877	30,653,043	3,650,939,846	4,263,226,628	534,820,163	5,374,733,135	3,073,491,696
2026											
		As at July 1, 2025	Issued for cash / conversion in / transfer in	Bonus / Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2026	As at July 1, 2025 *	Issued for cash / conversion in / transfer in *	Bonus / Dividend Reinvestment *	Redeemed / conversion out / transfer out *	As at June 30, 2026 **
Note		Units				Rupees					
Alfalsh Islamic Sovereign Plan - II :											
Associated companies / undertakings											
Alfalsh Asset Management Limited	18.1.1	1,518,312	1,291	-	1,519,597	6	167,023,994	146,616	43	167,436,209	666
Key management personnel											
Dir Structured Inv & Digital Transformation	18.1.1	-	-	-	-	-	-	-	-	-	-
Chief Financial Officer	18.1.1	-	-	-	-	-	14	-	-	-	-
Director- REIT	18.1.1	-	-	-	-	-	-	-	-	-	-
Unit holder holding 10% or more units	18.1.1	20,404,873	27,676,541	1,533,570	26,588,669	23,026,315	2,245,415,521	3,240,062,908	168,702,554	3,075,368,034	2,557,318,662
2025											
		As at July 1, 2024	Issued for cash / conversion in / transfer in	Bonus / Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2025	As at July 1, 2024 *	Issued for cash / conversion in / transfer in *	Bonus / Dividend Reinvestment *	Redeemed / conversion out / transfer out *	As at June 30, 2025 **
Note		Units				Rupees					
Alfalsh Islamic Sovereign Plan - II :											
Associated companies / undertakings											
Alfalsh Asset Management Limited	18.1.1	25,840	1,369,837	174,931	52,297	1,518,312	2,841,017	169,536,826	19,223,541	5,972,112	167,023,994
Key management personnel											
Dir Structured Inv & Digital Transformation	18.1.1	-	-	-	-	-	-	-	-	-	-
Chief Financial Officer	18.1.1	-	55,744	-	55,744	-	-	6,384,010	2	6,402,269	14
Director- REIT	18.1.1	-	94,629	-	94,629	-	-	10,530,569	-	10,990,789	-
Unit holder holding 10% or more units	18.1.1	13,635,248	30,245,823	1,751,078	30,485,234	15,146,914	1,499,147,766	3,690,514,429	192,429,588	3,728,712,215	1,666,257,459
2026											
		As at July 1, 2025	Issued for cash / conversion in / transfer in	Bonus / Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2026	As at July 1, 2025 *	Issued for cash / conversion in / transfer in *	Bonus / Dividend Reinvestment *	Redeemed / conversion out / transfer out *	As at June 30, 2026 **
Note		Units				Rupees					
Alfalsh Islamic Sovereign Plan - III :											
Associated companies / undertakings											
Alfalsh Asset Management Limited	18.1.1	-	12,506	-	12,506	-	-	1,275,847	-	1,313,908	-
Key management personnel											
Dir Structured Inv & Digital Transformation	18.1.1	-	-	-	-	-	-	-	-	-	-
Chief Financial Officer	18.1.1	-	-	-	-	-	-	-	-	-	-
Director- REIT	18.1.1	-	-	-	-	-	-	-	-	-	-
Head of Investor Relations	16.1.1	-	-	-	-	-	-	-	-	-	-
Unit holder holding 10% or more units	18.1.1	20,364,485	41,712,129	1,423,869	40,780,266	22,720,217	2,039,835,110	4,377,432,534	142,585,436	4,278,299,509	2,300,737,782
2025											
		As at July 1, 2024	Issued for cash / conversion in / transfer in	Bonus / Dividend reinvested	Redeemed / conversion out / transfer out	As at June 30, 2025	As at July 1, 2024 *	Issued for cash / conversion in / transfer in *	Bonus / Dividend Reinvestment *	Redeemed / conversion out / transfer out *	As at June 30, 2025 **
Note		Units				Rupees					
Alfalsh Islamic Sovereign Plan - III :											
Associated companies / undertakings											
Alfalsh Asset Management Limited	18.1.1	-	1,491,359	-	1,491,359	-	-	150,257,999	-	155,079,524	-
Bank Alfalah Limited - Employees Gratuity fund	18.1.1	-	2,580,395	-	2,580,395	-	-	270,848,049	-	271,309,940	-
Bank Alfalah Limited - Employees Provident fund	18.1.1	-	5,160,790	-	5,160,790	-	-	541,696,099	-	542,619,880	-

18.1.1 This reflects the position of related party / connected persons status as at June 30, 2026 and June 30, 2025.

* These amounts are based on transaction price.

