



786 INVESTMENTS LIMITED

**FOR THE
QUARTER ENDED
MARCH 31, 2025
(UN-AUDITED)**



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CORPORATE INFORMATION

Management Company	786 Investments Limited G-3 B.R.R. Tower, Hassan Ali Street, Off I.I. Chundrigar Road, Karachi - 74000 Pakistan Tel: (92-21) 32603751-54 Email: info@786investments.com Website: www.786investments.com	
Board of Directors	Mr. Ahmed Salman Munir Miss Tara Uzra Dawood Mr. Nadeem Akhtar Mr. Naveed Ahmed Syed Musharaf Ali Mr. Iqbal Shafiq Mr. Ahmer Zia Sarwar	Chairperson Chief Executive Officer Director Director Director Director Director
Chief Financial Officer & Company Secretary	Mr. Noman Shakir	
Audit Committee	Mr. Ahmer Zia Sarwar Mr. Naveed Ahmed Syed Musharaf Ali	Chairman Member Member
Human Resource Committee	Mr. Ahmed Salman Munir Miss Tara Uzra Dawood Mr. Naveed Ahmed	Chairperson Member Member
Auditors	Riaz Ahmed & Company Chartered Accountants	
Legal Advisor	Rauf & Ghaffar Law Associates (Advocates & Consultants) Suite # 65, 5th Floor, Fareed Chamber, Abdullah Haroon Road, Saddar – Karachi, Pakistan.	
Registrars	F.D. Registrar Services (SMC-Pvt.) Ltd. Office# 1705, 17th Floor Saima Trade Tower. A, I.I. Chundrigar Road, Karachi-74000, Pakistan.	
Banker:	Habib Metropolitan Bank Limited JS Bank Limited	
Rating:	PACRA: AM3	



DIRECTORS' REPORT

The Board of Directors of **786 Investments Limited**, referred to as '786' or 'the Company,' is pleased to present the un-audited financial statements for the nine month period ended March 31, 2025.

Economic & Money Market Review:

Global growth is weakening due to rising inflation and uncertainty. Investor confidence is declining, global PMI hit a 14-month low, and job cuts are increasing. Services activity slowed, while manufacturing saw a slight rise due to pre-tariff production. Inflation reached 3.5%, with most economies expecting further increases in 2025. Fitch Ratings warns the US trade war will slow growth and delay Fed rate cuts. US growth forecasts for 2025 and 2026 are revised down to 1.7% and 1.5%, with global growth expected at 2.3% in 2025 and 2.2% in 2026. Mexico and Canada face recessions; China and Germany's fiscal support offers limited offset.

As of March 2025, Pakistan's economy shows mixed trends. The PKR stood at 280.26/USD (interbank), and the KSE-100 Index rose to 118,442 points with 507 million shares traded. Gold hit Rs 273,319/10g, and the open market dollar rate was 282.06. Inflation eased, with CPI at 263.95 (0.83% MoM, 1.52% YoY), and FY24 inflation fell to 23.41% from 29.18%. Exports were USD 2.49B, imports USD 4.81B, creating a USD 2.31B trade deficit. Remittances rose to USD 3.12B; foreign investment dropped to USD 60.77M. GDP grew by 2.5% in FY24, led by agriculture (6.18%) and services (2.35%). The current account deficit narrowed to USD 681M; SBP reserves stood at USD 11.15B.

The MPC kept the policy rate at 12% in March 2025, citing high core inflation and external pressures. From July-Feb FY25, money supply fell 0.4%; Net Foreign Assets rose by Rs 771.2B, Net Domestic Assets fell by Rs 896.6B. Government borrowing dropped to Rs 22.3B (from Rs 3,369.6B), while private sector borrowing rose to Rs 573.6B.

Company Performance

The Company recorded a profit of PKR 9.555 million during the period ended March 31, 2025, compared to a profit of PKR 13.699 million during the corresponding period. The company's income, which comprised Management Fees, increased by PKR 268,229, representing a 1.93% rise in Management Fees due to the average increase in fund size during the period. Administrative and operating expenses also increased by PKR 5.529 million, reflecting a 23.82% rise in these expenses. The net unrealized gain on the revaluation of investments showed a profit of PKR 17.190 million, compared to a profit of PKR 31.684 million during the corresponding period. Furthermore, the net realized gain on the sale of investments showed PKR 7.080 million. The earnings per share (EPS) of the Company for the period ended March 31, 2025, was PKR 0.64, compared to PKR 0.91 during the corresponding period.

Acknowledgement

We extend our most sincere gratitude to our shareholders and valued customers for their continued trust and patronage. Our heartfelt thanks also go to the dedicated 786 team for their hard work and commitment. Additionally, we express our appreciation to regulatory authorities, particularly the Securities & Exchange Commission of Pakistan and Pakistan Stock Exchange Ltd, for their continued professional guidance and support.

