



MCB FUNDS  
Investments for Life

# ANNUAL REPORT 2026

Funds Under Management of  
MCB Investment Management Limited



# **ALHAMRA ISLAMIC ASSET ALLOCATION FUND**



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## FUND'S INFORMATION

|                                                     |                                                                                                                                                                                                            |                                                                                                                                               |
|-----------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Management Company</b>                           | <b>MCB Investment Management Limited</b><br>Adamjee House, 2nd Floor,<br>I.I. Chundrigar Road, Karachi.                                                                                                    |                                                                                                                                               |
| <b>Board of Directors</b>                           | Mr. Haroun Rashid<br>Mr. Muhammad Nauman Chughtai<br>Mr. Khawaja Khalil Shah<br>Mr. Ahmed Jahangir<br>Mr. Manzar Mushtaq<br>Mr. Fahd Kamal Chinoy<br>Ms. Sadia Muzaffar<br>Ms. Mavra Adil Khan             | Chairman<br>Director<br>Chief Executive Officer<br>Director<br>Director<br>Director<br>Director<br>Director                                   |
| <b>Audit Committee</b>                              | Ms. Sadia Muzaffar<br>Mr. Ahmed Jahangir<br>Mr. Manzar Mushtaq                                                                                                                                             | Chairman<br>Member<br>Member                                                                                                                  |
| <b>Human Resource &amp; Remuneration Committee</b>  | Mr. Fahd Kamal Chinoy<br>Mr. Ahmed Jahangir<br>Ms. Mavra Adil Khan<br>Mr. Khawaja Khalil Shah<br>Mr. Muhammad Nauman Chughtai                                                                              | Chairman<br>Member<br>Member<br>Member<br>Member                                                                                              |
| <b>Credit Committee</b>                             | Mr. Ahmed Jahangir<br>Mr. Manzar Mushtaq<br>Ms. Sadia Muzaffar<br>Mr. Khawaja Khalil Shah                                                                                                                  | Member<br>Member<br>Member<br>Member                                                                                                          |
| <b>IT &amp; Digital Risk Management Committee</b>   | Ms. Mavra Adil Khan<br>Mr. Ahmed Jahangir<br>Mr. Khawaja Khalil Shah<br>Mr. Syed Sohail Ahmed<br>Mr. Shabbir Hussain<br>Mr. Muhammad Arsalan<br>Mr. Raheel Iqbal (CISO)                                    | Chairman<br>Member<br>Member<br>Member<br>Member<br>Member<br>Member                                                                          |
| <b>Chief Executive Officer</b>                      | Mr. Khawaja Khalil Shah                                                                                                                                                                                    |                                                                                                                                               |
| <b>Chief Operating &amp; Financial Officer</b>      | Mr. Muhammad Asif Mehdi Rizvi                                                                                                                                                                              |                                                                                                                                               |
| <b>Company Secretary &amp; Financial Controller</b> | Mr. Muhammad Rehan Khan                                                                                                                                                                                    |                                                                                                                                               |
| <b>Trustee</b>                                      | <b>Central Depository Company of Pakistan Ltd.</b><br>CDC House, 99-B, Block 'B'S.M.C.H.S<br>Main Shahra-e-Faisal Karachi<br>Tel: (92-21) 111-111-500<br>Fax: (92-21) 34326053<br>Web: www.cdcPakistan.com |                                                                                                                                               |
| <b>Bankers</b>                                      | MCB Bank Limited<br>Faysal Bank Limited<br>United Bank Limited<br>Bank Al-Habib Limited<br>Habib Bank Limited<br>National Bank of Pakistan                                                                 | Dubai Islamic Bank Pakistan Limited<br>MCB Islamic Bank Limited<br>Bank Islami Pakistan Limited<br>Askari Bank Limited<br>Soneri Bank Limited |
| <b>Auditors</b>                                     | <b>BDO Ebrahim &amp; Co.</b><br>Chartered Accountants<br>2nd Floor, Block-C,<br>Lakson Square, Building No.1<br>Sarwar Shaheed Road, Karachi                                                               |                                                                                                                                               |
| <b>Legal Advisor</b>                                | <b>Bawaney &amp; Partners</b><br>3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area<br>Phase VI, D.H.A., Karachi                                                                                      |                                                                                                                                               |
| <b>Rating</b>                                       | <b>AM1</b> Asset Manager Rating assigned by PACRA                                                                                                                                                          |                                                                                                                                               |
| <b>Transfer Agent</b>                               | <b>MCB Investment Management Limited</b><br>Adamjee House, 2nd Floor,<br>I.I. Chundrigar Road, Karachi.                                                                                                    |                                                                                                                                               |

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

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Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Asset Allocation Fund** accounts review for the year ended June 30, 2026.

### **Economy Review**

The country posted a current account deficit of USD 139 million in fiscal year 2026 (FY26) compared to a surplus of USD 1,838 million in the corresponding period last year. Trade Deficit increased by 25.4% YoY as exports declined by 4.6% while imports increased by 9.0%. The remittances inflows grew at a healthy rate of 8.6% to USD 41.6 billion. The country's external position remained robust as SBP's foreign exchange reserves increased to around USD 18.4 billion compared to USD 14.5 billion at the end of the last fiscal year. The local currency depicted strength against the greenback as the USD/PKR appreciated by 2.0% to 278.2 during the period.

Headline inflation, as measured by the Consumer Price Index, averaged 7.0% during FY26, compared with 4.5% in the previous year. The acceleration was primarily driven by higher global oil prices, which translated into increased domestic fuel prices and generated broader second-round inflationary pressures across transportation, energy-intensive goods, and other components of the consumer basket.

Pakistan's provisional GDP growth clocked at 3.7% in FY26 with Agricultural, Industrial and Services sectors increasing by 2.9%, 3.5% and 4.1% respectively. On the fiscal front, FBR tax collection increased by 10.7% during FY26 to PKR 13,004 billion, exceeding the twice downward-revised target by PKR 21 billion. Meanwhile, the fiscal deficit narrowed substantially to PKR 3,778 billion (3.0% of GDP) from PKR 6,168 billion (5.4% of GDP) in the previous year. This marked improvement was primarily supported by lower financing costs, stronger revenue mobilization, and continued fiscal discipline.

### **Equity Market Review**

Pakistan equities delivered another strong year in FY26, with the KSE-100 Index gaining 43.5% to close at 180,302 points, marking a third consecutive year of positive returns. The market's performance was supported by continued improvement in macroeconomic conditions, including stronger foreign exchange reserves, progress under the IMF programme, sovereign credit-rating upgrades and a more supportive monetary backdrop. Investor confidence was further reinforced by improving external relations, renewed foreign investment interest, progress on circular debt resolution and resilient corporate earnings across key sectors. These developments drove the index to an all-time high of 189,167 points in January 2026.

The second half of the year was, however, characterised by elevated volatility. Escalating tensions between the US and Iran pushed international oil prices to around USD 120 per barrel, raising concerns over inflation, the external account and the domestic interest-rate outlook. This triggered a sharp market correction during February and March. Sentiment subsequently improved during the final quarter as geopolitical tensions eased, oil prices moderated and the market reassessed the underlying strength of Pakistan's macroeconomic and corporate fundamentals. The recovery was further supported by IMF approval of USD 1.3 billion under the

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

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EFF and RSF programmes, the successful issuance of Pakistan's inaugural USD 250 million Panda Bond and a market-friendly FY27 Federal Budget. As a result, the KSE-100 recovered strongly through April, May and June, ending FY26 close to its record high despite significant interim volatility.

During FY26, foreign investors, insurance companies, and banks were major net sellers, with outflows of USD 847.7 million, USD 242.7 million, and USD 177.1 million, respectively. This selling was mainly absorbed by companies, mutual funds, and individuals, with inflows of USD 587.5 million, USD 406.8 million, and USD 330.1 million, respectively. On the activity front, average trading volumes for the KSE-All Index increased to 910.9 million shares, compared to about 618.4 million shares in FY25. Meanwhile, average trading value during the period increased by 54.7% over the last year to USD 151.8 million.

Banks, Fertilizer, and E&P sectors were the major contributors to the index rally, adding 21,612, 7,748, and 6,151 points, respectively. Attractive dividend yields and valuations garnered investor interest in the Banking and Fertilizer sectors, while the E&P sector also remained in the limelight due to the one-off PKR 1.2trn disbursement by the GoP under the circular debt clearance plan and rising oil prices.

### FUND PERFORMANCE

During the period under review, the fund delivered a return of 28.59% as against its benchmark return of 34.91%.

On the equities front, the overall allocation was 73.3% at the end of the period under review. The fund was mainly invested in Oil & Gas Exploration, Cement, and Pharmaceuticals during the period. Around 26.1% of the fund was invested in cash.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 2,199 million as compared to Rs. 2,022 million as at June 30, 2025 registering a increase of 8.75%.

The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 222.4907 as compared to opening NAV of Rs. 174.5983 per unit as at June 30, 2025 registering an increase of Rs. 47.8924 per unit.

### Economy & Market – Future Outlook

The renewed escalation in the Iran–US conflict has triggered a sharp increase in global oil prices, with Brent crude trading at around USD 100 per barrel at the time of writing amid concerns over potential supply disruptions through the Strait of Hormuz and the Bab al-Mandab Strait. This has immediate macroeconomic implications, particularly for oil-importing economies like Pakistan, as higher oil prices raise the import bill, fuel inflation, and exert pressure on the currency. However, the situation remains highly fluid, with outcomes dependent on the duration and intensity of the conflict. If tensions do not escalate further, the impact on macros is likely to remain manageable, but a prolonged conflict could keep oil prices elevated and pose additional risks to inflation, external balances, and overall economic stability.

Given the increase in global oil prices and refinery margins, we now expect Pakistan's current account deficit to widen to approximately USD 2.5 billion, or 0.5% of GDP, in FY27, compared

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

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with USD 139 million, or 0.03% of GDP, in FY26. Elevated oil prices remain the key downside risk to the external account. Based on our estimates, every USD 10 per barrel increase above our base-case oil price assumption of USD 80 per barrel could add approximately USD 2.0 billion to the import bill and, by extension, the current account deficit. Nevertheless, the continuation of the IMF program remains an important source of external stability, as it should facilitate Pakistan's access to multilateral, bilateral and commercial financing. Pakistan's continued geopolitical relevance may also support additional inflows from friendly countries. In this regard, Saudi Arabia has recently provided an additional USD 3.0 billion in deposits and extended its existing USD 5.0 billion facility for a further three years. The currency outlook will remain closely linked to the trajectory of international oil prices, external financing flows and broader geopolitical conditions. Under our base case, we have assumed approximately 5.0% depreciation in the Pakistani rupee and expect the USD/PKR exchange rate to close at around 292 by June 2027.

Higher international oil prices, together with corresponding adjustments in domestic fuel prices, are also expected to keep inflationary pressures elevated in the near term. We now project average CPI inflation of approximately 8.4% in FY27, compared with 7.0% in FY26. On the growth front, GDP is expected to expand by between 3.5% and 4.0% in FY27, although any further escalation in the Middle East conflict would pose a downside risk to this forecast. On the fiscal front, we expect the fiscal deficit to normalize to 3.6% of GDP in FY27 compared to 3.0% GDP in FY26. Fiscal deficit is expected to remain contained due to IMF strict requirement to generate a primary surplus of PKR 2.8 trillion (2.0% of GDP).

The Monetary Policy Committee increased the policy rate by 100 basis points to 11.5% at its April 2026 meeting, following an extended period of monetary easing, and subsequently maintained the rate at its June 2026 meeting. Going forward, developments in the Middle East are likely to remain a key driver of macroeconomic variables and, by extension, the monetary policy outlook. We expect the central bank to maintain a data-dependent approach in shaping upcoming policy decisions.

From the capital market perspective particularly equities, the market is still trading at attractive valuations. Market cap to GDP ratio is at 15.6%, a discount of 13.8% from its historical average of 18.1%. We believe a closer view of sectors and stocks will remain important and investment selection should focus on companies, which trade at a discount to their intrinsic value. As of the close of the quarter, the market is trading at a forward Price to Earnings ratio of 8.1x, while offering a dividend yield of 6.1%. For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year.

### **Mutual Fund Industry Review**

The Net Assets of the open-end mutual funds industry increased by about 14.3% during FY26 to PKR 4,209 billion. Total money market funds declined by 0.9% since June 2025. Within the money market sphere, conventional funds showed a decrease of 6.5% to PKR 914 billion while Islamic funds increased by 5.0% to PKR 957 billion. In addition, the total fixed Income and Fixed Rate funds increased by about 15.9% since June 2025 to PKR 1,440 billion while Equity and related funds increased by 62.3% to PKR 797 billion.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

In terms of the segment share, Money Market funds were the leader with a share of around 44.5%, followed by Income and fixed return funds with 34.2% and Equity and Equity related funds having a share of 18.9% as at the end of June 2026.

### Mutual Fund Industry Outlook

Money market funds should benefit from higher liquidity as they are ideal for investors with a short-term horizon and low risk profile. For medium to long term investors the interest in capital markets particularly equities will continue to remain strong. Our operations remained seamless and given our competitive edge in digital access and online customer experience; we are prepared to get benefits of the growing number of investors available online.

### HOLDING COMPANY

On April 18, 2023, MCB Bank Limited (MCB), being the parent company of MCB-Arif Habib Savings and Investments Limited, has acquired 21,664,167 (30.09%) shares of MCB-Arif Habib Savings & Investment Limited (MCB-AH) from Arif Habib Corporation Limited (AHCL). By virtue of this transaction MCB Bank Limited's shareholding in MCB-AH has increased from 36,956,768 (51.33%) shares to 58,620,935 (81.42%) and AHCL no longer holds any shares in MCB-AH.

### CORPORATE GOVERNANCE

The Fund is committed to implement the highest standards of corporate governance. The Board comprises of eight (8) members including Chief Executive Officer (CEO) and has a diverse mix of gender and knowledge. The Board consists of 2 female and 6 male directors, categorized as follows:

- 4 Non – Executive Directors;
- 3 Independent Directors; and
- 1 Executive Director (CEO).

The details of above are as under:

| Sr. No. | Name                         | Status                 | Membership in other Board Committees                     |
|---------|------------------------------|------------------------|----------------------------------------------------------|
| 1.      | Mr. Haroun Rashid            | Non-Executive Director | None                                                     |
| 2.      | Mr. Muhammad Nauman Chughtai | Non-Executive Director | HR&R* Committee                                          |
| 3.      | Mr. Ahmed Jahangir           | Non-Executive Director | HR&R* Committee<br>Audit Committee<br>IT&DRMC**Committee |
| 4.      | Mr. Manzar Mushtaq           | Non-Executive Director | Audit Committee                                          |



## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

|    |                         |                      |                                                     |
|----|-------------------------|----------------------|-----------------------------------------------------|
| 5. | Ms. Sadia Muzaffar      | Independent Director | Audit Committee<br>(Chairman)                       |
| 6. | Mr. Fahd Kamal Chinoy   | Independent Director | HR&R* Committee<br>(Chairman)                       |
| 7. | Ms. Mavra Adil Khan     | Independent Director | HR&R* Committee<br>IT&DRMC**Committee<br>(Chairman) |
| 8. | Mr. Khawaja Khalil Shah | Executive Director   | HR&R* Committee<br>IT&DRMC**Committee               |

\* HR&R stands for Human Resource and Remuneration

\*\* IT&DRMC stands for IT & Digital Risk Management Committee

Management is continuing to comply with the provisions of best practices set out in the code of corporate governance. The Fund remains committed to conduct business in line with listing regulations of Pakistan Stock Exchange, which clearly defined the role and responsibilities of Board of Directors and Management.

