



DECEMBER 2025

Fund Manager Report





CIO's Note

Mubashir Zuberi, CFA

Chief Investment Officer

Dear Valued Client,

December 2025 marked a constructive close to the year, with policy actions and external developments reinforcing confidence in Pakistan's macroeconomic stabilization trajectory. At its Monetary Policy Committee meeting during the month, the State Bank of Pakistan reduced the policy rate by 50 basis points to 10.5 percent, following a six month pause after the previous cut in May 2025. The decision reflected a more dovish policy stance, supported by weak global oil prices, manageable inflation dynamics, and a stable external outlook. Headline CPI inflation stood at 6.1 percent in November 2025, and by the time of writing this report, December inflation also printed below market expectations, further strengthening the case for gradual monetary easing. Reflecting this shift, treasury bill yields declined by 50 to 75 basis points across the 3 month to 12 month tenors, indicating easing rate expectations.

On the external front, Pakistan recorded a current account surplus of US\$100 million in November 2025, driven by a sharp compression in imports amid lower global commodity prices and continued resilience in remittance inflows. Cumulatively, the current account deficit for 5MFY26 stood at US\$812 million, compared to a surplus of US\$502 million in the same period last year. While the year to date position reflects some moderation from last year's surplus, the external account remains broadly manageable, supported by disciplined import growth and steady inflows.

A key positive development during the month was the disbursement by the IMF of the third tranche of US\$1 billion under the Extended Fund Facility, alongside the first tranche of US\$200 million under the Resilience and Sustainability Facility. The disbursement followed the release of the IMF staff report and the introduction of 11 additional conditions, primarily focused on anti corruption measures, tax reforms, and energy sector restructuring. While the IMF acknowledged Pakistan's progress under the program, it also highlighted geopolitical risks, rising commodity prices, policy slippages, and climate related shocks as potential threats to macroeconomic stability. Nonetheless, the successful tranche release reinforced confidence in policy continuity and external financing support.

December also marked a major structural milestone, as the Privatization Commission successfully completed the bidding process for the privatization of PIA on 23 December. The transaction represents a significant strategic breakthrough, aligning closely with IMF guidelines and advancing the government's broader privatization agenda. The development was viewed positively by investors, signaling progress on long standing structural reforms and reducing future fiscal risks associated with state owned enterprises. Equity market performance strengthened toward year end supported by these positive developments and sustained domestic inflows. The KSE 100 Index closed December at 175,000, posting a 4.4 percent month on month gain and delivering a robust 51 percent return for CY25. Market performance was driven by these positive developments alongside continued participation from domestic investors. Technology and communications, transport, and engineering sectors emerged as the major gainers during the month.

As the market transitions into the new calendar year, focus is expected to remain on macro stability, reform implementation, and earnings growth, with gradual monetary easing providing support to economic activity. While external and geopolitical risks persist, the underlying policy direction and reform momentum provide a stable foundation as Pakistan heads into 2026.

Our Investment Philosophy

At Mahaana, we strive to build a sustainable and rewarding financial future for our clients by leveraging technology to deliver smarter, cost-efficient investing. Our philosophy blends personalization with data driven insights, creating portfolios tailored to each client's goals and risk profile for consistent, risk adjusted returns.

As your digital wealth managers, we act solely as advisors, your funds stay fully under your control, securely held by the CDC.



About Mahaana

Mahaana Wealth is your one-stop digital solution to invest and grow your savings. We act as your digital asset manager, guiding you through every step of your investment journey. By understanding your financial goals, risk tolerance, and preferences, our platform recommends a diversified portfolio tailored to your needs. Using advanced algorithms and AI, it continuously rebalances your portfolio to maintain your ideal asset mix – helping you stay on track toward your financial goals.

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Mahaana is an urdu term for monthly

We believe you should save monthly to secure your financial future

Overview

*Data as of 31st December 2025

Peer Performance – MICF

Fund	Aug	Sep	Oct	Nov	Dec
Mahaana Islamic Cash Fund (MICF)	9.86%	9.76%	9.93%	9.70%	9.98%
NBP Islamic Money Market Fund	9.36%	9.70%	9.80%	9.60%	10.0%
Al Ameen Islamic Cash Fund	9.52%	9.79%	9.97%	9.76%	10.31%
Alhamra Islamic Monev Market Fund	9.48%	9.60%	9.45%	9.26%	9.36%
Meezan Cash Fund	9.05%	9.09%	9.09%	9.26%	9.34%
Meezan Rozana Amdani Fund	8.93%	9.13%	9.13%	9.11%	9.05%
Faysal Islamic Cash Fund	8.89%	8.69%	8.74%	8.62%	8.87%

