

Private and Confidential Information*Delivery by email*

Baker Tilly Mehmood Idrees Qamar
Chartered Accountants
188 - D, Model Town,
Lahore – Pakistan.

BTMIQ/LHR/AA/ARNFAPL/AUP19-02

June 12, 2026

T: +92 (42) 35842491-2

T: +92 (42) 35860550

The Chief Executive

ARN Financial Advisors (Private) Limited
Lahore.

info@bakertilly.pk

www.bakertilly.pk**AGREED UPON PROCEDURES REPORT ON INVESTMENT RECOMMENDATION METHODOLOGY AND
COMPUTATION OF HYPOTHETICAL PORTFOLIO RETURNS****Purpose of this Agreed-Upon Procedures Report**

Our report is solely for the management of **ARN Financial Advisors (Private) Limited** (the Engaging Party) and establishes a factual understanding of the Conventional and Shariah-compliant model portfolio performance hypothetical financial model and calculations for the period from January 01, 2025 to December 31, 2025 prepared by management using actual buy and sell recommendations and hypothetical portfolio assumptions and may not be suitable for another purpose.

Responsibilities of the Engaging Party and the Responsible Party

The Engaging Party has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.

The Engaging Party is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), "Agreed-Upon Procedures Engagements". An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Engaging Party, and reporting the findings, which are the factual results of the agreed upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.

This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.

Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Control

We have complied with the ethical requirements and independence requirement 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"). For the purpose of this engagement, there are no independence requirements with which we are required to comply.

The firm applies International Standards on Quality Management 1 (ISQM 1), which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. We confirm that we are independent of the Engaging Party, as required under the Code and ISQM-1.

ADVISORY • ASSURANCE • TAX

Baker Tilly Mehmood Idrees Qamar, Chartered Accountants trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Engaging Party on the subject matter defined in the purpose of this report.

PROCEDURES	FACTUAL FINDINGS
<p>Recommendation Verification</p> <ol style="list-style-type: none"> 1. Obtain the list of buy and sell recommendations included in the "Transactions" sheet. 2. Compare each recommendation appearing in the workbook with the recommendation records provided by management and note any exceptions. 3. Verify that the recommendation dates used in the performance calculations agree with the dates contained in the recommendation records. 4. Verify that every sell transaction included in the model portfolio corresponds to a previously acquired position. 	<p>We report that the information provided by the Engaging Party reconciled with the open-source information and was properly reflected in the subject matter information.</p> <p>For all these procedures, we report nothing adverse.</p>
<p>Portfolio Construction Methodology</p> <ol style="list-style-type: none"> 5. Obtain management's documented methodology for constructing the hypothetical portfolio. 6. Verify that the initial hypothetical investment amount used in the model portfolio agrees with the amount specified by management (e.g., PKR 5,000,000). 7. Verify that the portfolio allocation percentages assigned to each recommendation agree with the methodology prescribed by management. 8. Recalculate the number of shares purchased based on: <ol style="list-style-type: none"> a. allocation percentage, b. assumed purchase price, and c. available cash balance. 9. Verify that purchases were not recorded in excess of available hypothetical cash balances. 	<p>We report that the model appropriately reflects these procedures and we have nothing adverse to report.</p>
<p>Trade Execution Calculations</p> <ol style="list-style-type: none"> 10. For buy transactions, recalculate: <ol style="list-style-type: none"> a. quantity purchased, b. purchase value, and c. resulting cash balance. 11. For sell transactions, recalculate: <ol style="list-style-type: none"> a. sale proceeds, b. realized gain or loss, and c. resulting cash balance. 12. Verify that purchase and sale prices used in the model correspond to the methodology specified by management (for example, opening market price, closing market price, day-start rate, day-end rate, or any other prescribed benchmark). 13. Verify that transaction sequencing has been applied chronologically. 	<p>We report that the model appropriately reflects these procedures and we have nothing adverse to report.</p>

