



INVESTMENTS

WE KNOW YOUR VALUE

CORPORATE BRIEFING SESSION
(2019-2020)

NOVEMBER 26, 2020



Company Profile

786 Investments Ltd is a public listed company incorporated in Pakistan. The Company is registered as NBFC under the NBFC Rules, 2003. The Company has obtained the license to carry out Asset Management Services and obtained the license of Investment Advisory Services and under the NBFC Rules, 2003, and NBFC Regulation, 2008.

Commencement of Operations	January 1, 1993
Head Office	G3, BRR tower, Hassan Ali Street, Off I.I. Chundrigar Road, Karachi.
Major Investors	First Dawood Investment Bank Ltd.
	The Bank of Khyber
	BRR Guardian Modaraba
	Miss Tara Uzra Dawood
Market Share Price as on June 2020	PKR 34.35/-
Company Rating	AM-3



The 786 Investments Asset under Management in Values:

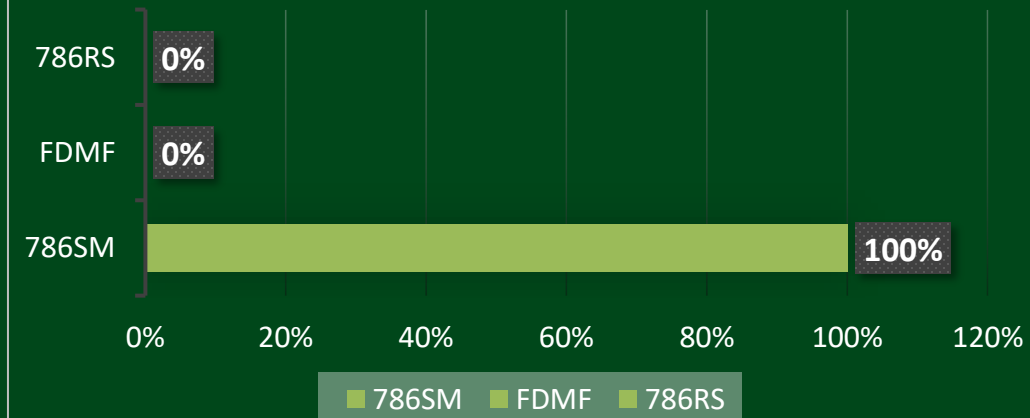
Funds	June 30, 2020	June 30, 2020	June 30, 2019	June 30, 2019
Description of Funds	Net Assets (PKR in million)	NAV (PKR)	Net Assets (PKR in million)	NAV (PKR)
786 Smart Fund	626.50	81.00	445.69	80.43
786 Rising Star Fund	NIL	NIL	101.92	104.38
First Dawood Mutual Fund	NIL	NIL	107.14	17.34



The 786 investments asset under management in percentages:

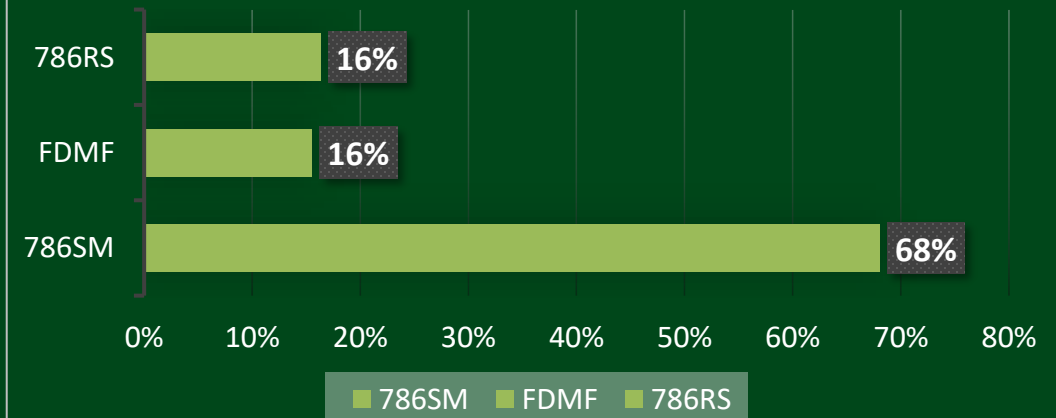
AFTER MERGER

Category Wise AUM June 2020



BEFORE MERGER

Category Wise AUM December 2019





STRATEGIC & OPERATIONAL DEVELOPMENTS

A. Merger:

The Company got the approval of SECP with regard to the Merger of 786 Rising Star Fund and First Dawood Mutual Fund with and into 786 smart Fund through its vide letter having reference No: SCD/AMCW/786IL/153/2019 dated December 02, 2019.

The Board of Directors approved the effective date of the merger as on December 20,2019 which has been successfully merged and all the compliances have been met. As of now 786 Investments Limited managing only one single fund i.e. 786 Smart Fund previously known as Dawood Income Fund which falls in the category of Islamic Income Fund.



STRATEGIC & OPERATIONAL DEVELOPMENTS

B. Injection of Subordinated Loan:

Securities and Exchange Commission of Pakistan (SECP) by their vide letter no: SCD/AMCW/786IL/22/2020 approved the application of a Subordinated loan of Rupees Twenty Two Million (Rs 22m).

The approval has been given to meet the minimum equity requirement for the Investment Advisory License as per Rule 2 (xix) (ii) (h) of the Non-Banking Finance Companies Rule, 2003.

C. Investment Advisory Services :

Securities and Exchange Commission of Pakistan (SECP) by their vide letter no: SCD/AMCW/786IL/2020-109 renewed the license of 786 Investments Limited to carry out Investment Advisory Services under sub-rule (9) of Rule 5 of the Non-Banking Finance Company (Establishment & Regulation) Rule 2003.