On behalf of the board of
786 Investments Limited

----SD----

Chairperson

----SD----

Director

Date: April 25, 2025
Place: Karachi



ڈائریکٹر کی رپورٹ

786 انومنسٹ لیمیٹڈ (786 پیمن) کے پروڈاکٹ ڈائریکٹر 31 مارچ 2025 کو ختم ہونے والی نوہائی کے لئے غیر ظرفی شدہ مالیاتی گوشارے پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

اتصالی اور ملی کارکٹ کا جائزہ

بریشن ہوئی افراطی راوی غیر ظرفی صوت خالی کی وجہ سے مالی مسکوڑہ بوری ہے۔ سرمایکا روں کا اعتماد کم ہو رہا ہے، عالی سطح پر پی ایم آئی 14 ماہ کی کم ترین سطح پر بھی گیا ہے، اور بے روکاری بڑھ رہی ہے۔ خدمات کی سرگرمی سست روی کا فیکور رہی جگہ پری یونرفیڈ اور اسکے میوٹنچ گلک میں معمولی اضافہ دیکھا گیا۔ افراطی راوی 3.5% نیصد پیٹنچ کیا، زیادہ تو ۲۰۲۵ میں ہر یا اضافے کی توقع کر رہی ہیں۔ فن رنگوں نے متوجہ کیا ہے کہ امریکی تجارتی بجگ موسکوت کردے گی اور فیڈریٹ کی کی میں تاخیر کرے گی۔ 2025 اور 2026 کے لئے امریکی شرح مسوبی پیش گوئی کوکر کے 1.7% نیصد اور 1.5% نیصد کر دیا گیا ہے۔ جس میں عالمی ٹو 2025 میں 2.2% نیصد اور 2026 میں 3.2% نیصد اور 2026 کی توقع ہے۔ میکی کو اور کینیٹ اوسکا دبازاری کا سامنا ہے؛ میکن اور جمنی کی مالی دعویٰ و آفیٹ پیش کرتی۔

مارچ 2025 تک، پاکستان کی میشٹ ملے جانات کو فناہ کرتی ہے۔ اخیر یتک میں پاکستانی روپیہ کی قدر USD/100 کی 280.26 روپیہ اور 100-KSE کی 507 میلن حصہ کی تباہت کے ساتھ 118,442 پاؤنسٹ سکھنچ گیا۔ سونے کی قیمت 10g 273,319 روپے اور اون ماگیت میں ڈارکی قیمت 282.06 روپے ہو گئی۔ افراطی راوی میں کی آئی، ہی پی آئی 0.83% (0.83%) 263.95 (YoY) اور مالی سال 24 میں افراطی راوی 29.18% نیصد سے کم ہو کر 23.41% نیصد میں گئی۔ آرمات 4.81 میلن ڈالر پیس جس سے 2.31 میلن ڈالر کا

تجارتی خسارہ پیدا ہوا۔ تسلیات زر بڑھ کر 3.12 میلن ڈالر کی تھیں، غیر ملکی سرمایکاری کم ہو کر 60.77 میلن امریکی ڈالر ہو گئی۔ مالی سال 24 میں جی ڈی پی میں 2.5% نیصد اضافہ ہوا جو کہ بنیادی طور پر زراعت (18.6% نیصد) اور خدمات (35.2% نیصد) کی بدوات ہوئی۔ کرنٹ اکاؤنٹ خسارہ کم ہو کر 6816 ڈالرہ گیا۔ اسیٹ یتک پاکستان کے خارج 11.15 میلن ڈالر ہے۔

اکمپی ای نے زیادہ ملکی افراطی راوی ہوئی دباؤ کا حوالہ دیتے ہوئے مارچ 2025 میں پالیسی ریسٹ کو 12% نیصد پر برکھا۔ جو لاٹاً تا فوری مالی سال 25 کے دوران رکھ کر فراہمی میں 0.4% نیصد کی خاص نیکی اضافوں میں 1.2 میلن روپے کا اضافہ ہوا، خاص مقابی اضافوں میں 6.6 میلن روپے کی توقع ہوئی۔ حکومتی قرضہ 3369.6 میلن روپے کے کم ہو کر 22.3 میلن روپے رکھنے کا تھا۔

کمپنی کی کارکردگی:

کمپنی نے 31 مارچ 2025 کو ختم ہونے والی مدت کے دوران 9.555 میلن روپے کا منافع حاصل کیا جبکہ گزشتہ اسی عرصے کے دوران 99.13 میلن روپے کا منافع ہوا تھا۔ کمپنی کی آمدی، جس میں میختجہت فیصلیں شامل تھیں، میں 229,268 میلن روپے کا اضافہ ہوا، جو اس عرصے کے دوران فیصلے کے جگہ میختجہت فیصلے میں 1.93% نیصد اضافہ کی نہیں گی کرتی ہے۔ انتظامی اور آپرینگ اخراجات میں بھی 5.529 میلن روپے کا اضافہ ہوا جو ان اخراجات میں 23.82% نیصد اضافہ کی عکاسی کرتا ہے۔ سرمایکاری کی رہی و ملبوہ ایشن پر خاص نیصر میں ملکی اضافہ 17.1 میلن روپے کا منافع ناہر کیا جبکہ گزشتہ اسی عرصے کے دوران 31.684 میلن روپے کا منافع ہوا تھا۔