MIIETF vs Active Funds*

Fund	MTD	FYTD
KMI-30 Index	3.85%	34.43%
Mahaana Islamic Index ETF	4.26%	32.38%
HBL Islamic Equity Fund	5.24%	31.57%
Meezan Islamic Fund	3.30%	30.35%
Atlas Islamic Stock Fund	3.61%	29.49%
Al Ameen Shariah Stock Fund	3.34%	31.32%
Al Habib Islamic Stock Fund	2.91%	26.26%
NBP Islamic Stock Fund	5.50%	35.60%
Alhamra Islamic Stock Fund	4.24%	26.94%

Mahaana Islamic Cash Fund



Mahaana Islamic Cash Fund (MICF)

MICF is a Shariah-compliant fund that primarily invests in cash and cash equivalents, such as short-term government bonds and money market instruments.

Fund Commentary

During the month the Fund increased its' WAM during the month by locking in higher yields to prevent downside in reinvestment risks.

Key Facts

Item	Details
Net Assets	PKR 2913.7mn
Launch Date	March 29, 2023
Fund Type	Open-end
Fund Category	Shariah Compliant Money Market Fund
Investment Objective	Investment objective is to provide competitive returns with maximum possible capital preservation by investing in low risk and liquid Shariah-compliant authorized instruments.
Fund Auditors	BDO Ebrahim & Co.
Benchmark	90% three (3) month PKISRV rates+10% three (3) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic banks or Islamic Windows of Conventional Banks as selected by MUFAP
Sales Load	Up to 1.5%
Cut-off timing	Monday-Friday (4:00 p.m)
Pricing Mechanism	Backward
Custodian	Central Depository Company of Pakistan Limited
Shariah Advisors	Al Hilal Shariah Advisors
Fund Stability Rating	AA+
Fund Manager	Mubashir Zuberi, CFA
Management Fee	0.55% per annum
Total Expense Ratio	0.85% (MTD) 0.81% (YTD)
Total Expense Ratio (without Govt. levy)	0.68% (MTD) 0.65% (YTD)
Valuation and Redemption Days	Daily (Monday to Friday) except public holiday
Risk/Risk of Principal Erosion	Low
Weighted Average Time to Maturity (Days)	32

Performance

As of 31st Dec 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception *
MICF Return (annualized)	9.98%	10.04%	9.96%	10.06%	10.38%	N/A	19.93%
Benchmark Return (annualized)	9.51%	9.80%	9.63%	9.79%	10.33%	N/A	11.05%
Peer Average (annualized)	9.63%	N/A	N/A	N/A	N/A	N/A	N/A

* Since Mar 2023 - MICF launch date Returns are computed on the basis of NAV to NAV with dividends reinvested

Asset Allocation

Type	Dec 25	Nov 25
Bank Deposits	37.53%	36.52%
Musharaka	10.33%	8.70%
Short Term Sukuk	12.08%	16.32%
Bai Muajjal	39.94%	23.65%
Cash	0.00%	14.27%
Other assets	0.12%	0.54%

Ratings

Type	Percentage %
AAA	25.31%
AA+	24.97%
AA	37.51%
A1	12.08%
A+	0.00%

Distributions

Payout Date	Payout (Per Unit)	Ex - NAV	Yield
13-Jun-23	2.375	101.5469	2.34%
26-Jun-23	2.290	100.0038	2.29%
12-Dec-23	10.70	100.3250	10.67%
7-Jun-24	5.50	105.0288	5.24%
13-Jun-25	14.25	106.2402	13.41%

Sukuk Holdings

Instrument	Percentage %
Sadaqat Limited STS 1	3.37%
Aspin Pharma Pvt Ltd STS 2	2.72%
Airlink Limited STS 6	1.74%
Airlink Limited STS 7	1.66%
Loads Limited STS 1	1.39%
Digital World Pakistan STS 1	1.20%

Mahaana Islamic Index ETF



Mahaana Islamic Index ETF

MIIETF is a Shariah-compliant equity index fund that primarily invests in the top 30, free float weighted Islamic stocks that have an annual average turnover of more than PKR 10 million. MIIETF provides investors the long term benefits of equity markets.

Fund Commentary

MIIETF carried out its' recombination during the month in line with the MII30. The fund saw an addition of FFC, KOHC and NATF while outgoing companies were ILP, NML, TGL.