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

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

18.2 Transaction during the year / period
Associated Companies / Undertakings
**Alfalah Asset Management Limited
- Management Company**

Remuneration of the Management Company	30,559,938	47,320,518	27,159,338	105,039,794	55,114,742	112,384,093	4,144,812	171,643,647
Sindh sales tax payable on management remuneration	4,583,990	7,098,078	4,073,901	15,755,969	8,285,631	16,857,615	621,722	25,764,968
Allocated expenses	-	-	-	-	455,521	1,465,368	15,331	1,936,220
Sindh sales tax on allocated expenses	-	-	-	-	68,328	219,806	2,300	290,434
Selling and marketing expenses	-	-	-	-	18,684,448	40,599,009	129,732	59,413,189
Sindh sales tax on selling and marketing expenses	-	-	-	-	2,784,247	6,089,851	19,460	8,893,558
Amount received against issuance to unit holders	-	-	-	-	3,133,052	374,081	-	3,507,133

----- Rupees -----

Bank Alfalah Limited

Profit on bank balances	339,470	6,798,973	8,392,503	15,530,946	5,169,699	15,265,799	1,684,850	22,120,348
Bank and settlement charges	6,753	19,690	3,281	29,724	15,469	53,056	1,085	69,610

Alfalah GHP Islamic Income Fund

GoP Ijara sukuks - Purchased	-	-	50,000,000	50,000,000	-	-	-	-
GoP Ijara sukuks - Sale	-	-	-	-	251,825,000	829,407,800	-	1,081,232,800

Alfalah Stable Return Plan 4

GoP Ijara sukuks - Purchased	-	-	-	-	-	14,144,200	-	14,144,200
------------------------------	---	---	---	---	---	------------	---	------------

Alfalah Islamic Money Market Fund

GoP Ijarah sukuks - Purchased	-	-	-	-	-	-	2,201,760,000	2,201,760,000
GoP Ijarah sukuks - Sale	-	-	-	-	-	521,641,400	2,201,760,000	2,723,401,400

Alfalah Islamic Rozana Amdani Fund

GoP Ijarah sukuks - Sale	-	-	-	-	-	-	2,614,851,500	2,614,851,500
--------------------------	---	---	---	---	---	---	---------------	---------------

Alfalah GHP Money Market Fund

GoP Ijarah sukuks - Sale	-	-	-	-	-	252,025,000	-	252,025,000
--------------------------	---	---	---	---	---	-------------	---	-------------

Alfalah Islamic Income Growth Fund

GoP Ijarah sukuks - Purchased	-	200,000,000	-	200,000,000	-	-	-	-
-------------------------------	---	-------------	---	-------------	---	---	---	---

Alfalah Islamic Sovereign Plan - I

GoP Ijarah sukuks - Sale	-	-	-	-	-	831,682,500	-	831,682,500
GoP Ijarah sukuks - Purchased	-	-	-	-	-	345,604,500	-	345,604,500

Alfalah Islamic Sovereign Plan - II

GoP Ijarah sukuks - Purchased	-	-	-	-	831,682,500	-	-	831,682,500
GoP Ijarah sukuks - Sale	-	-	-	-	345,604,500	-	-	345,604,500

Other related party
**Central Depository Company of
Pakistan Limited - Trustee**

Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,502,534	1,740,086	1,747,689	4,990,309	2,467,887	4,138,651	706,501	7,313,039
Sindh sales tax on remuneration of the Trustee	225,381	261,013	262,153	748,547	370,183	620,798	105,976	1,096,957

18.3 Balances outstanding as at year end
Associated Companies / Undertakings
**Alfalah Asset Management Limited
- Management Company**

2026	Total			2025	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III		Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III		
Remuneration payable	6,649	3,736,068	3,174,585	6,917,302	3,197,751	1,612,325	1,193,105	6,003,181
Sindh sales tax payable on management remuneration	998	561,299	476,104	1,038,401	479,663	241,854	178,964	900,481
Allocated expenses payable	-	-	-	-	455,522	1,465,368	11,649	1,932,539
Sindh sales tax on allocated expense payable	-	-	-	-	68,328	219,806	1,748	289,882
Selling and marketing expenses payable	-	-	-	-	4,105,581	11,203,239	86,229	15,395,049
Sindh Sales tax on selling and marketing payable	-	-	-	-	597,417	1,680,485	12,934	2,290,836
Sales load payable	-	73,521	-	73,521	-	443,374	-	443,374
Sindh sales tax sales load payable	-	11,027	-	11,027	-	66,506	-	66,506
Other payable	806,000	24	-	806,024	1,333,350	-	-	1,333,350