مزید ہر آن سرمایکاری کی فرودت پر خاص منافع 7.080 میلن روپے ظاہریاً گیا۔ 31 مارچ 2025 کو ختم ہونے والی مدت کے دوران کمپنی کی فی حصہ آمدی (EPS) 0.64 روپے رہی جو گزشتہ اسی عرصے کے دوران 0.91 روپے تھی۔

اٹھار تھکر

ہم اپنے ششماہی روزانہ قدر صارفین کے آن کے مسلسل اعتماد اور سرپتی کے لئے اچانکی ٹکریز اڑا رہیں۔ ہم ان کی احتیتاجت میں اور عزم کے لئے 786 ٹیکم کا بھی تبدل سے ٹکریا رہا ہے۔ مزید ہر آن سرمایکاری کی فرودت پر خاص منافع 7.080 میلن روپے ظاہریاً گیا۔ 31 مارچ 2025 کو ختم ہونے والی مدت کے دوران کمپنی کی فی حصہ آمدی (EPS) 0.64 روپے رہی جو گزشتہ اسی عرصے کے دوران 0.91 روپے تھی۔

منجیب بورڈ

786 انومنسٹ لیمیٹڈ

----SD----

ڈائریکٹر

----SD----

چیئرمیٹر

مقام: کراچی

تاریخ: 25 اپریل 2025



**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 31 MARCH 2025**

		Notes	Un-Audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees
ASSETS				
NON-CURRENT ASSETS				
Property and equipment	4		14,344,131	639,190
Right-of-use asset	5		484,900	1,334,605
Intangible asset	6		450,158	554,040
Long-term security deposits and receivable	7		586,325	586,325
			<u>15,865,514</u>	<u>3,114,160</u>
CURRENT ASSETS				
Trade receivables	8		10,252,436	10,014,665
Investments	9		241,256,449	245,185,756
Loans and advances	10		677,500	280,000
Prepayments			1,009,374	630,505
Accrued markup	11		103,901	801,042
Cash and bank balances	12		635,117	489,215
			<u>253,934,777</u>	<u>257,401,183</u>
TOTAL ASSETS			<u>269,800,291</u>	<u>260,515,343</u>
EQUITY AND LIABILITIES				
Share capital and reserves				
Authorized share capital				
20,00,000 (30 June 2024: 20,00,000) Ordinary shares of Rupees 10 each			<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid-up share capital				
Ordinary shares 14,973,750 (30 June 2024: 14,973,750) of Rupees 10 each			<u>149,737,500</u>	<u>149,737,500</u>
Capital Reserves				
General reserves			33,630,264	33,630,264
Subordinated loan from director	13		12,000,000	12,000,000
Revenue Reserve				
Unappropriated profit			50,529,276	40,973,802
TOTAL EQUITY			<u>245,897,040</u>	<u>236,341,566</u>
LIABILITIES				
CURRENT LIABILITIES				
Accrued and other liabilities	14		21,777,414	22,979,182
Provision for taxation and levy payable- net			1,127,095	195,853
Unclaimed dividend	15		998,742	998,742
			23,903,251	24,173,777
TOTAL LIABILITIES			<u>23,903,251</u>	<u>24,173,777</u>
CONTINGENCIES AND COMMITMENTS				
TOTAL EQUITIES AND LIABILITIES	16		<u>269,800,291</u>	<u>260,515,343</u>

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

For 786 Investments Limited
(Management Company)

---SD---
Chief Executive Officer

---SD---
Chief Financial Officer

---SD---
Director



**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2025**

	Note	NINE-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
		Rupees	Rupees	Rupees	Rupees
Income					
Remuneration from fund under management - net	17	14,286,009	14,017,780	4,855,308	5,192,694
Advisory fee - net	18	833,334	833,334	277,778	277,778
Net realized gain on sale of investments		7,080,555	1,459,405	304,329	-
Income on Pakistan investment bond		1,506,849	1,504,109	501,370	498,630
		<u>23,706,747</u>	<u>17,814,628</u>	<u>5,938,785</u>	<u>5,969,102</u>
Provision against investments		-	(8,982,838)	-	-
Net unrealized profit on revaluation of investments at fair value through profit or loss		17,190,138	31,684,185	4,685,380	9,723,220
		<u>40,896,885</u>	<u>40,515,975</u>	<u>10,624,165</u>	<u>15,692,322</u>
Expenses					
Administrative and operating expenses	19	(28,734,669)	(23,205,422)	(8,866,204)	(7,192,530)
Financial charges		(1,650,439)	(3,127,447)	(422,291)	(752,970)
		<u>(30,385,108)</u>	<u>(26,332,869)</u>	<u>(9,288,495)</u>	<u>(7,945,500)</u>
Operating profit		10,511,777	14,183,106	1,335,670	7,746,822
Other operating income		704,549	763,565	32,668	115,461
Other operating charges		(193,039)	-	(96,490)	-
Profit before income tax		11,023,287	14,946,671	1,271,848	7,862,283
Taxation	20	(1,467,813)	(1,247,274)	-	(965,855)
Profit after taxation		9,555,474	13,699,397	1,271,848	6,896,428
Earnings per share for the period - basic and diluted	21	0.64	0.91	0.08	0.46