The Board of Directors is pleased to report that:

- a. The financial statements, present fairly the state of affairs, the results of operations, cash flows and changes in equity;
- b. Proper books of accounts of the fund have been maintained;
- c. Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.;
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further;
- f. There are no significant doubts upon the fund's ability to continue as going concern;

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

- g. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations;
- h. The outstanding taxes, statutory charges and duties, if any, have been fully disclosed in the audited financial statements;
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report;
- j. As at June 30, 2026, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 19 of the Code;
- k. The detailed pattern of shareholding as on June 30, 2026 is annexed;
- l. A formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and Committees of the Board;
- m. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below are the details of committee meetings held during the year ended June 30, 2026:

### 1. Meeting of the Audit Committee.

During the year, eight (8) meetings of the Audit Committee were held. The attendance of each participant is as follows:

| Name of Persons                 | Number of meetings held | Number of meetings  |          |               |
|---------------------------------|-------------------------|---------------------|----------|---------------|
|                                 |                         | Attendance required | Attended | Leave granted |
| 1. Sadia Muzaffar*              | 8                       | 2                   | 2        | -             |
| 2. Syed Savail Meekal Hussain** | 8                       | 6                   | 6        | -             |
| 3. Mr. Ahmed Jahangir           | 8                       | 8                   | 8        | -             |
| 4. Mr. Manzar Mushtaq           | 8                       | 8                   | 8        | -             |

\* Appointed on February 07, 2026

\*\* Resigned on February 06, 2026



## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

### 2. Meeting of the Human Resource and Remuneration Committee.

During the year, two (2) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

| Name of Persons                 | Number of meetings held | Number of meetings  |          |               |
|---------------------------------|-------------------------|---------------------|----------|---------------|
|                                 |                         | Attendance required | Attended | Leave granted |
| 1. Mr. Fahd Kamal Chinoy        | 2                       | 2                   | 2        | -             |
| 2. Mr. Khawaja Khalil Shah      | 2                       | 2                   | 2        | -             |
| 3. Mr. Muhammad Nauman Chughtai | 2                       | 2                   | 2        | -             |
| 4. Mr. Ahmed Jahangir           | 2                       | 2                   | 2        | -             |
| 5. Ms. Mavra Adil Khan          | 2                       | 2                   | 2        | -             |

### 3. Meeting of the IT & Digital Risk Management Committee.

During the year, one (1) meeting of the IT & Digital Risk Management Committee were held. The attendance of each participant is as follows:

| Name of Persons             | Number of meetings held | Number of meetings  |          |               |
|-----------------------------|-------------------------|---------------------|----------|---------------|
|                             |                         | Attendance required | Attended | Leave granted |
| 1. Ms. Mavra Adil Khan      | 1                       | 1                   | 1        | -             |
| 2. Mr. Ahmed Jahangir       | 1                       | 1                   | 1        | -             |
| 3. Mr. Khawaja Khalil Shah  | 1                       | 1                   | 1        | -             |
| 4. Syed Sohail Ahmed        | 1                       | 1                   | 1        | -             |
| 5. Mr. Shabbir Hussain      | 1                       | 1                   | 1        | -             |
| 6. Mr. Muhammad Arsalan     | 1                       | 1                   | 1        | -             |
| 7. Mr. Raheel Iqbal (CISO)* | 1                       | 1                   | 1        | -             |

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

\* The Company has outsourced its Information Security function to Risk Associates. Pursuant to the outsourcing arrangement, Risk Associates has nominated Mr. Raheel Iqbal to perform the duties of the Chief Information Security Officer (CISO) on behalf of Risk Associates.

n. The trades in the Units of the Fund were carried out during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

| S.No. | Name                      | Designation                                      | Investment   | Redemption | Dividend Distribution |
|-------|---------------------------|--------------------------------------------------|--------------|------------|-----------------------|
|       |                           |                                                  | No. of Units |            |                       |
| 1     | Muhammad Asif Mehdi Rizvi | Chief Financial Officer/ Chief Operating Officer | 0.17         | -          | -                     |

### EXTERNAL AUDITORS

The Fund's external auditor's **M/s. BDO Ebrahim & Co., Chartered Accountants** have retired after completion of audit for Financial Year ended June 30, 2026. The Audit Committee has recommended re-appointment of **M/s. BDO Ebrahim & Co., Chartered Accountants** as external auditors of the Fund for financial year ending June 30, 2027 and the Board has also endorsed the recommendation of the Audit Committee. **M/s. BDO Ebrahim & Co., Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

### ACKNOWLEDGMENT

The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



**Khawaja Khalil Shah**  
Chief Executive Officer  
August 04, 2026



**Manzar Mushtaq**  
Director  
August 04, 2026

## ڈائریکٹرز رپورٹ

n. دوران سال منجمنٹ کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانسئل آفیسر، کمپنی سیکریٹری اور چیف انٹرنل آڈیٹر اور ان کے شریک حیات اور نابالغ بچوں نے فنڈ کے یونٹس میں خرید و فروخت کی۔

| نمبر شمار | نام                | عہدہ                                     | سرمایہ کاری | واپسی | ڈیویڈنڈ کی تقسیم |
|-----------|--------------------|------------------------------------------|-------------|-------|------------------|
|           |                    |                                          |             |       | یونٹس کی تعداد   |
| 1.        | محمد آصف مہدی رضوی | چیف فنانسئل آفیسر /<br>چیف آپریٹنگ آفیسر | 0.17        | -     | -                |

### خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز M/s بی ڈی ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس 30 جون 2026ء کو ختم ہونے والے مالی سال کے آڈٹ کی تکمیل کے بعد ریٹائر ہو گئے ہیں۔ آڈٹ کمیٹی نے 30 جون 2027ء کو ختم ہونے والے مالی سال کے لیے کمپنی کے خارجی آڈیٹرز کے طور پر M/s بی ڈی ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی تجویز پیش کی ہے، اور بورڈ نے بھی اس تجویز کی توثیق کی ہے۔  
M/s بی ڈی ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے خارجی آڈیٹرز کے طور پر کام کرنے کے لیے رضامندی کا اظہار کیا ہے۔

### اظہار تشکر

فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور حمایت کے لیے بورڈ اُن کا شکریہ ادا کرتا ہے۔  
مزید برآں، ڈائریکٹرز منجمنٹ ٹیم کی کاوشوں کو خراج تحسین پیش کرتے ہیں۔

### منجانب ڈائریکٹرز،

Manzar Mushtaq

منظر مشتاق

ڈائریکٹر

04 اگست 2026ء

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2026ء

## ڈائریکٹرز رپورٹ

### 2. ہیومن ریسورس اور ریمپوزیشن کمیٹی کی میٹنگز

دوران سال، ہیومن ریسورس اور ریمپوزیشن کمیٹی کی دو (2) میٹنگ ہوئیں۔ شرکاء کی حاضری مندرجہ ذیل ہے:

| میٹنگز کی تعداد |       |              | منعقدہ میٹنگز کی تعداد | نام                       |
|-----------------|-------|--------------|------------------------|---------------------------|
| منظور شدہ چھٹی  | حاضری | مطلوبہ حاضری |                        |                           |
| -               | 2     | 2            | 2                      | 1. جناب فہد کمال چنائے    |
| -               | 2     | 2            | 2                      | 2. جناب خواجہ خلیل شاہ    |
| -               | 2     | 2            | 2                      | 3. جناب محمد نعمان چغتائی |
| -               | 2     | 2            | 2                      | 4. جناب احمد جہانگیر      |
| -               | 2     | 2            | 2                      | 5. محترمہ ماوراء عادل خان |

### 3. آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی کی میٹنگز

دوران سال آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی کی ایک (1) میٹنگ ہوئی۔ شرکاء کی حاضری مندرجہ ذیل ہے:

| میٹنگز کی تعداد |       |              | منعقدہ میٹنگز کی تعداد | نام                                  |
|-----------------|-------|--------------|------------------------|--------------------------------------|
| منظور شدہ چھٹی  | حاضری | مطلوبہ حاضری |                        |                                      |
| -               | 1     | 1            | 1                      | 1. محترمہ ماوراء عادل خان            |
| -               | 1     | 1            | 1                      | 2. جناب احمد جہانگیر                 |
| -               | 1     | 1            | 1                      | 3. جناب خواجہ خلیل شاہ               |
| -               | 1     | 1            | 1                      | 4. سید سہیل احمد                     |
| -               | 1     | 1            | 1                      | 5. جناب شبیر حسین                    |
| -               | 1     | 1            | 1                      | 6. جناب محمد ارسلان                  |
| -               | 1     | 1            | 1                      | 7. جناب راحیل اقبال (سی آئی ایس او)* |

\* کمپنی نے انفارمیشن سیکورٹی (معلومات کی حفاظت) کے شعبے کو آؤٹ سورس کر کے رسک ایسو سیٹس کو سونپ دیا ہے۔ اس انتظام کے تحت رسک ایسو سیٹس نے اپنی جانب سے جناب راحیل اقبال کو چیف انفارمیشن سیکورٹی آفیسر (سی آئی ایس او) کے طور پر نامزد کیا ہے۔

## ڈائریکٹرز رپورٹ

- g. لسٹنگ ضوابط میں تفصیلاً بیان کردہ کارپوریٹ گورننس کی بہترین روایات سے کوئی قابل ذکر انحراف نہیں کیا گیا ہے؛
- h. واجب الاداء ٹیکسز، قانونی چارجز اور ڈیوٹیز، اگر کوئی ہیں تو، کو آڈٹ شدہ مالیاتی گوشواروں میں مکمل طور پر ظاہر کر دیا گیا ہے؛
- i. پراویڈنٹ / گریجویٹ اور پنشن فنڈ کی سرمایہ کاریوں کی قدر کے بیان کا اطلاق فنڈ پر نہیں ہوتا لیکن مینجمنٹ کمپنی پر ہوتا ہے، چنانچہ ڈائریکٹرز رپورٹ میں اس حوالے سے کوئی بیان شامل نہیں کیا گیا ہے؛
- j. 30 جون 2026ء کو کمپنی ضابطہء اخلاق کے ریگولیشن نمبر 19 میں بیان کردہ ڈائریکٹرز ٹریننگ پروگرام کے تقاضوں پر عمل پیرا ہے؛
- k. 30 جون 2026ء کو حصص یافتگی کا تفصیلی خاکہ ملحق ہے؛
- l. بورڈ اور اس کے ارکان اور کمیٹیوں کی کارکردگی کی سالانہ جانچ کے لیے ایک باضابطہ اور مؤثر طریقہ کار نافذ کیا گیا ہے؛
- m. بورڈ آف ڈائریکٹرز کی میٹنگ میں حاضری کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ سالِ مختتمہ 30 جون 2026 کے دوران کمیٹی میٹنگز کی تفصیلات درج ذیل ہیں:

### 1. آڈٹ کمیٹی کی میٹنگز

دورانِ سال، آڈٹ کمیٹی کی آٹھ (8) میٹنگ ہوئیں۔ شرکاء کی حاضری مندرجہ ذیل ہے:

| میٹنگز کی تعداد                 |                        |              |       |                |
|---------------------------------|------------------------|--------------|-------|----------------|
| نام                             | منعقدہ میٹنگز کی تعداد | مطلوبہ حاضری | حاضری | منظور شدہ چھٹی |
| 1. محترمہ سعدیہ مظفر *          | 8                      | 2            | 2     | -              |
| 2. جناب سید ساویل میکال حسین ** | 8                      | 6            | 6     | -              |
| 3. جناب احمد جہانگیر            | 8                      | 8            | 8     | -              |
| 4. جناب منظر مشتاق              | 8                      | 8            | 8     | -              |

\* 07 فروری 2026ء کو تقرری ہوئی

\*\* 06 فروری 2026ء کو مستعفی ہو گئے

## ڈائریکٹرز رپورٹ

|    |                        |                   |                                                           |
|----|------------------------|-------------------|-----------------------------------------------------------|
| 6. | جناب فہد کمال چنائے    | انڈینڈنٹ ڈائریکٹر | ایچ آر اینڈ آر کمیٹی* (چیرمین)                            |
| 7. | محترمہ ماوراء عادل خان | انڈینڈنٹ ڈائریکٹر | ایچ آر اینڈ آر کمیٹی،<br>آئی ٹی اینڈ ڈی آر ایم سی** کمیٹی |
| 8. | جناب خواجہ خلیل شاہ    | ایگزیکٹو ڈائریکٹر | ایچ آر اینڈ آر کمیٹی،<br>آئی ٹی اینڈ ڈی آر ایم سی** کمیٹی |

\* ہیومن ریسورس اینڈ ریمونریشن

\*\* آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی

بورڈ آف ڈائریکٹرز کمپنی کے تمام اہم معاملات کا جائزہ لیتے ہیں۔ اس میں مندرجہ ذیل معاملات شامل ہیں، لیکن صرف ان تک محدود نہیں: کمپنی کی حکمت عملی کی سمت، سالانہ کاروباری منصوبے اور اہداف، طویل المیعاد سرمایہ کاریوں کے فیصلے۔ بورڈ آف ڈائریکٹرز کارپوریٹ گورننس کے اعلیٰ معیار برقرار رکھنے کے لیے پُر عزم ہیں۔

بورڈ آف ڈائریکٹرز کو خوشی ہے کہ وہ مندرجہ ذیل امور رپورٹ کر رہے ہیں:

- مالیاتی گوشوارے کمپنی کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کی آمد و رفت اور اس کی ایکویٹی میں تبدیلیوں کو منصفانہ انداز میں پیش کرتے ہیں؛
- کمپنی کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں؛
- مالیاتی گوشواروں کی تیاری میں موزوں اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے، جو مالیاتی گوشواروں سے منسلک اہم نکات میں مذکور ہیں، اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں؛
- مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیارات (جس حد تک ان کا پاکستان میں اطلاق ہوتا ہے) نان-بینکنگ فنانس کمپنیز (اسٹیٹسمنٹ اینڈ ریگولیشنز) رولز 2003، نان-بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ اینسٹیز ریگولیشنز 2008، متعلقہ ٹرسٹ ڈیڈز کے تقاضوں اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے؛
- انٹرنل کنٹرول کا نظام مضبوط خطوط پر استوار ہے اور اس کا موثر نفاذ اور نگرانی کی جاتی ہے، اور اسے مزید بہتر بنانے کی کوششیں جاری ہیں؛
- کمپنی کے کاروبار جاری رکھنے کی صلاحیت میں کوئی بڑے شہات نہیں ہیں؛

## ہولڈنگ کمپنی

18 اپریل 2023ء کو ایم سی بی بینک لمیٹڈ (ایم سی بی) نے، ایم سی بی-عارف حبیب سیونگز اینڈ انویسٹمنٹس لمیٹڈ (ایم سی بی-اے ایچ) کی سپرنٹ (سرپرست) کمپنی کی حیثیت میں، عارف حبیب کارپوریشن لمیٹڈ (اے ایچ سی ایل) سے ایم سی بی-اے ایچ کے 21,664,167 (یعنی 30.09 فیصد) حصص خرید لیے۔ اس سودے کے ذریعے ایم سی بی بینک لمیٹڈ کی ایم سی بی-اے ایچ میں حاملیت حصص 36,956,768 (یعنی 51.33 فیصد) حصص سے بڑھ کر 58,620,935 (یعنی 81.42 فیصد) ہو گئی ہے اور اے ایچ سی ایل اب ایم سی بی-اے ایچ میں حصص کی حامل نہیں ہے۔ اس کے نتیجے میں کمپنی کا نام ایم سی بی-اے ایچ سے تبدیل کر کے ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ کر دیا گیا۔

## کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیار کے لئے پرعزم ہے۔

بورڈ آف (8) ارکان پر مشتمل ہے، بشمول چیف ایگزیکٹو آفیسر (سی ای او)۔ یہ ارکان صنف اور علم کا ایک متنوع امتزاج ہیں۔ بورڈ میں 2 خاتون اور 6 مرد ڈائریکٹرز شامل ہیں، جن کی زمرہ بندی درج ذیل ہے:

\* 4 نان-ایگزیکٹو ڈائریکٹرز؛

\* 3 انڈپنڈنٹ ڈائریکٹرز؛ اور

\* 1 ایگزیکٹو ڈائریکٹر (سی ای او)

تفصیل درج ذیل ہے:

| نمبر شمار | نام                    | حیثیت                 | دیگر بورڈ کمیٹیوں میں رکنیت                                          |
|-----------|------------------------|-----------------------|----------------------------------------------------------------------|
| 1.        | جناب ہارون رشید        | نان-ایگزیکٹو ڈائریکٹر | کوئی نہیں                                                            |
| 2.        | جناب محمد نعمان چغتائی | نان-ایگزیکٹو ڈائریکٹر | ایچ آر اینڈ آر * کمیٹی                                               |
| 3.        | جناب احمد جہانگیر      | نان-ایگزیکٹو ڈائریکٹر | ایچ آر اینڈ آر * کمیٹی، آڈٹ کمیٹی، آئی ٹی اینڈ ڈی آر ایم سی ** کمیٹی |
| 4.        | جناب منظر مشتاق        | نان-ایگزیکٹو ڈائریکٹر | آڈٹ کمیٹی                                                            |
| 5.        | محترمہ سعدیہ مظفر      | انڈپنڈنٹ ڈائریکٹر     | آڈٹ کمیٹی (چیئر مین)                                                 |

کیپیٹل مارکیٹ، خاص طور پر ایکویٹیز، کے زائینے سے مارکیٹ میں اب بھی سستی قدر پر تجارت ہو رہی ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب 15.6 فیصد ہے، جو اس کے تاریخی اوسط 13.6 فیصد کے مقابلے میں 18.1 فیصد کم ہے۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاکس کا باریک بینی پر مبنی زاویہ اہمیت کا حامل رہے گا، اور سرمایہ کاری کے انتخاب کے لیے ایسی کمپنیوں پر توجہ مرکوز کرنی چاہیے جو اپنی اندرونی قدر میں بھرپور کمی پر تجارت کرتی ہیں۔ سہ ماہی کے اختتام پر مارکیٹ میں ہونے والی تجارت میں قیمت کا آمدنی کے ساتھ تناسب 8.1 گنا ہے، جبکہ ڈیویڈنڈ سے حاصل ہونے والا منافع 6.1 فیصد ہے۔

### میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز کی صنعت کے net اثاثہ جات مالی سال 2026ء کے دوران تقریباً 14.3 فیصد بڑھ کر 4,209 بلین روپے ہو گئے۔ منی مارکیٹ کے کل فنڈز میں جون 2025ء کے بعد سے 0.9 فیصد کمی ہوئی۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 6.5 فیصد کم ہو کر 914 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 5.0 فیصد بڑھ کر 957 بلین روپے ہو گئے۔ مزید براں، جون 2025ء کے بعد سے فلسفہ انکم اور فلسفہ ریٹ فنڈ کے مجموعی حجم میں تقریباً 15.9 فیصد اضافہ ہوا اور یہ 1,440 بلین روپے تک پہنچ گئے، جبکہ ایکویٹی اور اس سے متعلقہ فنڈز میں 62.3 فیصد اضافہ ہوا اور ان کی مالیت 797 بلین روپے ہو گئی۔

جون 2026ء کے اختتام پر مختلف زمروں میں حصص (Segment Share) کے اعتبار سے منی مارکیٹ فنڈز تقریباً 44.5 فیصد حصص کے ساتھ سرفہرست رہے، اس کے بعد انکم اور فلسفہ ریٹ فنڈز کے حصص 34.2 فیصد، اور ایکویٹی اور ایکویٹی سے منسلک فنڈز کے حصص 18.9 فیصد رہے۔

