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INNOVATION & EXCELLENCE



JS Government Securities Fund

ANNUAL REPORT 2025

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COMPANY INFORMATION



BOARD OF DIRECTORS

| | |
|----------------------------------|-----------------------------------|
| Mr. Suleman Lalani | Non-Executive Director / Chairman |
| Ms. Iffat Zehra Mankani | Chief Executive Officer |
| Mr. Hasan Shahid | Non-Executive Director |
| Mr. Syed Kazim Raza* | Non-Executive Director |
| Mr. Faisal Anwar** | Non-Executive Director |
| Ms. Aisha Fariel Salahuddin | Non-Executive Director |
| Ms. Mediha Kamal Afsar | Non-Executive Director |
| Mr. Farooq Ahmed Malik | Non-Executive Director |
| Mr. Mirza M. Sadeed H. Barlas*** | Non-Executive Director |
| Mr. Atif Salim Malik**** | Non-Executive Director |

Chief Executive Officer

Ms. Iffat Zehra Mankani

Chief Financial Officer

Mr. Raheel Rehman

Chief Investment Officer

Syed Hussain Haider

Chief Operating Officer & Company Secretary

Mr. Muhammad Khawar Iqbal

Statutory Auditors

A.F Ferguson & Co., Chartered Accountants

Legal Advisors

Bawaney and Partners
3rd & 4th Floor, 68-C, Lane-13
Bokhari Commercial Area
Phase-VI DHA, Karachi

Audit Committee

Ms. Mediha Kamal Afsar (Chairperson)
Mr. Hasan Shahid
Mr. Faisal Anwar

Trustee

Digital Custodian Company Limited
4th Floor, Perdesi House
2/1, R-Y-16, Old Queens Road,
Karachi - 75530

* Mr. Syed Kazim Raza joined the board on March 06, 2025.

** Mr. Faisal Anwer joined the board on January 07, 2025.

*** Mr. Mirza M. Sadeed H. Barlas resigned from the board on January 15, 2025.

**** Mr. Atif Salim Malik resigned from the board on November 21, 2024.

VISION

To be the preferred choice of every investor, offering diverse and innovative investment solutions.



MISSION

To establish a leadership position in bringing more investable asset classes and innovative products, while managing them with prudence and excellence.

DIRECTORS' REPORT TO THE UNITHOLDERS

FOR THE YEAR ENDED JUNE 30, 2025

The Board of Directors of JS Investments Limited, the Management Company of **JS Government Securities Fund** (the Fund), is pleased to present the Annual Report for the year ended June 30, 2025.

ECONOMY REVIEW:

FY2025 unfolded against a backdrop of moderating but below-target growth, shaped by persistent challenges in the agriculture sector and only modest expansion in industrial activity. The macroeconomic stabilization program stayed broadly on course, supported by the disbursement of the first and second tranches of USD 1.0 billion and USD 1.1 billion under the IMF's 37-month Extended Fund Facility (EFF) of USD 7 billion. In parallel, a 28-month Resilience and Sustainability Facility (RSF) of USD 1.3 billion was secured to promote climate-resilient investments. A key structural initiative was the launch of the National Minerals Harmonization Framework at the Pakistan Minerals Investment Forum 2025, aimed at unlocking untapped mineral resources through targeted public-private partnerships. Overall, the year reflected continued progress towards macroeconomic stability, albeit with sector-specific headwinds tempering overall momentum.

Inflation eased sharply to 4.49% from 23.41% a year earlier, aided by stable food and energy prices, allowing for a more accommodative monetary stance. The external sector strengthened significantly: foreign exchange reserves reached USD 14.51 billion by year-end, while the current account recorded a surplus of USD 2.1 billion compared to a USD 2.07 billion deficit in the previous year. In terms of the fiscal performance, the Federal Board of Revenue (FBR) tax collections rose 26.13% year-on-year to PKR 11.74 trillion, though the final outturn fell short of the revised target by PKR 165 billion. Lower-than-planned interest and development spending helped contain the fiscal deficit at 5.4% of GDP, below the 5.8% target set at the year's outset.

Looking ahead, the FY2026 Federal Budget targets real GDP growth of 4.2%, up from FY2025's 2.7%, and headline inflation of 7.5%. To achieve these objectives, the FBR has been assigned an ambitious tax collection target of PKR 14.13 trillion, underpinned by broadening the tax base, enhancing compliance, and advancing digitization initiatives.

Globally, uncertainty deepened as trade momentum softened following the U.S. administration's announcement of sweeping tariff measures, dampening sentiment and clouding supply chain resilience. Geopolitical tensions, from Pakistan-India frictions to a brief Iran-Israel flare-up, added to volatility, though ceasefires eased immediate risks. Notably, Pakistan managed the post-India escalation with measured diplomacy, effectively addressing challenges and strengthening its position in subsequent tariff and trade discussions, underscoring its growing adeptness in navigating complex geopolitical and economic currents.

INCOME / MONEY MARKET REVIEW:

The period under review witnessed a significant recalibration in monetary policy, with the State Bank of Pakistan's (SBP) Monetary Policy Committee (MPC) implementing cumulative rate cuts of 950 basis points (bps), bringing the policy rate down to 11%. This easing was underpinned by moderating inflation and stable energy prices, enabling a shift towards growth-supportive measures.

Government securities markets responded with a broad-based decline in yields. Short-term tenors fell sharply, with the 3M, 6M, and 12M closing at 11.01%, 10.89%, and 10.85%, down 896bps, 902bps, and 783bps, respectively. Mid-tenors followed suit, with the 3Y and 5Y ending at 11.15% and 11.40%, reflecting declines of 535bps and 397bps, while the 10Y eased 179bps to 12.30%. For fiscal management, the SBP also conducted Treasury bill buybacks to improve liquidity and manage maturity profiles.

A notable milestone was the issuance of Pakistan's first 15-year zero-coupon bond, raising PKR 288 billion at a 12.70% cut-off, signaling a strategic shift towards long-duration financing. Yield movements ahead will remain closely linked to inflation trends, reform momentum, and external sector conditions.

REVIEW OF FUND PERFORMANCE

The Fund return was 15.84% for the year ended June 30, 2025 against benchmark return of 14.35%. The Fund's Net Assets increased from PKR 6.11 billion as of June 30, 2024 to PKR 10.05 billion as of June 30, 2025. The Fund's total expense ratio is 2.05%, which includes 0.27% of government levies on the Fund.

DIVIDEND

The Fund paid interim cash dividends of Rs 12.82 per unit during the year ended June 30, 2025.

ASSET MANAGER AND FUND RATING

The Management Company has an asset manager rating of 'AM2++' with a 'Stable Outlook' from the Pakistan Credit Rating Agency Limited (PACRA). This rating reflects the Company's strong management quality, sound governance framework, and consistent operational performance, underscoring its continued commitment to delivering sustainable value to investors and stakeholders. PACRA also reaffirmed the stability rating of 'AA(f)' dated June 10, 2025 (2024: 'AA(f)' to the Fund.

AUDITORS

The external auditors of the Fund M/S. A.F. Ferguson & Co. Chartered Accountant, retire and being eligible offer themselves for reappointment. The Board of Directors, upon recommendation of the Audit Committee of the Board has approved the appointment of M/S. A.F. Ferguson & Co. Chartered Accountants, as the Fund's auditors for the ensuing year ending June 30, 2026.

ADDITIONAL INFORMATION

- Annexed to the Annual Report is Fund Manager's Report giving description of principal risks and uncertainties with reasonable indication of future prospects of profit.
- The Pattern of Unit holding as at June 30, 2025 is annexed to this annual report.
- The system of internal control is sound in design and has been effectively implemented and monitored.
- A performance table / key financial data is annexed to this annual report.

ACKNOWLEDGMENT

The directors express their gratitude to the Securities and Exchange Commission of Pakistan and Digital Custodian Company Limited for their valuable support, assistance and guidance. The Board also thanks the employees of the Management Company for their dedication and hard work and the unit holders for their confidence in the Management.

On behalf of the Board



Director



Chief Executive Officer

August 19, 2025
Karachi

اظہار تشکر:

ڈائریکٹرز پاکستان سیکورٹیز اینڈ ایکسچینج کمیشن اور ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ کے تعاون، رہنمائی اور معاونت پر دلی تشکر کا اظہار کرتے ہیں۔ بورڈ
پنشن فنڈ منیجر کے ملازمین کا بھی ان کی محنت اور لگن پر شکریہ ادا کرتا ہے، اور یونٹ ہولڈرز کا مینجمنٹ پر اعتماد رکھنے کے لیے خصوصی طور پر ممنون
ہے۔

بورڈ کی جانب سے



چیف ایگزیکٹو آفیسر



ڈائریکٹر

کراچی، 19 اگست 2025

فنڈ کی کارکردگی کا جائزہ:

30 جون 2025 کو اختتام پذیر ہونے والی مدت کے لیے فنڈ کا منافع 15.84 فیصد رہا، جبکہ بینچ مارک کا منافع 14.35 فیصد رہا۔ 30 جون 2024 کو فنڈ کے خالص اثاثے 6.11 بلین روپے سے بڑھ کر 30 جون 2025 کو 10.05 بلین روپے ہو گئے۔ فنڈ کا کل اخراجاتی تناسب 2.05 فیصد رہا، جس میں 0.27 فیصد حکومتی لیویز پر مشتمل ہے۔

ڈویڈنڈ:

30 جون 2025 کو اختتام پذیر ہونے والی مدت کے دوران فنڈ نے فی یونٹ 12.82 روپے کا عبوری کیش ڈویڈنڈ ادا کیا۔

ایسیٹ مینجریٹنگ:

مینجمنٹ کمپنی کو پاکستان کریڈٹ ریٹنگ ایجنسی لمیٹڈ (PACRA) کی جانب سے 'AM2++' کی ایسیٹ مینجریٹنگ بمعہ 'مستحکم آؤٹ لک' دی گئی ہے۔ یہ ریٹنگ کمپنی کے مستحکم انتظامی معیار، مضبوط گورننس فریم ورک اور مسلسل عملی کارکردگی کی عکاسی کرتی ہے، جو سرمایہ کاروں اور اسٹیک ہولڈرز کو پائیدار قدر فراہم کرنے کے لیے کمپنی کے عزم کو اجاگر کرتی ہے۔ مزید برآں، PACRA نے 10 جون 2025 کو فنڈ کی مستحکم ریٹنگ 'AA(f)' (2024 میں 'AA(f)') کی توثیق کی۔

آڈیٹرز:

فنڈ کے بیرونی آڈیٹرز، میسرز ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس، اپنی مدت پوری ہونے پر ریٹائر ہو رہے ہیں اور از سر نو تقرری کے لیے اہل ہونے کے ناطے اپنی خدمات دوبارہ پیش کر رہے ہیں۔ بورڈ آف ڈائریکٹرز نے، آڈٹ کمیٹی کی سفارش پر، میسرز ایف فرگوسن اینڈ کمپنی، چارٹرڈ اکاؤنٹنٹس کو آئندہ مالی سال 30 جون 2026 کو ختم ہونے والی مدت کیلئے فنڈ کے آڈیٹرز کے طور پر تقرر کرنے کی منظوری دی ہے۔

اضافی معلومات:

- الف۔ سالانہ رپورٹ کے ساتھ فنڈ مینجری کی رپورٹ منسلک ہے، جس میں اہم خطرات اور غیر یقینی عوامل کی وضاحت کے ساتھ مستقبل کے منافع کے امکانات کی نشاندہی کی گئی ہے۔
- ب۔ 30 جون 2025 تک یونٹ ہولڈنگ کا پیٹرن اس سالانہ رپورٹ کے ساتھ منسلک ہے۔
- ج۔ اندرونی کنٹرول کا نظام ڈیزائن کے اعتبار سے مضبوط ہے اور اسے مؤثر طور پر نافذ اور مانیٹر کیا گیا ہے۔
- د۔ کارکردگی کا جدول/کلیدی مالیاتی اعداد و شمار اس سالانہ رپورٹ کے ساتھ منسلک ہیں۔