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

For 786 Investments Limited
(Management Company)

---SD---
Chief Executive Officer

---SD---
Chief Financial Officer

---SD---
Director



**STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2025**

	NINE-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
	31 March 2025	31 March 2024	31 March 2025	31 March 2024
	Rupees	Rupees	Rupees	Rupees
Profit after taxation	9,555,474	13,699,397	1,271,848	6,896,428
OTHER COMPREHENSIVE INCOME				
Items that may subsequently be reclassified to profit and loss	-	-	-	-
Items that will not subsequently be reclassified to profit and loss	-	-	-	-
Total comprehensive income for the period	9,555,474	13,699,397	1,271,848	6,896,428

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

For 786 Investments Limited
(Management Company)

---SD---
Chief Executive Officer

---SD---
Chief Financial Officer

---SD---
Director



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2025**

	Issued, subscribed and paid-up share capital	Capital Reserves		Revenue Reserve	Total
		General reserve	Sub ordinated loan from director	Unappropriated profit	
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 30 June 2023 - Audited (Restated)	149,737,500	33,630,264	22,000,000	35,314,954	240,682,718
Total comprehensive income for the period ended 31 March 2024					
Profit for the period	-	-	-	13,699,397	13,699,397
Repayment of sub ordinated loan from director	-	-	(10,000,000)	-	(10,000,000)
Other comprehensive income for the period	-	-	-	-	-
Balance as at 31 March 2024	149,737,500	33,630,264	12,000,000	49,014,351	244,382,115
Balance as at 30 June 2024	149,737,500	33,630,264	12,000,000	40,973,802	236,341,566
Total comprehensive income for the period ended 31 March 2025					
Profit for the period	-	-	-	9,555,474	9,555,474
Other comprehensive income for the period	-	-	-	9,555,474	9,555,474
Balance as at 31 March 2025	149,737,500	33,630,264	12,000,000	50,529,276	245,897,040

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

For 786 Investments Limited
(Management Company)

---SD---
Chief Executive Officer

---SD---
Chief Financial Officer

---SD---
Director



**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2025**

Note	NINE-MONTHS PERIOD ENDED	
	31 March 2025	31 March 2024
	Rupees	Rupees
Profit before levy and income tax	11,023,287	14,946,671
Adjustments for non-cash charges and other items:		
Depreciation on property and equipment	4 1,933,220	329,854
Depreciation on right-of-use assets	5 849,705	865,816
Amortization on intangibles	6.1 103,882	103,883
Financial charges	19 1,650,439	3,127,447
Impairment loss on investments	-	8,982,838
Revaluation gain on investments at fair value through profit or loss	(17,190,138)	(31,684,185)
Mark-up earned on savings accounts	(227,308)	(321,330)
Gain on sale of assets	(432,797)	-
Income on Pakistan Investment Bonds	(1,506,849)	(1,504,109)
Net realized gain on sale of investments	(7,080,555)	(1,459,405)
Net cash used in from operating activities before working capital changes	(10,877,114)	(6,612,520)
Working capital changes		
(Increase) / Decrease in current assets:		
Loans and advances	(397,500)	(350,000)
Prepayments	(378,869)	(1,127,475)
Trade receivable	(237,771)	(910,645)
	(1,014,140)	(2,388,120)
(Decrease) / Increase in current liabilities:		
Accrued and other liabilities	(2,835,011)	(926,548)
Net cash used in from operations after working capital changes	(14,726,265)	(9,927,188)
Taxes paid	(536,571)	(1,102,942)
Finance cost paid	(17,196)	(177,045)
Net cash used in operating activities	(15,280,032)	(11,207,175)
CASH FLOWS FROM INVESTING ACTIVITIES		
Units of mutual fund redeemed	129,200,000	22,500,000
Units of mutual fund purchased	(101,000,000)	(3,000,000)
Receipt of mark-up on savings account	431,298	355,109
Income received on Pakistan investment bonds	2,000,000	2,000,000
Disposal proceeds on fixed assets	432,797	-
Capital expenditure incurred	(15,638,161)	-
Net cash generated from investing activities	15,425,934	21,855,109
CASH FLOWS FROM FINANCING ACTIVITIES		
Subordinated loan from director repaid	15 -	(10,000,000)
Lease rental paid	-	(924,714)
Net cash used in financing activities	-	(10,924,714)
Net decrease in cash and cash equivalents	145,902	(276,780)
Cash and cash equivalents at beginning of the year	489,215	1,488,537
Cash and cash equivalents at end of the period	635,117	1,211,757

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

For 786 Investments Limited
(Management Company)

---SD---
Chief Executive Officer

---SD---
Chief Financial Officer

---SD---
Director



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2025

1. STATUS AND NATURE OF BUSINESS

1.1 786 Investments Limited ("the Company") was incorporated on September 18, 1990 as a public limited Company in Pakistan, with its registered office at G3, BRR Tower, Hassan Ali Street, Off I.I. Chundrigar Road, Karachi 74000. The Company is listed on the Pakistan Stock Exchange Limited. The Company has changed its name to 786 Investments Limited from Dawood Capital Management Limited with effect from 20 January 2017 after completing regulatory formalities.