### میوچل فنڈز صنعت کے مستقبل کا منظر نامہ

منی مارکیٹ فنڈز کو بہتر نقدیت کا فائدہ اٹھانا چاہیے کیونکہ یہ درمیانی سے طویل مدت کے لیے اور کم ریسک کے ساتھ سرمایہ کاری کرنے والوں کے لیے موزوں ترین ہوتے ہیں۔ معاشی بحالی کے تیز تر اور وسیع تر ہونے کے ساتھ ساتھ کیپیٹل مارکیٹس، خصوصاً ایکویٹیز، میں گہری دلچسپی برقرار رہے گی۔ ہمارے آپریشنز بلاؤ کاوٹ جاری رہے، اور ڈیجیٹل رسائی اور صارفین کو اچھا تجربہ فراہم کرنے کے معاملے میں ہماری بہتر استعداد کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے فائدہ اٹھانے کے لیے تیار ہیں۔



عالمی سطح پر تیل کی قیمتوں اور ریفرنری کے منافعوں کے فرق میں اضافے کے پیش نظر اب ہماری توقع ہے کہ پاکستان کا کرنٹ اکاؤنٹ خسارہ مالی سال 2027 میں بڑھ کر تقریباً 2.5 بلین ڈالر (جی ڈی پی کا 0.5 فیصد) ہو جائے گا، جبکہ مالی سال 2026 میں یہ 139 ملین ڈالر (جی ڈی پی کا 0.03 فیصد) تھا۔ تیل کی بڑھی ہوئی قیمتیں بیرونی کھاتے کے لیے بدستور سب سے بڑا منفی پہلو ہے۔ ہمارے اندازوں کے مطابق اگر ہماری بنیادی مفروضہ کردہ قیمت 80 ڈالر فی بیرل سے اوپر تیل کی قیمت میں ہر 10 ڈالر فی بیرل اضافہ ہوتا ہے تو درآمدی بل میں تقریباً 2.0 بلین ڈالر کا اضافہ ہو سکتا ہے، اور اس کے نتیجے میں کرنٹ اکاؤنٹ خسارہ بھی اتنی ہی حد تک بڑھ سکتا ہے۔ اس کے باوجود آئی ایم ایف پروگرام کا جاری رہنا بیرونی معاشی استحکام کا ایک اہم ذریعہ ہے، کیونکہ اس سے پاکستان کو کثیر الملکی، دو طرفہ اور تجارتی مالی معاونت تک رسائی حاصل ہونے میں سہولت ملنی چاہیے۔ پاکستان کی مسلسل جغرافیائی و سیاسی اہمیت بھی دوست ممالک سے مزید رقوم کی آمد میں معاون ثابت ہو سکتی ہے۔ اس حوالے سے سعودی عرب نے حال ہی میں مزید 3.0 بلین ڈالر کے ڈپازٹس فراہم کیے ہیں اور اپنی موجودہ 5.0 بلین ڈالر کی سہولت کی مدت میں مزید تین سال کی توسیع کی ہے۔ کرنسی کے مستقبل کے امکانات بدستور عالمی سطح پر تیل کی قیمتوں کے رجحان، بیرونی مالی معاونت کی آمد اور وسیع تر جغرافیائی و سیاسی حالات سے گہرا تعلق رکھیں گے۔ ہماری بنیادی صورتحال کے مفروضے کے تحت ہم نے روپے کی قدر میں تقریباً 5.0 فیصد کمی فرض کی ہے، اور توقع ہے کہ جون 2027 تک ڈالر اور روپے کا تناسب تقریباً 292 روپے پر پہنچ جائے گا۔

عالمی سطح پر تیل کی بڑھی ہوئی قیمتیں اور ان کے مطابق ملکی سطح پر ایندھن کی قیمتوں میں کمی جانے والی تبدیلیاں قلیل مدت میں مہنگائی کے دباؤ کو بلند رکھنے کا باعث بنیں گی۔ اب ہماری توقع ہے کہ مالی سال 2027 میں 'سی پی آئی' افراط زر تقریباً 8.4 فیصد رہے گی، جبکہ مالی سال 2026 میں یہ 7.0 فیصد تھی۔ شرح نمو کے حوالے سے مالی سال 2027 میں 'جی ڈی پی' میں 3.5 فیصد سے 4.0 فیصد کے درمیان اضافے کی توقع ہے۔ تاہم مشرق وسطیٰ کے تنازعے میں مزید کسی بھی اضافے سے اس شرح نمو کی پیش گوئی پر خطرہ پیدا ہو سکتا ہے۔ مالیاتی محاذ پر ہماری توقع ہے کہ مالی سال 2027 میں مالیاتی خسارہ 'جی ڈی پی' کے 3.6 فیصد تک معقول پر آجائے گا، جبکہ مالی سال 2026 میں یہ 'جی ڈی پی' کا 3.0 فیصد تھا۔ مالیاتی خسارہ محدود رہنے کی توقع ہے کیونکہ آئی ایم ایف کی جانب سے 2.8 ٹریلین روپے (جی ڈی پی کے 2.0 فیصد) کے بنیادی سرپلس کے حصول کی سخت شرط عائد ہے۔

مانیٹری پالیسی کمیٹی (ایم پی سی) نے طویل عرصے تک جاری رہنے والی مالیاتی تسہیل کے بعد اپریل 2026 کے اجلاس میں پالیسی شرح میں 100 بیس پوائنٹس کا اضافہ کرتے ہوئے اسے 11.5 فیصد کر دیا، اور بعد ازاں جون 2026 کے اجلاس میں اس شرح کو برقرار رکھا۔ مستقبل میں مشرق وسطیٰ میں ہونے والی پیش رفت مجموعی معاشی عوامل اور اس کے نتیجے میں مانیٹری پالیسی کے مستقبل کے امکانات کو متاثر کرنے والا ایک اہم عنصر رہنے کا امکان ہے۔ ہماری توقع ہے کہ مرکزی بینک آئندہ پالیسی فیصلے کرتے وقت اعداد و شمار اور معاشی صورتحال پر منحصر حکمت عملی اختیار کرے گا۔

انڈیکس کے منافعوں میں سب سے بڑا کردار بینکاری، کھاد اور ای اینڈ پی شعبوں کا تھا جنہوں نے بالترتیب 21,612، 7,748 اور 6,151 پوائنٹس کا اضافہ کیا۔ ڈیویڈنڈ کے پُرکشش منافعوں اور قدر بندیوں کی بدولت بینکاری اور کھاد کے شعبوں میں سرمایہ کاروں کی دلچسپی مبذول ہوئی، جبکہ حکومت پاکستان کی طرف سے گروشی قرض کی ادائیگی کے منصوبے کے تحت 1.2 ٹریلین روپے کے یک مشت اجراء اور تیل کی بڑھتی ہوئی قیمتوں کے باعث ای اینڈ پی شعبہ بھی مرکزِ نگاہ بنا رہا۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 28.59 فیصد منافع دیا، جبکہ اس کے بالمقابل بنچ مارک منافع 34.91 فیصد تھا۔ ایکویٹیز کے محاذ پر زیر جائزہ مدت کے اختتام پر مجموعی سرمایہ کاری 73.3 فیصد تھی۔ دورانِ مدت فنڈ کی زیادہ تر سرمایہ کاری تیل اور گیس کی دریافت کی کمپنیوں، سیمنٹ اور دواسازی کے شعبوں میں تھی۔ نقد میں سرمایہ کاری فنڈ کا تقریباً 26.1 فیصد تھی۔ 30 جون 2026ء کو فنڈ کے net اثاثہ جات 2,199 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 2,022 ملین روپے تھے، چنانچہ 8.75 فیصد اضافہ ہوا۔

30 جون 2026ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 222.4907 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی فی یونٹ 174.5983 روپے تھی، چنانچہ 47.8924 روپے فی یونٹ اضافہ ہوا۔

### معیشت اور مارکیٹ - مستقبل کا منظر نامہ

ایران اور امریکا کے درمیان تنازعے میں حالیہ دوبارہ پیدا ہونے والی کشیدگی نے عالمی سطح پر تیل کی قیمتوں میں نمایاں اضافہ کر دیا ہے۔ بریٹ خام تیل کی قیمت تقریباً 100 ڈالر فی بیرل کے قریب رہی، جبکہ آبنائے ہرمز اور آبنائے باب المندب کے ذریعے تیل کی ترسیل میں ممکنہ رکاوٹوں کے خدشات موجود ہیں۔ اس صورتحال کے فوری مجموعی معاشی اثرات مرتب ہوتے ہیں، خاص طور پر پاکستان جیسی تیل درآمد کرنے والی معیشتوں پر تیل کی بڑھی ہوئی قیمتیں درآمدی بل پر بوجھ، مہنگائی میں اضافے اور کرنسی پر دباؤ کا سبب بنتی ہیں۔ تاہم صورتحال ابھی تک انتہائی غیر یقینی اور تیزی سے تبدیلی کی طرف مائل ہے، اور اس کے نتائج کا انحصار تنازعے کی مدت اور شدت پر رہے گا۔ اگر کشیدگی میں مزید اضافہ نہ ہو تو مجموعی معاشی اثرات پر قابو پانا ممکن ہوگا، تاہم اگر تنازعہ طویل عرصے تک جاری رہا تو تیل کی قیمتیں بلند سطح پر برقرار رہ سکتی ہیں اور مہنگائی، بیرونی مالیاتی توازن اور مجموعی معاشی استحکام کے لیے مزید خطرات پیدا ہو سکتے ہیں۔

## ایکویٹی مارکیٹ کا جائزہ

پاکستان کی ایکویٹی مارکیٹ کے لیے 2026 ایک اور مضبوط مالی سال ثابت ہوا جس کے دوران 'ایس ای-100' انڈیکس میں 43.5 فیصد اضافہ ہوا اور یہ 180,302 پوائنٹس پر بند ہوا۔ یہ مسلسل تیسرا سال تھا جب مارکیٹ نے مثبت منافع دیا۔ مارکیٹ کی کارکردگی کو مجموعی معاشی حالات میں مسلسل بہتری سے تقویت ملی، جس میں زیر مبادلہ کے ذخائر میں اضافہ، آئی ایم ایف پروگرام کے تحت پیش رفت، خود مختار کریڈٹ ریٹنگ میں بہتری، اور زیادہ سازگار مالیاتی پالیسی کے ماحول جیسے عوامل شامل تھے۔ سرمایہ کاروں کے اعتماد کو بیرونی تعلقات میں بہتری غیر ملکی سرمایہ کاری میں دوبارہ پیدا ہونے والی دلچسپی، گردشی قرض کے حل کی جانب پیش رفت اور اہم شعبوں میں کمپنیوں کی مضبوط اور مستحکم آمدنی نے مزید تقویت دی۔ ان مثبت پیش رفتوں کی نتیجے میں جنوری 2026 میں انڈیکس 189,167 پوائنٹس کی تاریخ کی بلند ترین سطح پر پہنچ گیا۔

تاہم سال کی دوسری ششماہی میں مارکیٹ میں نمایاں اتار چڑھاؤ دیکھنے میں آیا۔ امریکا اور ایران کے درمیان بڑھتی ہوئی کشیدگی کے باعث عالمی سطح پر تیل کی قیمتیں تقریباً 120 امریکی ڈالر فی بیرل تک پہنچ گئیں، جس سے مہنگائی، بیرونی کھاتے اور ملکی شرح سود کے مستقبل کے حوالے سے خدشات پیدا ہوئے۔ اس صورتحال کے نتیجے میں فروری اور مارچ کے دوران مارکیٹ میں شدید تصحیح دیکھنے میں آئی۔ بعد ازاں، آخری سہ ماہی کے دوران سرمایہ کاروں کا اعتماد دوبارہ بہتر ہوا کیونکہ جغرافیائی و سیاسی کشیدگی میں کمی آئی، تیل کی قیمتیں معتدل ہوئیں اور مارکیٹ نے پاکستان کی مجموعی معاشی اور کارپوریٹ بنیادی صورتحال کی مضبوطی کا دوبارہ جائزہ لیا۔ مارکیٹ کی بحالی کو آئی ایم ایف کی جانب سے 'ای ایف ایف اور آر ایس ایف' پروگراموں کے تحت 13 ارب امریکی ڈالر کی منظوری، پاکستان کی جانب سے پہلی مرتبہ 250 ملین امریکی ڈالر کے پانڈا بانڈ کا کامیاب اجراء، اور مارکیٹ کے لیے سازگار مالی سال 2027 کا وفاقی بجٹ پیش کیے جانے سے مزید تقویت ملی۔ نتیجتاً 'ایس ای-100' انڈیکس نے اپریل، مئی اور جون کے دوران نمایاں بحالی دکھائی اور مالی سال 2026 کا اختتام اپنی ریکارڈ بلند سطح کے قریب کیا۔ اگرچہ اس دوران مارکیٹ میں نمایاں عارضی اتار چڑھاؤ بھی دیکھنے میں آیا۔

مالی سال 2026 کے دوران غیر ملکی سرمایہ کار، انشورنس کمپنیاں اور بینک بڑے net فروخت کنندگان رہے، جن کے ذریعے بالترتیب 847.7 ملین ڈالر، 242.7 ملین ڈالر اور 177.1 ملین ڈالر کا خارجی بہاؤ ہوا۔ اس فروخت کو بنیادی طور پر کمپنیوں، میوچل فنڈز اور انفرادی سرمایہ کاروں نے جذب کیا، جن کے ذریعے بالترتیب 587.5 ملین ڈالر، 406.8 ملین ڈالر اور 330.1 ملین ڈالر کا اندرونی بہاؤ ہوا۔ کاروباری سرگرمی کے لحاظ سے 'ایس ای-آل انڈیکس' میں روزانہ اوسط خرید و فروخت کا حجم بڑھ کر 910.9 ملین حصص ہو گیا، جبکہ مالی سال 2025 میں یہ تقریباً 618.4 ملین حصص تھا۔ اس دوران اوسط تجارتی مالیت گزشتہ سال کے مقابلے میں 54.7 فیصد بڑھ کر 151.8 ملین ڈالر ہو گئی۔

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامک ایسیٹ ایلوکیشن فنڈ کے اکاؤنٹس برائے سال مختتمہ 30 جون 2026ء کا جائزہ پیش خدمت ہے۔

### معیشت کا جائزہ

مُلک نے مالی سال 2026 میں 139 ملین ڈالر کا کرنٹ اکاؤنٹ خسارہ ریکارڈ کیا، جبکہ گزشتہ سال اسی مدت میں 1,838 ملین ڈالر کا سرپلس تھا۔ برآمدات میں 4.6 فیصد کمی، جبکہ درآمدات میں 9.0 فیصد اضافہ ہونے کے باعث تجارتی خسارے میں سال در سال (YoY) 25.4 فیصد اضافہ ہوا۔ ترسیلات زر میں 8.6 فیصد کمی اچھی شرح سے اضافہ ہوا اور یہ 41.6 بلین ڈالر تک پہنچ گئیں۔ مُلک کی بیرونی مالیاتی صورتحال مضبوط رہی کیونکہ اسٹیٹ بینک آف پاکستان (ایس بی پی) کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے اختتام پر 14.5 بلین ڈالر کے مقابلے میں بڑھ کر تقریباً 18.4 بلین ڈالر ہو گئے۔ مقامی کرنسی نے امریکی ڈالر (گرین بیک) کے مقابلے میں استحکام کا مظاہرہ کیا اور اس عرصے کے دوران USD/PKR شرح 2.0 فیصد کی بہتری کے ساتھ 278.2 تک پہنچ گئی۔

ہیڈ لائن افراط زر، جس کی پیمائش کنزیومر پرائس انڈیکس (سی پی آئی) کے ذریعے کی جاتی ہے، مالی سال 2026 کے دوران اوسطاً 7.0 فیصد رہی، جبکہ گزشتہ سال یہ 4.5 فیصد تھی۔ مہنگائی میں یہ اضافہ بنیادی طور پر عالمی سطح پر تیل کی بڑھتی ہوئی قیمتوں کے باعث ہوا، جس کے نتیجے میں مُلک میں ایندھن کی قیمتوں میں اضافہ ہوا اور ٹرانسپورٹ، زیادہ توانائی استعمال کرنے والی اشیاء اور دیگر اشیاء صرف پر بھی بالواسطہ اضافی مہنگائی کا دباؤ پیدا ہو گیا۔

پاکستان کی عارضی 'جی ڈی پی' شرح نمو مالی سال 2026 میں 3.7 فیصد رہی، جبکہ زراعت، صنعت اور خدمات کے شعبوں میں بالترتیب 2.9 فیصد، 3.5 فیصد اور 4.1 فیصد اضافہ ہوا۔ مالیاتی محاذ پر مالی سال 2026 کے دوران ایف بی آر کی ٹیکس وصولیوں میں 10.7 فیصد اضافہ ہوا، اور یہ 13,004 بلین روپے تک پہنچ گئیں، جو دو مرتبہ کم کیے گئے نظر ثانی شدہ ہدف سے بھی 21 بلین روپے زیادہ ہے۔ دریں اثناء مالیاتی خسارہ گزشتہ سال 6,168 بلین روپے (جی ڈی پی کا 5.4 فیصد) کے مقابلے میں کم ہو کر 3,778 بلین روپے (جی ڈی پی کا 3.0 فیصد) رہ گیا۔ اس نمایاں بہتری کی بنیادی وجوہات میں کم مالیاتی اخراجات، محصولات کی بہتر وصولی اور مسلسل مالیاتی نظم و ضبط شامل تھے۔

## REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2026

### Fund Type and Category

Alhamra Islamic Asset Allocation Fund (ALHAA) is an Open-End Shariah Compliant Asset Allocation Scheme.