عالمی سطح پر غیر یقینی صورتحال میں اضافہ ہوا کیونکہ امریکی حکومت کی جانب سے وسیع پیمانے پر محصولات (ٹیرف) کے اقدامات کے اعلان کے بعد تجارتی سرگرمیاں کمزور پڑ گئیں، جس سے سرمایہ کاروں کا اعتماد متاثر ہوا اور سپلائی چین کی مضبوطی کمزور ہو گئی۔ جغرافیائی سیاسی تناؤ، جن میں پاکستان اور بھارت کے درمیان کشیدگی اور ایران اسرائیل کے درمیان مختصر جھڑپ شامل تھی، نے بھی اتار چڑھاؤ میں اضافہ کیا، اگرچہ سیز فئر نے فوری خطرات کو کم کرنے میں مدد دی۔ اہم بات یہ رہی کہ پاکستان نے بھارت کے ساتھ بڑھتی ہوئی کشیدگی کے بعد متوازن سفارت کاری کے ذریعے صورتحال کو مؤثر انداز میں سنبھالا۔ اس سے نہ صرف چینجز پر قابو پایا گیا بلکہ بعد ازاں محصولات اور تجارتی مذاکرات میں پاکستان کی پوزیشن مزید مضبوط ہوئی، جو اس بات کی علامت ہے کہ پاکستان پیچیدہ جغرافیائی اور معاشی حالات سے نمٹنے میں بتدریج زیادہ مہارت حاصل کر رہا ہے۔

آمدنی/منی مارکیٹ جائزہ:

زیر جائزہ مدت کے دوران مالیاتی پالیسی میں نمایاں تبدیلی دیکھنے میں آئی۔ اسٹیٹ بینک آف پاکستان (SBP) کی مانیٹری پالیسی کمیٹی (MPC) نے شرح سود میں مجموعی طور پر 950 بیس پوائنٹس کی کمی کی، جس سے پالیسی ریٹ کم ہو کر 11 فیصد پر آ گیا۔ یہ نرمی افراط زر میں کمی اور توانائی کی قیمتوں کے استحکام کے باعث ممکن ہوئی، جس نے ترقی دوست اقدامات کی گنجائش فراہم کی۔

حکومتی سیکورٹیز مارکیٹ نے وسیع پیمانے پر منافع کی شرح میں کمی کے ساتھ رد عمل دیا۔ قلیل مدتی شرحیں نمایاں طور پر کم ہوئیں، جہاں 3 ماہ، 6 ماہ اور 12 ماہ کی شرحیں بالترتیب 11.01%، 10.89% اور 10.85% پر بند ہوئیں، جو کہ 896 بیس پوائنٹس، 902 بیس پوائنٹس اور 783 بیس پوائنٹس کی کمی کو ظاہر کرتی ہیں۔ درمیانی مدت کی شرحوں میں بھی کمی آئی، جہاں 3 سال اور 5 سال کی مدت کے ریٹس بالترتیب 11.15% اور 11.40% پر بند ہوئے، جو کہ 535 اور 397 بیس پوائنٹس کی کمی کو ظاہر کرتے ہیں، جبکہ 10 سالہ شرح 179 بیس پوائنٹس کم ہو کر 12.30% پر آ گئی۔ مالی نظم و نسق کے تحت اسٹیٹ بینک نے لیکویڈٹی میں بہتری اور میچورٹی پروفائل کے انتظام کے لیے ٹریڈری بل بائی بیک بھی کیے۔

اس دوران پاکستان کے پہلے 15 سالہ زیرو کوپن بانڈ کا اجراء ایک اہم سنگ میل تھا، جس کے ذریعے 12.70 فیصد کٹ آف پر 288 بلین روپے حاصل کیے گئے۔ یہ اقدام طویل المدتی فنڈنگ کی جانب ایک اسٹریٹجک تبدیلی کی علامت ہے۔ آئندہ کے لیے شرح منافع کی سمت کا انحصار افراط زر کے رجحانات، اصلاحاتی عمل کی پیش رفت اور بیرونی شعبے کی صورتحال پر رہے گا۔

یونٹ ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ

جے ایس انویسٹمنٹس لمیٹڈ کے بورڈ آف ڈائریکٹرز 30 جون 2025 کو اختتام پذیر ہونے والی مدت کیلئے مینجمنٹ کمیٹی برائے جے ایس گورنمنٹ سیکیورٹیز فنڈ (فنڈ) کی سالانہ رپورٹ پیش کرتے ہوئے پُرسرت ہیں۔

معاشی جائزہ:

مالی سال 2025 میں شرح نمو میں کچھ بہتری دیکھنے میں آئی، لیکن یہ مقررہ ہدف سے کم رہی۔ زرعی شعبے کو درپیش مستقل مسائل اور صنعتی سرگرمیوں میں محدود اضافے نے اس صورتحال پر اثر ڈالا۔ معیشت کے استحکام کے لیے جاری پروگرام مجموعی طور پر درست سمت میں رہے، جسے آئی ایم ایف کے 37 ماہ پر مشتمل ’ایکٹیو ڈیفنڈ فیسلٹی‘ (EFF) کے تحت 7 بلین امریکی ڈالر کے پیکیج میں سے پہلی اور دوسری قسط، بالترتیب 1.0 بلین اور 1.1 بلین امریکی ڈالر کی وصولی سے تقویت ملی۔ اسی دوران 28 ماہ کی ’ریزیلیئنس اینڈ سسٹین ایبلٹی فیسلٹی‘ (RSF) کے تحت 1.3 بلین امریکی ڈالر کا معاہدہ بھی ہوا، جس کا مقصد ماحول دوست اور موسمیاتی پائیدار سرمایہ کاری کو فروغ دینا ہے۔ اس سال کا ایک نمایاں اقدام ’پاکستان منرلز انویسٹمنٹ فورم 2025‘ میں نیشنل منرلز ہارمونی زیشن فریم ورک کا اجراء تھا، جس کا مقصد عوامی ونجی اشتراک کے ذریعے ملک میں موجود غیر استعمال شدہ معدنی وسائل کو بروئے کار لانا ہے۔ مجموعی طور پر، مالی سال کے دوران معیشت استحکام کی جانب پیش رفت کرتی رہی، اگرچہ کچھ شعبہ جاتی رکاوٹوں نے ترقی کی رفتار کو محدود رکھا۔

افراط زر میں نمایاں کمی ہوئی اور یہ گزشتہ سال کی 23.41 فیصد کی شرح کے مقابلے میں کم ہو کر 4.49 فیصد تک ہو گئی، جس میں خوراک اور توانائی کی مستحکم قیمتوں نے اہم کردار ادا کیا۔ اس کے نتیجے میں مالیاتی پالیسی کو نسبتاً نرم رویہ اختیار کرنے کی گنجائش ملی۔ بیرونی شعبہ بھی خاصی حد تک مضبوط ہوا، مالی سال کے اختتام پر زرمبادلہ کے ذخائر بڑھ کر 14.51 بلین امریکی ڈالر تک پہنچ گئے، جبکہ کرنٹ اکاؤنٹ میں 2.1 بلین امریکی ڈالر کا سرپلس ریکارڈ ہوا، جو گزشتہ سال کے 2.07 بلین امریکی ڈالر کے خسارے کے برعکس ہے۔ مالیاتی کارکردگی کے لحاظ سے فیڈرل بورڈ آف ریونیو (ایف بی آر) کی ٹیکس وصولیاں سال بہ سال 26.13 فیصد بڑھ کر 11.74 ٹریلین روپے تک پہنچ گئیں، تاہم حتمی نتائج نظر ثانی شدہ ہدف سے 165 بلین روپے کم رہے۔ سود کی ادائیگی اور ترقیاتی اخراجات میں کمی کے باعث مالی خسارہ مجموعی قومی پیداوار (GDP) کے 5.4 فیصد تک محدود رہا، جو کہ سال کے آغاز میں مقررہ 5.8 فیصد ہدف سے کم تھا۔

آئندہ مالی سال 2026 کے وفاقی بجٹ میں حقیقی شرح نمو (GDP) کا ہدف 4.2 فیصد مقرر کیا گیا ہے، جو مالی سال 2025 کی 2.7 فیصد شرح کے مقابلے میں زیادہ ہے، جبکہ ہیڈ لائن افراط زر کا ہدف 7.5 فیصد رکھا گیا ہے۔ ان اہداف کے حصول کے لیے ایف بی آر کو 14.13 ٹریلین روپے کی بلند سطح کی ٹیکس وصولی کا ہدف دیا گیا ہے، جس کی بنیاد ٹیکس نیٹ کو وسیع کرنے، کمپلائنس میں بہتری لانے اور ڈیجیٹائزیشن اقدامات کو آگے بڑھانے پر رکھی گئی ہے۔

JS Government Securities Fund (JS GSF)

- Description of the Collective Investment Scheme category and type**

Income Fund Scheme / Open end

- Statement of Collective Investment Scheme's investment objective**

JS Government Securities Fund aims to preserve investor's capital while providing a regular stream of current income on an annual basis which is higher than that offered by commercial banks on deposits of a similar liquidity profile. The fund operates a diverse portfolio of investment-grade debt securities, government securities and money market instruments.

- Explanation as to whether the Collective Investment Scheme has achieved its stated objective**

The collective investment scheme achieved its stated objective.

- Statement of benchmark(s) relevant to the Collective Investment Scheme**

90% six (6) months PKRV rates + 10% six (6) months average of the highest rates on savings account of three (3) "AA" rated scheduled Banks as selected by MUFAP.

- Comparison of the Collective Investment Scheme's performance during the period compared with the said benchmarks**

| Ann. Returns | Jul-24 | Aug-24 | Sep-24 | Oct-24 | Nov-24 | Dec-24 | Jan-25 | Feb-25 | Mar-25 | Apr-25 | May-25 | Jun-25 | FY25 |
|--------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| JSGSF | 20.04% | 17.31% | 37.11% | 16.57% | 18.00% | 2.28% | 10.84% | 9.54% | 5.80% | 10.48% | 19.87% | 10.06% | 15.84% |
| Benchmark | 19.59% | 18.24% | 16.58% | 14.06% | 13.10% | 12.00% | 11.84% | 11.75% | 11.75% | 10.63% | 11.22% | 10.87% | 14.35% |
| Diff. | 0.45% | -0.93% | 20.53% | 2.50% | 4.90% | -9.72% | -1.00% | -2.21% | -5.95% | -0.15% | 8.65% | -0.81% | 1.49% |

- Description of the strategies and policies employed during the period under review in relation to the Collective Investment Scheme's performance**

During the year, the fund was primarily invested in both T-bills and PIBs. The fund's asset allocation was strategically adjusted to align with the anticipated monetary easing, allowing for increased duration to capitalize on the declining interest rate environment while managing risk in response to improving macroeconomic indicators.

- Disclosure of the Collective Investment Scheme's asset allocation as at the date of the report and particulars of significant changes in asset allocation since the last report (if applicable)**

| | Jun-25 | Jun-24 |
|-----------------------------|----------------|----------------|
| Cash | 23.81% | 5.66% |
| PIBs | 44.57% | 0.03% |
| T Bills | 30.56% | 94.12% |
| Other including receivables | 1.06% | 0.19% |
| Total | 100.00% | 100.00% |

- Analysis of the Collective Investment Scheme's performance**

| | Fund | BM |
|--------------------|------|------|
| Standard Deviation | 2.0% | 1.2% |
| Duration (Yr) | 0.32 | |
| WAM (Yr) | 1.77 | |

Unless otherwise specified, all data is presented on a since-inception basis.

- Based on changes in total NAV and NAV per unit since the last review period or since commencement (in the case of newly established Collective Investment Scheme)**

| | Net Assets Excluding JSIL FoFs (PKR mn) | NAV per Unit (PKR) |
|-----------|--|--------------------|
| 30-Jun-25 | 10,046 | 112.68 |
| 30-Jun-24 | 6,110 | 109.06 |

- **Disclosure of the markets that the Collective Investment Scheme has invested in:**

JS Government Securities Fund, although falling under the category of income fund, mainly invests in government securities, as its name suggests. Other allowable investment avenues include money market placements, deposits, certificates of investments (COIs), term deposit receipts (TDR), reverse repo transactions, and any other securities or instruments approved under SECP rules, regulations, or directives from time to time.