The Company is registered as a Non Banking Finance Company under the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Company has obtained the licenses to carry out investment advisory services and asset management services under the NBFC Rules and the Non Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

1.2 The license to carry out "Asset Management Service" has been successfully renewed vide its letter No.SCD/AMCW/38/786IL/AMS/04/2022 dated 12 May 2022 with effect from 26 May 2022 to 25 May 2025 under Rule 5 of the Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 amended through S.R.O 1131(1) 2007, S.R.O 271(1) 2010, S.R.O 570(1)/2012 and S.R.O 1002(1)/2015 respectively. License shall be renewable by the Commission for next three years, subject to the compliance with NBFC Rules and NBFC Regulations.

1.3 The license to carry out "Investment Advisory Services" has been successfully renewed vide its letter No.SCD/AMCW/37/786IL/IAS/07/2022 dated 12 May 2022 with effect from 26 May 2022 and valid till 25 May 2025. License shall further be renewable by the Commission for next three years, subject to the compliance of the NBFC Rules and the NBFC Regulations.

1.4 The Company is an asset management company of the "786 Smart Fund" and "786 Islamic Money Market Fund".

1.5 The Pakistan Credit Agency (PACRA) has assigned Asset Manager rating of "AM3" to the Management Company dated 20 December 2024.

1.6 In compliance of the NBFC Rules read with SRO 1002(1)/2015 dated October 15, 2015 of SECP, the management would like to report that the Company has sufficient insurance coverage from an insurance company, rated AA++ by the Pakistan Credit Rating Agency limited (PACRA), against financial losses that may be caused as a result of gross negligence of its employees.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Standards) issued by the international Accounting Standard Boards (IASB) as notified under the Companies Act, 2017;
- Provision of and directives issued under the Companies Act, 2017;
- The Non Banking Finance Companies (Establishment and Regulation) Rules, 2003 (The NBFC Rules), and the Non Banking Finance Companies and Notified Entities Regulations, 2008 (The NBFC Regulations); and
- Directives issued by the SECP.

Where provisions of and directives issued under the Companies Act, 2017, The NBFC Rules, The NBFC Regulations and by the SECP differ with the requirements of IFRS the provisions of and directives issued under the Companies Act, 2017, The NBFC Rules, The NBFC Regulations and SECP have been followed.

2.1.2 These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2024.



2.1.3 These condensed interim financial statements are un-audited. However, subject have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017 .

2.1.4 The comparatives in the condensed interim statement of financial position presented in the condensed interim financial statements as at 31 March 2025 have been extracted from the annual audited financial statements for the year ended 30 June 2024, whereas the comparative in condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim financial statements for the period ended 31 March 2024.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pakistani Rupee, which is the functional and presentation currency of the Company and rounded off to nearest rupee.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the method of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the preceding annual published financial statements of the company for the year ended 30 June 2024

3.1 ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

4. PROPERTY AND EQUIPMENT	Notes	Un-Audited	Audited
		31 March 2025 Rupees	30 June 2024 Rupees
Operating fixed assets	4.1	14,344,131	639,190
4.1 Operating fixed assets			
Opening book value		639,190	982,460
Add: Purchases during the period / year		15,638,161	95,800
Less: Depreciation charged during the period / year		(1,933,220)	(439,070)
		14,344,131	639,190
Depreciation rates		10-33%	10-33%
4.2	The cost of fully depreciated assets as at 31 March 2025 is Rupees 9.33 million (30 June 2024: 13.589 million) and are still in active use of the Company.		
5. RIGHT-OF-USE ASSET			
Reconciliation of carrying amount of right-of-use asset			
Balance at the beginning of the year		1,334,605	2,405,045
Less: Depreciation charged during the period		(849,705)	(1,154,422)
Add: Impact of reassessment		-	83,982
Balance at the end of the period 5.1		484,900	1,334,605
Annual rate of depreciation (%)		20%	20%

5.1 The Company obtained building on lease for head office. There is no impairment against right-of-use asset. The principal terms and conditions of this lease arrangement are as follows:



Office Premises	Lessor Name	Lease start date	Lease tenure
G3 BRR Tower Hassan Ali Street Off I.I. Chunrigar Road, Karachi	BRR Guardian Limited	1-Aug-20	5 Years
6. INTANGIBLE ASSET			
Computer software	6.1	<u>450,158</u>	<u>554,040</u>
6.1 Computer software			
At 01 July 2024			
Cost		1,385,100	1,385,100
Accumulated amortization		(831,060)	(692,550)
Net book value		<u>554,040</u>	<u>692,550</u>
Period ended 31 March 2025			
Opening net book value		554,040	692,550
Amortization charged during the year		(103,882)	(138,510)
Closing net book value		<u>450,158</u>	<u>554,040</u>
At 31 March 2025			
Cost		1,385,100	1,385,100
Accumulated amortization		(934,942)	(831,060)
Net book value		<u>450,158</u>	<u>554,040</u>
Amortization rate		<u>10%</u>	<u>10%</u>

6.2 Intangible asset relates to software developed for business operations having remaining useful life of 4 years (30 June 2024: 4.5 years).