### Fund Benchmark

KMI 30 Index, 75% Six (6) months PKISRV rates + 25% Six (6) months average of the highest rates on savings account of three (3) AA rated scheduled bank as selected by MUFAP and 90% three (3) months PKISRV rates + 10% three (3) months average of the highest rates on savings account of three (3) AA rated scheduled Islamic banks or Islamic windows of conventional banks as selected by MUFAP on the basis of actual proportion held by the CIS.

### Investment Objective

The objective of the fund is to provide medium to long term capital appreciation through investing in Shariah compliant investments in Pakistan and Internationally.

### Investment Strategy

Alhamra Islamic Asset Allocation Fund (ALHAA) is an open-end asset allocation fund which seeks to achieve its objective through investing in a portfolio of Shariah compliant investments diversified across the capital markets of Pakistan as well as keeping a limited exposure internationally. The Fund is managed through an active management strategy with dynamic allocation towards different asset classes. The investment process is driven by fundamental research. The domestic portfolio of the Fund primarily invests in fundamentally strong Shariah compliant equities, high quality Sukuks and other Shariah compliant instruments. For equities, fundamental outlook of sectors/companies and DCF (Discounted Cash Flow) valuations are the primary factors in sectors' allocation and stock selection. Major portion of the Fund's portfolio is high quality liquid stocks.

### Manager's Review

During the period under review, the fund delivered a return of 28.59% as against its benchmark return of - 34.91%.

The overall allocation to equities was 73.3% at the end of the period under review. The fund was mainly invested in Oil & Gas Exploration Companies, Cement and Pharmaceuticals during the period. Fund was invested 26.1% in cash.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 2,199 million as compared to Rs. 2,022 million as at June 30, 2025 registering an increase of 8.75%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 222.4907 as compared to opening NAV of Rs. 174.5983 per unit as at June 30, 2025 registering an increase of Rs. 47.8924 per unit.

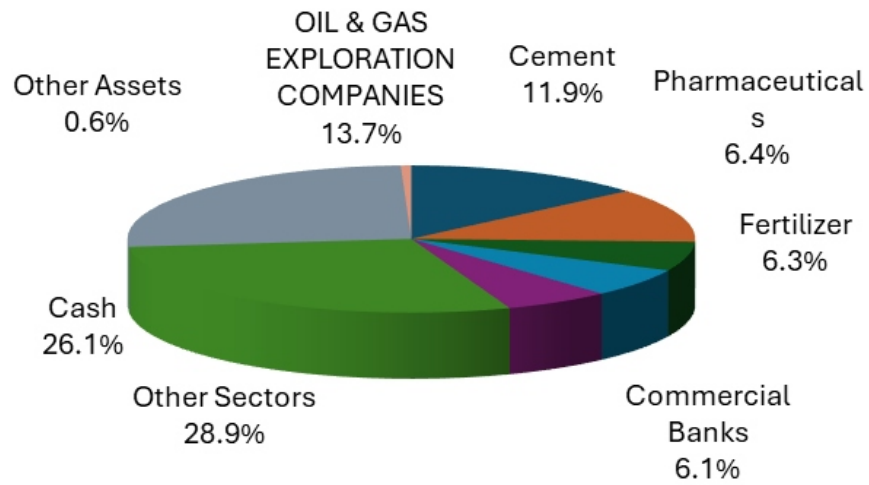
#### Asset Allocation as of June 30, 2026 (%age of Total Assets)

| Asset Allocation (%age of Total Assets) |  | Jun-26 |
|-----------------------------------------|--|--------|
| Cash                                    |  | 26.1%  |
| Others including receivables            |  | 0.6%   |
| Stocks / Equities                       |  | 73.3%  |

## REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2026

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Asset Allocation as on June 30, 2026 (% of total assets)



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**Awais Abdul Sattar, CFA**  
**Fund Manager**



## TRUSTEE REPORT TO THE UNIT HOLDERS

### CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

#### Head Office:

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shahr-e-Faisal  
Karachi - 74400, Pakistan.  
Tel: (92-21) 111-111-500  
Fax: (92-21) 34326021 - 23  
URL: [www.cdcpakistan.com](http://www.cdcpakistan.com)  
Email: [info@cdcpak.com](mailto:info@cdcpak.com)



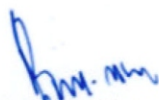
### TRUSTEE REPORT TO THE UNIT HOLDERS

#### ALHAMRA ISLAMIC ASSET ALLOCATION FUND

#### Report of the Trustee pursuant to Regulation 41(h) and clause 8 of Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We Central Depository Company of Pakistan Limited, being the Trustee of Alhamra Islamic Asset Allocation Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: September 01, 2026



## REPORT OF THE SHARIAH ADVISORY BOARD

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Karachi: July 30, 2026

### REPORT OF THE SHARIAH ADVISORY BOARD

Alhamdulillah, We the Shariah Advisory Board of the **Alhamra Islamic Asset Allocation Fund** (the Fund), are issuing this report in accordance with the Offering document of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of M/s MCB Investment Management Limited, the management company of the fund, to establish and maintain a system of internal controls to ensure compliance with Shariah guidelines. Our responsibility is to express an opinion, based on our review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, we hereby certify that:

- We have reviewed and approved the modes of investment of Alhamra Islamic Asset Allocation Fund (ALHAA) in the light of the Shariah guidelines.
- All the provisions of the scheme and investments made on account of ALHAA by Management Company are Shariah Compliant and in accordance with the criteria established.
- On the basis of information provided by the Management Company, all the operations of ALHAA for the year ended June 30, 2026 have been in compliance with Shariah principles.

During the year an amount of Rupees 1,794,620.64/- was recorded as charity expense. The total amount of charity payable as at 30 June 2026 amounts to Rs. 1,794,620.64/-

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the hereafter, and forgive our mistakes.



Dr Muhammad Zubair Usmani  
(Shariah Advisor)



Dr Ejaz Ahmed Samadani  
(Shariah Advisor)

**For and on behalf of Shariah Advisory Board**



# SHARIAH COMPLIANCE AUDITOR'S REPORT TO THE UNIT HOLDERS



**UHY Hassan Naeem & Co.**  
**Chartered Accountants**

402 Progressive Center,  
Sharah-e-Faisal  
Karachi, Pakistan.

T +92 21 34322551  
E info@uhy-hnco.com  
[www.uhy-hnco.com](http://www.uhy-hnco.com)

## Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alhamra Islamic Asset Allocation Fund (the Fund)

### 1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Alhamra Islamic Asset Allocation Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

### 2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2026) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2026, which are annexed.

### 3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

#### Audit | Tax | Consulting

A member of UHY International, a network of independent accounting and consulting firms  
Lahore Office: 193-A, Shah Jamal, Lahore - 54000, (Pakistan)  
Islamabad Office West Lower Ground, Pak Plaza (19-A) Fazl-e-Haq Road, Blue Area, Islamabad (Pakistan)





#### 4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

#### 5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2026, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.

That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design 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. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

#### 7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2026 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.

UHY Hassan Naeem & Co,  
Chartered Accountants  
Engagement Partner: Arslan Ahmed  
Dated: July 29, 2026

Audit | Tax | Consulting

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# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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Pakistan

## INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF ALHAMRA ISLAMIC ASSET ALLOCATION FUND

### Opinion

We have audited the financial statements of Alhamra Islamic Asset Allocation Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the 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, 2026, and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

### Basis for opinion

We conducted our audit in accordance with 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.



# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



Following is the key audit matter:

| S.No | Key Audit Matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.   | <p><b>Existence and valuation of investments</b></p> <p>As disclosed in note 6 to the accompanying financial statements of the Fund for the year ended June 30, 2026, the investments held by the Fund comprised of equity instruments amounting to Rs. 1,624.579 million which represent 74% of the Net Assets Value (NAV) of the Fund.</p> <p>As these investments represent a significant element of the statement of assets and liabilities, any discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated.</p> <p>In view of the significance of the above-mentioned balances in relation to the Fund's total assets and NAV, we considered the existence and valuation of investments as a key audit matter.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>Evaluated the design and implementation of key controls over investments, and tested controls over acquisition, disposals and periodic valuation of investments portfolio.</li> <li>Performed substantive audit procedures on year-end balance of equity instruments including review of custodian's statement, related reconciliations and re-performance of valuation based on share prices from the Pakistan Stock Exchange (PSX).</li> <li>Assessed the Fund's compliance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the investment concentration and exposure limits.</li> <li>Evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.</li> </ul> |

## Information Other than the Financial Statements and Auditor's Report Thereon

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

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

Page - 2

BDO Ebrahim & Co. Chartered Accountants

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# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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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.

The 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 work of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of the Management Company'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.



## INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



We communicate with the 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 the 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, related safeguards.

From the matters communicated with the 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, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 and the Non-Banking Companies and Notified Entities Regulations, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 18 SEP 2026

UDIN: AR202610166LqcTzPeOf

  
BDO EBRAHIM & CO.  
CHARTERED ACCOUNTANTS

# STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2026

|                                                                       |    | 2026<br>----- (Rupees in '000) ----- | 2025<br>----- (Rupees in '000) ----- |
|-----------------------------------------------------------------------|----|--------------------------------------|--------------------------------------|
| <b>ASSETS</b>                                                         |    |                                      |                                      |
| Balances with banks                                                   | 5  | 579,448                              | 280,462                              |
| Investments                                                           | 6  | 1,624,579                            | 1,754,786                            |
| Profit and other receivables                                          | 7  | 7,996                                | 6,439                                |
| Advances and deposits                                                 | 8  | 3,906                                | 4,387                                |
| Receivable against sale of investments                                |    | -                                    | 4,960                                |
| <b>Total assets</b>                                                   |    | <u>2,215,929</u>                     | <u>2,051,034</u>                     |
| <b>LIABILITIES</b>                                                    |    |                                      |                                      |
| Payable to the MCB Investment Management Limited - Management Company | 9  | 6,178                                | 6,367                                |
| Payable to Central Depository Company of Pakistan Limited - Trustee   | 10 | 296                                  | 57                                   |
| Payable to the Securities and Exchange Commission of Pakistan         | 11 | 166                                  | 150                                  |
| Payable against purchase of investments                               |    | -                                    | 11,272                               |
| Accrued and other liabilities                                         | 12 | 10,405                               | 11,345                               |
| <b>Total liabilities</b>                                              |    | <u>17,045</u>                        | <u>29,191</u>                        |
| <b>NET ASSETS</b>                                                     |    | <u>2,198,884</u>                     | <u>2,021,843</u>                     |
| <b>Unit holders' fund (as per statement attached)</b>                 |    | <u>2,198,884</u>                     | <u>2,021,843</u>                     |
| <b>Contingencies and commitments</b>                                  | 13 |                                      |                                      |
|                                                                       |    | ----- (Number of units) -----        |                                      |
| <b>NUMBER OF UNITS IN ISSUE</b>                                       | 14 | <u>9,883,040</u>                     | <u>11,579,974</u>                    |
|                                                                       |    | ----- (Rupees) -----                 |                                      |
| <b>NET ASSET VALUE PER UNIT</b>                                       |    | <u>222.4907</u>                      | <u>174.5983</u>                      |

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



# INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

|                                                                                                                                         | Note  | 2026<br>----- (Rupees in '000) ----- | 2025            |
|-----------------------------------------------------------------------------------------------------------------------------------------|-------|--------------------------------------|-----------------|
| <b>INCOME</b>                                                                                                                           |       |                                      |                 |
| Capital gain on sale of investments - net                                                                                               |       | 251,250                              | 329,459         |
| Dividend income                                                                                                                         |       | 68,551                               | 86,208          |
| Profit on bank deposits                                                                                                                 |       | 40,616                               | 27,410          |
| Income from government securities                                                                                                       |       | -                                    | 358             |
| Income on deposit with NCCPL against exposure margin                                                                                    |       | 93                                   | 43              |
| Unrealised appreciation on remeasurement of investments -<br>'classified as financial assets at fair value through profit or loss - net | 6.1.3 | 274,099                              | 437,970         |
| <b>Total income</b>                                                                                                                     |       | <u>634,609</u>                       | <u>881,448</u>  |
| <b>EXPENSES</b>                                                                                                                         |       |                                      |                 |
| Remuneration of MCB Investment Management-<br>Limited - Management Company                                                              | 9.1   | 68,342                               | 59,079          |
| Sindh sales tax on remuneration of the Management Company                                                                               | 9.2   | 10,251                               | 8,862           |
| Remuneration of Central Depository Company of -<br>Pakistan Limited - Trustee                                                           | 10.1  | 3,278                                | 2,698           |
| Sindh sales tax on remuneration of the Trustee                                                                                          | 10.2  | 492                                  | 405             |
| Annual fee to the Securities and Exchange Commission of Pakistan                                                                        | 11    | 2,164                                | 1,613           |
| Auditors' remuneration                                                                                                                  | 15    | 921                                  | 855             |
| Brokerage, settlement and bank charges                                                                                                  |       | 5,555                                | 5,289           |
| Legal and professional charges                                                                                                          |       | 207                                  | 204             |
| Shariah advisory fee                                                                                                                    |       | 529                                  | 368             |
| Donation / charity                                                                                                                      |       | 1,795                                | 2,311           |
| <b>Total expenses</b>                                                                                                                   |       | <u>(93,534)</u>                      | <u>(81,684)</u> |
| <b>Net income for the year before taxation</b>                                                                                          |       | <u>541,075</u>                       | <u>799,764</u>  |
| Taxation                                                                                                                                | 16    | -                                    | -               |
| <b>Net income for the year after taxation</b>                                                                                           |       | <u>541,075</u>                       | <u>799,764</u>  |
| <b>Earnings per unit</b>                                                                                                                | 17    |                                      |                 |
| <b>Allocation of net income for the year:</b>                                                                                           |       |                                      |                 |
| Net earnings after taxation                                                                                                             |       | 541,075                              | 799,764         |
| Income already paid on units redeemed                                                                                                   |       | (117,551)                            | (132,456)       |
|                                                                                                                                         |       | <u>423,524</u>                       | <u>667,308</u>  |
| <b>Accounting income available for distribution:</b>                                                                                    |       |                                      |                 |
| - Relating to capital gains                                                                                                             |       | 410,206                              | 640,924         |
| - Excluding capital gains                                                                                                               |       | 13,318                               | 26,384          |
|                                                                                                                                         |       | <u>423,524</u>                       | <u>667,308</u>  |

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2026**

|                                                | 2026<br>----- (Rupees in '000) ----- | 2025<br>----- (Rupees in '000) ----- |
|------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Net income for the year after taxation</b>  | 541,075                              | 799,764                              |
| Other comprehensive income for the year        | -                                    | -                                    |
| <b>Total comprehensive income for the year</b> | <u>541,075</u>                       | <u>799,764</u>                       |

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED JUNE 30, 2026

|                                                         | 2026             |                      |                  | 2025             |                      |                  |
|---------------------------------------------------------|------------------|----------------------|------------------|------------------|----------------------|------------------|
|                                                         | Capital value    | Undistributed income | Total            | Capital value    | Undistributed income | Total            |
| ----- (Rupees in '000) -----                            |                  |                      |                  |                  |                      |                  |
| Net assets at beginning of the year                     | 990,470          | 1,031,373            | 2,021,843        | 1,086,879        | 400,321              | 1,487,200        |
| <b>Issuance of 10,098,742 (2025: 5,565,206) units</b>   |                  |                      |                  |                  |                      |                  |
| - Capital value                                         | 1,763,223        | -                    | 1,763,223        | 623,836          | -                    | 623,836          |
| - Element of income                                     | 364,135          | -                    | 364,135          | 205,996          | -                    | 205,996          |
| Amount received on issuance of units                    | 2,127,358        | -                    | 2,127,358        | 829,832          | -                    | 829,832          |
| <b>Redemption of 11,795,676 (2025: 7,252,473) units</b> |                  |                      |                  |                  |                      |                  |
| - Capital value                                         | (2,059,506)      | -                    | (2,059,506)      | 812,971          | -                    | 812,971          |
| - Element of loss                                       | (294,594)        | (117,551)            | (412,145)        | (1,734,780)      | (132,456)            | (1,867,236)      |
| Amount paid on redemption of units                      | (2,354,100)      | (117,551)            | (2,471,651)      | (921,809)        | (132,456)            | (1,054,265)      |
| Total comprehensive income for the year                 | -                | 541,075              | 541,075          | -                | 799,764              | 799,764          |
| Distribution during the year                            | (2,756)          | (16,985)             | (19,741)         | (4,432)          | (36,256)             | (40,688)         |
| Net income for the year less distribution               | (2,756)          | 524,090              | 521,334          | (4,432)          | 763,508              | 759,076          |
| <b>Net assets at the end of the year</b>                | <b>760,972</b>   | <b>1,437,912</b>     | <b>2,198,884</b> | <b>990,470</b>   | <b>1,031,373</b>     | <b>2,021,843</b> |
| <b>Accumulated loss brought forward comprising of:</b>  |                  |                      |                  |                  |                      |                  |
| - Realised                                              |                  | 593,403              |                  |                  | (23,753)             |                  |
| - Unrealised                                            |                  | 437,970              |                  |                  | 424,074              |                  |
|                                                         |                  | 1,031,373            |                  |                  | 400,321              |                  |
| <b>Accounting income available for distribution:</b>    |                  |                      |                  |                  |                      |                  |
| - Relating to capital gains                             | 410,206          |                      |                  | 640,924          |                      |                  |
| - Excluding capital gains                               | 13,318           |                      |                  | 26,384           |                      |                  |
|                                                         | 423,524          |                      |                  | 667,308          |                      |                  |
| Income distributed during the year                      | (16,985)         |                      |                  | (36,256)         |                      |                  |
| <b>Undistributed income carried forward</b>             | <b>1,437,912</b> |                      |                  | <b>1,031,373</b> |                      |                  |
| <b>Undistributed income carried forward</b>             |                  |                      |                  |                  |                      |                  |
| - Realised                                              | 1,163,813        |                      |                  | 593,403          |                      |                  |
| - Unrealised                                            | 274,099          |                      |                  | 437,970          |                      |                  |
|                                                         | 1,437,912        |                      |                  | 1,031,373        |                      |                  |
|                                                         | (Rupees)         |                      |                  | (Rupees)         |                      |                  |
| Net asset value per unit at the beginning of the year   | 174.5983         |                      |                  | 112.0957         |                      |                  |
| Net asset value per unit at the end of the year         | 222.4907         |                      |                  | 174.5983         |                      |                  |