Bank Alfalah Limited

Bank balances	2,173,599	22,039,413	5,579,459	29,792,471	6,540,335	1,197,520,865	1,908,978	1,205,970,178
Profit receivable on bank balances	14,708	48,963	20,527	84,198	14,365	2,010,822	50,202	2,075,389

Other related party
**Central Depository Company of
Pakistan Limited - Trustee**

Remuneration payable to the Trustee	26,063	137,108	298,987	462,158	234,531	128,669	211,691	574,891
Sindh sales tax payable on remuneration of the Trustee	3,914	21,042	44,846	69,802	35,186	19,775	31,754	86,715

The financial assets and liabilities carried on the statement of assets and liabilities are categorised as follows:

Alfalah Islamic Sovereign Plan - I

Particulars	As at June 30, 2026		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees -----			
Financial assets			
Bank balances	216,453,748	-	216,453,748
Investments	-	1,471,464,470	1,471,464,470
Deposits and other receivables	14,070,374	-	14,070,374
	<u>230,524,122</u>	<u>1,471,464,470</u>	<u>1,701,988,592</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	813,647	-	813,647
Payable to Central Depository Company of Pakistan Limited - Trustee	29,977	-	29,977
Dividend payable	9,227	-	9,227
Accrued expenses and other liabilities	11,898,349	-	11,898,349
	<u>12,751,200</u>	<u>-</u>	<u>12,751,200</u>

Particulars	As at June 30, 2025		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees -----			
Financial assets			
Bank balances	21,312,391	-	21,312,391
Investments	-	5,372,156,823	5,372,156,823
Deposits and other receivables	25,468,255	-	25,468,255
	<u>46,780,646</u>	<u>5,372,156,823</u>	<u>5,418,937,469</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	10,237,612	-	10,237,612
Payable to Central Depository Company of Pakistan Limited - Trustee	269,717	-	269,717
Dividend payable	101,664	-	101,664
Accrued expenses and other liabilities	10,398,416	-	10,398,416
	<u>21,007,409</u>	<u>-</u>	<u>21,007,409</u>

Alfalah Islamic Sovereign Plan - II

Particulars	As at June 30, 2026		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees -----			
Financial assets			
Bank balances	730,338,612	-	730,338,612
Investments	-	2,139,447,408	2,139,447,408
Deposits and other receivables	46,168,722	-	46,168,722
	<u>776,507,334</u>	<u>2,139,447,408</u>	<u>2,915,954,742</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	4,381,939	-	4,381,939
Payable to Central Depository Company of Pakistan Limited - Trustee	158,150	-	158,150
Dividend payable	26,663	-	26,663
Accrued expenses and other liabilities	8,147,631	-	8,147,631
	<u>12,714,383</u>	<u>-</u>	<u>12,714,383</u>

Particulars	As at June 30, 2025		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees -----			
Financial assets			
Bank balances	1,663,500,443	-	1,663,500,443
Investments	-	2,011,302,686	2,011,302,686
Deposits and other receivables	34,114,116	-	34,114,116
	<u>1,697,614,559</u>	<u>2,011,302,686</u>	<u>3,708,917,245</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	16,932,957	-	16,932,957
Payable to Central Depository Company of Pakistan Limited - Trustee	148,444	-	148,444
Dividend payable	58	-	58
Accrued expenses and other liabilities	11,397,533	-	11,397,533
	<u>28,478,992</u>	<u>-</u>	<u>28,478,992</u>

Alfalah Islamic Sovereign Plan - III

Particulars	As at June 30, 2026		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees -----			
Financial assets			
Bank balances	781,132,587	-	781,132,587
Investments	-	1,799,041,579	1,799,041,579
Deposits and other receivables	30,435,006	-	30,435,006
	<u>811,567,593</u>	<u>1,799,041,579</u>	<u>2,610,609,172</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	3,650,689	-	3,650,689
Payable to Central Depository Company of Pakistan Limited - Trustee	343,833	-	343,833
Accrued expenses and other liabilities	901,972	-	901,972
	<u>4,896,494</u>	<u>-</u>	<u>4,896,494</u>

Particulars	As at June 30, 2025		
	At amortised cost	At fair value through profit or loss	Total
----- Rupees -----			
Financial assets			
Bank balances	75,887,288	-	75,887,288
Investments	-	2,665,071,459	2,665,071,459
Deposits and other receivables	36,274,766	-	36,274,766
	<u>112,162,054</u>	<u>2,665,071,459</u>	<u>2,777,233,513</u>
Financial liabilities			
Payable to Alfalah Asset Management Limited - Management Company	1,484,629	-	1,484,629
Payable to Central Depository Company of Pakistan Limited - Trustee	243,445	-	243,445
Accrued expenses and other liabilities	472,248	-	472,248
	<u>2,200,322</u>	<u>-</u>	<u>2,200,322</u>

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the 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.