Key Facts

Item	Details
Net Assets	PKR 913.1 mn
Launch Date	March 11, 2024
Fund Type	Open-end
Fund Category	Shariah Compliant Equity ETF
Investment Objective	Investment objective is to provide competitive equity market returns with maximum coverage of the broader Islamic index at lowest possible cost.
Benchmark	Mahaana Islamic Index
Pricing Mechanism	Backward
Listing	Pakistan Stock Exchange (PSX)
Valuation Days	As per PSX
Subscription Redemption Days	As per Market hours
Ticker	MIIETF
Front End Load/Back End Load	NIL
Authorized Participant	JS Global Capital Limited Adam Securities
Management Fee	0.75% per annum
Total Expense Ratio	1.18% (MTD) 1.14% (YTD)
Total Expense Ratio (without govt. levy)	0.96% (MTD) 0.93% (YTD)
Trustee	Central Depository Company Pakistan Limited (CDC)
Risk Profile/Risk of Principal Erosion	High
Fund Auditors	BDO Ebrahim & Co.
Fund Manager	Mahaana Wealth Limited

Performance

As of 31st Dec 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception *
MIIETF Return	4.26%	32.38%	0.44%	28.72%	36.90%	N/A	117.07%
MII30 Return	3.93%	33.30%	0.76%	29.63%	38.85%	N/A	127.19%
KMI30 Return	3.85%	34.43%	0.81%	30.33%	39.13%	N/A	123.25%

* Since 11 Mar 2024 - MIIETF launch date. Returns are computed on the basis of NAV to NAV with dividends reinvested

Asset Allocation

Type	Dec 25	Nov 25
Equity	98.39%	97.09%
Cash	1.34%	2.60%
Other Assets	0.27%	0.31%

Sector Allocation

Sector	Percentage %
Fertilizer	21.46%
OIL & GAS EXPLORATION COMPANIES	18.33%
CEMENT	15.82%
COMMERCIAL BANKS	7.96%
INVESTMENT BANKS/ COMPANIES	7.89%
OTHERS	28.55%

Distributions

Payout Date	Payout (Per Unit)	Ex - NAV	Yield
24-Jun-24	0.500	10.90	4.59%
19-Jun-25	2.250	12.84	17.52%

Top Holdings

Instrument	Percentage %
Fauji Fertilizer Limited	16.31%
Engro Holdings Limited	7.89%
Lucky Cement Limited	7.23%
Hub Power Company Limited	6.86%
Meezan Bank Limited	6.76%
Oil & Gas Development Company Limited	6.18%
Pakistan Petroleum Limited	6.10%
Mari Energies Limited	6.05%
Systems Limited	5.39%
Pakistan State Oil Company Limited	4.54%

This publication is for informational purposes only and nothing herein should be construed as a solicitation, recommendation or an offer to buy or sell any fund. All investments in mutual funds are subject to market risks. The NAV based prices of units and any dividends/returns thereon are dependent on forces and factors affecting the financial markets. These may go up or down based on market conditions. Past performance is not necessarily indicative of future results. Performance data does not include the cost incurred directly by an investor in the form of sales loads etc.

Mahaana IGI Islamic Retirement Fund



Mahaana IGI Islamic Retirement Fund

Mahaana IGI Islamic Retirement Fund (MIIRF) is a Shariah-compliant voluntary pension scheme primarily invests across three sub-funds: Equity, Debt, and Money Market, offering diverse allocation options to suit different risk preferences. It is a long-term investment vehicle for individuals seeking to build wealth for their retirement. Through MIIRF, participants gain exposure to a range of Islamic assets, including equities, sukuks, and money market instruments, providing them with a reliable source of income during retirement.