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

|                                                                                                                                       | 2026<br>----- (Rupees in '000) ----- | 2025        |
|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------------|
| Note                                                                                                                                  |                                      |             |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                                                                                           |                                      |             |
| Net income for the year before taxation                                                                                               | 541,075                              | 799,764     |
| <b>Adjustments for:</b>                                                                                                               |                                      |             |
| Dividend income                                                                                                                       | (68,551)                             | (86,208)    |
| Capital gain on sale of investments - net                                                                                             | (251,250)                            | (329,459)   |
| Profit on bank deposits                                                                                                               | (40,616)                             | (27,410)    |
| Income from government securities                                                                                                     | -                                    | (358)       |
| Unrealised appreciation on re-measurement of investments<br>classified as financial assets at fair value through profit or loss - net | (274,099)                            | (437,970)   |
|                                                                                                                                       | (93,441)                             | (81,641)    |
| <b>(Increase)/Decrease in assets</b>                                                                                                  |                                      |             |
| Investments - net                                                                                                                     | 655,556                              | 320,937     |
| Other receivable                                                                                                                      | (537)                                | (1,993)     |
| Advances and deposits                                                                                                                 | 481                                  | (481)       |
| Receivable against sale of investments                                                                                                | 4,960                                | 970         |
|                                                                                                                                       | 660,460                              | 319,433     |
| <b>Increase / (decrease) in liabilities</b>                                                                                           |                                      |             |
| Payable to MCB Investment Management Limited - Management Company                                                                     | (189)                                | 628         |
| Payable to Central Depository Company of Pakistan Limited - Trustee                                                                   | 239                                  | (177)       |
| Payable to the Securities and Exchange Commission of Pakistan                                                                         | 16                                   | 31          |
| Payable against purchase of investments                                                                                               | (11,272)                             | 11,272      |
| Accrued and other liabilities                                                                                                         | (940)                                | (165)       |
|                                                                                                                                       | (12,146)                             | 11,589      |
| Profit received on bank deposit                                                                                                       | 39,596                               | 26,193      |
| Dividend received                                                                                                                     | 68,551                               | 86,208      |
| <b>Net cash generated from operating activities</b>                                                                                   | 663,020                              | 361,782     |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                                                                                           |                                      |             |
| Receipts from issuance of units                                                                                                       | 2,127,358                            | 829,833     |
| Payments on redemption of units                                                                                                       | (2,471,651)                          | (1,054,265) |
| Dividend paid during the year                                                                                                         | (19,741)                             | (40,688)    |
| <b>Net cash used in financing activities</b>                                                                                          | (364,034)                            | (265,120)   |
| <b>Net increase in cash and cash equivalents during the year</b>                                                                      | 298,986                              | 96,661      |
| Cash and cash equivalents at beginning of the year                                                                                    | 280,462                              | 183,801     |
| <b>Cash and cash equivalents at end of the year</b>                                                                                   | 579,448                              | 280,462     |

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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## **1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Alhamra Islamic Asset Allocation Fund (the Fund) was established under a Trust Deed executed between MCB Investment Management Limited (the Management Company) and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 14, 2005 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC rules). The Fund are required to be registered under the "Sindh Trusts Act, 2020" (the Sindh Trust Act). Accordingly, on August 13, 2021 the Trust Deed of the fund had been registered under the Sindh Trust Act.
- 1.2 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 SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to make investment in shariah compliant investments in securities or instruments both inside and outside Pakistan. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Shariah compliant Islamic Asset Allocation" scheme by the Board of Directors of the Asset Management Company in accordance with the requirements of Circular 7 of 2009 dated March 06, 2009 issued by the SECP. The Fund adheres to the Shariah Governance Regulations, 2023 issued by the SECP.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned a management quality rating of 'AM1' (Stable outlook) to the Management Company as at dated October 03, 2025.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited 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. Accounting and reporting standards applicable in Pakistan comprise of:

- IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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- Provisions of, directives and notifications 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)

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

### **2.2 Basis of measurement**

These financial statements have been prepared under the historical cost convention, unless stated otherwise.

These financial statements have been prepared under accrual basis of accounting except for cash flow information.

### **2.3 Functional and presentation currency**

These financial statements are presented in Pakistani Rupees (Rs.), which is the Fund's functional and presentation currency.

### **2.4 Accounting estimates and judgements**

The preparation of financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgements and assumptions that affect the application of policies and reported amount of assets, liabilities, income and expenses.

The estimates, judgements and associated assumptions are based on the historical experience and various other factors including expectations of future events that are believed to be reasonable under the circumstances, the result of which from the basis of making judgement about carrying values of assets and liabilities. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized 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.



## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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The estimates and judgements that have a significant effect on the financial statements of the Fund relate to following:

### **Classification and valuation of investments**

For details please refer notes 4.2.1.1 & 19 to these financial statements.

### **Impairment of investment**

For details please refer notes 4.2.1.2 to these financial statements.

## **3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS**

### **3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2026**

The following standards, amendments and interpretations are effective for the year ended June 30, 2026. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

**Effective date  
(annual periods  
beginning on or  
after)**

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange  
Rates' - Lack of Exchangeability

January 01, 2025

The IASB issued Disclosures about Uncertainties in the Financial Statements - Illustrative examples, which amended multiple IFRS Accounting Standards to include illustrative examples demonstrating how companies can apply IFRS Accounting Standards when reporting the effects of uncertainties in their financial statements.

### **3.2 New accounting standards, amendments and interpretations that are not yet effective**

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments January 01, 2026

Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments January 01, 2026

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs) January 01, 2026

**Effective date  
(annual periods  
beginning on or  
after)**

Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs) January 01, 2026

Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency January 01, 2027

Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures January 01, 2027

IFRS 17 Insurance Contracts January 01, 2027

IFRS 18 Presentation and Disclosures in Financial Statements January 01, 2027

IFRS 19 Subsidiaries without Public Accountability: Disclosures January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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IFRS 20 'Regulatory Assets and Regulatory Liabilities' has been issued by IASB effective from January 01, 2029. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorisation and sub-totals in the income statement, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

### **4 MATERIAL ACCOUNTING POLICY INFORMATION**

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied, unless otherwise stated.

#### **4.1 Cash and cash equivalents**

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

#### **4.2 Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

##### **4.2.1 Financial assets**

##### **4.2.1.1 Classification and measurement of financial assets**

##### **4.2.1.1.1 Debt instruments**

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at fair value through profit or loss (FVTPL):

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at fair value through other comprehensive income (FVOCI) only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

### **Business model assessment**

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026**

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The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

### **Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)**

As a second step of its classification process the Fund assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than minimum exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

### **Initial recognition & measurement**

Investments are initially measured at their fair value plus transaction costs except in the case of financial assets recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

### **Subsequent Measurement**

#### **Debt instruments at amortized cost**

After initial measurement, such debt instruments are subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the effective interest rate.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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### **Debt instruments at FVTPL**

Financial assets at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in income statement.

### **Debt instruments at FVOCI**

Financial assets at FVOCI are recorded in the statement of financial position at fair value. Changes in fair value are recorded in other comprehensive income (OCI).

On initial recognition, a financial asset is classified as measured at: amortized cost or FVTPL. The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

#### **4.2.1.1.2 Equity instruments**

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

An equity instrument held for trading purposes is classified as measured at FVTPL.



## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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### 4.2.1.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly investment, advances, deposits, other receivables, mark-up receivable and bank balances.

### 4.2.1.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

### 4.2.1.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

### 4.2.2 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 value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026**

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### **4.2.3 Offsetting of financial assets and 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.

### **4.3 Provisions**

Provisions are recognized 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 obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

### **4.4 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed to the unit holders.

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

The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least 90% of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders.

### **4.5 Proposed distributions**

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are not recognized before the reporting date.

### **4.6 Issuance and redemption of units**

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable.

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026**

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Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load (if applicable), any duties, taxes, charges on redemption and any provision for transaction costs, if applicable. Redemption of units is recorded on acceptance of application for redemption.

### **4.7 Element of income**

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting year. Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

### **4.8 Net assets value per unit**

The Net Assets 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 issue at the year end.

### **4.9 Revenue recognition**

- Gains / (losses) arising on sale of investments are included in income statement and are recognised when the transaction takes place.
- Unrealised appreciation / (diminution) arising on remeasurement of investments classified as financial assets 'at fair value through profit or loss' are included in the income statement.
- Dividend income is recognised when the Fund's right to receive the same is established, i.e. on the date of commencement of book closure of the investee company / institution declaring the dividend.
- Income on government securities is recognized on an accrual basis using the effective yield method.
- Profit on saving accounts with banks is recognized on an accrual basis using the effective yield method.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

## 4.10 Expenses

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

## 4.11 Earnings per unit (EPU)

Earnings per unit is calculated by dividing the net profit of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating EPU is not practicable.

## 4.12 Transactions with related parties / connected persons

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

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

|          |                            | 2026                         | 2025           |
|----------|----------------------------|------------------------------|----------------|
|          | Note                       | ----- (Rupees in '000) ----- |                |
| <b>5</b> | <b>BALANCES WITH BANKS</b> |                              |                |
|          | In current accounts        | 12,859                       | 13,892         |
|          | In savings accounts        | 566,589                      | 266,570        |
|          |                            | <u>579,448</u>               | <u>280,462</u> |

5.1 These carry mark-up at the rates ranging from 8.50% to 11.45% per annum (2025: 8.50% to 19.70% per annum).

5.2 These include balances held with related parties of Rs. 12.537 million (2025: Rs. 13.49 million) with MCB Bank Limited and Rs. 496.906 million (2025: Rs. 168.941 million) with MCB Islamic Bank Limited.

|            |                                                         | 2026                         | 2025      |
|------------|---------------------------------------------------------|------------------------------|-----------|
|            | Note                                                    | ----- (Rupees in '000) ----- |           |
| <b>6</b>   | <b>INVESTMENTS</b>                                      |                              |           |
| <b>6.1</b> | <b>Investments at fair value through profit or loss</b> |                              |           |
|            | Listed equity securities                                | 1,624,579                    | 1,754,786 |

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

## 6.1.1 Listed equity securities

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise.

| Name of the investee company              | Number of shares    |                           |                                     |                      | Balance as at June 30, 2026 |                |              | Market value as a percentage of |            | Paid-up value of shares held as a percentage of total paid-up capital of the investee company |                   |
|-------------------------------------------|---------------------|---------------------------|-------------------------------------|----------------------|-----------------------------|----------------|--------------|---------------------------------|------------|-----------------------------------------------------------------------------------------------|-------------------|
|                                           | As at July 01, 2025 | Purchased during the year | Bonus / Right issue during the year | Sold during the year | As at June 30, 2026         | Carrying value | Market value | Unrealised (loss) / gain        | Net assets |                                                                                               | Total investments |
|                                           |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| ----- (Rupees in '000) ----- %            |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| <b>Automobile Assembler</b>               |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Sazgar Engineering Works Limited          | 34,000              | -                         | -                                   | 34,000               | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
| <b>Automobile parts &amp; accessories</b> |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Panther Tyres Limited                     | 502,572             | 280,685                   | -                                   | 125,304              | 657,953                     | 29,878         | 38,385       | 8,507                           | 1.75       | 2.36                                                                                          |                   |
| Service Long March Tyres Limited***       | -                   | 1,859,409                 | -                                   | 1,359,409            | 500,000                     | 9,975          | 12,690       | 2,715                           | 0.58       | 0.78                                                                                          |                   |
|                                           |                     |                           |                                     |                      |                             | 39,853         | 51,075       | 11,222                          | 2.33       | 3.14                                                                                          |                   |
| <b>Cable and electrical goods</b>         |                     |                           |                                     |                      |                             |                |              |                                 |            | 0.42                                                                                          |                   |
| Pak Elektron Limited                      | 420,000             | -                         | -                                   | 420,000              | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
| <b>Cement</b>                             |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Cherat Cement Company Limited             | 353,383             | 50,000                    | -                                   | 223,383              | 180,000                     | 53,117         | 62,267       | 9,150                           | 2.83       | 3.83                                                                                          |                   |
| D.G. Khan Cement Company Limited*         | 135,000             | -                         | -                                   | 135,000              | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
| Fauji Cement Company Limited              | 346,500             | 400,000                   | -                                   | 346,500              | 400,000                     | 19,949         | 23,020       | 3,071                           | 1.05       | 1.42                                                                                          |                   |
| Lucky Cement Limited***&****              | 500,000             | 134,000                   | -                                   | 308,000              | 326,000                     | 123,686        | 153,064      | 29,377                          | 6.96       | 9.42                                                                                          |                   |
| Maple Leaf Cement Factory Limited         | 135,000             | 360,000                   | -                                   | 260,000              | 235,000                     | 22,607         | 25,124       | 2,517                           | 1.14       | 1.55                                                                                          |                   |
| Pioneer Cement Limited                    | 120,000             | -                         | -                                   | 120,000              | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
|                                           |                     |                           |                                     |                      |                             | 219,360        | 263,475      | 44,115                          | 11.98      | 16.22                                                                                         |                   |
| <b>Chemical</b>                           |                     |                           |                                     |                      |                             |                |              |                                 |            | 0.24                                                                                          |                   |
| Lucky Core Industries Limited***          | 10,835              | 43,340                    | -                                   | 54,175               | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
| <b>Commercial banks</b>                   |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Meezan Bank Limited*****                  | 800,000             | 19,900                    | -                                   | 559,900              | 260,000                     | 86,619         | 134,280      | 47,661                          | 6.11       | 8.27                                                                                          |                   |
| Faysal Bank Limited                       | 1,125,000           | 125,000                   | -                                   | 1,250,000            | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
|                                           |                     |                           |                                     |                      |                             | 86,619         | 134,280      | 47,661                          | 6.11       | 8.27                                                                                          |                   |
| <b>Engineering</b>                        |                     |                           |                                     |                      |                             |                |              |                                 |            | 0.01                                                                                          |                   |
| Mughal Iron & Steel Industries Limited    | 314,194             | 357,476                   | -                                   | 314,194              | 357,476                     | 29,199         | 31,318       | 2,120                           | 1.42       | 1.93                                                                                          |                   |
|                                           |                     |                           |                                     |                      |                             | 29,199         | 31,318       | 2,120                           | 1.42       | 1.93                                                                                          |                   |
| <b>Balance carried forward</b>            |                     |                           |                                     |                      |                             | 375,031        | 480,148      | 105,118                         |            |                                                                                               |                   |