<p>Inventory Reconciliation</p> <p>14. Recalculate the closing holdings for each security by reconciling:</p> <ol style="list-style-type: none"> opening quantity, purchases, sales, and closing quantity. <p>15. Compare the recalculated holdings with the holdings reflected in the "Inventory Analysis" sheet and note any differences.</p> <p>16. Verify that no negative share balances arise during the simulation period.</p>	<p>We report that the model appropriately reflects these procedures and we have nothing adverse to report.</p>
<p>Portfolio Valuation</p> <p>17. Obtain the market prices used to value the closing portfolio.</p> <p>18. Recalculate the market value of each security held at period end.</p> <p>19. Recalculate the total portfolio value comprising:</p> <ol style="list-style-type: none"> market value of holdings, and remaining cash balance. <p>20. Recalculate unrealized gains and losses reported in the Conventional and Shariah portfolio summaries.</p> <p>21. Recalculate realized gains and losses reported in the portfolio summaries.</p>	<p>We report that the model appropriately reflects these procedures and we have nothing adverse to report.</p>
<p>Summary Performance Calculations</p> <p>22. Recalculate:</p> <ol style="list-style-type: none"> total return, percentage return, portfolio allocation percentages, and other key performance indicators are disclosed in the workbook. <p>23. Trace the summary figures presented in the Conventional and Shariah portfolio sheets to the underlying transaction records.</p> <p>24. Verify the mathematical accuracy of all portfolio summary schedules.</p>	<p>We report that the model appropriately reflects these procedures and we have nothing adverse to report.</p> <p>Annexure – A: Summary of results Annexure – B: Combined results Annexure – C: Conventional Portfolio vs. KSE-100 index Annexure – D: Shariah Compliant Portfolio vs KMI-30 Index</p>

This report has been prepared solely for the Engaging Party in accordance with the terms of our engagement letter and for the purpose stated therein and once it is handed over to the management of Engaging Party, they themselves can use this report for any legal and lawful purpose on their own or to any third party. We accept no liability or responsibility to any third party that is affected by or relies on this report. The engaging party acknowledges that any reliance on this report by third parties is at their own risk. The data used for this engagement originates from different parties and sources which are not under our ownership and control, hence, we relied on integrity of the sources and data so provided.

Disclaimer

The portfolio performance calculations examined under this engagement are hypothetical in nature and do not represent actual client portfolios, executed trades, assets under management, or realized investor returns. The underlying buy and sell recommendations were actual recommendations issued by management, whereas portfolio allocations, transaction quantities, cash balances and performance outcomes were derived using hypothetical assumptions established by management. The data used for this AUP engagement originates from client (buy/sell calls and other

information) while market data originates from Pakistan Stock Exchange (obtained online).

The report is based on the agreed-upon procedures as detailed in our engagement letter and does not constitute an audit or review in accordance with International Standards on Auditing or any other standards. The procedures performed were limited to those agreed upon by the parties and may not necessarily reveal all matters of significance.

Indemnity

The management of the Engaging Party agrees to indemnify Baker Tilly Pakistan (trading as Baker Tilly Mehmood Idrees Qamar, Chartered Accountants) against any loss, expense, setback, costs, harm or risk arising from the use of this report at management's discretion against / to any party, person (natural or judicial) or entity, or agency or anyone, by whatever named called.

However, Baker Tilly Pakistan (trading as Baker Tilly Mehmood Idrees Qamar, Chartered Accountants), any of its partners, staff, offices or network firm(s) cannot be held responsible for, or made part of any litigation or investigation, whether current or potential, arising or originating from, or as a result of or related to such use or the subject matter of such use, by the management Engaging Party without our prior written consent.

Disclosure and Agreement

All the workings, analysis, and procedures done, made or followed under this engagement have been presented to the Engaging Party, who has expressly agreed and consented to them, and has checked the same. The Engaging Party has acknowledged the disclosure of all workings, analysis and procedures and agrees with their outcomes.



Bilal Ahmed Khan

Partner

Baker Tilly Mehmood Idrees Qamar

Chartered Accountants

Lahore.

Encl:

Annexure – A

Annexure – B

Annexure – C

Annexure – D

**ANNEXURE TO THE AGREED-UPON PROCEDURES REPORT
PORTFOLIO PERFORMANCE — BENCHMARK COMPARISON**

ARN Financial Advisors (Private) Limited

For the period from January 01, 2025 to December 31, 2025

Annexure A — Basis of Preparation

This annexure presents the performance of the hypothetical Conventional and Shariah-compliant model portfolios of ARN Financial Advisors (Private) Limited against their respective market benchmarks for calendar year 2025. The Conventional portfolio is measured against the KSE-100 Index and the Shariah-compliant portfolio against the KMI-30 Index. The two portfolios are mutually exclusive.

