

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 Money 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% |

MIETF vs Active Funds*

| Fund | MTD | FYTD |
|-----------------------------|-------|--------|
| KMI-30 Index | 3.85% | 34.43% |
| Mahaana Islamic Index ETF | 4.26% | 32.38% |
| HLB 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

MIETF 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. MIETF provides investors the long term benefits of equity markets.

Fund Commentary

MIETF carried out its' recomposition 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 | MIETF |
| 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 * |
|---------------------|-------|--------|---------|----------|--------|---------|-------------------|
| MIETF 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 - MIETF 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) | 376 (MIIRF-DSF) 74 (MIIRF-MMSF) |

Expense Ratio | Government Levy

| Item | ESF | DSF | MMSF |
|---|-------|-------|-------|
| Monthly Total Expense Ratio | 3.10% | 1.87% | 1.91% |
| Monthly Total Expense Ratio (without govt. levy) | 2.69% | 1.66% | 1.70% |
| Yearly Total Expense Ratio | 2.13% | 1.11% | 1.13% |
| Yearly Total Expense Ratio (without govt. levy) | 1.84% | 0.97% | 0.99% |

Net Assets Value (PKR '000)

| Fund | Dec 25 |
|---------------|----------|
| MIIRF - Total | 328.9 mn |
| MIIRF-ESF | 179.8 mn |
| MIIRF-DSF | 77.8 mn |
| 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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Commission of Pakistan (SECP)**



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