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

| Name of the investee company               | Number of shares    |                           |                                     |                      | Balance as at June 30, 2026 |                |              | Market value as a percentage of |            | Paid-up value of shares held as a percentage of total paid-up capital of the investee company |                   |
|--------------------------------------------|---------------------|---------------------------|-------------------------------------|----------------------|-----------------------------|----------------|--------------|---------------------------------|------------|-----------------------------------------------------------------------------------------------|-------------------|
|                                            | As at July 01, 2025 | Purchased during the year | Bonus / Right issue during the year | Sold during the year | As at June 30, 2026         | Carrying value | Market value | Unrealised (loss) / gain        | Net assets |                                                                                               | Total investments |
|                                            |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| ----- (Rupees in '000) ----- % -----       |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Balance brought forward                    |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| 375,031 480,148 105,118                    |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Fertilizer                                 |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Engro Fertilizer Limited                   | 425,000             | 233,000                   | -                                   | 308,000              | 350,000                     | 65,866         | 69,633       | 3,767                           | 3.17       | 4.29                                                                                          |                   |
| Fatima Fertilizer Company Limited*****     | 1,160,000           | 45,000                    | -                                   | 785,000              | 420,000                     | 41,883         | 69,426       | 27,543                          | 3.16       | 4.27                                                                                          |                   |
|                                            |                     |                           |                                     |                      |                             | 107,748        | 139,059      | 31,310                          | 6.33       | 8.56                                                                                          |                   |
| Food and personal care products            |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| National Foods Limited**                   | 166,270             | -                         | -                                   | 60,770               | 105,500                     | 34,523         | 40,874       | 6,351                           | 1.86       | 2.52                                                                                          |                   |
| Barkat Frisian Agro Limited****            | 930,698             | -                         | -                                   | 930,698              | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
|                                            |                     |                           |                                     |                      |                             | 34,523         | 40,874       | 6,351                           | 1.86       | 2.52                                                                                          |                   |
| Glass & Ceramics                           |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Shabbir Tiles & Ceramics Limited**         | 1,002,801           | -                         | -                                   | 1,002,801            | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
| Ghani Glass Limited                        | -                   | 13,500                    | -                                   | -                    | 13,500                      | 501            | 540          | 39                              | 0.02       | 0.03                                                                                          |                   |
| Tariq Glass Industries                     | 68,388              | 159,000                   | -                                   | 84,312               | 143,076                     | 20,704         | 27,639       | 6,935                           | 1.26       | 1.70                                                                                          |                   |
|                                            |                     |                           |                                     |                      |                             | 21,205         | 28,179       | 6,974                           | 1.28       | 1.73                                                                                          |                   |
| Oil and gas exploration companies          |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Mari Energies Limited                      | -                   | 53,000                    | -                                   | -                    | 53,000                      | 33,587         | 35,737       | 2,151                           | 1.63       | 2.20                                                                                          |                   |
| Oil & Gas Development Company Limited***** | 464,000             | 143,500                   | -                                   | 209,000              | 398,500                     | 96,221         | 133,446      | 37,225                          | 6.07       | 8.21                                                                                          |                   |
| Pakistan Petroleum Limited*****            | 643,000             | 205,800                   | -                                   | 292,000              | 556,800                     | 103,484        | 135,091      | 31,607                          | 6.14       | 8.32                                                                                          |                   |
|                                            |                     |                           |                                     |                      |                             | 233,291        | 304,274      | 70,982                          | 13.84      | 18.73                                                                                         |                   |
| Oil and gas marketing companies            |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Attock Petroleum Limited                   | 61,981              | 45,019                    | -                                   | 46,000               | 61,000                      | 31,952         | 32,833       | 880                             | 1.49       | 2.02                                                                                          |                   |
| Pakistan State Oil Company Limited         | 96,000              | 56,300                    | -                                   | 125,300              | 27,000                      | 10,537         | 9,243        | (1,294)                         | 0.42       | 0.57                                                                                          |                   |
|                                            |                     |                           |                                     |                      | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
|                                            |                     |                           |                                     |                      |                             | 42,490         | 42,076       | (414)                           | 2          | 3                                                                                             |                   |
| Pharmaceuticals                            |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Abbott Laboratories (Pakistan) Limited     | -                   | 63,500                    | -                                   | 1,500                | 62,000                      | 62,139         | 61,032       | (1,107)                         | 2.78       | 3.76                                                                                          |                   |
| Agp Limited                                | 303,015             | 189,689                   | -                                   | 272,704              | 220,000                     | 42,927         | 45,393       | 2,466                           | 2.06       | 2.79                                                                                          |                   |
| Ferozsons Laboratories Limited             | 64,500              | -                         | -                                   | 25,000               | 39,500                      | 15,390         | 15,926       | 536                             | 0.72       | 0.98                                                                                          |                   |
| Glaxosmithkline Pakistan                   | -                   | 147,671                   | -                                   | 147,671              | -                           | -              | -            | -                               | -          | -                                                                                             |                   |
| Highnoon Laboratories Limited              | -                   | 20,000                    | -                                   | -                    | 20,000                      | 20,265         | 20,054       | (211)                           | 0.91       | 1.23                                                                                          |                   |
|                                            |                     |                           |                                     |                      |                             | 140,721        | 142,404      | 1,683                           | 6.47       | 8.76                                                                                          |                   |
| Inv.Banks/Inv.Com./S                       |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Engro Holding Limited                      | -                   | 582,500                   | -                                   | 170,000              | 412,500                     | 118,648        | 118,685      | 36                              | 5.40       | 7.31                                                                                          |                   |
|                                            |                     |                           |                                     |                      |                             | 118,648        | 118,685      | 36                              | 5.40       | 7.31                                                                                          |                   |
| Refinery                                   |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Attock Refinery Limited                    | -                   | 98,392                    | -                                   | 80,392               | 18,000                      | 13,775         | 15,312       | 1,537                           | 0.70       | 0.94                                                                                          |                   |
|                                            |                     |                           |                                     |                      |                             | 13,775         | 15,312       | 1,537                           | 0.70       | 0.94                                                                                          |                   |
| Balance carried forward                    |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
|                                            |                     |                           |                                     |                      |                             | 1,087,433      | 1,311,011    | 223,577                         |            | 0.02                                                                                          |                   |



# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

| Name of the investee company                                                  | Number of shares    |                           |                                     |                      | Balance as at June 30, 2026 |                |              | Market value as a percentage of |            | Paid-up value of shares held as a percentage of total paid-up capital of the investee company |                   |
|-------------------------------------------------------------------------------|---------------------|---------------------------|-------------------------------------|----------------------|-----------------------------|----------------|--------------|---------------------------------|------------|-----------------------------------------------------------------------------------------------|-------------------|
|                                                                               | As at July 01, 2025 | Purchased during the year | Bonus / Right issue during the year | Sold during the year | As at June 30, 2026         | Carrying value | Market value | Unrealised (loss)/ gain         | Net assets |                                                                                               | Total investments |
|                                                                               |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| <div>(Rupees in '000)</div> <div>1,087,4331,311,011223,577</div> <div>%</div> |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Balance brought forward                                                       |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Power generation and distribution                                             |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Hub Power Company Limited                                                     | -                   | 400,000                   | -                                   | 50,000               | 350,000                     | 79,442         | 81,708       | 2,266                           | 3.72       | 5.03                                                                                          | 0.03              |
| Lalpir Power Limited*                                                         | 686,500             | -                         | -                                   | 686,500              | -                           | -              | -            | -                               | -          | -                                                                                             | -                 |
| Nishat Chumian Power Limited*                                                 | 989,000             | -                         | -                                   | 989,000              | -                           | -              | -            | -                               | -          | -                                                                                             | -                 |
| Nishat Power Limited*                                                         | 135,000             | -                         | -                                   | 135,000              | -                           | -              | -            | -                               | -          | -                                                                                             | -                 |
| Technology and communication                                                  |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Systems Limited*****                                                          | 860,910             | 40,000                    | -                                   | 460,910              | 440,000                     | 48,099         | 64,720       | 16,620                          | 2.94       | 3.98                                                                                          | 0.15              |
| Textile composite                                                             |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Gul Ahmed Textile Mills Limited                                               | 225,522             | 1,004,478                 | -                                   | 530,000              | 700,000                     | 24,930         | 21,343       | (3,587)                         | 0.97       | 1.31                                                                                          | 0.05              |
| Interloop Limited                                                             | 625,000             | 355,000                   | -                                   | 249,000              | 731,000                     | 53,954         | 78,612       | 24,657                          | 3.58       | 4.84                                                                                          | 0.21              |
|                                                                               |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Paper And Board                                                               |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Century Paper & Board Mills Limited                                           | -                   | 450,000                   | -                                   | -                    | 450,000                     | 12,308         | 13,442       | 1,134                           | 0.61       | 0.83                                                                                          | 0.11              |
| Packages Limited                                                              | 50,993              | -                         | -                                   | 20,993               | 30,000                      | 16,637         | 24,298       | 7,661                           | 1.11       | 1.50                                                                                          | 0.03              |
|                                                                               |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Miscellaneous                                                                 |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Pakistan Aluminium Beverage Cans Limited                                      | 820                 | -                         | -                                   | 820                  | -                           | -              | -            | -                               | -          | -                                                                                             | -                 |
| Shifa International Hospitals                                                 | 89,000              | -                         | -                                   | 30,741               | 58,259                      | 27,681         | 29,449       | 1,769                           | 1.34       | 1.81                                                                                          | 0.02              |
|                                                                               |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Total as at June 30, 2026                                                     |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |
| Total as at June 30, 2025                                                     |                     |                           |                                     |                      |                             |                |              |                                 |            |                                                                                               |                   |

\* These represent transactions in shares of related parties

\*\* These have a face value of Rs. 5 per share

\*\*\* These have a face value of Rs. 2 per share

\*\*\*\* These have a face value of Rs. 1 per share

\*\*\*\*\* These represent pledge securities

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

\*\*\*\*\* Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against margin for guaranteeing settlement of the Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP:

| Name of security                      | 2026                         | 2025      | 2026                     | 2025    |
|---------------------------------------|------------------------------|-----------|--------------------------|---------|
|                                       | ---- (Number of shares) ---- |           | --- (Rupees in '000) --- |         |
| Meezan Bank Limited                   | 260,000                      | 500,000   | 134,280                  | 166,025 |
| Fauji Cement Company Limited          | -                            | 346,500   | -                        | 15,478  |
| Lucky Cement Limited                  | 181,000                      | 96,000    | 84,983                   | 34,103  |
| Oil & Gas Development Company Limited | 265,000                      | 265,000   | 88,741                   | 58,448  |
| Fatima Fertilizer Company Limited     | 200,000                      | -         | 33,060                   | -       |
| Pakistan Petroleum Limited            | 375,000                      | -         | 90,983                   | -       |
| Systems Limited                       | 50,000                       | -         | 7,355                    | -       |
|                                       | 1,331,000                    | 1,207,500 | 439,400                  | 274,054 |

- 6.1.2 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the High Court of Sindh in favour of CISs.

On June 27, 2018, the Supreme Court of Pakistan passed a judgment whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. During the year ended June 30, 2020, the CISs had filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the High Court of Sindh had issued notices to the relevant parties and had ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Fund has included these shares in its portfolio, as the Management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2018 effective from July 1, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the period were not withheld by the investee companies.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

As per the new Finance Act, 2023, tax on bonus shares has been re-introduced. Earlier such tax was introduced through Finance Act, 2014 and omitted through Finance Act 2018. Finance Act 2023 reintroduces the above taxation measure by amending the definition of "income" expanding from other sources and introducing a withholding tax provision @ 10% of payment of tax on Bonus shares ( i.e: section 236Z) which is effect from July 01, 2023. As at June 30, 2026, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.055 million (2025: Rs. 0.060 million).

| Name of investee company   | June 30, 2026<br>----- (Audited) ----- |                   |                    | June 30, 2025<br>----- (Audited) ----- |                   |                    |
|----------------------------|----------------------------------------|-------------------|--------------------|----------------------------------------|-------------------|--------------------|
|                            | (No. of<br>shares<br>withheld<br>)     | Rate per<br>share | Market value       | (No. of<br>shares<br>withheld<br>)     | Rate per<br>share | Market value       |
|                            |                                        |                   | --Rupees in '000-- |                                        |                   | --Rupees in '000-- |
| IBL Healthcare             | 691                                    | 53                | 37                 | 691                                    | 63                | 43                 |
| The Searle Company Limited | 196                                    | 95                | 19                 | 196                                    | 88                | 17                 |
|                            |                                        |                   | <u>55</u>          |                                        |                   | <u>60</u>          |
|                            |                                        |                   |                    | <b>2026</b>                            | <b>2025</b>       |                    |
|                            |                                        |                   |                    | ----- (Rupees in '000) -----           |                   |                    |

### 6.1.3 Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'

|                                     |                |                |
|-------------------------------------|----------------|----------------|
| Market value of investments         | 1,624,579      | 1,754,786      |
| Less: Carrying value of investments | (1,350,480)    | (1,316,816)    |
|                                     | <u>274,099</u> | <u>437,973</u> |

## 7 PROFIT AND OTHER RECEIVABLES

|                                                 |              |              |
|-------------------------------------------------|--------------|--------------|
| Profit receivable on saving accounts with banks | 5,354        | 4,334        |
| Other receivable                                | 2,642        | 2,105        |
|                                                 | <u>7,996</u> | <u>6,439</u> |

## 8 ADVANCES AND DEPOSITS

Security deposits with:

|                                                         |              |              |
|---------------------------------------------------------|--------------|--------------|
| - National Clearing Company of Pakistan Limited (NCCPL) | 2,500        | 2,500        |
| - Central Depository Company of Pakistan Limited (CDC)  | 200          | 200          |
| Advance tax                                             | 8.1          | 1,687        |
|                                                         | <u>3,906</u> | <u>4,387</u> |

8.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to CISs are exempt from withholding tax under section 151 and 150. However, withholding tax on dividend and profit on debt paid to the Fund has been 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 withholder.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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 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. On January 28, 2016, the Board of Directors of the Management Company passed a resolution by circulation, authorising all CISs to file an appeal in the Supreme Court through their Trustees, to direct all persons being withholding agents, including share registrars and banks to observe the provisions of clause 47B of Part IV of the Second Schedule to the Income Tax Ordinance, 2001 without imposing any conditions at the time of making any payment to the CISs being managed by the Management Company. Accordingly, 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 judgement of SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit received by the Fund on dividends and profit on debt has been shown as advance tax under 'Advances and deposits' as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

|                                                                   | Note                                                                                                                                                                                                                                                                                                                                                                                                                  | 2026<br>----- (Rupees in '000) ----- | 2025  |
|-------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------|-------|
| <b>9</b>                                                          | <b>PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>                                                                                                                                                                                                                                                                                                                                              |                                      |       |
| Payable to Management Company                                     | 9.1                                                                                                                                                                                                                                                                                                                                                                                                                   | 5,338                                | 5,510 |
| Sindh sales tax payable on remuneration of the Management Company | 9.2                                                                                                                                                                                                                                                                                                                                                                                                                   | 787                                  | 826   |
| Shariah advisory fee payable                                      |                                                                                                                                                                                                                                                                                                                                                                                                                       | 53                                   | 31    |
|                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                       | 6,178                                | 6,367 |
| 9.1                                                               | In accordance with the requirements of S.R.O. 600(I)/2025 dated April 10, 2025, issued by the SECP, the Fund, with effect from July 1, 2025 may charge management fee up to 3.00% per annum of the average daily net assets of the Scheme. During the year ended June 30, 2026, the Fund has charged management fee at the rate of up to 3.00% per annum of the average daily net assets of the Scheme. (2025: 3.48%) |                                      |       |
| 9.2                                                               | Sales tax on management remuneration has been charged at the rate of 15% (2025:15%).                                                                                                                                                                                                                                                                                                                                  |                                      |       |
| <b>10</b>                                                         | <b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>                                                                                                                                                                                                                                                                                                                                            |                                      |       |
| Trustee remuneration payable                                      | 10.1                                                                                                                                                                                                                                                                                                                                                                                                                  | 257                                  | 49    |
| Sindh sales tax payable on trustee remuneration                   | 10.2                                                                                                                                                                                                                                                                                                                                                                                                                  | 39                                   | 7     |
|                                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                       | 296                                  | 56    |

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

- 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 fee is as follows:

### Average net asset value      Tariff per annum

|                                   |                                                                                     |
|-----------------------------------|-------------------------------------------------------------------------------------|
| Up to Rs.1,000 million            | 0.20% p.a. of Net Assets                                                            |
| Amount exceeding Rs.1,000 million | Rs. 2.0 million plus 0.10% p.a. of Net Assets on amount exceeding Rs. 1,000 million |

- 10.2 Sales tax on trustee fee has been charged at the rate of 15% (2025:15%).

|           | Note                                                                 | 2026<br>----- (Rupees in '000) ----- | 2025 |
|-----------|----------------------------------------------------------------------|--------------------------------------|------|
| <b>11</b> | <b>PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b> |                                      |      |

|            |      |            |            |
|------------|------|------------|------------|
| Annual fee | 11.1 | <u>166</u> | <u>150</u> |
|------------|------|------------|------------|

- 11.1 In accordance with the NBFC Regulations 2008, a CIS is required to pay annual fee to the SECP. Accordingly, the Fund has charged SECP fee at the rate of 0.095% (2025: 0.085%) of average Net Assets of the scheme, calculated on daily basis. The fee is paid to the commission on monthly basis in arrears.

## 12 ACCRUED AND OTHER LIABILITIES

|                                                                                     |      |               |               |
|-------------------------------------------------------------------------------------|------|---------------|---------------|
| Provision for Federal Excise Duty payable on remuneration of the Management Company | 12.1 | 5,910         | 5,910         |
| Federal Excise Duty payable on sales load                                           |      | 1,136         | 1,136         |
| Charity / donation payable                                                          | 12.2 | 1,795         | 2,311         |
| Auditors' remuneration payable                                                      |      | 695           | 608           |
| Withholding tax payable                                                             |      | 545           | 1,190         |
| Brokerage payable                                                                   |      | 282           | 150           |
| Other payables                                                                      |      | 42            | 39            |
|                                                                                     |      | <u>10,405</u> | <u>11,345</u> |

## **NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026**

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- 12.1 The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration was already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the SHC by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 7.04 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2026 would have been higher by Rs. 0.71 (2025: Rs. 0.61) per unit.

- 12.2 This represent amount of donation payable that represent amount recognized to purify dividend income derived from non- Shariah compliant (haram) sources during the year. The charity amount is calculated using the purification ratio, which is determined by dividing the company's non compliant (haram) income by its total revenue.

### **13 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at June 30, 2026 (2025: Nil)



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2026**

|                                                   | 2026                | 2025              |
|---------------------------------------------------|---------------------|-------------------|
|                                                   | ----- (Units) ----- |                   |
| <b>14 NUMBER OF UNITS IN ISSUE</b>                |                     |                   |
| Total units in issue at the beginning of the year | 11,579,974          | 13,267,241        |
| Add: Units issued during the year                 | 10,098,742          | 5,565,206         |
| Less: Units redeemed during the year              | (11,795,676)        | (7,252,473)       |
| Total units in issue at the end of the year       | <u>9,883,040</u>    | <u>11,579,974</u> |

|                                      | 2026                         | 2025       |
|--------------------------------------|------------------------------|------------|
|                                      | ----- (Rupees in '000) ----- |            |
| <b>15 AUDITORS' REMUNERATION</b>     |                              |            |
| Annual audit fee                     | 400                          | 350        |
| Half yearly review fee               | 225                          | 190        |
| Other certification and services     | 100                          | 175        |
|                                      | <u>725</u>                   | <u>715</u> |
| Out of pocket expenses and Sales tax | 196                          | 140        |
|                                      | <u>921</u>                   | <u>855</u> |

**16 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 ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. 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. The Fund has not recorded any tax liability in respect of income relating to the current year as the Management Company has distributed cash dividend that is at least 90 percent of the Fund's accounting income for the year ended June 30, 2026 as reduced by capital gains (whether realized or unrealized) to its unit holders in the form of cash.

**17 EARNING PER UNIT**

Earnings per unit is calculated by dividing the net profit of the year after taxation of the Fund by the weighted average number of units outstanding during the year.