20.1 Market risk

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

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

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

20.1.1 Currency risk

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

20.1.2 Profit rate risk

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

	2026			
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
	----- (Rupees) -----			
Variable rate instruments (financial assets)				
Bank balances	116,453,748	530,338,612	580,410,977	1,227,203,337
Government Securities - GoP ijarah sukuk certificates	4,468,995	690,497,155	98,900,000	793,866,150
	<u>120,922,743</u>	<u>1,220,835,767</u>	<u>679,310,977</u>	<u>2,021,069,487</u>

	2026			
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
	----- (Rupees) -----			
Fixed rate instruments (financial assets)				
Government Securities - GoP ijarah sukuk certificates	<u>1,466,995,475</u>	<u>1,448,950,253</u>	<u>1,700,141,579</u>	<u>4,616,087,307</u>

	2025			
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
	----- (Rupees) -----			
Variable rate instruments (financial assets)				
Bank balances	21,312,391	1,663,500,443	75,887,288	1,760,700,122
Government Securities - GoP ijarah sukuk certificates	4,547,054	369,236,026	1,041,659,000	1,415,442,080
	<u>25,859,445</u>	<u>2,032,736,469</u>	<u>1,117,546,288</u>	<u>3,176,142,202</u>

	2025			
	Islamic Sovereign Plan - I	Islamic Sovereign Plan - II	Islamic Sovereign Plan - III	Total
	----- (Rupees) -----			
Fixed rate instruments (financial assets)				
Government Securities - GoP ijarah sukuk certificates	4,210,223,340	742,990,386	-	4,953,213,726
Bai Muijal Receivables	<u>1,157,386,429</u>	<u>899,076,274</u>	<u>1,623,412,459</u>	<u>3,679,875,162</u>
	<u>5,367,609,769</u>	<u>1,642,066,660</u>	<u>1,623,412,459</u>	<u>8,633,088,888</u>

a) Sensitivity analysis for variable rate instruments

Presently, the Fund holds KIBOR based GoP Ijarah Sukuk certificates and balances with banks which expose the Fund to cash flow profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs 1.21 million (2025: Rs 0.259 million) for AISOP - I, Rs 12.21 million (2025: Rs 20.33 million) for AISOP - II and Rs 6.8 million (2025: Rs 11.175 million) for AISOP - III, respectively. The analysis assumes that all other variables remain constant.

b) Sensitivity analysis for fixed rate instrument

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

In case of 100 basis points increase in profit rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been lower by Rs. 113.10 million (2025: Rs. 338.91 million) for AISOP - I, Rs 244.51 million (2025: Rs 130.17 million) for AISOP - II and Rs 166.89 million (2025: Nil) for AISOP - III, respectively.

In case of 100 basis points decrease in profit rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher by Rs 133.65 million (2025: Rs. 403.87 million) for AISOP - I, Rs 316.96 million (2025: Rs 169.95 million) for AISOP - II and Rs 204.96 million (2025: Rs Nil) for AISOP - III, respectively.

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

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

Alfalsh Islamic Sovereign Plan - I

2026					
Effective yield / profit rate	Exposed to yield /profit rate risk			Not exposed to yield /profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- Rupees -----					
11.50% - 12.50%	116,453,748	-	-	100,000,000	216,453,748
9.23% - 15.80%	3,001,312	1,403,294,134	65,169,024	-	1,471,464,470
	-	-	-	14,070,374	14,070,374
	119,455,060	1,403,294,134	65,169,024	114,070,374	1,701,988,592
	-	-	-	813,647	813,647
	-	-	-	29,977	29,977
	-	-	-	9,227	9,227
	-	-	-	11,898,349	11,898,349
	-	-	-	12,751,200	12,751,200
	119,455,060	1,403,294,134	65,169,024	101,319,174	1,689,237,392
	119,455,060	1,403,294,134	65,169,024	101,319,174	1,689,237,392
	119,455,060	1,522,749,194	1,587,918,218		

