



MCB FUNDS
Investments for Life

ANNUAL REPORT 2026

Funds Under Management of
MCB Investment Management Limited



ALHAMRA ISLAMIC INCOME FUND

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Muhammad Nauman Chughtai Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Ms. Sadia Muzaffar Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Ms. Sadia Muzaffar Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah Mr. Muhammad Nauman Chughtai	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Ms. Sadia Muzaffar Mr. Khawaja Khalil Shah	Member Member Member Member
IT & Digital Risk Management Committee	Ms. Mavra Adil Khan Mr. Ahmed Jahangir Mr. Khawaja Khalil Shah Mr. Syed Sohail Ahmed Mr. Shabbir Hussain Mr. Muhammad Arsalan Mr. Raheel Iqbal (CISO)	Chairman Member Member Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary & Financial Controller	Mr. Muhammad Rehan Khan	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited United Bank Limited Faysal Bank Limited MCB Islamic Bank Limited Habib Bank Limited National Bank of Pakistan	Askari Bank Limited Bank Islamic Pakistan Limited Dubai Islamic Bank Limited Soneri Bank Limited Bank Al Falah Limited
Auditors	A. F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

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

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Income 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.

FUND PERFORMANCE

During the period under review, the fund generated a return of 8.85% as against its benchmark return of 9.43%. The allocation of fund was towards Cash and GoP Ijara Sukuk with the exposures standing at 71.7% and 24.3% respectively.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 16,529 million as compared to Rs. 42,777 million as at June 30, 2025 registering a decrease of 61.36%.

The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 106.2502 as compared to opening NAV of Rs. 104.2903 per unit as at June 30, 2025 registering an increase of Rs. 1.9599 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,

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

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 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.

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 Audit Committee 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 (Chairman)
6.	Mr. Fahd Kamal Chinoy	Independent Director	HR&R* Committee (Chairman)
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee IT&DRMC**Committee (Chairman)
8.	Mr. Khawaja Khalil Shah	Executive Director	HR&R* Committee 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	222,961.66	225,858.45	-
2	Muhammad Rehan Khan	Company Secretary/ Financial Controller	9,563.72	9,563.71	-
3	Syed Fakhar Imam Zaidi	Head of Internal Audit	116,248.07	112,483.90	-
4	Muhammad Nauman Chughtai	Director	1,285,668.06	1,285,668.04	-
5	Sara Mushtaq	w/o Manzar Mushtaq	1,337,790.65	-	-

EXTERNAL AUDITORS

The Fund's external auditor's **M/s. A.F Ferguson & 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. A.F Ferguson & 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. A.F Ferguson & 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

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 مینجمنٹ ٹیم کی کاوشوں کو خراج تحسین پیش کرتے ہیں۔

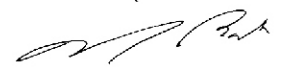
منجانب ڈائریکٹرز،

Manzar Mushtaq

منظر مشتاق

ڈائریکٹر

04 اگست 2026 ء



خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2026 ء

ڈائریکٹرز رپورٹ

n. دوران سال مینجمنٹ 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 نوٹس میں خرید و فروخت کی۔

نمبر شمار	نام	عہدہ	سرمایہ کاری	واپسی	ڈیویڈنڈ کی تقسیم
نوٹس کی تعداد					
1.	محمد آصف مہدی رضوی	چیف فنانسئل آفیسر / چیف آپریٹنگ آفیسر	222,961.66	225,858.45	-
2.	محمد ربیع خان	کمپنی سیکریٹری فنانسئل کنٹرولر	9,563.72	9,563.71	-
3.	سید فخر امام زیدی	ہیڈ آف انٹرنل آڈٹ	116,248.07	112,483.90	-
4.	محمد نعمان چغتائی	ڈائریکٹر	1,285,668.06	1,285,668.04	-
5.	سارہ مشتاق	اہلیہ منظر مشتاق	1,337,790.65	-	-

خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز M/s اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس مالی سال مختتمہ 30 جون 2026ء 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 اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی تجویز پیش کی ہے، اور بورڈ نے بھی اس تجویز کی توثیق کی ہے۔

M/s اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے خارجی آڈیٹرز کے طور پر کام کرنے کے لیے رضامندی کا اظہار کیا ہے۔

ڈائریکٹرز رپورٹ

2. ہیومن ریسورس اور ریمونزیشن کمیٹی کی میٹنگز

دوران سال، ہیومن ریسورس اور ریمونزیشن 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 سکیورٹی (معلومات کی حفاظت) کے شعبے کو آؤٹ سورس کر کے رسک ایسو سیٹس کو سوئپ دیا ہے۔ اس انتظام کے تحت رسک ایسو سیٹس نے اپنی جانب سے جناب راحیل اقبال کو چیف انفارمیشن سکیورٹی آفیسر (سی آئی ایس او) کے طور پر نامزد کیا ہے۔

ڈائریکٹرز رپورٹ

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

* 07 فروری 2026ء کو تقرری ہوئی

** 06 فروری 2026ء کو مستعفی ہو گئے

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:

a. 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؛

b. کمپنی کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں؛

c. 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؛

d. مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیارات (جس حد تک ان کا پاکستان میں اطلاق ہوتا ہے) نان-بینکنگ فائننس کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشنز) رولز 2003، نان-بینکنگ فائننس 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؛

e. انٹرئل 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؛

f. کمپنی کے کاروبار جاری رکھنے کی صلاحیت میں کوئی بڑے شبہات نہیں ہیں؛

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؛

ڈائریکٹرز رپورٹ

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

* ہیومن ریسورس اینڈ ریمونریشن

** آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی

برائے جون 2025 کے بعد سے فکسڈ انکم اور فکسڈ 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 2026 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 فکسڈ 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 کاؤٹ 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۔

ہولڈنگ کمپنی

18 اپریل 2023ء کو ایم سی بی بینک لمیٹڈ (ایم سی بی) نے، ایم سی بی-عارف حبیب سیونگزنڈ انویسٹمنٹس لمیٹڈ (ایم سی بی-اے ایچ) کی پیرنٹ (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۔

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 کی 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 کی 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۔

حاملین قرض کے لیے ہمیں اُمید ہے کہ منی مارکیٹ فنڈ سال بھر پالیسی شرحوں کی بلا رُکاوٹ عکاسی جاری رکھیں گے۔

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

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 8.85 فیصد منافع بنایا، جبکہ اس کے بالمقابل بنچ مارک منافع 9.43 فیصد تھا۔
 فنڈ کی سرمایہ کاری نقد اور حکومت پاکستان کے اجارہ سٹک میں بالترتیب 71.7 فیصد، اور نقد میں 24.3 فیصد تھی۔
 30 جون 2026ء کو فنڈ کے net اثاثہ جات 16,529 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 42,777 ملین روپے تھے، چنانچہ 61.36 فیصد کمی ہوئی۔
 30 جون 2026ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 106.2502 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی فی یونٹ 104.2903 روپے تھی، چنانچہ 1.9599 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۔
 برینٹ 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۔

عالمی سطح پر تیل کی قیمتوں اور ریفرنسری 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

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامک انکم 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 کی 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 زیرِ مبادلہ 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 اشیائے 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 Income Fund is an Open-End Shariah Compliant (Islamic) Income Scheme.

Fund Benchmark

75% Six (6) months PKISRV rates + 25% Six (6) 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.

Investment Objective

To generate superior risk adjusted returns by investing in short, medium and long-term Shariah Compliant Fixed income instruments.

Investment Strategy

The Fund shall seek to provide the investors with a rate of return consistent with a broadly diversified portfolio of long, medium and short term, high quality Shariah Compliant fixed income instruments.