Earnings per unit has not been disclosed as, in the opinion of the management, the determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

## 18 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and constitutive documents of the Fund respectively.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

|                                                                 | 2026                         | 2025   |
|-----------------------------------------------------------------|------------------------------|--------|
|                                                                 | ----- (Rupees in '000) ----- |        |
| <b>18.1 Transactions during the year:</b>                       |                              |        |
| <b>MCB Investment Management Limited - Management Company</b>   |                              |        |
| Remuneration (including indirect taxes)                         | 78,593                       | 67,941 |
| Shariah advisory fee                                            | 529                          | 204    |
| <b>Central Depository Company of Pakistan Limited - Trustee</b> |                              |        |
| Remuneration (including indirect taxes)                         | 3,770                        | 3,102  |
| Central Depository Service (CDS) settlement charges             | 132                          | 139    |
| <b>Group / Associated Companies</b>                             |                              |        |
| <b>MCB Bank Limited</b>                                         |                              |        |
| Bank charges                                                    | 77                           | 63     |

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2026**

**MCB Islamic Bank Limited**

|                         |        |        |
|-------------------------|--------|--------|
| Profit on bank deposits | 33,336 | 21,821 |
|-------------------------|--------|--------|

**D.G. Khan Cement Company Limited**

|                                               |        |        |
|-----------------------------------------------|--------|--------|
| Purchase of shares Nil (2025: 135,000) shares | -      | 17,195 |
| Sale of shares 135,000 (2025: Nil) shares     | 31,856 | -      |
| Dividend income                               | 270    | -      |

**Nishat Mills Limited**

|                                   |   |        |
|-----------------------------------|---|--------|
| Sale of: Nil (2025:60,000) shares | - | 35,364 |
|-----------------------------------|---|--------|

**International Steels Limited**

|                                       |   |       |
|---------------------------------------|---|-------|
| Purchase of Nil (2025: 60,000) shares | - | 4,845 |
| Sale of Nil (2025: 60,000) shares     | - | 4,887 |

**2026                      2025**  
----- (Rupees in '000) -----

**Nishat Chunian Power Limited**

|                                             |        |   |
|---------------------------------------------|--------|---|
| Sale of 989,000 (June 30, 2025: NIL) shares | 38,795 | - |
|---------------------------------------------|--------|---|

**Lalpir Power Limited**

|                                         |        |        |
|-----------------------------------------|--------|--------|
| Purchase of shares: Nil (2025: 686,500) | -      | 16,174 |
| Sale of 686,500(2025: Nil) shares       | 16,666 | -      |

**Nishat Power Limited**

|                                         |       |        |
|-----------------------------------------|-------|--------|
| Purchase of shares: Nil (2025: 625,000) | -     | 16,201 |
| Sale of 135,000 (2025: 490,000) shares  | 4,820 | 17,885 |
| Dividend Income                         | -     | 1,790  |

**18.2 Balances outstanding at year end:**

**MCB Investment Management Limited - Management Company**

|                                                                   |       |       |
|-------------------------------------------------------------------|-------|-------|
| Management remuneration payable                                   | 5,246 | 5,507 |
| Sindh sales tax payable on remuneration of the management company | 787   | 826   |
| Sales load payable                                                | 92    | 3     |
| Shariah advisory fee payable                                      | 53    | 31    |

**Central Depository Company of Pakistan Limited - Trustee**

|                                                 |     |     |
|-------------------------------------------------|-----|-----|
| Trustee remuneration payable                    | 257 | 49  |
| Sindh sales tax payable on trustee remuneration | 39  | 7   |
| Security deposit                                | 200 | 200 |

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

## MCB Bank Limited

|                    |        |        |
|--------------------|--------|--------|
| Balances with bank | 12,537 | 13,491 |
|--------------------|--------|--------|

## MCB Islamic Bank Limited

|                    |         |         |
|--------------------|---------|---------|
| Balances with bank | 496,906 | 168,941 |
|--------------------|---------|---------|

## D.G. Khan Cement Company Limited

|                                 |   |        |
|---------------------------------|---|--------|
| Nil (2025: 135,000) shares held | - | 22,351 |
|---------------------------------|---|--------|

## Lalpir Power Limited

|                                 |   |        |
|---------------------------------|---|--------|
| Nil (2025: 686,500) shares held | - | 17,911 |
|---------------------------------|---|--------|

## Nishat Power Limited

|                                |   |       |
|--------------------------------|---|-------|
| Nil (2025:135,000) shares held | - | 4,896 |
|--------------------------------|---|-------|

### 18.3 Transactions during the year with connected persons / related parties in units of the Fund:

|                                                               | 2026                   |                    |          |                        |                        |                    |          |                        |
|---------------------------------------------------------------|------------------------|--------------------|----------|------------------------|------------------------|--------------------|----------|------------------------|
|                                                               | As at<br>July 01, 2025 | Issued<br>for cash | Redeemed | As at June 30,<br>2026 | As at<br>July 01, 2025 | Issued<br>for cash | Redeemed | As at June 30,<br>2026 |
|                                                               | Units                  |                    |          |                        | (Rupees in '000)       |                    |          |                        |
| <b>Group / Associated Companies</b>                           |                        |                    |          |                        |                        |                    |          |                        |
| Adamjee Life Assurance Co. Ltd. Amaanat Fund                  | 631,267                | 3,786              | 216,099  | 418,954                | 110,218                | 830                | 44,000   | 93,213                 |
| Adamjee Life Assurance Co. Ltd -Mazaaf                        | 1,933,234              | 17,177             | 49,653   | 1,900,758              | 337,539                | 3,767              | 10,000   | 422,901                |
| Hyundai Nishat Motor Private Limited Employees Provident Fund | 217,295                | 1,896              | 9,439    | 209,752                | 37,939                 | 416                | 2,000    | 46,668                 |
| Adamjee Life Assurance Co. Ltd Managed Growth Fund            | 4,917                  | 45                 | -        | 4,962                  | 859                    | 10                 |          | 1,104                  |
| Adamjee Life Assurance Co. Ltd- Gift Ptf                      | 17,516                 | 66,104             | 83,621   | (0)                    | 3,058                  | 13,500             | 16,480   | (0)                    |
| Adamjee Life Assurance Co. Ltd-Osf                            | 206,916                | 45,892             | 252,808  | 0                      | 36,127                 | 10,000             | 49,822   | 0                      |
| <b>Key management personnel*</b>                              | -                      | 122,382            | 122,312  | 70                     | -                      | 26,010             | 26,163   | 16                     |
| <b>Mandate under Discretionary</b>                            |                        |                    |          |                        |                        |                    |          |                        |
| <b>Portfolio Services *</b>                                   | 632,892                | 63,345             | 50,099   | 646,139                | 110,502                | 13,275             | 11,000   | 143,760                |
| <b>Unit holder 10% or more</b>                                | 1,506,536              | 11,178             | -        | 1,517,714              | 263,039                | 2,451              | -        | 337,677                |

\* This reflects the position of related party / connected persons status as at June 30, 2026.

|                                                               | 2025                   |                    |          |                        |                        |                    |          |                        |
|---------------------------------------------------------------|------------------------|--------------------|----------|------------------------|------------------------|--------------------|----------|------------------------|
|                                                               | As at<br>July 01, 2024 | Issued<br>for cash | Redeemed | As at June 30,<br>2025 | As at<br>July 01, 2024 | Issued<br>for cash | Redeemed | As at June 30,<br>2025 |
|                                                               | Units                  |                    |          |                        | (Rupees in '000)       |                    |          |                        |
| <b>Group / Associated Companies</b>                           |                        |                    |          |                        |                        |                    |          |                        |
| Adamjee Life Assurance Co. Ltd.                               | -                      | 264,706            | 264,706  | -                      | -                      | 32,110             | 41,057   | -                      |
| Adamjee Life Assurance Co. Ltd. Amaanat Fund                  | 907,847                | 39,773             | 316,353  | 631,267                | 101,766                | 6,167              | 46,000   | 110,218                |
| Adamjee Life Assurance Co. Ltd -Mazaaf                        | 2,782,302              | 131,113            | 980,182  | 1,933,234              | 311,884                | 21,535             | 145,000  | 337,539                |
| Hyundai Nishat Motor Private Limited Employees Provident Fund | 216,925                | 62,675             | 62,304   | 217,295                | 24,316                 | 7,166              | 8,500    | 37,939                 |
| Adamjee Life Assurance Co. Ltd Managed Growth Fund            | 7,612                  | 102                | 2,797    | 4,917                  | 853                    | 17                 | 310      | 859                    |
| Adamjee Life Assurance Co. Ltd- Gift Ptf                      | -                      | 17,516             | -        | 17,516                 | -                      | 2,734              | -        | 3,058                  |
| Adamjee Life Assurance Co. Ltd-Osf                            | -                      | 206,916            | -        | 206,916                | -                      | 32,258             | -        | 36,127                 |
| <b>Key management personnel*</b>                              | -                      | 3,434              | 3,434    | -                      | -                      | 525                | 544      | -                      |
| <b>Mandate under Discretionary</b>                            |                        |                    |          |                        |                        |                    |          |                        |
| <b>Portfolio Services *</b>                                   | 724,463                | 71,289             | 162,861  | 632,891                | 81,209                 | 8,631              | 22,698   | 110,502                |
| <b>Unit holder 10% or more</b>                                | 1,479,910              | 26,626             | -        | 1,506,536              | 165,892                | 4,529              | -        | 263,039                |

\* This reflects the position of related party / connected persons status as at June 30, 2025.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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### 19 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.

#### 19.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee.

Market risk comprises of three types of risk: currency risk, profit rate risk and other price risk.

##### (i) 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.

##### (ii) Yield / Profit rate risk

Yield / profit 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 profit rates. As of June 30, 2026, the Fund is exposed to such risk on its balances held with banks. 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.

##### a) Sensitivity analysis of variable rate instruments

As at June 30, 2026, the Fund is exposed to cash flow profit rate risk on bank deposits. In case of 100 basis points increase / decrease as on June 30, 2026, with all other variables held constant, the net assets value of the Fund and the net income for the year would have been lower / higher by Rs 5.783 million (2025: Rs 2.666 million).

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

## b) Sensitivity analysis of fixed rate instruments

As at June 30, 2026, the Fund does not hold any financial instrument exposing the Fund to fair value interest rate risk.

The composition of the Fund's investment portfolio, KIBOR rates and rates announced by the Financial Markets Association of Pakistan are expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

The Fund's profit rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

| 2026                                                                |                             |                                          |                    |                                 |           |
|---------------------------------------------------------------------|-----------------------------|------------------------------------------|--------------------|---------------------------------|-----------|
| Profit rate (%)                                                     | Exposed to profit rate risk |                                          |                    | Not exposed to profit rate risk | Total     |
|                                                                     | Up to three months          | More than three months and upto one year | More than one year |                                 |           |
| ----- (Rupees in '000) -----                                        |                             |                                          |                    |                                 |           |
| On-balance sheet financial instruments                              |                             |                                          |                    |                                 |           |
| Financial assets                                                    |                             |                                          |                    |                                 |           |
| Balances with banks                                                 | 8.50% to 11.45%             | 566,589                                  | -                  | 12,859                          | 579,448   |
| Investments                                                         |                             | -                                        | -                  | 1,624,579                       | 1,624,579 |
| Profit and other receivables                                        |                             | -                                        | -                  | 7,996                           | 7,996     |
| Receivable against sale of investments                              |                             | -                                        | -                  | -                               | -         |
| Deposits                                                            |                             | -                                        | -                  | 2,700                           | 2,700     |
|                                                                     |                             | 566,589                                  | -                  | 1,648,134                       | 2,214,723 |
| Financial liabilities                                               |                             |                                          |                    |                                 |           |
| Payable to MCB Investment Management Limited - Management Company   |                             | -                                        | -                  | 5,391                           | 5,391     |
| Payable to Central Depository Company of Pakistan Limited - Trustee |                             | -                                        | -                  | 257                             | 257       |
| Accrued and other liabilities                                       |                             | -                                        | -                  | 2,814                           | 2,814     |
|                                                                     |                             | -                                        | -                  | 8,462                           | 8,462     |
| On-balance sheet gap (a)                                            |                             | 566,589                                  | -                  | 1,639,672                       | 2,206,261 |
| Off-balance sheet financial instruments                             |                             | -                                        | -                  | -                               | -         |
| Off-balance sheet gap (b)                                           |                             | -                                        | -                  | -                               | -         |
| Total profit rate sensitivity gap (a+b)                             |                             | 566,589                                  | -                  | -                               | -         |
| Cumulative profit rate sensitivity gap                              |                             | 566,589                                  | 566,589            | 566,589                         | -         |

| 2025                                                                  |                             |                                          |                    |                                 |           |
|-----------------------------------------------------------------------|-----------------------------|------------------------------------------|--------------------|---------------------------------|-----------|
| Profit rate (%)                                                       | Exposed to profit rate risk |                                          |                    | Not exposed to profit rate risk | Total     |
|                                                                       | Up to three months          | More than three months and upto one year | More than one year |                                 |           |
| ----- (Rupees in '000) -----                                          |                             |                                          |                    |                                 |           |
| <b>On-balance sheet financial instruments</b>                         |                             |                                          |                    |                                 |           |
| <b>Financial assets</b>                                               |                             |                                          |                    |                                 |           |
| Balances with banks                                                   | 8.50% to 19.70%             | 266,570                                  | -                  | 13,892                          | 280,462   |
| Listed equity securities                                              |                             | -                                        | -                  | 1,754,786                       | 1,754,786 |
| Profit and other receivables                                          |                             | -                                        | -                  | 6,439                           | 6,439     |
| Receivable against sale of investments                                |                             | -                                        | -                  | 4,960                           | 4,960     |
| Deposits                                                              |                             | -                                        | -                  | 2,700                           | 2,700     |
|                                                                       |                             | 266,570                                  | -                  | 1,782,777                       | 2,049,347 |
| <b>Financial liabilities</b>                                          |                             |                                          |                    |                                 |           |
| Payable to the MCB Investment Management Limited - Management Company |                             | -                                        | -                  | 5,541                           | 5,541     |
| Payable to Central Depository Company of Pakistan Limited - Trustee   |                             | -                                        | -                  | 49                              | 49        |
| Payable against purchase of investments                               |                             | -                                        | -                  | 11,272                          | 11,272    |
| Accrued and other liabilities                                         |                             | -                                        | -                  | 3,109                           | 3,109     |
|                                                                       |                             | -                                        | -                  | 19,971                          | 19,971    |
| <b>On-balance sheet gap (a)</b>                                       |                             | 266,570                                  | -                  | 1,762,806                       | 2,029,376 |
| <b>Off-balance sheet financial instruments</b>                        |                             | -                                        | -                  | -                               | -         |
| <b>Off-balance sheet gap (b)</b>                                      |                             | -                                        | -                  | -                               | -         |
| <b>Total profit rate sensitivity gap (a+b)</b>                        |                             | 266,570                                  | -                  | -                               | -         |
| <b>Cumulative profit rate sensitivity gap</b>                         |                             | 266,570                                  | 266,570            | 266,570                         | -         |



## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

### (iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from profit 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.

The Fund has exposure to equity price risk arising from its investments in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's constitutive documents, the NBFC Regulations and circulars issued by SECP from time to time. The Fund's equity investments and their fair values exposed to price risk as at the year end are concentrated in the sectors given in note 6.1.1.

The following table illustrates the sensitivity of the profit for the year and the unit holders' fund to an increase or decrease of 5% in the fair values of the Fund's equity securities. This level of change is considered to be reasonably possible based on observation of current market conditions. The sensitivity analysis is based on the Fund's equity securities at each statement of assets and liabilities date, with all other variables held constant.

|                                                           | 2026                      | 2025   |
|-----------------------------------------------------------|---------------------------|--------|
|                                                           | ----- (Rupees '000) ----- |        |
| <b>Effect due to increase / decrease in KSE 100 index</b> |                           |        |
| Investments                                               | 81,229                    | 87,739 |
| Income for the year                                       | 81,229                    | 87,739 |

### 19.2 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 obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

|                                        | -----2026-----                                     |                                 | -----2025-----                                     |                                 |
|----------------------------------------|----------------------------------------------------|---------------------------------|----------------------------------------------------|---------------------------------|
|                                        | 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 in '000-----                           |                                 |                                                    |                                 |
| Balances with banks                    | 579,448                                            | 579,448                         | 280,462                                            | 280,462                         |
| Investments                            | 1,624,579                                          | 1,624,579                       | 1,754,786                                          | 1,754,786                       |
| Profit and other receivables           | 7,996                                              | 7,996                           | 6,439                                              | 6,439                           |
| Deposits                               | 2,700                                              | 2,700                           | 2,700                                              | 2,700                           |
| Receivable against sale of investments | -                                                  | -                               | 4,960                                              | 4,960                           |
|                                        | 2,214,723                                          | 2,214,723                       | 2,049,347                                          | 2,049,347                       |

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

Details of credit rating of balances with banks as at June 30, 2026 are as follows:

| <b>Bank balances by rating category</b> | <b>2026</b> | <b>2025</b> |
|-----------------------------------------|-------------|-------------|
| AAA                                     | 2.22%       | 6.70%       |
| AA+                                     | 1.90%       | 0.01%       |
| AA                                      | 10.12%      | 33.05%      |
| AA-                                     | 0.00%       | 0.01%       |
| A                                       | 0.00%       | 0.00%       |
| A+                                      | 85.75%      | 60.24%      |
|                                         | 100%        | 100%        |

### **Concentration of credit risk**

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

### **19.3 Liquidity risk**

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation 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 daily settlement of equity securities and daily redemptions at the option of unit holders. 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 in investments that are traded in an active market and can be readily disposed of and are considered readily realisable.