----- 2025 -----					
Effective yield /profit rate	Exposed to yield /profitrate risk			Notexposed to yield /profitrate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- Rupees -----					
6.50% - 11.50%	21,312,391	-	-	-	21,312,391
10.75% - 11.60%	588,533,162	568,853,267	-	-	1,157,386,429
10.99% - 22.79%	3,913,665,694	54,445,492	246,659,208	-	4,214,770,394
	-	-	-	25,468,255	25,468,255
	4,523,511,247	623,298,759	246,659,208	25,468,255	5,418,937,469
	-	-	-	10,237,612	10,237,612
	-	-	-	269,717	269,717
	-	-	-	101,664	101,664
	-	-	-	10,398,416	10,398,416
	-	-	-	21,007,409	21,007,409
	4,523,511,247	623,298,759	246,659,208	4,460,846	5,397,930,060
	4,523,511,247	623,298,759	246,659,208	4,460,846	5,397,930,060
	4,523,511,247	5,146,810,006	5,393,469,214		

Alfalsh Islamic Sovereign Plan - II

2026					
Effective yield / profit rate	Exposed to yield /profit rate risk			Not exposed to yield /profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		
----- Rupees -----					
11.50% - 12.50%	530,338,612	-	-	200,000,000	730,338,612
8.66% - 18.49%	130,399,514	1,123,385,405	885,662,489	-	2,139,447,408
	-	-	-	46,168,722	46,168,722
	660,738,126	1,123,385,405	885,662,489	246,168,722	2,915,954,742
	-	-	-	4,381,939	4,381,939
	-	-	-	158,150	158,150
	-	-	-	26,663	26,663
	-	-	-	8,147,631	8,147,631
	-	-	-	12,714,383	12,714,383
	660,738,126	1,123,385,405	885,662,489	233,454,339	2,903,240,359
	660,738,126	1,123,385,405	885,662,489	233,454,339	2,903,240,359
	660,738,126	1,784,123,531	2,669,786,020		

----- 2025 -----					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

----- Rupees -----

On-balance sheet financial instruments

Financial assets

Balances with banks	6.50% - 11.50%	1,663,500,443	-	-	-	1,663,500,443
Investments:						
- Bai muajjal receivable	11.60%	899,076,274	-	-	-	899,076,274
- Government of Pakistan ijarah sukuks	10.99% - 22.79%	530,410,786	209,604,626	372,211,000	-	1,112,226,412
Deposit, profits and other receivables		-	-	-	34,114,116	34,114,116
Sub total		3,092,987,503	209,604,626	372,211,000	34,114,116	3,708,917,245

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	-	-	-	16,932,957	16,932,957
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	148,444	148,444
Dividend payable	-	-	-	58	58
Accrued expenses and other liabilities	-	-	-	11,397,533	11,397,533
Sub total		-	-	28,478,992	28,478,992

On-balance sheet gap

3,092,987,503	209,604,626	372,211,000	5,635,124	3,680,438,253
----------------------	--------------------	--------------------	------------------	----------------------

Total profit rate sensitivity gap

3,092,987,503	209,604,626	372,211,000	5,635,124	3,680,438,253
----------------------	--------------------	--------------------	------------------	----------------------

Cumulative profit rate sensitivity gap

3,092,987,503	3,302,592,129	3,674,803,129
----------------------	----------------------	----------------------

Alfalah Islamic Sovereign Plan - III

----- 2026 -----					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

----- Rupees -----

On-balance sheet financial instruments

Financial assets

Balances with banks	11.50% - 12.50%	580,410,977	-	-	200,721,610	781,132,587
Investments:						
- Government of Pakistan ijarah sukuks	8.37% - 15.75%	1,079,321,462	178,611,984	541,108,133	-	1,799,041,579
Deposits and profits receivable		-	-	-	30,435,006	30,435,006
Sub total		1,659,732,439	178,611,984	541,108,133	231,156,616	2,610,609,172

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	-	-	-	3,650,689	3,650,689
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	343,833	343,833
Accrued expenses and other liabilities	-	-	-	901,97	901,97
Sub total		-	-	4,896,494	4,896,494

On-balance sheet gap

1,659,732,439	178,611,984	541,108,133	226,260,122	2,605,712,678
----------------------	--------------------	--------------------	--------------------	----------------------

Total profit rate sensitivity gap

1,659,732,439	178,611,984	541,108,133	226,260,122	2,605,712,678
----------------------	--------------------	--------------------	--------------------	----------------------

Cumulative profit rate sensitivity gap

1,659,732,439	1,838,344,423	2,379,452,556
----------------------	----------------------	----------------------

----- 2025 -----					
Effective yield / profit rate	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Upto three months	More than three months and up to one year	More than one year		