- **Disclosure on distribution (if any), comprising:-**

- Particulars of income distribution or other forms of distribution made and proposed during the period; and
- Statement on effects on the NAV before and after distribution is made

Distribution

The fund has paid a final distribution of Re. 0.78 per unit of Rs. 100/- each i.e. 0.78%. The cumulative distribution for FY24 is Rs. 12.82 per unit.

| NAV per unit as on June 30, 2025 | |
|----------------------------------|--------|
| Cum NAV (PKR) | 112.68 |
| Ex-NAV (PKR) | 112.68 |

- **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.

- **Breakdown of unit holdings by size**

| Fund Name | Ranges | | | Number of Folios |
|-------------------------------|--------------|----|--------------|------------------|
| JS Government Securities Fund | 0.0001 | to | 9,999.9999 | 44 |
| | 10,000.0000 | to | 49,999.9999 | 7 |
| | 50,000.0000 | to | 99,999.9999 | 3 |
| | 100,000.0000 | to | 499,999.9999 | 1 |
| | 500,000.0000 | & | above | 8 |
| | | | Total | 63 |

- **Disclosure on unit split (if any), comprising:-**

The Fund has not carried out any unit split exercise during the year.

- **Disclosure of circumstances that materially affect any interests of the unit holders**

Investment is 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, disclosure of the following:-**

The Management Company and / or any of its delegates have not received any soft commission from its brokers / dealers by virtue of transactions conducted by the Fund.

JS GOVERNMENT SECURITIES FUND PERFORMANCE TABLE

| | | Years | | |
|---|----------|--------------------|------------------|-------------------|
| | | 2025 | 2024 | 2023 |
| Net assets - Rupees in '000' | Rs. | 10,045,552 | 6,110,409 | 2,415,636 |
| Net income - Rupees in '000' | Rs. | 1,401,765 | 1,237,463 | 241,418 |
| Total return of the Fund | % | 15.84 | 22.54 | 16.17 |
| Total dividend distribution | % | 12.82 | 22.79 | 6.63 |
| Capital Growth | % | 3.02 | (0.25) | 9.54 |
| Average annual return | | | | |
| - One Year | % | 15.84 | 22.54 | 16.17 |
| - Two Years | % | 19.19 | 19.36 | n/a |
| - Three Years | % | 18.18 | n/a | n/a |
| NAV per unit | Rs. | 112.68 | 109.06 | 108.72 |
| Highest offer price per unit | Rs. | 118.14 | 120.54 | 113.61 |
| Lowest offer price per unit | Rs. | 110.27 | 109.95 | 101.17 |
| Year-end offer price per unit | Rs. | 113.98 | 110.30 | 109.95 |
| Highest repurchase price per unit | Rs. | 116.79 | 119.19 | 112.34 |
| Lowest repurchase price per unit | Rs. | 109.01 | 108.72 | 100.03 |
| Year-end repurchase price per unit | Rs. | 112.68 | 109.06 | 108.72 |
| First interim distribution | Rs. | 3.02 | 10.64 | 0.20 |
| Announcement date | | August 20, 2024 | December 3, 2023 | November 2, 2022 |
| Second interim distribution | Rs. | 1.20 | 1.67 | 1.18 |
| Announcement date | | September 11, 2024 | January 5, 2023 | December 29, 2022 |
| Third interim distribution | Rs. | 7.82 | 10.48 | 0.68 |
| Announcement date | | February 24, 2025 | June 26, 2024 | January 27, 2023 |
| Fourth interim distribution | Rs. | 0.78 | - | 0.46 |
| Announcement date | | June 25, 2025 | | May 26, 2023 |
| Fifth interim distribution | Rs. | - | - | 4.11 |
| Announcement date | | | | June 21, 2023 |
| Total distribution as % of par value | % | 12.82 | 22.79 | 6.63 |

Notes

- JS Government Securities Fund was launched on July 14, 2022.
- Units have par value of Rs. 100/- each.
- Investment portfolio composition of the Fund is disclosed in note 5 of the financial statements.

Disclaimer

- Past performance is not necessarily indicative of future performance and that unit prices and investment returns may go down, as well as up.

**REPORT OF THE TRUSTEE TO THE UNIT HOLDERS
JS GOVERNMENT SECURITIES FUND**

Report of the Trustee Pursuant to Regulation 41(h) of the Non Banking Finance Companies and Notified Entities Regulations, 2008

JS Government Securities Fund, an open-end scheme established under a trust deed executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan on November 05, 2019 whereas the date of execution of the Trust Deed was December 14, 2021.

1. JS Investments Limited, the Management Company of JS Government Securities Fund has, in all material respects, managed JS Government Securities Fund during the year ended June 30, 2025 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement.
2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and

Statement

No short coming has been addressed during the year ended June 30, 2025.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the short coming(s).

Disclosure of the steps

We have critically examine the fund in accordance with circular, directives, NBFC Regulations 2008 and its constitutive documents. However, no shortcoming has been addressed.

4. Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

Trustee Opinion

"The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents".



Dabeer Khan
Manager Compliance
Digital Custodian Company Limited

Karachi: September 24, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Unit holders of JS Government Securities Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JS Government Securities Fund (the Fund / Collective Investment Scheme), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, the 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, 2025, 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 the International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Following is the key audit matter:

| S. No. | Key Audit Matter | How the matter was addressed in our audit |
|--------|---|--|
| 1 | <p>Net Asset Value (NAV) (Refer notes 4 and 5 to the annexed financial statements)</p> <p>Balances with banks and investments constitute the most significant components of the net assets value. Balances with banks aggregated to Rs. 2,405.84 million and investments of the Fund amounted to Rs. 7,593.62 million as at June 30, 2025.</p> <p>The existence of balances with banks and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2025 was considered a high risk area and therefore we considered this as a key audit matter.</p> | <p>Our audit procedures amongst others included the following:</p> <ul style="list-style-type: none"> Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2025 and traced it with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and Obtained bank reconciliation statements and tested reconciling items on a sample basis. |

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Other Information

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

AFC

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

We communicate with 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 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, actions taken to eliminate threats or safeguards applied.

From the matters communicated with 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

Based on our audit, we further report that in our opinion:

- a) the financial statements have been properly prepared in accordance with the relevant provisions of the Non-Banking Finance Companies and Notified Entities Regulations, 2008;
- b) proper books and records have been kept by the Collective Investment Scheme and the financial statements prepared are in agreement with the books and records of the Collective Investment Scheme; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.



A. F. Ferguson & Co.
Chartered Accountants
Dated: September 30, 2025
Karachi

UDIN: AR202510061h3zrwRJMb

**FINANCIAL
STATEMENTS**

STATEMENT OF ASSETS AND LIABILITIES

AS AT JUNE 30, 2025

| | 2025 | 2024 |
|--|-------------------------------|---------------|
| Note | (Rupees) | |
| Assets | | |
| Bank balances | 2,405,842,994 | 346,211,995 |
| Investments | 7,593,623,268 | 5,756,951,260 |
| Profit receivable | 105,928,690 | 10,304,489 |
| Advances | 487,039 | 487,039 |
| Deferred formation cost | 561,983 | 837,923 |
| Total assets | 10,106,443,974 | 6,114,792,706 |
| Liabilities | | |
| Payable to JS Investments Limited - Management Company | 28,260,372 | 1,993,200 |
| Payable to Digital Custodian Company Limited - Trustee | 564,426 | 394,762 |
| Payable to the Securities and Exchange Commission of Pakistan (SECP) | 551,863 | 376,914 |
| Accrued expenses and other liabilities | 31,514,994 | 1,618,789 |
| Total liabilities | 60,891,655 | 4,383,665 |
| Net assets | 10,045,552,319 | 6,110,409,041 |
| Unit holders' fund (as per statement attached) | 10,045,552,319 | 6,110,409,041 |
| Contingencies and commitments | ----- (Number of units) ----- | |
| Number of units in issue | 89,154,672 | 56,027,016 |
| Net asset value per unit | 112.68 | 109.06 |

The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

INCOME STATEMENT

FOR THE YEAR ENDED JUNE 30, 2025

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|---|------|------------------------------|----------------------|
| Income | | | |
| Profit on: | | | |
| - Bank balances | | 99,410,315 | 87,055,981 |
| - Government securities | | 1,128,504,439 | 1,396,474,499 |
| - Debt securities | | 129,452 | 9,772,671 |
| Realised gain / (loss) on sale of investments - net | | 298,156,190 | (257,130,969) |
| Net unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss | 5.6 | 74,143,611 | 20,543,250 |
| Other income | | - | 22,406 |
| Total income | | 1,600,344,007 | 1,256,737,838 |
| Expenses | | | |
| Remuneration of JS Investments Limited - Management Company | 9.1 | 111,510,872 | - |
| Sindh Sales Tax on remuneration of the Management Company | 9.2 | 16,726,631 | - |
| Selling and marketing expenses | 9.3 | 46,752,201 | 1,914,459 |
| Remuneration of Digital Custodian Company Limited - Trustee | 10.1 | 6,411,333 | 4,294,011 |
| Sindh Sales Tax on remuneration of the Trustee | 10.2 | 961,701 | 558,222 |
| Fee to the Securities and Exchange Commission of Pakistan (SECP) | 11.1 | 7,264,170 | 4,617,517 |
| Auditors' remuneration | 15 | 1,171,800 | 962,280 |
| Mutual fund rating fee | | 211,025 | 194,827 |
| PSX listing fee | | 34,500 | 28,250 |
| SECP supervisory fee | | 3,000 | 2,500 |
| Brokerage, settlement and bank charges | | 7,121,947 | 6,317,198 |
| Printing and stationery charges | | 133,590 | 108,473 |
| Amortisation of deferred formation cost | 8 | 275,940 | 276,696 |
| Total expenses | | 198,578,710 | 19,274,433 |
| Net income for the year before taxation | | 1,401,765,297 | 1,237,463,405 |
| Taxation | 18 | - | - |
| Net income for the year after taxation | | 1,401,765,297 | 1,237,463,405 |
| Allocation of net income for the year | | | |
| Net income for the year after taxation | | 1,401,765,297 | 1,237,463,405 |
| Income already paid on units redeemed | | (564,517,180) | (32,945,978) |
| | | 837,248,117 | 1,204,517,427 |
| Accounting income available for distribution | | | |
| - Relating to capital gain | | 372,299,801 | - |
| - Excluding capital gain | | 464,948,316 | 1,204,517,427 |
| | | 837,248,117 | 1,204,517,427 |

The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED JUNE 30, 2025

| | 2025 | 2024 |
|--|-----------------------------|-----------------------------|
| | ----- (Rupees) ----- | |
| Net income for the year after taxation | 1,401,765,297 | 1,237,463,405 |
| Other comprehensive income for the year | - | - |
| Total comprehensive income for the year | <u>1,401,765,297</u> | <u>1,237,463,405</u> |