Key Facts

Item	Details
Launch Date	May 26, 2025
Fund Type	Open Ended Fund
Fund Category	Shariah Compliant Voluntary Pension Scheme
Investment Objective	<p>MIIRF: Investment objective is to provide secure retirement savings and regular income after retirement, by investing in a diversified portfolio of Shariah-compliant assets, with a focus on long-term growth and risk mitigation.</p> <p>MIIRF-MMSF: Investment objective is to provide stable returns with a high level of capital preservation, by investing in low-risk, liquid Shariah-compliant instruments, such as short-term government sukuks and money market instruments.</p> <p>MIIRF-DSF: Investment objective is to generate moderate returns with controlled risk exposure, by investing in Shariah-compliant fixed-income instruments, including sukuks and government bonds, aimed at providing income and preserving capital.</p> <p>MIIRF-ESF: Investment objective is to achieve long-term capital growth by investing in Shariah-compliant equity securities, with a focus on high-quality companies and industries, while managing risk through diversification.</p>
Benchmark	<p>MIIRF-MMSF: 90% three (3) months PKISRV +10% three (3) months average of highest rates on savings account of three (3) AA rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP</p> <p>MIIRF-DSF: 75% twelve (12) months PKISRV +25% six (6) months average of highest rates on savings account of three (3) AA rated scheduled Islamic Banks or Islamic windows of Conventional Banks as selected by MUFAP</p> <p>MIIRF-ESF: KMI-30</p>
Risk Profile	Investor Dependent
Pricing Mechanism	Daily Forward Pricing
Pricing Days	Monday to Friday
Management Fee	1.0% each for MIIRF - DSF & MMSF, and 2.0% for MIIRF-ESF
NAV per unit at launch date	10
Month End Date	30-Nov-25
Trustee	Central Depository Company Pakistan Limited
Auditor	A.F. Ferguson & Co.
Fund Manager	IGI Life Insurance Limited
Shariah Advisors	Al Hilal Shariah Advisors
Weighted Avg. Time to Maturity (Days)	<div style="display: flex; justify-content: space-around;"> 376 (MIIRF-DSF) 74 (MIIRF-MMSF) </div>

Expense Ratio | Government Levy
Net Assets Value (PKR '000)

Item	ESF	DSF	MMSF	Fund	Dec 25
Monthly Total Expense Ratio	3.10%	1.87%	1.91%	MIIRF - Total	328.9 mn
Monthly Total Expense Ratio (without govt. levy)	2.69%	1.66%	1.70%	MIIRF-ESF	179.8 mn
Yearly Total Expense Ratio	2.13%	1.11%	1.13%	MIIRF-DSF	77.8 mn
Yearly Total Expense Ratio (without govt. levy)	1.84%	0.97%	0.99%	MIIRF-MMSF	71.4 mn

Performance

As of 31st Dec 2025	MTD	YTD	90 Days	180 Days	1 Year	3 Years	Since Inception
MIIRF-MMSF	8.81%	9.97%	10.209%	10.00%	N/A	N/A	10.38%
Benchmark	9.51%	9.64%	9.55%	9.64%	N/A	N/A	9.74%
Peer average	9.91%						
MIIRF-DSF	9.84%	11.30%	10.97%	11.20%	N/A	N/A	12.00%
Benchmark	10.24%	9.97%	10.14%	9.97%	N/A	N/A	10.06%
Peer average	9.97%						
MIIRF-ESF	3.97%	30.48%	0.94%	25.80%	N/A	N/A	30.75%
Benchmark	3.85%	34.43%	0.81%	30.33%	N/A	N/A	39.97%
Peer average	3.29%						

Asset Allocation

MIIRF-ESF	Dec 25	Nov 25	MIIRF-DSF	Dec 25	Nov 25	MIIRF-MMSF	Dec 25	Nov 25
Equity	91.35%	91.19%	Bank Deposits	51.50%	46.96%	Bank Deposits	79.36%	74.95%
Bank Deposits	5.50%	8.07%	GoP Ijarah Sukuks	34.21%	37.92%	GoP Ijarah Sukuks	15.10%	15.90%
Other assets	3.15%	0.74%	Short Term Sukuk	13.36%	14.44%	Short Term Sukuk	0.00%	0.00%
			Certificate of Investments	0.00%	0.00%	Certificate of Investments	0.00%	0.00%
			Other assets	0.93%	0.68%	Other assets	5.54%	9.15%

Top Holdings (MIIRF-ESF)

Instrument	Percentage %
Mahaana Islamic Index Exchange Traded Fund	13.0%
Fauji Fertilizer Company	9.6%
Lucky Cement Limited	7.2%
Systems Limited	6.9%
Engro Holdings Limited	6.7%
Meezan Bank Limited	5.2%
Oil & Gas Development Company Limited	5.2%
Pakistan Petroleum Limited	5.2%
Mari Energies Limited	4.6%
Hub Power Company Limited	4.5%

Sector Allocation (MIIRF-ESF)

Sector	Percentage %
Oil & Gas Exploration Companies	14.87%
Cements	13.57%
Fertilizer	12.45%
Technology & Communication	8.54%
Commercial Banks	6.71%
Others	43.85%

Top Holdings (MIIRF-DSF)

Sector	Percentage %
Sadaqat Limited STS 1	6.66%
Airlink Limited STS 7	3.99%
Airlink Limited STS 6	2.72%

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