----- Rupees -----

On-balance sheet financial instruments

Financial assets

Balances with banks	6.50% - 11.50%	75,887,288	-	-	-	75,887,288
Investments:						
- Bai muajjal receivable	11.60%	1,623,412,459	-	-	-	1,623,412,459
- Government of Pakistan ijarah sukuks	8.37% to 21.22%	1,041,659,000	-	-	-	1,041,659,000
Deposits and profits receivable		-	-	-	36,274,766	36,274,766
Sub total		2,626,323,747	114,635,000	-	36,274,766	2,777,233,513

Financial liabilities

Payable to Alfalah Asset Management Limited - Management Company	-	-	-	1,484,629	1,484,629
Payable to Central Depository Company of Pakistan Limited - Trustee	-	-	-	243,445	243,445
Accrued expenses and other liabilities	-	-	-	472,248	472,248
Sub total		-	-	2,200,322	2,200,322

On-balance sheet gap

2,626,323,747	114,635,000	-	34,074,444	2,775,033,191
----------------------	--------------------	----------	-------------------	----------------------

Total profit rate sensitivity gap

2,626,323,747	114,635,000	-	34,074,444	2,775,033,191
----------------------	--------------------	----------	-------------------	----------------------

Cumulative profit rate sensitivity gap

2,626,323,747	2,740,958,747	2,740,958,747
----------------------	----------------------	----------------------

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

Fair value hierarchy

International Financial Reporting Standard 13, 'Fair Value Measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

Alfalah Islamic Sovereign Plan - I

Financial assets 'at fair value through profit or loss'

Government of Pakistan ijarah sukuks

2026			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
1,423,464,470	48,000,000	-	1,471,464,470

Financial assets 'at fair value through profit or loss'

Bai muajjal

Government of Pakistan ijarah sukuks

2025			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
-	1,157,386,429	-	1,157,386,429
4,210,223,342	4,547,052	-	4,214,770,394
4,210,223,342	1,161,933,481	-	5,372,156,823

Alfalah Islamic Sovereign Plan - II

Financial assets 'at fair value through profit or loss'

Government of Pakistan Ijarah Sukuks

2026			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
1,915,592,888	223,854,520	-	2,139,447,408

Financial assets 'at fair value through profit or loss'

Bai muajjal

Government of Pakistan ijarah sukuks

2025			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
-	899,076,274	-	899,076,274
742,990,386	369,236,026	-	1,112,226,412
742,990,386	1,268,312,300	-	2,011,302,686

Alfalah Islamic Sovereign Plan - III

Financial assets 'at fair value through profit or loss'

Government of Pakistan Ijarah Sukuks

2026			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
1,745,281,579	53,760,000	-	1,799,041,579

Financial assets 'at fair value through profit or loss'

Bai muajjal

Government of Pakistan ijarah sukuks

2025			
Level 1	Level 2	Level 3	Total
----- Rupees -----			
-	1,623,412,459	-	1,623,412,459
-	1,041,659,000	-	1,041,659,000
-	2,665,071,459	-	2,665,071,459

22 UNIT HOLDERS' FUND RISK MANAGEMENT

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

The Fund has no restriction on the subscription and redemption of units. As required under the NBFC Regulations, 2008 every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs 100 million at all times during the life of the scheme. The Fund has historically maintained and complied with the requirement of minimum fund size at all times.

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

In accordance with the risk management policies as stated in note 20, the Fund endeavors to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

23 DISTRIBUTIONS MADE FOR ISLAMIC SOVEREIGN PLAN - I

The below table shows the cumulative distribution per unit as at June 30, 2026 and June 30, 2025.

	2026			2025		
	Alfalah Islamic Sovereign Plan I	Alfalah Islamic Sovereign Plan II	Alfalah Islamic Sovereign Plan III	Alfalah Islamic Sovereign Plan I	Alfalah Islamic Sovereign Plan II	Alfalah Islamic Sovereign Plan III
	Rupees					
Cumulative distribution	6.0860	7.2493	6.6953	12.6570	14.3999	8.6891

24 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.