The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND

FOR THE YEAR ENDED JUNE 30, 2025

| | 2025 | | | 2024 | | |
|--|----------------------|----------------------|-----------------------|----------------------|----------------------|----------------------|
| | Capital value | Undistributed income | Total | Capital value | Undistributed income | Total |
| | (Rupees) | | | (Rupees) | | |
| Net assets at beginning of the year | 5,990,937,511 | 119,471,530 | 6,110,409,041 | 2,407,324,539 | 8,311,891 | 2,415,636,430 |
| Issuance of 492,363,304 (2024: 147,842,344) units | | | | | | |
| - Capital value (at net asset value per unit at the beginning of the year) | 53,697,141,934 | - | 53,697,141,934 | 16,073,419,640 | - | 16,073,419,640 |
| - Element of income | 1,915,937,764 | - | 1,915,937,764 | 689,332,203 | - | 689,332,203 |
| Total proceeds on issuance of units | 55,613,079,698 | - | 55,613,079,698 | 16,762,751,843 | - | 16,762,751,843 |
| Redemption of 459,235,648 (2024: 114,034,271) units | | | | | | |
| - Capital value (at net asset value per unit at the beginning of the year) | (50,084,239,771) | - | (50,084,239,771) | (12,397,806,052) | - | (12,397,806,052) |
| - Element of loss | (899,395,061) | (564,517,180) | (1,463,912,241) | (359,931,352) | (32,945,978) | (392,877,330) |
| Total payments on redemption of units | (50,983,634,832) | (564,517,180) | (51,548,152,012) | (12,757,737,404) | (32,945,978) | (12,790,683,382) |
| Total comprehensive income for the year | - | 1,401,765,297 | 1,401,765,297 | - | 1,237,463,405 | 1,237,463,405 |
| - Interim distribution - August 20, 2024 (3.02 per unit) | - | (127,126,599) | (127,126,599) | - | - | - |
| Refund of capital on distribution | (260,993,614) | - | (260,993,614) | - | - | - |
| - Interim distribution- September 11, 2024 (1.20 per unit) | - | (75,970,836) | (75,970,836) | - | - | - |
| Refund of capital on distribution | (52,419,063) | - | (52,419,063) | - | - | - |
| - Interim distribution- Feb 24, 2025 (7.82 per unit) | - | (275,352,806) | (275,352,806) | - | - | - |
| Refund of capital on distribution | (678,696,866) | - | (678,696,866) | - | - | - |
| - Interim distribution- June 25, 2025 (0.78 per unit) | - | (37,033,400) | (37,033,400) | - | - | - |
| Refund of capital on distribution | (23,956,521) | - | (23,956,521) | - | - | - |
| - Interim distribution- December 3, 2023 (10.64 per unit) | - | - | - | - | (478,563,560) | (478,563,560) |
| Refund of capital on distribution | - | - | - | (361,883,274) | - | (361,883,274) |
| - Interim distribution- January 5, 2023 (1.67 per unit) | - | - | - | - | (79,535,783) | (79,535,783) |
| Refund of capital on distribution | - | - | - | (55,378,725) | - | (55,378,725) |
| - Interim distribution- June 26, 2024 (10.48 per unit) | - | - | - | - | (535,258,445) | (535,258,445) |
| Refund of capital on distribution | - | - | - | (4,139,468) | - | (4,139,468) |
| Total distribution during the year | (1,016,066,064) | (515,483,641) | (1,531,549,705) | (421,401,467) | (1,093,357,788) | (1,514,759,255) |
| Net assets at end of the year | 9,604,316,313 | 441,236,006 | 10,045,552,319 | 5,990,937,511 | 119,471,530 | 6,110,409,041 |
| Undistributed income brought forward | | | | | | |
| - Realised income | | 98,928,280 | | | 11,730,039 | |
| - Unrealised income / (loss) | | 20,543,250 | | | (3,418,148) | |
| | | 119,471,530 | | | 8,311,891 | |
| Accounting income available for distribution | | | | | | |
| - Relating to capital gains | | 372,299,801 | | | - | |
| - Excluding capital gains | | 464,948,316 | | | 1,204,517,427 | |
| | | 837,248,117 | | | 1,204,517,427 | |
| Distribution during the year | | (515,483,641) | | | (1,093,357,788) | |
| Undistributed income carried forward | | 441,236,006 | | | 119,471,530 | |
| Undistributed income carried forward | | | | | | |
| - Realised income | | 367,092,395 | | | 98,928,280 | |
| - Unrealised income | | 74,143,611 | | | 20,543,250 | |
| | | 441,236,006 | | | 119,471,530 | |
| | | | (Rupees) | | | (Rupees) |
| Net asset value per unit at the beginning of the year | | | 109.06 | | | 108.72 |
| Net asset value per unit at the end of the year | | | 112.68 | | | 109.06 |

The annexed notes from 1 to 29 form an integral part of these financial statements.

Chief Financial Officer

Chief Executive Officer

Director

CASH FLOW STATEMENT

FOR THE YEAR ENDED JUNE 30, 2025

| | 2025 | 2024 |
|---|-------------------------|------------------------|
| Note | (Rupees) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Net income for the year before taxation | 1,401,765,297 | 1,237,463,405 |
| Adjustments for: | | |
| Profit on: | | |
| - Bank balances | (99,410,315) | (87,055,981) |
| - Government securities | (1,128,504,439) | (1,396,474,499) |
| - Debt securities | (129,452) | (9,772,671) |
| Deferred formation cost | 275,940 | 276,696 |
| Realised (gain) / loss on sale of investments - net | (298,156,190) | 257,130,969 |
| Net unrealised appreciation on remeasurement of investments classified as financial assets at fair value through profit or loss | 5.6 (74,143,611) | (20,543,250) |
| | (1,600,068,067) | (1,256,438,736) |
| (Increase) / decrease in assets | | |
| Investments - net | (1,946,946,207) | (5,510,477,779) |
| Advances | - | 6,117 |
| | (1,946,946,207) | (5,510,471,662) |
| Increase / (decrease) in liabilities | | |
| Payable to JS Investments Limited - Management Company | 26,267,172 | (1,771,476) |
| Payable to Digital Custodian Company Limited - Trustee | 169,664 | 205,366 |
| Payable to the Securities and Exchange Commission of Pakistan (SECP) | 174,949 | (6,400) |
| Accrued expenses and other liabilities | 29,896,205 | 1,181,495 |
| | 56,507,990 | (391,015) |
| Profit received on balances with banks and investments | 1,132,420,005 | 1,483,018,018 |
| Net cash used in from operating activities | (956,320,982) | (4,046,819,990) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Receipts against issuance of units | 54,597,013,634 | 16,341,350,376 |
| Payment against redemption of units | (51,548,152,012) | (12,790,683,382) |
| Distribution during the year | (515,483,641) | (1,093,357,788) |
| Net cash generated from financing activities | 2,533,377,981 | 2,457,309,206 |
| Net increase / (decrease) in cash and cash equivalents during the year | 1,577,056,999 | (1,589,510,784) |
| Cash and cash equivalents at the beginning of the year | 828,785,995 | 2,418,296,779 |
| Cash and cash equivalents at end of the year | 16 2,405,842,994 | 828,785,995 |

The annexed notes from 1 to 29 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 JS Government Securities Fund (the Fund) was established and registered under the Trust Deed and under section 16 of the Sindh Trusts Act, 2020 respectively executed between JS Investments Limited as the Management Company and Digital Custodian Company Limited as the Trustee. The Trust Deed was executed on December 30, 2021 in accordance with the requirement of Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules). The Fund commenced its operations from July 14, 2022.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the Securities Exchange Commission of Pakistan (SECP). The registered office of the Management Company is situated at The Centre, 19th Floor, Plot No.28, SB-5, Abdullah Haroon Road, Saddar, Karachi, Pakistan.

1.2 The Fund is an open end mutual fund categorised as “Income Scheme” and is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at a par value of Rs.100 per unit. Thereafter, the units are offered for public subscription on continuous basis and are transferrable and can be redeemed by surrendering them to the Fund. As per the offering document, the Objective of the Fund is to generate a competitive return with low risk, by investing primarily in Government Securities.

1.3 The Pakistan Credit Rating Agency (PACRA) has upgraded the credit rating of the Management Company to ‘AM2++ with stable outlook’ dated November 30, 2024 (2024: ‘AM2+’ with stable outlook’ dated December 27, 2023). PACRA reaffirmed the stability rating of “AA(f)” with stable outlook to the Fund.

1.4 Title to the assets of the Fund are held in the name of Digital Custodian Company Limited (DCCL) as 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:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives 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), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IFRSs, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

2.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in 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, 2024. However, these do not have any material impact on the Fund’s financial statements and, therefore, have not been detailed in these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

2.3 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or did not have any material 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. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify 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.

2.4 Critical accounting estimates and judgments

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

The estimates and judgments that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 3.2 and 5).

2.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for certain investments which have been classified as 'at fair value through profit or loss' and which are measured at fair value. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 22.2.

2.6 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 Rupee, which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

3.2 Financial assets

3.2.1 Initial recognition and measurement

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried 'at fair value through profit or loss'. Financial assets carried 'at fair value through profit or loss' are initially recognised at fair value and transaction costs are recognised in the "Income Statement".

3.2.2 Classification and subsequent measurement

3.2.2.1 Debt instruments

IFRS 9 has provided a criteria for debt securities whereby these debt securities are either classified as:

- at amortised cost;
- at fair value through other comprehensive income (FVOCI); or
- at fair value through profit or loss (FVTPL)

based on the business model of the entity.

However, 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 recognised 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, the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

3.2.3 Impairment (other than debt securities)

The Fund assesses on a forward-looking basis the expected credit losses (ECL) associated with its financial assets (other than debt instruments) carried at amortised cost and FVOCI. The Fund recognises loss allowances for such losses at each reporting date. The measurement of ECL reflects:

- an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes;
- the time value of money; and
- reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The 12 months ECL is recorded for all financial assets in which there is no significant increase in credit risk from the date of initial recognition, whereas a lifetime ECL is recorded for all remaining financial assets.

The Fund considers a financial asset is in default when the counterparty fails to make contractual payments within 90 days of when they fall due. Further, financial assets are written off by the Fund, in whole or part, when it has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

3.2.4 Impairment loss on debt securities

Provision for non-performing debt securities is made on the basis of time-based criteria as prescribed by the SECP and based on management's assessment made in line with its provisioning policy approved by the Board of Directors of the Management Company in accordance with the guidelines issued by the SECP. Impairment losses recognised on debt securities can be reversed through the "Income Statement".

As allowed by the SECP, the Management Company may make provision against debt securities over and above the minimum provision requirement prescribed by the SECP, considering the specific credit and financial condition of the debt security issuer and in accordance with the provisioning policy duly approved by the Board of Directors of the Management Company. The provisioning policy approved by the Board of Directors has also been placed on the Management Company's website as required under the SECP's Circular.

3.2.5 Regular way contracts

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

3.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred, the Fund has transferred substantially all the risks and rewards of ownership or the Fund neither transfers nor retains substantially all the risks and rewards of ownership and the Fund has not retained control. Any gain or loss on derecognition of financial assets is taken to the "Income Statement".

3.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair values and subsequently stated at amortised cost using the effective interest method.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. Any gain or loss on derecognition of financial liabilities is taken to the "Income Statement".

3.4 Offsetting of financial assets and financial liabilities

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

3.5 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 the obligation can be made. Provisions, if any, are regularly reviewed and adjusted to reflect the current best estimate.

3.6 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 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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

3.7 Net asset value per unit

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

3.8 Issue and redemption of units

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

Units redeemed are recorded at the redemption price prevalent on the date on which the Management Company receives redemption applications during business hours on that date. The redemption price represents NAV as on the close of business day, less any duties, taxes, charges on redemption and provision for transactions costs, if applicable.

3.9 Distributions to unit holders

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

Distributions declared subsequent to the period 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.

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

Element of income represents the difference between Net Asset Value (NAV) per unit on the issuance or redemption date, as the case may be, of units and the NAV per unit at the beginning of the relevant accounting period.