7. LONG-TERM SECURITY DEPOSITS AND RECEIVABLE	Note	Un-Audited	Audited
		31 March 2025	30 June 2024
Security deposits:			
Security deposit with Central Depository Company of Pakistan Limited		25,000	25,000
Security deposit against utilities		11,300	11,300
	7.1	<u>36,300</u>	<u>36,300</u>
Receivable:			
786 Islamic Money Market Fund - Fund Under Management	7.2	<u>550,025</u>	<u>550,025</u>
		<u>586,325</u>	<u>586,325</u>

7.1 These long-term security deposits are non-interest bearing.

7.2 This represents the preliminary and floatation expenses including expenses incurred in connection with the establishment and authorization of the 786 Islamic Money Market Fund (the Fund) which will be reimbursed by the Fund over a period of 5 years from the date it becomes operational in accordance with the provisions of the offering document of the Fund. The receivable has not been discounted to its present value as the financial impact thereof is not considered to be material.

7.2.1 The maximum aggregate amount receivable under this head at the end of any month during the year was as follows:

786 Islamic Money Market Fund - Fund Under Management	<u>550,025</u>	<u>550,025</u>
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	Note	Un-Audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees
8. TRADE RECEIVABLES			
Considered good - unsecured			
Balance due from fund under management:			
-786 Smart Fund	8.1	9,543,813	9,414,665
-786 Islamic Money Market Fund		108,623	-
Balance due against advisory services:			
-Dawood Family Takaful Limited	8.2	600,000	600,000
	8.3	<u>10,252,436</u>	<u>10,014,665</u>

- 8.1 Balance due from fund under management primarily represent receivable on account of management fee, Sindh Sales Tax on management fee and allocated expenses charged to the fund under management. This also includes Federal Excise Duty receivable from the fund under management as more fully disclosed in Note 14.2 to these financial statements.
- 8.2 This represents receivable on account of investment advisory services and Sindh Sales Tax on investment advisory services.

9. INVESTMENTS

At fair value through profit or loss

Pakistan investment bond		18,350,692	16,271,898
Units of mutual fund- related party		<u>222,905,757</u>	<u>228,913,858</u>
		<u>241,256,449</u>	<u>245,185,756</u>

- 9.1 This Government security - Pakistan investment bond having face value of Rupees 20 million (June 2024: 20 million) will mature by 19 September 2029 and carries effective interest at rate of 12.15% (June 2024: 12.15%).

9.2			31 March 2025		30 June 2024	
			Carrying value Rupees	Fair value Rupees	Fair value Rupees	
	31 March 2025 Units	30 June 2024 Units				
			Fund Under Management			
	1,289,342	2,739,190	786 Smart Fund	107,794,454	120,614,215	228,913,858
	1,000,000	-	786 Islamic Money Market Fund	100,000,000	102,291,542	-

9.3			31 March 2025		30 June 2024	
			Carrying value Rupees	Fair value Rupees	Fair value Rupees	
	31 March 2025 Certificates	30 June 2024 Certificates				
	5,000	5,000	Silk Bank Limited - cost	22,457,095	22,457,095	
			Fair value loss against investment	(22,457,095)	(22,457,095)	

- 9.3.1 This represents investments in B rated, unsecured and subordinated Term Finance Certificate (TFCs) carry profit equal to 6 months KIBOR plus 1.85% (2023: 6 months KIBOR plus 1.85%) receivable half yearly in arrears and will mature in August 2025. The instrument is structured to redeem 0.14% of the issue amount during the first 7 years and remaining 99.86% in last two (2) equal semi annual installments of 49.93%.

During the year ended 30 June 2022, Silk Bank Limited (the issuer) has not made its payment of principal and mark-up due on 10 February 2022, as issuer informed the investors the status of minimum capital requirement and invoked lock-in clause governed by Terms and Conditions of the Trust Deed till minimum capital requirement is met and does not constitute a breach of issuer's redemption obligations pursuant to the Trust Deed as per the legal opinion sought by the issuer. No observable market inputs were available to determine the fair market value of these TFCs as at reporting date. Due to these facts, the management has prudently recorded a fair value loss of 100% on the amount of investments. In prior years, the accrual of markup on the same was also suspended.