25 CORRESPONDING FIGURES

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

26 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

Islamic Sovereign Fund Plan-1

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	185	66,775	6,625,356	0%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	1	199,739	19,818,005	1%
Retirement & Other Funds	10	1,421,007	140,991,302	8%
Others	7	15,524,909	1,540,370,571	90%
	203	17,212,430	1,707,805,234	100%

Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	328	151,549	15,195,406	0%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	25	46,895,015	4,702,028,717	87%
Retirement & Other Funds	21	5,197,549	521,143,166	10%
Others	20	1,730,496	173,511,789	3%
	394	53,974,609	5,411,879,078	100%

Islamic Sovereign Fund Plan-2

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	904	25,091,474	2,786,676,707	97%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	6	903,205	100,310,608	3%
Others	11	2,625	291,563	0%
	921	25,997,305	2,887,278,878	100%

Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	1,284	23,876,804	2,626,601,291	88%
Associated Co./ Directors	1	1,518,312	167,023,993	6%
Banks/Dfis	18	329,082	36,201,148	1%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	21	1,205,598	132,623,455	4%
Others	124	281,214	30,934,049	1%
	1,448	27,211,010	2,993,383,937	100%

Islamic Sovereign Fund Plan-3

Category	As at 30 June 2026			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	14	1,224,052	123,952,317	5%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	-	-	-	0%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	1	1,556,701	157,637,589	6%
Others	1	22,657,142	2,294,350,573	89%
	16	25,437,895	2,575,940,480	100%

Category	As at 30 June 2025			
	Number of unit holders	Number of units held	Amount Rupees	% of total
Individuals	25	2,603,885	260,751,454	9%
Associated Co./ Directors	-	-	-	0%
Banks/Dfis	3	23,415,705	2,344,834,102	85%
Insurance Co.	-	-	-	0%
Retirement & Other Funds	3	1,459,143	146,117,681	5%
Others	2	203	20,332	0%
	33	27,478,936	2,751,723,568	100%

(ii) TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

	30 June 2026 %		
	AISOVF-I	AISOVF-II	AISOVF-III
AKD Securities Limited	79.45%	61.91%	50.57%
Arif Habib Limited	0.10%	0.12%	0.08%
Invest One Markets Limited	0.33%	0.00%	0%
JS Global Capital Limited	16.74%	31.20%	37.73%
NEXT CAPITAL Pvt Limited	1.59%	0.00%	0%
Optimus Markets Pvt Ltd	1.80%	6.77%	11.62%
	30 June 2025 %		
	AISOVF-I	AISOVF-II	AISOVF-III
AKD Securities Limited	48.19%	66.11%	1.40%
JS Global Capital Limited	17.22%	18.73%	
NEXT Capital Pvt Limited	7.20%	0.91%	
Bright Capital Private Limited	6.85%	0.71%	23.75%
Continental Exchange Pvt Limited	5.86%	2.27%	0.83%
Alfalah CLSA Securities Pvt Limited	4.68%	2.73%	7.82%
Summit Capital (Pvt) Limited	4.47%	1.24%	
C&M Management (Private) Limited	1.28%	1.78%	1.10%
Magenta Capital(Pvt)Ltd.	1.00%		14.09%
KTrade Securities Limited	0.64%		14.65%
AKIK Capital (Pvt) Ltd.		2.63%	
ICON Management Limited		2.23%	4.95%
Optimus Markets Pvt Ltd			29.14%
Pearl Securities Limited			1.45%

(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. Khaldon 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