3.11 Revenue recognition

- Gains / (losses) arising on sale of investments classified as financial assets at ‘fair value through profit or loss’ are recognised in the “Income Statement” at the date on which the transaction takes place;
- Unrealised gains / (loss) arising on remeasurement 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.
- Income on government securities is recognised on a time proportionate basis using the effective yield method.
- Profit on balances with banks is recognised on an accrual basis using the effective yield method.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

3.12 Expenses

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

| 4 | BANK BALANCES | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|---|---------------------|------|------------------------------|--------------------|
| | In savings accounts | | | |
| | | 4.1 | <u>2,405,842,994</u> | <u>346,211,995</u> |

4.1 These carries profit rates ranging between 8.25% to 9.00% (2024: 19.24% to 20.5%) per annum.

| 5 | INVESTMENTS | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|---|---|------|------------------------------|----------------------|
| | At fair value through profit or loss | | | |
| | Market Treasury Bills | 5.1 | 3,088,769,376 | 5,754,975,860 |
| | Pakistan Investment Bonds - Floater | 5.2 | 237,600,000 | 1,975,400 |
| | Pakistan Investment Bonds - Fixed | 5.3 | 4,267,253,892 | - |
| | GoP Ijara Sukuks | 5.4 | - | - |
| | Letters of placement | 5.5 | - | - |
| | | | <u>7,593,623,268</u> | <u>5,756,951,260</u> |

5.1 Treasury Bills (T-Bills)

| Particulars | Issue Date | Maturity Date | Face value | | | Balance as at June 30, 2025 | | | Market value as a percentage of | |
|------------------------------|-------------------|--------------------|---------------------|---------------------------|--------------------------------|-----------------------------|----------------|--------------|---------------------------------|------------------------------|
| | | | As at July 01, 2024 | Purchased during the year | Sold / matured during the year | As at June 30, 2025 | Carrying value | Market value | Unrealised appreciation | total investment of the Fund |
| ----- (Rupees) ----- | | | | | | | | | | |
| Market Treasury Bills | | | | | | | | | | |
| 1 Month | April 17, 2025 | May 17, 2025 | - | 5,900,000,000 | 5,900,000,000 | - | - | - | - | - |
| Market Treasury Bills | | | | | | | | | | |
| 3 Months | June 13, 2024 | September 13, 2024 | 500,000,000 | - | 500,000,000 | - | - | - | - | - |
| 3 Months | May 30, 2024 | August 30, 2024 | - | 500,000,000 | 500,000,000 | - | - | - | - | - |
| 3 Months | June 13, 2024 | September 13, 2024 | - | 500,000,000 | 500,000,000 | - | - | - | - | - |
| 3 Months | October 17, 2024 | January 17, 2025 | - | 500,000,000 | 500,000,000 | - | - | - | - | - |
| 3 Months | November 14, 2024 | February 14, 2025 | - | 1,500,000,000 | 1,500,000,000 | - | - | - | - | - |
| 3 Months | December 26, 2024 | March 26, 2025 | - | 1,550,000,000 | 1,550,000,000 | - | - | - | - | - |
| 3 Months | January 9, 2025 | April 9, 2025 | - | 1,000,000,000 | 1,000,000,000 | - | - | - | - | - |
| Market Treasury Bills | | | | | | | | | | |
| 6 Months | June 13, 2024 | December 13, 2024 | 500,000,000 | - | 500,000,000 | - | - | - | - | - |
| 6 Months | January 11, 2024 | July 11, 2024 | 20,000,000 | - | 20,000,000 | - | - | - | - | - |
| 6 Months | September 5, 2024 | March 5, 2025 | - | 1,000,000,000 | 1,000,000,000 | - | - | - | - | - |
| 6 Months | October 3, 2024 | April 3, 2025 | - | 500,000,000 | 500,000,000 | - | - | - | - | - |
| 6 Months | October 17, 2024 | April 17, 2025 | - | 200,000,000 | 200,000,000 | - | - | - | - | - |
| 6 Months | December 12, 2024 | June 12, 2025 | - | 1,000,000,000 | 1,000,000,000 | - | - | - | - | - |
| 6 Months | December 26, 2024 | June 26, 2025 | - | 900,000,000 | 900,000,000 | - | - | - | - | - |
| 6 Months | January 9, 2025 | July 9, 2025 | - | 500,000,000 | 500,000,000 | - | - | - | - | - |
| 6 Months | | | | | | | | | | |
| Market Treasury Bills | | | | | | | | | | |
| 12 Months | October 19, 2023 | October 19, 2024 | - | 800,000,000 | 800,000,000 | - | - | - | - | - |
| 12 Months | July 13, 2023 | July 13, 2024 | - | 200,000,000 | 200,000,000 | - | - | - | - | - |
| 12 Months | January 11, 2024 | January 11, 2025 | 500,000,000 | - | 500,000,000 | - | - | - | - | - |
| 12 Months | May 2, 2024 | May 2, 2025 | 500,000,000 | 500,000,000 | 1,000,000,000 | - | - | - | - | - |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| Particulars | Issue Date | Maturity Date | Face value | | | | Balance as at June 30, 2025 | | | Market value as a percentage of | | |
|----------------------------------|-------------------|-------------------|---------------------|---------------------------|--------------------------------|---------------------|-----------------------------|----------------------|-------------------------|---------------------------------|------------------------|---|
| | | | As at July 01, 2024 | Purchased during the year | Sold / matured during the year | As at June 30, 2025 | Carrying value | Market value | Unrealised appreciation | total investment of the Fund | net assets of the Fund | |
| | | | (Rupees) | | | | | | | | | |
| 12 Months | May 30, 2024 | May 30, 2025 | 500,000,000 | 2,860,000,000 | 3,360,000,000 | - | - | - | - | - | - | - |
| 12 Months | May 16, 2024 | May 16, 2025 | 1,500,000,000 | - | 1,500,000,000 | - | - | - | - | - | - | - |
| 12 Months | March 21, 2024 | March 21, 2025 | 2,500,000,000 | - | 2,500,000,000 | - | - | - | - | - | - | - |
| 12 Months | June 13, 2024 | June 13, 2025 | - | 1,300,000,000 | 1,300,000,000 | - | - | - | - | - | - | - |
| 12 Months | July 11, 2024 | July 11, 2025 | - | 650,000,000 | 650,000,000 | - | - | - | - | - | - | - |
| 12 Months | July 25, 2024 | July 25, 2025 | - | 12,750,000,000 | 12,750,000,000 | - | - | - | - | - | - | - |
| 12 Months | August 8, 2024 | August 8, 2025 | - | 5,050,000,000 | 5,050,000,000 | - | - | - | - | - | - | - |
| 12 Months | August 22, 2024 | August 22, 2025 | - | 1,850,000,000 | 1,850,000,000 | - | - | - | - | - | - | - |
| 12 Months | September 5, 2024 | September 5, 2025 | - | 3,600,000,000 | 3,600,000,000 | - | - | - | - | - | - | - |
| 12 Months | October 3, 2024 | October 3, 2025 | - | 4,750,000,000 | 4,750,000,000 | - | - | - | - | - | - | - |
| 12 Months | October 31, 2024 | October 31, 2025 | - | 2,500,000,000 | 2,500,000,000 | - | - | - | - | - | - | - |
| 12 Months | November 14, 2024 | November 14, 2025 | - | 1,500,000,000 | 1,500,000,000 | - | - | - | - | - | - | - |
| 12 Months | November 28, 2024 | November 28, 2025 | - | 500,000,000 | 500,000,000 | - | - | - | - | - | - | - |
| 12 Months | December 12, 2024 | December 12, 2025 | - | 2,000,000,000 | 2,000,000,000 | - | - | - | - | - | - | - |
| 12 Months | January 9, 2025 | January 9, 2026 | - | 14,450,000,000 | 14,450,000,000 | - | - | - | - | - | - | - |
| 12 Months | January 23, 2025 | January 23, 2026 | - | 1,500,000,000 | 1,500,000,000 | - | - | - | - | - | - | - |
| 12 Months* | April 17, 2025 | April 17, 2026 | - | 2,500,000,000 | 2,000,000,000 | 500,000,000 | 456,802,418 | 460,444,000 | 3,641,582 | 6.06 | 4.58 | |
| 12 Months* | May 2, 2025 | May 2, 2026 | - | 1,250,000,000 | - | 1,250,000,000 | 1,144,498,535 | 1,146,715,000 | 2,216,465 | 15.10 | 11.42 | |
| 12 Months* | May 29, 2025 | May 29, 2026 | - | 1,100,000,000 | 1,100,000,000 | - | - | - | - | - | - | - |
| 12 Months* | May 15, 2025 | May 15, 2026 | - | 1,125,000,000 | - | 1,125,000,000 | 1,025,081,760 | 1,028,118,376 | 3,036,616 | 13.54 | 10.23 | |
| 12 Months* | June 12, 2025 | June 12, 2026 | - | 500,000,000 | - | 500,000,000 | 453,114,290 | 453,492,000 | 377,710 | 5.97 | 4.51 | |
| Total as at June 30, 2025 | | | | | | | 3,079,497,003 | 3,088,769,376 | 9,272,373 | 40.67 | 30.74 | |
| Total as at June 30, 2024 | | | | | | | 5,734,427,570 | 5,754,975,860 | 20,548,290 | | | |

* These carry effective yields ranging from 10.87% to 10.91% (2024: 18.85% to 21.35%) per annum.

5.2 Pakistan Investment Bonds Floater

| Particulars | Issue Date | Maturity date | Profit rate | Face value | | | | Balance as at June 30, 2025 | | | Market value as a percentage of | |
|-----------------------------------|-------------------|-------------------|-------------|---------------------|---------------------------|--------------------------------|---------------------|-----------------------------|------------------|--|---------------------------------|------------------------|
| | | | | As at July 01, 2024 | Purchased during the year | Sold / matured during the year | As at June 30, 2025 | Carrying value | Market value | Unrealised appreciation / (diminution) | total investments of the Fund | net assets of the Fund |
| | | | | (Rupees) | | | | | | | | |
| Pakistan Investment Bonds: | | | | | | | | | | | | |
| 2 Years (FLOATER) | September 8, 2022 | September 8, 2024 | 19.49% | - | 4,200,000,000 | 4,200,000,000 | - | - | - | - | - | - |
| Pakistan Investment Bonds: | | | | | | | | | | | | |
| 3 Years (FLOATER) | September 8, 2022 | September 8, 2025 | 17.57% | 2,000,000 | - | 2,000,000 | - | - | - | - | - | - |
| Pakistan Investment Bonds: | | | | | | | | | | | | |
| 5 Years (FLOATER) | December 14, 2023 | December 14, 2028 | 19.93% | - | 1,000,000,000 | 1,000,000,000 | - | - | - | - | - | - |
| 5 Years (FLOATER) | June 27, 2024 | June 27, 2029 | 19.93% | - | 4,330,000,000 | 4,330,000,000 | - | - | - | - | - | - |
| 5 Years (FLOATER) | October 3, 2024 | October 3, 2029 | 11.67% | - | 750,000,000 | 750,000,000 | - | - | - | - | - | - |
| Pakistan Investment Bonds: | | | | | | | | | | | | |
| 10 Years (FLOATER)* | December 12, 2024 | December 12, 2034 | 11.50% | - | 250,000,000 | - | 250,000,000 | 231,502,213 | 237,600,000 | 6,097,787 | 3.13 | 2.37 |
| Total as at June 30, 2025 | | | | | | | 231,502,213 | 237,600,000 | 6,097,787 | 3.13 | 2.37 | |
| Total as at June 30, 2024 | | | | | | | 1,980,440 | 1,975,400 | (5,040) | | | |

* This will mature latest by December 12, 2034 and carry effective yield 12.46% per annum.