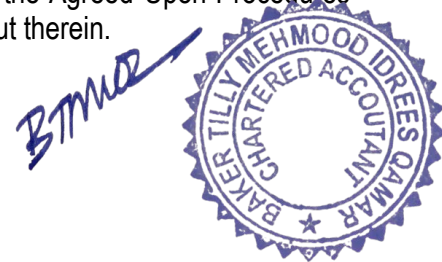
The model portfolios are constructed from actual buy and sell recommendations issued by management, applied to a hypothetical initial investment of PKR 5,000,000 per portfolio. Purchase prices are taken at the opening rate on the date of each buy call, and sale prices at the closing rate on the date of each sell call, so that both rates remain verifiable and traceable from publicly available market data. Index levels stated below are the closing levels of each index on the respective dates.

Notes

1. Index levels represent the closing levels of the KSE-100 Index and the KMI-30 Index on December 31, 2024 and December 31, 2025 respectively, sourced from the Pakistan Stock Exchange.
2. Benchmark return is the percentage change in index points over the period. Portfolio return is the change in total portfolio value (closing equity holdings, realized gains, and dividends received) relative to the initial hypothetical investment of PKR 5,000,000.
3. Performance relative to benchmark is the arithmetic difference between the portfolio return and the corresponding benchmark return, expressed in percentage points.
4. The portfolio returns are hypothetical and do not represent actual client portfolios, executed trades, assets under management, or realized investor returns. Past performance is not necessarily indicative of future results.
5. This annexure forms an integral part of, and should be read in conjunction with, the Agreed-Upon Procedures Report dated 12 June 2026, including the basis, limitations, and disclaimers set out therein.



CHIEF EXECUTIVE OFFICER
ARN Financial Advisors (Private) Limited

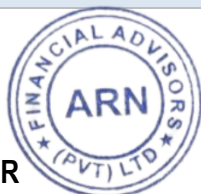


Annexure B— Combined Benchmark Comparison

Particulars	Conventional (KSE-100)	Shariah-Compliant (KMI-30)
Index at the start of the year — December 31, 2024 (points)	115,126.90	178,636.06
Index at the end of the year — December 31, 2025 (points)	174,054.00	248,539.00
Increase in index (points)	58,927.10	69,902.94
% Increase in index points (benchmark return)	51.18%	39.13%
ARN model portfolio return (on initial investment)	64.60%	46.05%
Performance relative to benchmark	+13.42%	+6.92%
Result	Outperformance	Outperformance



CHIEF EXECUTIVE OFFICER
ARN Financial Advisors (Private) Limited



Annexure C — Conventional Portfolio vs. KSE-100 Index

Particulars	Amount
Initial hypothetical investment (PKR)	5,000,000
Closing model portfolio value (PKR)	8,229,993
KSE-100 Index at the start of the year — December 31, 2024 (points)	115,126.90
KSE-100 Index at the end of the year — December 31, 2025 (points)	174,054.00
Increase in index (points)	58,927.10
% Increase in index points (KSE-100 benchmark return)	51.18%
ARN Conventional portfolio return (on initial investment)	64.60%
Performance relative to KSE-100 — Outperformance	+13.42%

The Conventional model portfolio returned 64.16% against a KSE-100 return of 51.18%, an outperformance of 12.98 percentage points.



CHIEF EXECUTIVE OFFICER
ARN Financial Advisors (Private) Limited



Annexure D — Shariah-Compliant Portfolio vs. KMI-30 Index

Particulars	Amount
Initial hypothetical investment (PKR)	5,000,000
Closing model portfolio value (PKR)	7,302,590
KMI-30 Index at the start of the year — December 31, 2024 (points)	178,636.06
KMI-30 Index at the end of the year — December 31, 2025 (points)	248,539.00
Increase in index (points)	69,902.94
% Increase in index points (KMI-30 benchmark return)	39.13%
ARN Shariah portfolio return (on initial investment)	46.05%
Performance relative to KMI-30 — Outperformance	+6.92%

The Shariah-compliant model portfolio returned 45.58% against a KMI-30 return of 39.13%, an outperformance of 6.45 percentage points.



CHIEF EXECUTIVE OFFICER
ARN Financial Advisors (Private) Limited