STRATEGIC & OPERATIONAL DEVELOPMENTS

Future Plans:

786IL is building a strategy focused on times of COVID-19, and in anticipation of post COVID-19, with a focus on ease of both operations and customer access to information and our team, during periods of lockdown and with an emphasis on virtual, safer communications and elimination of paper for reasons of health and safety, as well as to be a more sustainable, purpose-driven, eco-friendly role model among asset management companies.

Our objective for the year is to grow Asset under Managements (AUM) through an effective virtual, social media driven sales strategy.



FINANCIAL HIGHLIGHTS

The company has constant authorized & paid-up capital however shareholders' equity has increased by 04.15%, which raises total assets by 04.02%.

The short-term investments have a massive increase of 122.70% and the calculated income from investments shows a greater return of 119.9%.

The company income which comprises of management fees decreased by PKR 2.45 million, representing a 20.39% decreased in management fees. But simultaneously the administrative and operating expenses decreased by PKR 6.25 million representing a 19.55% decrease in administrative and operating expenses.

There is no impairment loss on investment during the year. Other income also contributed to turning around the company's losses into profits, but decreased by 24.24% as compared to last year.

Profit before tax has been increased by 110.85%, taxation for the period has decreased by 53.47%, so the profit after taxation calculated for the period is PKR 2.82 million which is an increase of 106.54% as compared to last year.

Book value per Share and Earnings per Share also increased by 04.15% & 106.54% respectively.

Particulars	% Change	2020	2019
		Rupees in Million	
Authorized Capital	→ 0.00%	200.00	200.00
Paid-Up Capital	→ 0.00%	149.74	149.74
Shareholders' Equity	↑ 4.15%	208.70	200.38
Total Assets	↑ 4.02%	227.88	219.07
Short-Term Investment in Securities	↑ 122.70%	22.43	10.07
Income From Investments	↑ 119.99%	0.27	-1.35
Management Fee	↓ -20.39%	9.57	12.02
Other Income	↓ -24.24%	2.84	3.74
Impairment Loss on Investment	→ 0.00%	0.00	0.00
Profit/(Loss) Before Taxation	↑ 110.85%	4.34	-39.96
Taxation	↓ -53.47%	1.51	3.25
Profit/(Loss) After Taxation	↑ 106.54%	2.82	-43.21
Book Value Per Share	↑ 4.15%	13.94	13.38
Earnings Per Share	↑ 106.54%	0.19	-2.89



COMPANY PERFORMANCE REVIEW:

The Company recorded a Profit of PKR 2.82 million during the period ended June 30, 2020, as compared to a loss of (PKR (43.20) million FY19.

The Company Income which comprised of Management Fees decreased by PKR 2.45 million, representing a 20.39% decrease in Management Fees. However, the management effectively decreased the administrative and operating expenses by PKR 6.25 million, representing a 19.55% decrease in administrative and operating expenses.

Other income also contributed to turning around the company's losses into profits. Further, Share of Associates shows a profit of PKR 10.00 million as compared to the loss of (PKR (10.92) million FY19).

Particulars	% Change	30-Jun-20	30-Jun-19
..... Rupees.....			
Management Fees	↓ -20.40%	9,566,707	12,017,853
Other Operating Income	↓ -24.25%	2,835,672	3,743,568
Gross Revenue	↑ 581.98%	20,045,919	2,939,351
Administration and Operating Expenses	↓ -19.56%	(25,709,479)	(31,962,858)
Financial Charges	↑ 31.69%	(6,874)	(5,220)
Total Expenses	↓ -19.56%	(25,716,353)	(31,968,078)
Share of Associates' Profit/(Loss)	↑ 191.57%	10,007,405	(10,928,383)
Impairment Loss on Investments	→ 0.00%	-	-
Profit Before Taxation	↑ 110.85%	4,336,970	(39,957,110)
Profit After Taxation	↑ 106.54%	2,824,729	(43,207,504)



Fund Performance Review:

As of June 30, 2020, Net Assets were Rs. 626.50 million as compared to Rs. 445.69 million as of June 30, 2019. The Total operating income for the year was Rs. 62.97 million as compared to Rs. 62.02 million for the same period last year.

Total expenses during the year were Rs. 12.65 million as compared to Rs. 11.59 million last year. The net profit for the financial year 2020 was Rs. 39.24 million, as compared to Rs. 38.90 million last year.

The Net Asset Value per unit was Rs. 81.00 as of June 30, 2020.

Fund Objective:

To preserve the investor's capital while providing a return greater than that offered by other investments of similar risk profile through investments in the portfolio of money market instruments.

Fund Return

Fund Bench Mark Six Month average deposit rates of three (3) A-rated schedules Islamic banks or Islamic windows of conventional banks as selected by MUFAP.

	% Change	YTD Return	YTD Bench Mark
FY 2020	↑ 70.51%	10.93%	6.41%
FY 2019	↑ 10.65%	11.12%	10.05%

Net Asset Value

Particulars	% Change	FY 2020	FY 2019
Net Asset Value	↑ 40.57%	626,503,738.00	445,691,772.00
NAV Per Unit	↑ 0.71%	81.00	80.43



786 Smart Fund Investment Strategy:

risk-averse investments *meet redemption needs*

prudent decisions

protect unitholders

healthy liquidity *strategic*
steady profit *profit* *reliable*
stakeholders
trustworthy
fund manager of choice

Asset Allocation 2020

TFC / Sukuk	13.24%
Bank Balances	83.75%
Others	3.01%

Asset Quality 2020

AA	66.54%
AA-	0.17%
A+	30.92%
Unrated	2.37%



QUESTION & ANSWER



THANK YOU