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FOR THE YEAR ENDED JUNE 30, 2025

5.3 Pakistan Investment Bonds Fixed

| Particulars | Issue Date | Maturity date | Profit rate | Face value | | | | Balance as at June 30, 2025 | | | Market value as a percentage of | |
|-----------------------------------|--------------------|--------------------|-------------|---------------------|---------------------------|--------------------------------|---------------------|-----------------------------|----------------------|-------------------------|---------------------------------|------------------------|
| | | | | As at July 01, 2024 | Purchased during the year | Sold / matured during the year | As at June 30, 2025 | Carrying value | Market value | Unrealised appreciation | total investments of the Fund | net assets of the Fund |
| | | | | (Rupees) | | | | | | | | |
| Pakistan Investment Bonds: | | | | | | | | | | | | |
| 2 Years * | September 20, 2024 | September 20, 2026 | - | - | 6,200,000,000 | 5,700,000,000 | 500,000,000 | 440,499,669 | 440,546,960 | 47,291 | 5.80 | 4.39 |
| 2 Years ** | January 16, 2025 | January 16, 2027 | - | - | 7,150,000,000 | 5,400,000,000 | 1,750,000,000 | 1,473,250,511 | 1,490,198,238 | 16,947,727 | 19.62 | 14.83 |
| Pakistan Investment Bonds: | | | | | | | | | | | | |
| 3 Years | July 4, 2023 | July 4, 2026 | 12.00% | - | 200,000,000 | 200,000,000 | - | - | - | - | - | - |
| 3 Years | September 20, 2024 | September 20, 2027 | 14.00% | - | 600,000,000 | 600,000,000 | - | - | - | - | - | - |
| Pakistan Investment Bonds: | | | | | | | | | | | | |
| 5 Years*** | September 20, 2024 | September 20, 2029 | 14.00% | - | 2,150,000,000 | 750,000,000 | 1,400,000,000 | 1,484,826,657 | 1,519,670,832 | 34,844,175 | 20.01 | 15.13 |
| 5 Years**** | January 16, 2025 | January 16, 2030 | 12.00% | - | 800,000,000 | - | 800,000,000 | 809,903,604 | 816,837,862 | 6,934,258 | 10.76 | 8.13 |
| Total as at June 30, 2025 | | | | | | | | 4,208,480,441 | 4,267,253,892 | 58,773,451 | 56.19 | 42.48 |
| Total as at June 30, 2024 | | | | | | | | - | - | - | - | - |

5.4 Government of Pakistan (GoP) Ijara Sukuks

| Particulars | Issue Date | Maturity date | Profit rate | Face value | | | | Balance as at June 30, 2025 | | | Market value as a percentage of | |
|----------------------------------|------------------|------------------|-------------|---------------------|---------------------------|--------------------------------|---------------------|-----------------------------|--------------|-------------------------|---------------------------------|------------------------|
| | | | | As at July 01, 2024 | Purchased during the year | Sold / matured during the year | As at June 30, 2025 | Carrying value | Market value | Unrealised appreciation | total investment of the Fund | net assets of the Fund |
| | | | | (Rupees) | | | | | | | | |
| GoP Ijara Sukuks | | | | | | | | | | | | |
| 5 Years | December 4, 2023 | December 4, 2028 | 15.75% | - | 150,000,000 | 150,000,000 | - | - | - | - | - | - |
| Total as at June 30, 2025 | | | | | | | | - | - | - | - | - |
| Total as at June 30, 2024 | | | | | | | | - | - | - | - | - |

5.5 Letters of Placement

| Name of the investee company | Issue date | Face value | | | | Balance as at June 30, 2025 | | | Market value as a percentage of | | | |
|---|---------------|---------------------|---------------------------|-------------------------|---------------------|-----------------------------|--------------|-------------------------|---------------------------------|------------------------|----------|----------|
| | | As at July 01, 2024 | Purchased during the year | Matured during the year | As at June 30, 2025 | Carrying value | Market value | Unrealised appreciation | total investments of the Fund | net assets of the Fund | | |
| | | (Rupees) | | | | | | | | | | % |
| Development Financial Institutions | | | | | | | | | | | | |
| Zarai Taraqiat Bank Limited (AAA, VIS) | July 25, 2024 | - | 600,000,000 | 600,000,000 | - | - | - | - | - | - | - | |
| Total as at June 30, 2025 | | | | | | | | - | - | - | - | - |
| Total as at June 30, 2024 | | | | | | | | - | - | - | - | - |

5.6 Unrealised appreciation on remeasurement of investments classified as 'financial assets at fair value through profit or loss'

| | Note | 2025 | 2024 |
|-------------------------------------|-----------------|------------------------|-----------------|
| | | (Rupees) | |
| Market value of investments | 5.1, 5.2, & 5.3 | 7,593,623,268 | 5,756,951,260 |
| Less: carrying value of investments | 5.1, 5.2, & 5.3 | (7,519,479,657) | (5,736,408,010) |
| | | 74,143,611 | 20,543,250 |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| 6 | PROFIT RECEIVABLE | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|---|--------------------------|------|------------------------------|-------------------|
| | Profit receivable on: | | | |
| | -Bank balances | | 5,605,660 | 10,279,456 |
| | -Government securities | | <u>100,323,030</u> | <u>25,033</u> |
| | | | <u>105,928,690</u> | <u>10,304,489</u> |
| 7 | ADVANCES | | | |
| | Advance tax | 7.1 | <u>487,039</u> | 487,039 |
| | | | <u>487,039</u> | <u>487,039</u> |

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 151 and 150. However, withholding tax on profit on bank deposits 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 12 May 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 withholders. The tax withheld on profit on debt securities and profit on bank deposits amounts to Rs. 0.49 million (June 30, 2024: Rs. 0.49 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. A petition was filed in the 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 judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on debt securities and profit on bank deposits has been shown as other receivables as at June 30, 2025 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

| 8 | DEFERRED FORMATION COST | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|---|------------------------------------|------|------------------------------|------------------|
| | Deferred formation cost | | | |
| | Less: amortisation during the year | 8.1 | 837,923 | 1,114,619 |
| | | | <u>(275,940)</u> | <u>(276,696)</u> |
| | | | <u>561,983</u> | <u>837,923</u> |

8.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of the operations of the Fund and are being amortised over a period of five years which commenced from July 14, 2022 as per the requirements set out in the Trust Deed of the Fund.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| 9 | PAYABLE TO JS INVESTMENTS LIMITED - MANAGEMENT COMPANY | Note | 2025 | 2024 |
|---|---|------|-------------------|------------------|
| | | | (Rupees) | |
| | Remuneration payable to Management Company | 9.1 | 21,467,144 | - |
| | Sindh Sales Tax payable on management remuneration | 9.2 | 3,220,072 | - |
| | Sales load payable | | 2,518 | - |
| | Payable against selling and marketing expenses | 9.3 | 3,450,000 | 1,914,459 |
| | Payable against printing and stationery | | 120,638 | 78,741 |
| | | | <u>28,260,372</u> | <u>1,993,200</u> |

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 total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration not exceeding 2.00% (2024: 2.00%) per annum of average daily net assets of the Fund during the year ended June 30, 2025. The remuneration is payable to the Management Company monthly in arrears.

During the year ended June 30, 2025, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, revised the management fee cap to 1.50% to be calculated on a per annum basis of the average daily net assets, applicable to a "Income Scheme". This revision is effective from July 01, 2025.

9.2 Sindh Sales Tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 01, 2024 vide Sindh Finance Act, 2024.

9.3 In accordance with Circular 11 dated July 5, 2019 issued by the SECP with respect to charging selling and marketing expenses, the Management Company, based on its own discretion, has charged selling and marketing expenses ranging from 0.76% to 2.52% per annum of average net assets of the Fund during the year ended June 30, 2025 (2024: 0.68% to 2.49%).

Further, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs, as prescribed in Schedule XX of the NBFC Regulations, wherein the SECP has excluded the chargeability of selling and marketing expenses from the schedule. Accordingly, no expenses have been charged in this respect after April 10, 2025.

| 10 | PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE | Note | 2025 | 2024 |
|----|---|------|----------------|----------------|
| | | | (Rupees) | |
| | Trustee remuneration payable | 10.1 | 490,805 | 349,347 |
| | Sindh Sales Tax payable on trustee remuneration | 10.2 | 73,621 | 45,415 |
| | | | <u>564,426</u> | <u>394,762</u> |

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff specified therein, based on the average daily net assets of the Fund during the year. The tariff structure applicable to the Fund in respect of trustee remuneration is as follows:

| Net Assets (Rs.) | Fee |
|--------------------------------------|---|
| - Up to Rs. 1,000 million | Rs.0.5 million or 0.12% per annum of the Net Assets, whichever is higher. |
| - Amount exceeding Rs. 1,000 million | Rs.1.2 million plus 0.060% per annum of the Net Assets on amount exceeding Rs. 1 billion. |

10.2 Sindh Sales Tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Trustee has been enhanced from the rate of 13% to 15% (2024: 13%) effective July 1, 2024 vide Sindh Finance Act, 2024.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| | Note | 2025 ----- (Rupees) ----- | 2024 ----- |
|--|--|---------------------------------------|--------------------|
| 11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN | | | |
| Fee payable | 11.1 | 551,863 | 376,914 |
| 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 SECP fee at the rate of 0.075% per annum (2024: 0.075%) of the daily net assets during the year. Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. | | |
| 12 ACCRUED EXPENSES AND OTHER LIABILITIES | | 2025 ----- (Rupees) ----- | 2024 ----- |
| Brokerage payable | | 239,773 | 895,586 |
| Auditors' remuneration payable | | 722,520 | 605,880 |
| Capital gain tax payable | | 29,260,511 | 117,323 |
| Other payable | | 1,292,190 | - |
| | | <u>31,514,994</u> | <u>1,618,789</u> |
| 13 CONTINGENCIES AND COMMITMENTS | | | |
| There were no contingencies and commitments outstanding as at June 30, 2025 and June 30, 2024. | | | |
| 14 NUMBER OF UNITS IN ISSUE | | 2025 ----- (Number of units) ----- | 2024 ----- |
| Units in issue at the beginning of the year | | 56,027,016 | 22,218,943 |
| Units issued during the year | | 492,363,304 | 147,842,344 |
| Units redeemed during the year | | (459,235,648) | (114,034,271) |
| Total units in issue as at the end of the year | | <u>89,154,672</u> | <u>56,027,016</u> |
| 15 AUDITORS' REMUNERATION | | 2025 ----- (Rupees) ----- | 2024 ----- |
| Annual audit fee and interim review fee | | 850,000 | 750,000 |
| Other certifications | | 150,000 | 100,000 |
| Out of pocket expenses | | 85,000 | 44,280 |
| Sindh Sales Tax | | 86,800 | 68,000 |
| | | <u>1,171,800</u> | <u>962,280</u> |
| 16 CASH AND CASH EQUIVALENTS | | | |
| Savings accounts | | 2,405,842,994 | 346,211,995 |
| Market treasury bills | | - | 482,574,000 |
| | | <u>2,405,842,994</u> | <u>828,785,995</u> |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

17 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current year results is 2.05% (June 30, 2024: 0.31%) which includes 0.27% (June 30, 2024: 0.1%) representing Government Levy and SECP Fee. The prescribed limit for the ratio is 2.5% (June 30, 2024: 2.5%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "Income Scheme".

During the year ended June 30, 2025, the SECP, vide S.R.O 600(I)/2025 dated April 10, 2025, amended the previously applicable Total Expense Ratio (TER) caps. With effect from July 1, 2025, this amendment replaces the earlier TER-based cap structure with a direct cap on the management fee, irrespective of the scheme's overall expense ratio. The revised management fee limits have been disclosed in Note 9.1 to these financial statements.

18 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 capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, 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. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in a manner as explained above, no provision for taxation has been made in these financial statements during the year.

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.

19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

Connected persons / related parties include JS Investments Limited (JSIL) being the Management Company of the Fund, Digital Custodian Company Limited being the Trustee of the Fund, JS Bank Limited (JSBL) being the holding company of the Management Company - holding 84.56% shares of JS Investments Limited, Jahangir Siddiqui & Co. Limited (JSCL) being the holding company of JSBL - holding 71.20 % shares of JS Bank Limited, BankIslami Pakistan Limited (BIPL) which is a fellow subsidiary of JSBL - 75.12% shares are held by JS Bank Limited, JS Global Capital Limited (JSGCL) which is a fellow subsidiary of JSBL - 92.90% shares are held by JS Bank Limited and other associated companies of JSBL, JSGCL, JSIL and its subsidiaries, key management personnel, directors and their close family members of the above entities and other funds being managed by JSIL and includes entities holding 10% or more in the units of the Fund as at June 30, 2025. It also includes staff retirement benefit Funds of the above related parties / connected persons.