Manager's Review

During the period under review, the fund generated a return of 8.85% as against its benchmark return of 9.43%. The fund was 2.5% invested in Sukuks 24.3% in GoP Ijara Sukuk while remaining exposure was in Cash.

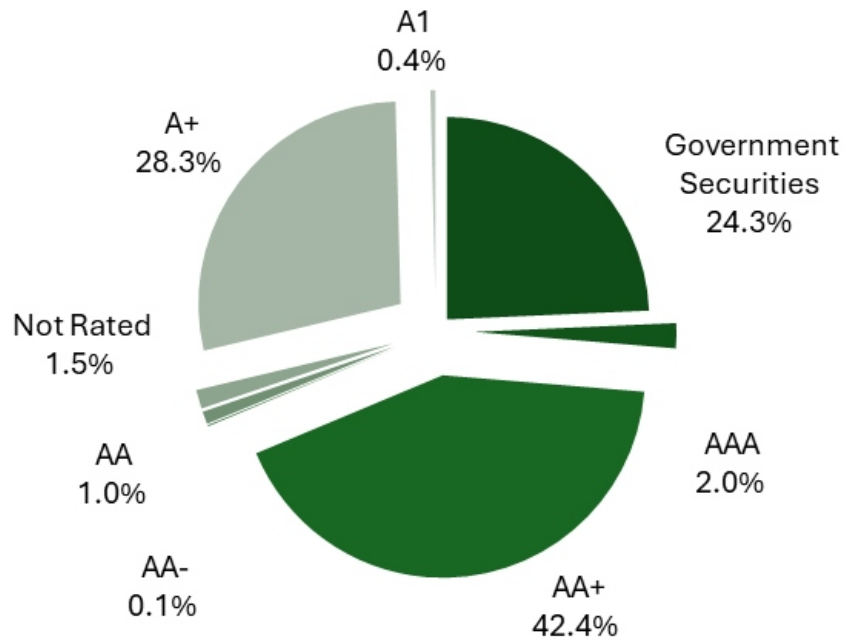
The Net Assets of the Fund as at June 30, 2026 stood at Rs. 16,529 million as compared to Rs. 42,777 million as at June 30, 2025 registering a decrease of 61.36%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 106.2502 as compared to opening NAV of Rs. 104.2903 per unit as at June 30, 2025 registering an increase of Rs. 1.9599 per unit.

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

Asset Allocation (%age of Total Assets)	Jun-26
Cash	71.7%
Sukuks	2.5%
GoP Ijara Sukuk	24.3%
Others including Receivables	1.5%

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

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



Syed Mohammad Usama Iqbal
Fund Manager

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

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TRUSTEE REPORT TO THE UNIT HOLDERS

ALHAMRA ISLAMIC INCOME 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 Income 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 17, 2026



REPORT OF THE SHARIAH ADVISORY BOARD

Karachi: July 30, 2026

REPORT OF THE SHARIAH ADVISORY BOARD

Alhamdulillah, We the Shariah Advisory Board of the Fund, are issuing this report in accordance with the Offering document of **Alhamra Islamic Income Fund** (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 Income Fund (ALHIIF) in the light of the Shariah guidelines.
- All the provisions of the scheme and investments made on account of ALHIIF 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 ALHIIF for the year ended June 30, 2026 have been in compliance with Shariah principles.

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

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

To the unit holders of Alhamra Islamic Income 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 Income 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.

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Islamabad Office West Lower Ground, Pak Plaza (19-A) Fazl-e-Haq Road, Blue Area, Islamabad (Pakistan)

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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

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



A.F. FERGUSON & CO.

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of Alhamra Islamic Income Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Alhamra Islamic Income 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, statement of movements in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2026, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Following is the key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 5 & 6 to the financial statements) Balances with banks and investments constitute the most significant components of the net asset value. Balances with banks aggregated to Rs. 11,922.843 million and investments of the Fund amounted to Rs. 4,450.261 million as at June 30, 2026. The existence of balances with banks and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 were considered high risk areas and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: - Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2026 and traced them with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; - Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and - Obtained bank reconciliation statements and tested reconciling items on a sample basis.