	AISOVF-I 30 June 2026 (Rupees in '000)	AISOVF-II 30 June 2026 (Rupees in '000)	AISOVF-III 30 June 2026 (Rupees in '000)	AISOVF-I 30 June 2025 (Rupees in '000)	AISOVF-II 30 June 2025 (Rupees in '000)	AISOVF-III 30 June 2025 (Rupees in '000)
Net Assets	1,707,806	2,887,279	2,575,940	5,411,879	2,993,383	2,751,723
NAV per unit	99.2193	111.0607	101.2639	100.2671	110.0064	100.1394
Selling price per unit	101.5013	114.8923	104.7575	103.7263	113.8016	103.5942
Redemption price per unit	99.2193	111.0607	101.2639	100.2671	110.0064	100.1394
Highest selling price per unit	105.0456	121.3010	110.6368	105.4015	128.5770	112.3925
Highest redemption price per unit	101.5424	117.2557	106.9471	101.8864	124.2890	108.6443
Lowest selling price per unit	98.6784	113.8396	103.6220	102.5998	113.6834	103.4500
Lowest redemption price per unit	95.3875	110.0431	100.1663	99.1782	109.8921	100.0000
1st interim distribution per unit	0.8235	7.2493	6.6953	1.8586	14.3999	8.6891
1st interim distribution date	Jul 30, 2025	Jun 18, 2026	18-Jun-26	31-Jul-24	27-Jun-25	26-Jun-25
2nd interim distribution per unit	0.1908			0.4109		
2nd interim distribution date	Aug 06, 2025			7-Aug-24		
3rd interim distribution per unit	0.1747			1.1040		
3rd interim distribution date	Aug 13, 2025			21-Aug-24		
4th interim distribution per unit	0.0857			0.2717		
4th interim distribution date	Aug 20, 2025			28-Aug-24		
5th interim distribution per unit	0.1399			0.3650		
5th interim distribution date	Aug 27, 2025			4-Sep-24		
6th interim distribution per unit	0.1820			0.3006		
6th interim distribution date	Sep 03, 2025			11-Sep-24		
7th interim distribution per unit	0.2145			0.2529		
7th interim distribution date	Sep 10, 2025			18-Sep-24		
8th interim distribution per unit	0.1699			0.4511		
8th interim distribution date	Sep 17, 2025			25-Sep-24		
9th interim distribution per unit	0.2020			0.3478		
9th interim distribution date	Sep 24, 2025			2-Oct-24		
10th interim distribution per unit	0.1422			0.3074		
10th interim distribution date	Oct 01, 2025			9-Oct-24		
11th interim distribution per unit	0.1341			0.3940		
11th interim distribution date	Oct 08, 2025			16-Oct-24		
12th interim distribution per unit	0.1591			0.2961		
12th interim distribution date	Oct 15, 2025			23-Oct-24		
13th interim distribution per unit	0.1752			0.3853		
13th interim distribution date	Oct 22, 2025			30-Oct-24		
14th interim distribution per unit	0.1500			0.3120		
14th interim distribution date	Oct 29, 2025			6-Nov-24		
15th interim distribution per unit	0.1611			0.3331		
15th interim distribution date	Nov 05, 2025			13-Nov-24		
16th interim distribution per unit	0.1776			0.2852		
16th interim distribution date	Nov 12, 2025			20-Nov-24		
17th interim distribution per unit	0.1480			0.2308		
17th interim distribution date	Nov 19, 2025			27-Nov-24		
18th interim distribution per unit	0.1787			0.2948		
18th interim distribution date	Nov 26, 2025			4-Dec-24		
19th interim distribution per unit	0.1945			0.1647		
19th interim distribution date	Dec 03, 2025			11-Dec-24		
20th interim distribution per unit	0.2029			0.3175		
20th interim distribution date	Dec 10, 2025			18-Dec-24		
21th interim distribution per unit	0.2671			0.1965		
21th interim distribution date	Dec 17, 2025			26-Dec-24		
22th interim distribution per unit	0.3076			0.3363		
22th interim distribution date	Dec 24, 2025			2-Jan-25		

	AISOVF-I 30 June 2025 (Rupees in '000)	AISOVF-II 30 June 2025 (Rupees in '000)	AISOVF-III 30 June 2025 (Rupees in '000)	AISOVF-I 30 June 2025 (Rupees in '000)	AISOVF-II 30 June 2025 (Rupees in '000)	AISOVF-III 30 June 2025 (Rupees in '000)
23th interim distribution per unit	0.2323			0.3465		
23th interim distribution date	Dec 31, 2025			15-Jan-25		
24th interim distribution per unit	1.2726			0.1364		
24th interim distribution date	Feb 11, 2026			22-Jan-25		
25th interim distribution per unit				0.2235		
25th interim distribution date				29-Jan-25		
26th interim distribution per unit				0.1312		
26th interim distribution date				6-Feb-25		
27th interim distribution per unit				0.0719		
27th interim distribution date				26-Feb-25		
28th interim distribution per unit				0.2726		
28th interim distribution date				5-Mar-25		
29th interim distribution per unit				0.3367		
29th interim distribution date				30-Apr-25		
30th interim distribution per unit				0.2473		
30th interim distribution date				7-May-25		
31th interim distribution per unit				0.2472		
31th interim distribution date				14-May-25		
32th interim distribution per unit				0.2199		
32th interim distribution date				21-May-25		
33th interim distribution per unit				0.3460		
33th interim distribution date				29-May-25		
34th interim distribution per unit				0.2552		
34th interim distribution date				4-Jun-25		
35th interim distribution per unit				0.2025		
35th interim distribution date				11-Jun-25		
36th interim distribution per unit				0.1655		
36th interim distribution date				18-Jun-25		
37th interim distribution per unit				0.2383		
37th interim distribution date				25-Jun-25		
Annualized returns	3.81%	7.61%	7.88%	13.11%	13.22%	10.34%
Income distribution	6.07%	6.59%	6.69%	12.63%	13.10%	8.69%
Weighted avg. portfolio duration	0.40 Years	0.86 Years	0.76 Years	0.52 Years	0.9 Years	0.13 Years

Return since inception of AISOVF-I is **11.89%**, AISOVF-II is **12.14%** and AISOVF-III is **9.04%**

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