Pursuant to the announcement of the proposed amalgamation of Silkbank Limited with and into United Bank Limited (UBL), all rights, obligations, and undertakings of Silkbank, including those related to the TFCs, shall vest in UBL as the surviving entity, subject to the approval and sanctioning of the Scheme of Amalgamation by the State Bank of Pakistan under Section 48 of the Banking Companies Ordinance, 1962.

The TFC holders, through an Extraordinary Resolution passed via circulation, have provided their consent and no objection to the proposed amalgamation, with confirmation that the existing terms and structure of the TFCs, including coupon rate, maturity, and principal repayment schedule, will remain unchanged post-amalgamation.

	Note	Un-Audited 31 March 2025 Rupees	Audited 30 June 2024 Rupees
10. LOANS AND ADVANCES			
Secured - considered good			
Staff Advance		677,500	280,000
10.1	This represents the interest free loan provided to the Company's staff on monthly installment basis. The loan will be repaid through monthly deductions from the salary and is secured against the recognized contributory provident fund.		
11. ACCRUED MARKUP			
On savings accounts		32,668	236,658
On Pakistan Investment Bond		71,233	564,384
		103,901	801,042
12. CASH AND BANK BALANCES			
Cash in hand		25,000	-
Cash at bank- savings accounts	12.1	610,117	489,215
		635,117	489,215
12.1	The balance in savings accounts carries profit at rates of 10.50% per annum (June 2024: 20.5% per annum).		
13. SUBORDINATED LOAN FROM DIRECTOR			
The subordinated loan bears markup at 3 months KIBOR + 2% (30 June 2024: 3 months KIBOR + 2%) and is repayable at the discretion of the Company. This loan has been categorized as part of equity in accordance with NBFC rules and ATR 32 issued by the ICAP.			
14. ACCRUED AND OTHER LIABILITIES			
Accrued expenses		496,948	3,447,201
Accrued mark-up on director loan	13	13,766,462	12,133,219
Payable to fund under management	14.1	-	200,000
FED payable	14.2	6,513,677	6,513,677
Workers' Welfare Fund payable		688,545	495,506
Sales tax payable		272,183	189,579
Withholding tax payable		39,599	-
		21,777,414	22,979,182

- 14.1** This represents an amount of Rupees Nil (30 June 2024: Rupees 0.20 million) received from NCCPL being refund of tax amount with respect to funds under management. This amount will be disbursed to unit holders of the fund under management.
- 14.2** This represents amount payable against Federal Excise Duty (FED) on management fees received/receivable from the Fund under management. The amount is being held for payment to Federal Board of Revenue on the basis of stay order of the Honorable High Court of Sindh dated 04 September 2013. The stay order was granted as a result of petition filed by asset management companies on the forum of MUFAP against the amendment in Finance Act, 2013 which levied FED on the fees received by asset management companies from funds under management.



The Honorable Sindh High Court in its decision dated 16 July 2016 maintained the previous order passed against other constitutional petition whereby levy of FED is declared to be 'Ultra Vires' the Constitution. On 23 September 2016, the Federal Government has filed an appeal against the said order in the Honorable Supreme Court of Pakistan (SCP) and thus, the previous balance of FED has not been reversed.

Further, the Federal Government vide Finance Act, 2016 has excluded asset management companies and other non-banking finance companies from charge of FED on their services. Accordingly, no provision for FED is made from 01 July 2016 onwards.

15. UNCLAIMED DIVIDEND

In compliance of section 244 of the Companies Act, 2017, the Company is in the process of opening a separate bank account for unclaimed dividend.

16. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at reporting date (30 June 2024: Nil).

17. REMUNERATION FROM FUND UNDER MANAGEMENT - NET

This represents the management fee earned from the ""786 Smart Fund"" and the ""786 Islamic Money Market Fund"" at a rate of 1.5% per annum of the average annual net assets under management, calculated on a daily basis, in accordance with the provisions of the respective Trust Deeds.

However, the Management Company is currently not charging a management fee on the ""786 Islamic Money Market Fund,"" pending approval from the Securities and Exchange Commission of Pakistan (SECP) on the requested fee reduction.

Furthermore, the Management Company has invested approximately 78% of the total net assets of the 786 Islamic Money Market Fund.

18. ADVISORY FEE - NET

This represents the advisory fee from the Dawood Family Takaful Fund, a related party, as agreed under an agreement dated 30 November 2018.