Transactions with 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 connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

Selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

The details of transactions during the year and balances at year end with the related parties / connected persons are as follows:

| 19.1 | Transactions during the year | 2025 ----- (Rupees) ----- | 2024 ----- |
|------|--|------------------------------|---------------|
| | JS Investments Limited (Management Company) | | |
| | Remuneration to JS Investments Limited - Management Company | 111,510,872 | - |
| | Sindh Sales Tax on Management Company's Remuneration | 16,726,631 | - |
| | Sales load | 321,797 | 78,234 |
| | Printing and stationery | 133,590 | 108,473 |
| | Selling and marketing expenses | 46,752,201 | 1,914,459 |
| | Issuance of: 20,163,150 (2024: 9,509,071) units | 2,571,665,125 | 1,114,228,355 |
| | Refund of capital: 31,581 (2024: 377,919) units | 3,550,337 | 41,087,385 |
| | Dividend reinvest: 4,307 (2024: 5,517) units | 645,516 | 705,636 |
| | Redemption of: 14,783,851 (2024: 9,892,507) units | 1,975,106,515 | 1,128,097,769 |
| | Digital Custodian Company Limited (Trustee) | | |
| | Remuneration of the Digital Custodian Company Limited - Trustee | 6,411,333 | 4,294,011 |
| | Sindh Sales Tax on remuneration of the Trustee | 961,701 | 558,222 |
| | JS Global Capital Limited (Fellow subsidiary of JSBL) | | |
| | Brokerage expense | - | 83,787 |
| | JS Fund of Funds (Fund under JSIL Management) | | |
| | Issuance of: 2,454,994 (2024: Nil) units | 271,129,531 | - |
| | Redemption of: 2,454,994 (2024: Nil) units | 274,468,323 | - |
| | Jahangir Siddiqui & Company Limited (Ultimate Parent Company - JSIL) | | |
| | Issuance of: 123,805 (2023: 9,432,598) units | 13,847,704 | - |
| | Issue dividend reinvest: 29 (2024: Nil) units | 3,282 | - |
| | Dividend paid: 123,805 (2024: Nil) units | 93,285 | - |
| | Redemption of: 123,834 (2023: 9,432,598) units | 13,943,681 | - |
| | EFU Life Assurance Limited (Common Directorship of Ultimate Parent Company) | | |
| | Dividend reinvested: 2,803,715 (2024: 4,721,165) units | 306,338,539 | 513,285,077 |
| | Redemption of: 4,353,126 (2023: 964,718) units | 500,000,000 | 112,920,180 |
| | Unit holders holding more than 10% of units | | |
| | Issuance of: 266,101,085 (2024: 67,150,050) units | 30,197,478,896 | 7,527,304,649 |
| | Refund of capital: 6,444,459 (2024: 2,390,958) units | 703,399,382 | 259,944,914 |
| | Dividend reinvested: 1,406,910 (2024: 4,147,512) units | 156,656,802 | 530,491,220 |
| | Redemption of: 257,510,386 (2024: 48,455,191) units | 28,845,373,134 | 5,273,618,151 |
| | Key management personnel of the Management Company | | |
| | Issuance of: 85,338 (2024: 106,203.668) units | 9,710,474 | 11,689,870 |
| | Refund of capital: 2,425 (2024: 0.3455) units | 265,116 | 38 |
| | Dividend reinvest: 729 (2024: 0.0445) units | 106,163 | 6 |
| | Redemption of: 56,091 (2024: 106,199.5263) units | 6,314,255 | 11,714,870 |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| 19.2 | Amounts / balances outstanding as at year end | 2025 | 2024 |
|--|--|----------------------|---------------|
| | | ----- (Rupees) ----- | |
| JS Investments Limited (Management Company) | | | |
| | Remuneration payable to Management Company | 21,467,144 | - |
| | Sindh Sales Tax payable on Management Company's remuneration | 3,220,072 | - |
| | Sales load payable | 2,518 | - |
| | Payable against Selling and marketing expenses | 3,450,000 | 1,914,459 |
| | Payable against printing and stationery | 120,638 | 78,741 |
| | Units held: 5,415,186 (2024: Nil) | 610,183,212 | - |
| Amounts / balances outstanding as at year end | | | |
| Digital Custodian Company Limited (Trustee) | | | |
| | Trustee remuneration payable | 490,805 | 349,347 |
| | Sindh Sales Tax payable on trustee remuneration | 73,621 | 45,415 |
| EFU Life Assurance Limited (Common Directorship of Ultimate Parent Company) | | | |
| | Units held: 24,420,687 (2024: 25,970,097) | 2,751,722,967 | 2,832,298,800 |
| Unit holders holding more than 10% of units | | | |
| | Units held: 32,406 (2024: 25,233,329) | 3,651,477 | 2,751,946,826 |
| Key management personnel of the Management Company | | | |
| | Units held: 32,406 (2024: 4.53171) | 3,651,477 | 494 |

| Particulars | ----- 2025 ----- | | |
|--|----------------------|--------------------------------------|-----------------------|
| | At amortised cost | At fair value through profit or loss | Total |
| ----- (Rupees) ----- | | | |
| Financial assets | | | |
| Bank balances | 2,405,842,994 | - | 2,405,842,994 |
| Investments | - | 7,593,623,268 | 7,593,623,268 |
| Profit receivable | 105,928,690 | - | 105,928,690 |
| | <u>2,511,771,684</u> | <u>7,593,623,268</u> | <u>10,105,394,952</u> |
| Financial liabilities | | | |
| Payable to JS Investments Limited - Management Company | 28,260,372 | - | 28,260,372 |
| Payable to Digital Custodian Company Limited - Trustee | 564,426 | - | 564,426 |
| Accrued expenses and other liabilities | 2,254,483 | - | 2,254,483 |
| | <u>31,079,281</u> | <u>-</u> | <u>31,079,281</u> |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| Particulars | 2024 | | |
|--|--------------------|--------------------------------------|----------------------|
| | At amortised cost | At fair value through profit or loss | Total |
| | (Rupees) | | |
| Financial assets | | | |
| Bank balances | 346,211,995 | - | 346,211,995 |
| Investments | - | 5,756,951,260 | 5,756,951,260 |
| Profit receivable | 10,304,489 | - | 10,304,489 |
| | <u>356,516,484</u> | <u>5,756,951,260</u> | <u>6,113,467,744</u> |
| Financial liabilities | | | |
| Payable to JS Investments Limited - Management Company | 1,993,200 | - | 1,993,200 |
| Payable to Digital Custodian Company Limited - Trustee | 394,762 | - | 394,762 |
| Accrued expenses and other liabilities | 1,618,789 | - | 1,618,789 |
| | <u>4,006,751</u> | <u>-</u> | <u>4,006,751</u> |

21 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.

21.1 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 Securities and Exchange Commission of Pakistan.

Market risk comprises of three types of risk: currency risk, yield / interest rate risk and price risk.

21.1.1 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

21.1.2 Yield / Interest rate risk

Yield / interest 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 interest / profit rates. As of June 30, 2025, the Fund is exposed to such risk on its balances held with banks, market treasury bills and Pakistan investment bonds. 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.

Sensitivity analysis for variable rate instruments

As at June 30, 2025, the Fund holds balances with banks and Pakistan investment bonds amounting Rs. 2,643.44 million (2024: Rs. 348.19 million) exposing the fund to cash flow interest 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 assets of the Fund and net income for the year would have been higher / lower by Rs. 26.43 million (2024: Rs. 3.48 million).

The composition of the Fund's investment portfolio, KIBOR 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, 2025 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield / interest 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 interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 can be determined as follows:

| 2025 | | | | | |
|---------------------------------|---------------------------------------|--|--------------------|--------------------------------------|-------|
| Yield / effective interest rate | Exposed to yield / interest rate risk | | | Not exposed to yield / interest risk | Total |
| | Upto three months | More than three months and upto one year | More than one year | | |
| ----- (Rupees) ----- | | | | | |

On-balance sheet financial instruments

Financial assets

| | | | | | | |
|-------------------|-----------------|---------------|---------------|---------------|-------------|----------------|
| Bank balances | 8.25% - 9.00% | 2,405,842,994 | - | - | - | 2,405,842,994 |
| Investments | 10.54% - 12.46% | 816,837,862 | 4,846,040,208 | 1,930,745,198 | - | 7,593,623,268 |
| Profit receivable | | - | - | - | 105,928,690 | 105,928,690 |
| | | 3,222,680,856 | 4,846,040,208 | 1,930,745,198 | 105,928,690 | 10,105,394,952 |

Financial liabilities

| | | | | | | |
|--|--|---|---|---|------------|------------|
| Payable to JS Investments Limited - the Management Company | | - | - | - | 28,260,372 | 28,260,372 |
| Payable to Digital Custodian Company Limited - Trustee | | - | - | - | 564,426 | 564,426 |
| Accrued and other liabilities | | - | - | - | 2,254,483 | 2,254,483 |
| | | - | - | - | 31,079,281 | 31,079,281 |

On-balance sheet gap

| | | | | | |
|--|---------------|---------------|---------------|------------|----------------|
| | 3,222,680,856 | 4,846,040,208 | 1,930,745,198 | 74,849,409 | 10,074,315,671 |
|--|---------------|---------------|---------------|------------|----------------|

Off-balance sheet financial instruments

| | | | | | |
|--|---|---|---|---|---|
| | - | - | - | - | - |
|--|---|---|---|---|---|

Off-balance sheet gap (b)

| | | | | | |
|--|---|---|---|---|---|
| | - | - | - | - | - |
|--|---|---|---|---|---|

Total profit rate sensitivity gap (a+b)

| | | | | | |
|--|---------------|---------------|---------------|------------|----------------|
| | 3,222,680,856 | 4,846,040,208 | 1,930,745,198 | 74,849,409 | 10,074,315,671 |
|--|---------------|---------------|---------------|------------|----------------|

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| 2024 | | | | | |
|---------------------------------|---------------------------------------|--|--------------------|--------------------------------------|-------|
| Yield / effective interest rate | Exposed to yield / interest rate risk | | | Not exposed to yield / interest risk | Total |
| | Upto three months | More than three months and upto one year | More than one year | | |

(Rupees)

On-balance sheet financial instruments

Financial assets

| | | | | | | |
|-------------------|-----------------|-------------|-------------|---------------|------------|---------------|
| Bank balances | 19.24% - 20.5% | 346,211,995 | - | - | - | 346,211,995 |
| Investments | 19.45% - 22.32% | 482,574,000 | 478,831,360 | 4,795,545,900 | - | 5,756,951,260 |
| Profit receivable | | - | - | - | 10,304,489 | 10,304,489 |
| | | 828,785,995 | 478,831,360 | 4,795,545,900 | 10,304,489 | 6,113,467,744 |

Financial liabilities

| | | | | | | |
|--|--|---|---|---|-----------|-----------|
| Payable to JS Investments Limited - the Management Company | | - | - | - | 1,993,200 | 1,993,200 |
| Payable to Digital Custodian Company Limited - Trustee | | - | - | - | 394,762 | 394,762 |
| Accrued and other liabilities | | - | - | - | 1,618,789 | 1,618,789 |
| | | - | - | - | 4,006,751 | 4,006,751 |

On-balance sheet gap

| | | | | | | |
|--|--|-------------|-------------|---------------|-----------|---------------|
| | | 828,785,995 | 478,831,360 | 4,795,545,900 | 6,297,738 | 6,109,460,993 |
|--|--|-------------|-------------|---------------|-----------|---------------|

Off-balance sheet financial instruments

| | | | | | | |
|--|--|---|---|---|---|---|
| | | - | - | - | - | - |
|--|--|---|---|---|---|---|

Off-balance sheet gap (b)

| | | | | | | |
|--|--|---|---|---|---|---|
| | | - | - | - | - | - |
|--|--|---|---|---|---|---|

Total profit rate sensitivity gap (a+b)

| | | | | | | |
|--|--|-------------|-------------|---------------|-----------|---------------|
| | | 828,785,995 | 478,831,360 | 4,795,545,900 | 6,297,738 | 6,109,460,993 |
|--|--|-------------|-------------|---------------|-----------|---------------|

21.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks. The Fund does not have any investment in equity securities as of June 30, 2025.

21.2 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

21.2.1 Exposure to credit risk

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

| | 2025 | | 2024 | |
|-------------------|--|---------------------------------|--|---------------------------------|
| | 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 | 2,405,842,994 | 2,405,842,994 | 346,211,995 | 346,211,995 |
| Investments | 7,593,623,268 | - | 5,756,951,260 | - |
| Profit receivable | 105,928,690 | 5,605,660 | 10,304,489 | 10,279,456 |
| | <u>10,105,394,952</u> | <u>2,411,448,654</u> | <u>6,113,467,744</u> | <u>356,491,451</u> |

The difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in Government Securities amounting to Rs. 7,593 million (2024: Rs. 5,756 million) and profit receivable thereon amounting to Rs. 100.32 million (2024: 0.25 million) are not exposed to credit risk.

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 is the carrying amount of the financial assets.