As per the NBFC Regulations, the Fund can borrow in the short-term to ensure settlement the maximum limit of which is fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund also has the ability to 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 in issue. The Fund did not withhold any redemptions during the year.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows. The maturity profile of the Fund's liabilities based on contractual maturities is given below:

| 2026           |                                           |                                          |                                        |                   |                                              |              |
|----------------|-------------------------------------------|------------------------------------------|----------------------------------------|-------------------|----------------------------------------------|--------------|
| Within 1 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 in '000 |                                           |                                          |                                        |                   |                                              |              |
| 5,391          | -                                         | -                                        | -                                      | -                 | -                                            | 5,391        |
| 257            | -                                         | -                                        | -                                      | -                 | -                                            | 257          |
| -              | -                                         | -                                        | -                                      | -                 | -                                            | -            |
| 2,814          | -                                         | -                                        | -                                      | -                 | -                                            | 2,814        |
| <b>8,462</b>   | <b>-</b>                                  | <b>-</b>                                 | <b>-</b>                               | <b>-</b>          | <b>-</b>                                     | <b>8,462</b> |

**Financial liabilities**  
 Payable to the MCB Investment Management Limited - Management Company  
 Payable to Central Depository Company of Pakistan - Trustee  
 Payable against purchase of investments  
 Accrued and other liabilities

| 2025           |                                           |                                          |                                        |                   |                                              |               |
|----------------|-------------------------------------------|------------------------------------------|----------------------------------------|-------------------|----------------------------------------------|---------------|
| Within 1 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 in '000 |                                           |                                          |                                        |                   |                                              |               |
| 5,541          | -                                         | -                                        | -                                      | -                 | -                                            | 5,541         |
| 49             | -                                         | -                                        | -                                      | -                 | -                                            | 49            |
| 11,272         | -                                         | -                                        | -                                      | -                 | -                                            | 11,272        |
| 3,109          | -                                         | -                                        | -                                      | -                 | -                                            | 3,109         |
| <b>19,971</b>  | <b>-</b>                                  | <b>-</b>                                 | <b>-</b>                               | <b>-</b>          | <b>-</b>                                     | <b>19,971</b> |

**Financial liabilities**  
 Payable to the MCB Investment Management Limited - Management Company  
 Payable to Central Depository Company of Pakistan - Trustee  
 Payable against purchase of investments  
 Accrued and other liabilities

### 19.4 FINANCIAL INSTRUMENTS BY CATEGORY

| 2026                                                                  |                   |                                      |           |
|-----------------------------------------------------------------------|-------------------|--------------------------------------|-----------|
|                                                                       | At amortised cost | At fair value through profit or loss | Total     |
| (Rupees in '000)                                                      |                   |                                      |           |
| <b>Financial assets</b>                                               |                   |                                      |           |
| Balances with banks                                                   | 579,448           | -                                    | 579,448   |
| Investments                                                           | -                 | 1,624,579                            | 1,624,579 |
| Profit and other receivables                                          | 7,996             | -                                    | 7,996     |
| Deposits                                                              | 2,700             | -                                    | 2,700     |
|                                                                       | 590,144           | 1,624,579                            | 2,214,723 |
| <b>Financial liabilities</b>                                          |                   |                                      |           |
| Payable to the MCB Investment Management Limited - Management Company | 5,391             | -                                    | 5,391     |
| Payable to Central Depository Company of Pakistan Limited - Trustee   | 257               | -                                    | 257       |
| Accrued and other liabilities                                         | 2,814             | -                                    | 2,814     |
|                                                                       | 8,462             | -                                    | 8,462     |

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

| <div>-----2025-----</div>                                             |                      |                                               |                  |
|-----------------------------------------------------------------------|----------------------|-----------------------------------------------|------------------|
|                                                                       | At amortised<br>cost | At fair<br>value<br>through<br>profit or loss | Total            |
| <div>----- (Rupees in '000) -----</div>                               |                      |                                               |                  |
| <b>Financial assets</b>                                               |                      |                                               |                  |
| Balances with banks                                                   | 280,462              | -                                             | 280,462          |
| Investments                                                           | -                    | 1,754,786                                     | 1,754,786        |
| Dividend, mark-up and other receivables                               | 6,439                | -                                             | 6,439            |
| Receivable against sale of investments                                | 4,960                | -                                             | 4,960            |
| Deposits                                                              | 2,700                | -                                             | 2,700            |
|                                                                       | <u>294,561</u>       | <u>1,754,786</u>                              | <u>2,049,347</u> |
| <b>Financial liabilities</b>                                          |                      |                                               |                  |
| Payable to the MCB Investment Management Limited - Management Company | 5,541                | -                                             | 5,541            |
| Payable to Central Depository Company of Pakistan Limited - Trustee   | 49                   | -                                             | 49               |
| Payable against purchase of investments                               | 11,272               | -                                             | 11,272           |
| Accrued and other liabilities                                         | 3,109                | -                                             | 3,109            |
|                                                                       | <u>19,971</u>        | <u>-</u>                                      | <u>19,971</u>    |

## 20 FAIR VALUE OF FINANCIAL INSTRUMENTS

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 statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

### 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:

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).

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

As at June 30, 2026, the Fund held the following financial instruments measured at fair values:

|                                                         |                          | 2026             |         |         |           |
|---------------------------------------------------------|--------------------------|------------------|---------|---------|-----------|
|                                                         |                          | Level 1          | Level 2 | Level 3 | Total     |
|                                                         |                          | (Rupees in '000) |         |         |           |
| Financial assets 'at fair value through profit or loss' | Listed equity securities | 1,624,579        | -       | -       | 1,624,579 |
|                                                         |                          | 1,624,579        | -       | -       | 1,624,579 |
|                                                         |                          |                  |         |         |           |
|                                                         |                          | 2025             |         |         |           |
|                                                         |                          | Level 1          | Level 2 | Level 3 | Total     |
|                                                         |                          | (Rupees in '000) |         |         |           |
| Financial assets 'at fair value through profit or loss' | Listed equity securities | 1,754,786        | -       | -       | 1,754,786 |
|                                                         |                          | 1,754,786        | -       | -       | 1,754,786 |
|                                                         |                          |                  |         |         |           |

## 21 UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund's objective when managing unit holders' funds 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, to maintain a strong base of assets to meet unexpected losses or opportunities and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets' conditions. The capital structure depends on the issuance and redemption of units.

The Fund has no restrictions on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs.100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size during the current year.

In accordance with the risk management policies as stated above, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

## 22 PATTERN OF UNITHOLDING

Details of pattern of unitholding

|                           |                      | 2026              |                       |        |
|---------------------------|----------------------|-------------------|-----------------------|--------|
| Number of unit holders    | Number of units held | Investment amount | Percentage investment |        |
|                           |                      | (Rupees in '000)  | %                     |        |
| Individuals               | 3,838                | 6,794,684         | 1,511,756             | 68.75% |
| Associated Company        | 3                    | 2,324,673         | 563,885               | 25.64% |
| Provident & Pensions fund | 8                    | 763,639           | 123,236               | 5.60%  |
| Public Limited Company    | 1                    | 42                | 9                     | 0%     |
| Others                    | 1                    | 2                 | 0                     | 0%     |
|                           | 3,851                | 9,883,040         | 2,198,887             | 100%   |

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

| ----- 2025 -----          |                           |                         |                      |                          |
|---------------------------|---------------------------|-------------------------|----------------------|--------------------------|
|                           | Number of<br>unit holders | Number of<br>units held | Investment<br>amount | Percentage<br>investment |
|                           |                           |                         | (Rupees in '000)     | %                        |
| Individuals               | 2,772                     | 8,086,692               | 1,411,923            | 69.83%                   |
| Associated Company        | 6                         | 3,011,146               | 525,741              | 26.00%                   |
| Provident & Pensions fund | 7                         | 481,924                 | 84,143               | 4.16%                    |
| Public Limited Company    | 1                         | 42                      | 7                    | 0.00%                    |
| Others                    | 1                         | 170                     | 30                   | 0.00%                    |
|                           | 2,787                     | 11,579,973              | 2,021,843            | 100%                     |

### 23 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

Details of commission paid by the Fund to top ten brokers by percentage during the year are as follows:

|    |                                                      | 2026<br>(Percentage) |
|----|------------------------------------------------------|----------------------|
| 1  | Top Line Securities (Private) Limited                | 13.44%               |
| 2  | AKIK Capital (Private) Limited                       | 11.56%               |
| 3  | Optimus Capital Management                           | 10.08%               |
| 4  | Js Global Capital Limited                            | 8.25%                |
| 5  | Ismail Iqbal Securities (Private) Limited            | 6.53%                |
| 6  | Chase Securities Pakistan (Private) Limited          | 6.48%                |
| 7  | Intermarket Securities Limited                       | 5.87%                |
| 8  | Al Habib Capital Markets (Private) Limited           | 4.98%                |
| 9  | Ktrade Securities Limited                            | 4.92%                |
| 10 | Foundation Securities (Private) Limited              | 4.57%                |
|    |                                                      | 2025<br>(Percentage) |
| 1  | Top Line Securities (Private) Limited                | 9.89%                |
| 2  | Khadim Ali Shah Bukhari Securities (Private) Limited | 6.58%                |
| 3  | Arif Habib Limited                                   | 6.37%                |
| 4  | IGI Finex Securities Limited                         | 6.21%                |
| 5  | Foundation Securities (Private) Limited              | 5.54%                |
| 6  | Taurus Securities Limited                            | 5.20%                |
| 7  | Next Capital Limited                                 | 5.11%                |
| 8  | Alfalah Securities (Private) Limited                 | 5.07%                |
| 9  | BMA Capital Management Limited                       | 4.94%                |
| 10 | AKIK Capital (Private) Limited                       | 4.60%                |



## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

### 24 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

The 206th, 207th, 208th, 209th, 210th, 211th, 212th, 213th, 214th and 215th meeting of the Board of Directors were held on July 29, 2025, August 04, 2025, August 20, 2025, September 10, 2025, October 10, 2025, October 15, 2025, January 28, 2026, February 02, 2026, April 16, 2026 and April 21, 2026 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

| Name of persons attending the meetings                | Designation             | Number of meetings held | Number of meetings  |          |               | Meetings Not Attended              |
|-------------------------------------------------------|-------------------------|-------------------------|---------------------|----------|---------------|------------------------------------|
|                                                       |                         |                         | Attendance required | Attended | Leave granted |                                    |
| Mr. Haroon Rashid                                     | Chairman                | 10                      | 10                  | 9        | 1             | 211th BOD                          |
| Mr. Ahmed Jahangir                                    | Director                | 10                      | 10                  | 10       | -             | -                                  |
| Syed Savail Meekal Hussain (Resigned on Feb 06, 2026) | Director                | 10                      | 8                   | 8        | -             | -                                  |
| Ms. Sadia Muzaffar (Appointed on Feb 07, 2026)        | Director                | 10                      | 2                   | 2        | -             | -                                  |
| Ms. Mavra Adil Khan                                   | Director                | 10                      | 10                  | 10       | -             | -                                  |
| Mr. Fahd Kamal Chinoy                                 | Director                | 10                      | 10                  | 8        | 2             | 210th BOD and 211th BOD            |
| Mr. Manzar Mushtaq                                    | Director                | 10                      | 10                  | 10       | -             | -                                  |
| Mr. Muhammad Nauman Chughtai                          | Director                | 10                      | 10                  | 7        | 3             | 208th BOD, 210th BOD and 212th BOD |
| Mr. Khawaja Khalil Shah                               | Chief Executive Officer | 10                      | 10                  | 10       | -             | -                                  |

### 25 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

| S. No. | Name                | Designation                       | Qualification | Experience in years |
|--------|---------------------|-----------------------------------|---------------|---------------------|
| 1      | Khawaja Khalil Shah | Chief Executive Officer           | MBA           | 34                  |
| 2      | Muhammad Asim       | Chief Investment Officer          | MBA, CFA      | 23                  |
| 3      | Awais Abdul Sattar  | Portfolio Manager Equities        | MBA, CFA      | 15                  |
| 4      | Saad Ahmed          | Head of Fixed Income              | MBA           | 20                  |
| 5      | Usama Iqbal         | Fund Manager - Fixed Income Funds | Graduate      | 22                  |
| 6      | Raza Inam           | Head of Research                  | BSc, CFA      | 12                  |

Mr. Awais Abdul Sattar is the Manager of the Fund as at year end. Other funds being managed by him are as follows:

- Alhamra Islamic Stock Fund
- MCB Alhamra KPK Govt Employees Pension Fund - Money Market Sub Fund
- MCB Pakistan Asset Allocation Fund
- MCB Pakistan Stock Market Fund
- Pakistan Capital Market Fund
- MCB KPK Govt Employees Pension Fund - Money Market Sub Fund

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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### 26 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2026 is 3.96% (2025: 4.81%) which includes 0.59% (2025: 0.67%) representing government levy and SECP fee.

### 27 CORRESPONDING FIGURES

Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

### 28 GENERAL

28.1 Figures have been rounded off to the nearest thousand rupees unless otherwise specified.

### 29 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 04 August, 2026 by the Board of Directors of the Management Company.

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**PATTERN OF UNITS HOLDING BY SIZE  
FOR THE YEAR ENDED JUNE 30, 2026**

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| No. of Unit Holders | Unit holdings         | Total units held |
|---------------------|-----------------------|------------------|
| 3754                | A. 001-10,000         | 2,152,196        |
| 88                  | B. 10,001 – 100,000   | 2,435,828        |
| 8                   | C. 100,001 – 1000,000 | 1,876,321        |
| 1                   | D. 1000,001 & Above   | 3,418,695        |
| <u>3,851</u>        |                       | <u>9,883,040</u> |

## PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2026

| Performance Information                            | 2026        | 2025       | 2024      | 2023      | 2022       |
|----------------------------------------------------|-------------|------------|-----------|-----------|------------|
| Total Net Assets Value – Rs. in million            | 2198.884151 | 2,021.8433 | 1487.2004 | 1288.9518 | 1,689.0710 |
| Net Assets value per unit – Rupees                 | 222.4907    | 174.5983   | 112.0957  | 65.3123   | 64.3927    |
| Closing Offer Price                                | 230.1666    | 180.6219   | 115.8957  | 67.5264   | 66.5756    |
| Highest offer price per unit                       | 245.4630    | 180.6219   | 120.0478  | 69.8956   | 83.0021    |
| Lowest offer price per unit                        | 182.4181    | 111.7428   | 66.0384   | 61.2710   | 65.5420    |
| Highest Redemption price per unit                  | 237.2769    | 174.5983   | 116.1116  | 67.6038   | 80.2806    |
| Lowest Redemption price per unit                   | 176.3346    | 108.0162   | 63.8731   | 59.2620   | 63.3930    |
| Distribution per unit – Rs. *                      |             |            |           |           |            |
| Interim                                            | 2           | 3.6        | 3.25      | -         | -          |
| Final                                              |             | -          | -         | -         | -          |
|                                                    |             |            |           |           |            |
| <b>Average Annual Return - %</b>                   |             |            |           |           |            |
| One year                                           | 28.59       | 59.06      | 80.64     | 1.43      | -17.22     |
| Two year                                           | 43.83       | 69.85      | 41.04     | -7.90     | 3.60       |
| Three year                                         | 56.10       | 47.04      | 21.62     | 2.87      | 2.14       |
|                                                    |             |            |           |           |            |
| Net Income for the year – Rs. in million           | 541         | 799.7644   | 831.631   | 29.4184   | (388.3256) |
| Distribution made during the year – Rs. in million | 19.740671   | 168.7120   | 229.44    | -         | -          |
| Accumulated Capital Growth – Rs. in million        | 521.334155  | 631.0524   | 602.1900  | 29.4184   | (388.3256) |

\* Date of Distribution

| 2026      |      |
|-----------|------|
| Date      | Rate |
| 22-Jun-26 | 2.00 |

| 2025      |      |
|-----------|------|
| Date      | Rate |
| 25-Jun-25 | 3.60 |

| 2024      |      |
|-----------|------|
| Date      | Rate |
| 26-Jun-24 | 3.25 |

| 2023 |      |
|------|------|
| Date | Rate |
| NIL  |      |

| 2022 |      |
|------|------|
| Date | Rate |
| NIL  |      |

### Disclaimer

The past performance is not necessarily indicative of future performance and unit prices and investments and returns may go down, as well as up.

**PROXY ISSUED BY FUND  
FOR THE YEAR ENDED JUNE 30, 2026**

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The Board of Directors of MCB Investment Management Limited (the Management Company of Alhamra Islamic Asset Allocation Fund – ALHAA) has an overall responsibility for the implementation of Proxy Voting Policy and Procedures which is available on the Management Company's website ([www.mcbfunds.com](http://www.mcbfunds.com)).

During the financial year ended June 30, 2026, the Management Company on behalf of ALHAA participated in thirty-seven (37) shareholders' meetings. The Management Company did not participate in shareholders' meetings in the cases which did not meet the criteria reported in Paragraph No. 8 and 9 of the Proxy Voting Policy and Procedures. Summary of actual proxies voted during the financial year are as follows:

|         | <b>Resolutions</b> | <b>For</b> | <b>Against</b> | <b>Abstain</b> | <b>Reason for Abstaining</b> |
|---------|--------------------|------------|----------------|----------------|------------------------------|
| Number  | 214                | 214        | 0              | 0              | -                            |
| (%ages) | 100                | 100        | 0              | 0              | -                            |

Detailed information regarding the actual proxies voted by the Management Company in respect of ALHAA is available free of charge, upon request, to all Unit Holders.

**MCB INVESTMENT MANAGEMENT LIMITED**

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