19. FINANCIAL CHARGES	Note	Un-Audited	Audited
		31 March 2025 Rupees	30 June 2024 Rupees
Mark-up on director loan	19.1	1,633,243	2,950,402
Financial charges on lease liabilities		-	166,311
Bank charges		17,196	10,734
		<u>1,650,439</u>	<u>3,127,447</u>

19.1 This director loan carries interest at the rate of 3 month Kibor +2% (30 June 2024: 3 month Kibor +2%).

20. TAXATION

Current tax	1,467,813	1,247,274
Prior year tax	-	-
	<u>1,467,813</u>	<u>1,247,274</u>

21. EARNINGS PER SHARE FOR THE PERIOD - BASIC AND DILUTED

Net profit for the period - Rupees	9,555,474	13,699,397
Weighted average number of ordinary shares- Number	<u>14,973,750</u>	<u>14,973,750</u>
Earnings per share- Rupees	<u>0.64</u>	<u>0.91</u>

21.1 There are no dilutive potential shares as at the period end.



22. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of related group companies, directors, their close family members, senior executives, retirement benefit plans, major shareholders of the Company and funds under management. Transactions with the related parties other than those disclosed elsewhere in these financial statements during the period are as follows:

22.1	Transactions during the period	NINE-MONTHS PERIOD ENDED		THREE-MONTHS PERIOD ENDED	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
		Rupees	Rupees	Rupees	Rupees
Subordinated loan from director					
Repayment of loan	-	10,000,000	-	-	-
Interest expense charged for subordinated loan	1,633,243	2,950,402	419,185	702,368	
786 Smart Fund - Fund under Management					
Remuneration from fund under management - net	13,943,824	14,017,780	4,801,443	5,192,694	
Accounting and operational charges	929,588	934,282	320,096	346,185	
Investment of 11,436 (2023: 32,848) units	1,000,000	3,000,000	-	-	
Redemption of 1,461,285 (2024: 253,270) units	129,200,000	22,500,000	3,200,000	1,500,000	
786 Islamic Money Market Fund - Fund under Management					
Remuneration from fund under management - net	342,185	-	53,865	-	
Accounting and operational charges	46,678	-	27,457	-	
Investment of 1,000,000 (2023: Nil) units	100,000,000	-	-	-	
Other Related Parties					
First Dawood Investment Bank Limited & Others Employees' Provident Fund					
Provident fund contribution	742,998	624,469	250,010	211,267	
B.R.R. Guardian Limited					
Lease rentals paid	-	1,091,025	-	363,675	
Key Management Personnel					
Rumuneration and director fee	7,150,400	7,009,203	2,690,500	2,336,401	
Dawood Family Takaful Limited					
Insurance expense during the period	66,917	56,841	24,879	21,019	
Advisory fee - net	833,334	833,334	277,778	277,778	
			31 March 2025	30 June 2024	
22.2 Balance outstanding with related parties			Rupees	Rupees	
Receivable balances - Funds					
786 Smart Fund			9,543,813	2,353,266	
786 Islamic Money Market Fund			108,623	-	
Dawood Family Takaful Limited					
Advisory fee receivable			600,000	1,500,000	
B.R.R. Guardian Limited					
Prepaid rent			-	848,575	
Chief Executive Officer					
Subordinated loan:					
Principal			12,000,000	12,000,000	
Accrued Mark-up			13,766,462	10,739,112	



- 22.3** Following are the related parties with whom the Company had entered into transactions or have arrangements/agreements in place:

Name of related party	Basis of relationship	Percentage of shareholding (%)
786 Smart Fund	Fund under Management	8%
786 Islamic Money Market Fund	Fund under Management	78%
B.R.R. Guardian Limited	Shareholding	12.93%
Dawood Family Takaful Limited	Common directorship	N/A

The Company has not entered into any transaction with director and executives other than those provided under the Company's policies and terms of employment.

23. FINANCIAL RISK MANAGEMENT

There have been no significant changes in the risk management policies since the year end.

These condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Company's audited annual financial statements for the year ended 30 June 2024.

24. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved and authorised for issue on **25-April-2025** by the Board of Directors of the Company.

25. GENERAL

- 25.1** In compliance of the NBFC Rules read with SRO 1002(1)/2015 dated October 15, 2015 of SECP, the management would like to report that the Company has sufficient insurance coverage from an insurance company, rated AA++ by the Pakistan Credit Rating Agency limited (PACRA), against financial losses that may be caused as a result of gross negligence of its employees.

- 25.2** Figures have been rounded off to the nearest rupee.

For 786 Investments Limited
(Management Company)

---SD---
Chief Executive Officer

---SD---
Chief Financial Officer

---SD---
Director



Gender Pay Gap Statement Under SECP's Circular 10 Of 2024

Following is gender pay gap calculated for the year ended June 30, 2024:

1. Mean Gender Pay Gap: -1,399.51%
2. Median Gender Pay Gap: -1,397.74%

The above percentages reflect the gender pay gap of relevant male versus female employees across the organization.

T U Dawood
Chief Executive Officer

Date: February 10, 2025

786 Investments Limited
G-3, BRR Tower, Hassan Ali Street, Off I.I. Chundrigar, Road, Karachi 74000 Pakistan
Tel: +922132603751-54 www.786investments.com

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786 Investments Limited
G-3, B.R.R. Tower,
Hassan Ali Street,
Off I.I. Chundrigar Road,
Karachi - 74000 Pakistan



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786 Investments Limited**

G-3, B.R.R. Tower, Hassan Ali Street,
Off I.I. Chundrigar Road, Karachi - 74000 Pakistan
Tel: (92-21) 32603751-54
Email: info@786investments.com
Website: www.786investments.com