No financial assets were considered to be past due or impaired either at June 30, 2025 and June 30, 2024.

21.2.2 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon, credit exposure arising as a result of investment in term finance certificates and sukuk certificates and profit accrued thereon.

Bank balances

The Fund held bank balances at June 30, 2025 with banks having following credit ratings:

| Name of bank | Rating agency | Latest available published rating | 2025 |
|------------------------|---------------|-----------------------------------|--|
| | | | % of financial assets exposed to credit risk |
| United Bank Limited | VIS | AAA | 0.00% |
| Bank of Punjab Limited | PACRA | AA+ | 0.01% |
| Allied Bank Limited | PACRA | AAA | 0.00% |
| Bank AL Habib Limited | PACRA | AAA | 0.00% |
| Habib Bank Limited | VIS | AAA | 99.99% |
| | | | <u>100.00%</u> |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| Name of bank | Rating agency | Latest available published rating | 2024 |
|------------------------|---------------|-----------------------------------|--|
| | | | % of financial assets exposed to credit risk |
| United Bank Limited | VIS | AAA | 0.00% |
| Bank of Punjab Limited | PACRA | AA+ | 0.00% |
| Allied Bank Limited | PACRA | AAA | 99.92% |
| Bank AL Habib Limited | PACRA | AAA | 0.00% |
| Habib Bank Limited | VIS | AAA | 0.08% |
| | | | 100.00% |

Above rates are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2025.

21.2.3 Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect the groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. Despite the high concentration of credit risk as stated above, the Fund's portfolio of financial instruments is broadly diversified and transactions are entered into with diverse credit worthy counter parties thereby mitigating any significant concentrations of credit risk.

21.2.4 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 either in short term instruments or in investments that are traded in an active market and can be readily disposed and are considered readily realisable in order to maintain liquidity.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement. The maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund. The facility would bear interest at commercial rates. However, no borrowing was required to be obtained by the Fund during the current 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 date. However, the assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

| 2025 | | | | | | |
|------------------|---|--|--|-------------------|--|-------|
| Within one month | More than one month and upto three months | More than three months and upto one year | More than one year and upto five years | More than 5 years | Financial Instruments with no fixed maturity | Total |

(Rupees)

Financial liabilities

Payable to JS Investments Limited - the Management Company
 Payable to Digital Custodian Company Limited - Trustee
 Accrued and other liabilities

| | | | | | | |
|-------------------|----------------|----------|----------|----------|----------|-------------------|
| 28,260,372 | - | - | - | - | - | 28,260,372 |
| 564,426 | - | - | - | - | - | 564,426 |
| 1,531,963 | 722,520 | - | - | - | - | 2,254,483 |
| 30,356,761 | 722,520 | - | - | - | - | 31,079,281 |

| 2024 | | | | | | |
|------------------|---|--|--|-------------------|--|-------|
| Within one month | More than one month and upto three months | More than three months and upto one year | More than one year and upto five years | More than 5 years | Financial Instruments with no fixed maturity | Total |

(Rupees)

Financial liabilities

Payable to JS Investments Limited - the Management Company
 Payable to Digital Custodian Company Limited - Trustee
 Accrued and other liabilities

| | | | | | | |
|------------------|----------------|----------|----------|----------|----------|------------------|
| 1,993,200 | - | - | - | - | - | 1,993,200 |
| 394,762 | - | - | - | - | - | 394,762 |
| 1,012,909 | 605,880 | - | - | - | - | 1,618,789 |
| 3,400,871 | 605,880 | - | - | - | - | 4,006,751 |

22 FAIR VALUE MEASUREMENT

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

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

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

22.1 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:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

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

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

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

As at June 30, 2025 and June 30, 2024, the Fund held the following financial instruments measured at fair values:

| 2025 | | | |
|---------|---------|---------|-------|
| Level 1 | Level 2 | Level 3 | Total |

(Rupees)

Financial assets 'at fair value through profit or loss'

Investments

| | | | | |
|-------------------------------------|---|---------------|---|---------------|
| Market Treasury Bills | - | 3,088,769,376 | - | 3,088,769,376 |
| Pakistan Investment Bonds - Floater | - | 237,600,000 | - | 237,600,000 |
| Pakistan Investment Bonds - Fixed | - | 4,267,253,892 | - | 4,267,253,892 |
| | - | 7,593,623,268 | - | 7,593,623,268 |

| 2024 | | | |
|---------|---------|---------|-------|
| Level 1 | Level 2 | Level 3 | Total |

(Rupees)

Financial assets 'at fair value through profit or loss'

Investments

| | | | | |
|-------------------------------------|---|---------------|---|---------------|
| Market Treasury Bills | - | 5,754,975,860 | - | 5,754,975,860 |
| Pakistan Investment Bonds - Floater | - | 1,975,400 | - | 1,975,400 |
| | - | 5,756,951,260 | - | 5,756,951,260 |

During the year ended June 30, 2025, there were no transfers between level 1 and level 2 fair value measurements, and no transfers into and out of level 3 fair value measurements.

22.2 Valuation technique used in determination of fair values is as follows:

| Item | Valuation technique |
|--|---|
| Market Treasury Bills and Pakistan Investment Bonds - Fixed Rate | The valuation has been derived from PKRV rates. The PKRV rates are announced by FMA (Financial Market Association) through MUFAP. |
| Pakistan Investment Bonds - Floating Rate | The valuation has been derived from PKFRV rates. The PKFRV rates are announced daily by FMA (Financial Market Association) through MUFAP. |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

23 PATTERN OF UNIT HOLDING

| Category | 2025 | | | |
|------------------------------------|------------------------|----------------------|----------------------------|------------------------------------|
| | Number of unit holders | Number of units held | Investment amount (Rupees) | Percentage of total investment (%) |
| Individuals | 52 | 4,978,130 | 560,913,785 | 5.58% |
| Associated Companies and Directors | 2 | 24,453,087 | 2,755,262,408 | 27.43% |
| Others | 9 | 59,723,455 | 6,729,376,126 | 66.99% |
| | 63 | 89,154,672 | 10,045,552,319 | 100% |

| Category | 2024 | | | |
|------------------------------------|------------------------|----------------------|----------------------------|------------------------------------|
| | Number of unit holders | Number of units held | Investment amount (Rupees) | Percentage of total investment (%) |
| Individuals | 21 | 4,607,035 | 502,451,530 | 8.22% |
| Associated Companies and Directors | 1 | 25,970,097 | 2,832,347,352 | 46.36% |
| Others | 5 | 25,449,884 | 2,775,610,159 | 45.42% |
| | 27 | 56,027,016 | 6,110,409,041 | 100.00% |

24 DETAILS OF MEMBERS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of the members of Investment Committee and Fund Manager of the Fund are as follows:

| S.NO. | Name | Designation | Overall Experience | Qualification |
|-------|-------------------------|---|--------------------|---------------|
| 1 | Ms. Iffat Zehra Mankani | Chief Executive Officer | 24 | MBA |
| 2 | Mr. Khawar Iqbal | Chief Operating Officer & Company Secretary | 32 | MBA |
| 3 | Ms. Samina Faisal | Country Head Business Development | 34 | MBA |
| 4 | Mr. Syed Husain Haider | Chief Investment Officer | 23 | CFA / CIPM |
| 5 | Mr. Safdar Raza | Fund Manager | 9 | B.COM |

24.1 Name and qualification of the Fund Manager

| Name | Designation | Qualification | Other funds managed by the Fund Manager |
|-----------------|--------------|---------------|---|
| Mr. Safdar Raza | Fund Manager | B.Com. | JS Cash Fund, JS Money Market Fund, JS Fixed Term Munafa Fund II, JS Income Fund, JS Microfinance Sector Fund, JS Islamic Money Market Fund and JS Islamic Income Fund. |

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

25 LIST OF TOP TEN BROKERS BY PERCENTAGE OF COMMISSION PAID

| 2025 | | 2024 | |
|---------------------------------------|-------------------------------|---------------------------------------|-------------------------------|
| Name of broker | Percentage of commission paid | Name of broker | Percentage of commission paid |
| C & M Management (Pvt) Limited | 23.58% | C & M Management (Pvt) Limited | 26.90% |
| Alfalah Securities (Pvt) Limited | 22.10% | Alfalah CLSA Securities (Pvt) Limited | 19.76% |
| KTrade Securities Limited | 11.21% | Pearl Securities Limited (PSL) | 10.77% |
| Pearl Securities Limited (PSL) | 10.86% | KTrade Securities Limited | 8.78% |
| Summit Capital (Pvt) Limited | 7.14% | Vector Capital (Pvt) Limited | 7.47% |
| Currency Market Associates (Pvt.) Ltd | 5.02% | Summit Capital (Pvt) Limited | 6.83% |
| BMA Capital Management Limited | 4.30% | Magenta Capital (Pvt) Limited | 6.50% |
| Optimus Markets (Pvt) Limited | 3.98% | Invest One Markets Limited | 3.53% |
| Vector Capital (Pvt) Limited | 3.64% | Optimus Markets (Pvt) Limited | 2.69% |
| Invest One Markets Limited | 2.99% | JS Global Capital Limited | 1.51% |

26 MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Following is the analysis of the attendance in the meetings of the Board of Directors of the Management Company during the year:

| S.No. | Name of Directors | Meetings attended | Meetings held on | | | | | | |
|-------|----------------------------------|-------------------|------------------|-----------------|--------------------|------------------|-------------------|-------------------|----------------|
| | | | July 30, 2024 | August 20, 2024 | September 11, 2024 | October 22, 2024 | December 26, 2024 | February 25, 2025 | April 22, 2025 |
| 1 | Mr. Suleman Lalani | 7 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 2 | Ms. Iffat Zehra Mankani | 7 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 3 | Mr. Hasan Shahid | 7 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 4 | Ms. Aisha Fariel Salahuddin | 1 | ✓ | ✗ | ✗ | ✗ | ✗ | ✗ | ✗ |
| 5 | Ms. Mediha Kamal Afsar | 7 | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 6 | Mr. Faisal Anwar* | 2 | ✗ | ✗ | ✗ | ✗ | ✗ | ✓ | ✓ |
| 7 | Mr. Farooq Ahmed Malik | 6 | ✗ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| 8 | Mr. Atif Salim Malik** | 4 | ✓ | ✓ | ✓ | ✓ | ✗ | ✗ | ✗ |
| 9 | Mr. Mirza M. Sadeed H. Barlas*** | 5 | ✓ | ✓ | ✓ | ✓ | ✓ | ✗ | ✗ |
| 10 | Mr. Syed Kazim Raza**** | 1 | ✗ | ✗ | ✗ | ✗ | ✗ | ✗ | ✓ |

* Mr. Faisal Anwer joined the Board on January 07, 2025.

** Mr. Atif Salim Malik resigned from the Board on November 21, 2024.

*** Mr. Mirza M. Sadeed H. Barlas resigned from the Board on January 15, 2025.

**** Mr. Syed Kazim Raza joined the Board on March 06, 2025.

27 UNIT HOLDER'S 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:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED JUNE 30, 2025

- 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 monitors capital of the Fund on the basis of the value of net assets attributable to the unit holders and tracks 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 are updated about the Fund's yield and movement of net asset value and total size at the end of each quarter.

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

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

28 GENERAL

28.1 Rounding off

Figures have been rounded off to the nearest rupee, unless otherwise stated.

29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 19, August 2025 by the Board of Directors of the Management Company.



Chief Financial Officer



Chief Executive Officer



Director



JS INVESTMENTS OFFICES

- **Head Office - Karachi**
19th Floor, The Centre, Plot No. 28, SB-5,
Abdullah Haroon Road, Saddar, Karachi.
- **Wealth Centre**
Ground Floor, Plot No. 97-C, Main
Khayaban-e-Shaheen, DHA Phase 8, Karachi
- **Regional Office - Islamabad**
Office No. 414, 4th Floor, PSX Building,
Jinnah Avenue, Islamabad.
- **Regional Office - Lahore**
1st Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094
- **Wealth Centre - Lahore**
Ground Floor, Plot # 151-MB, DHA Phase 6-C,
Near KFC, Lahore, Pakistan. Phone : 042-38302094

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