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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

The Management Company (MCB Investment Management Limited) 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 Company and Board of Directors of Management Company for the Financial Statements

The Management Company (MCB Investment Management Limited) 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 is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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A.F. FERGUSON & Co.

- Conclude on the appropriateness of 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.

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 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, we further report that in our opinion:

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

The engagement partner on the audit resulting in this independent auditor's report is **Junaid Mesia**.

A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: September 28, 2026
UDIN: AR202610611L1CzEles0

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2026

	Note	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
ASSETS			
Balances with banks	5	11,922,843	18,625,054
Receivable against conversion of units		-	5,330,356
Investments	6	4,450,261	18,792,933
Profit receivables	7	111,282	470,125
Advances, deposits, prepayments and other receivables	8	118,946	135,496
Total assets		16,603,332	43,353,964
LIABILITIES			
Payable against redemption and conversion of units		-	283,738
Payable to MCB Investment Management Limited - Management Company	9	8,634	46,424
Payable to Central Depository Company of Pakistan Limited - Trustee	10	847	518
Payable to the Securities and Exchange Commission of Pakistan	11	736	1,932
Accrued expenses and other liabilities	12	63,796	244,388
Total liabilities		74,013	577,000
NET ASSETS		16,529,319	42,776,964
Unit holders' fund (as per statement attached)		16,529,319	42,776,964
Contingencies and commitments	13	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		155,569,844	410,171,831
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		106.2502	104.2903

The annexed notes from 1 to 28 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	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
INCOME			
Profit on savings accounts with banks		1,126,768	1,783,656
Income from government securities		1,929,179	2,944,946
Income from corporate sukuk certificates		108,839	304,731
Profit on term deposit receipts and certificates of musharakah		95,160	80,535
Profit on Bai muajjal		57,310	486,068
Net realised (loss) / gain on sale of investments		(393,289)	110,874
Other income		3,121	1,654
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.6	(67,100)	516,527
		<u>2,859,988</u>	<u>6,228,991</u>
EXPENSES			
Remuneration of MCB Investment Management Limited - Management Company	9.1	263,759	548,369
Sindh Sales Tax on remuneration of the Management Company	9.2	39,564	82,255
Allocated expenses		-	9,026
Sindh Sales Tax on allocated expense		-	1,354
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	24,368	31,189
Sindh Sales Tax on remuneration of the Trustee	10.2	3,655	4,678
Fee to the Securities and Exchange Commission of Pakistan	11.1	24,367	31,188
Auditors' remuneration	14	1,611	1,227
Legal and professional charges		203	204
Brokerage and settlement charges		6,845	15,908
Bank charges		789	1,240
Fees and subscription		691	623
Shariah advisory fee		529	368
Total expenses		<u>366,381</u>	<u>727,629</u>
Net income for the year before taxation		<u>2,493,607</u>	<u>5,501,362</u>
Taxation	17	-	-
Net income for the year after taxation		<u><u>2,493,607</u></u>	<u><u>5,501,362</u></u>
Allocation of net income for the year			
Net income for the year after taxation		2,493,607	5,501,362
Income already paid on units redeemed		(2,109,268)	(4,823,753)
		<u>384,339</u>	<u>677,609</u>
Accounting income available for distribution			
- Relating to capital gains		55,118	76,609
- Excluding capital gains		329,221	601,000
		<u>384,339</u>	<u>677,609</u>

The annexed notes from 1 to 28 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

	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
Net income for the year after taxation	2,493,607	5,501,362
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>2,493,607</u>	<u>5,501,362</u>

The annexed notes from 1 to 28 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

	June 30, 2026			June 30, 2025		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at the beginning of the year	42,597,561	179,403	42,776,964	12,190,844	107,589	12,298,433
Issuance of 757,862,741 units (2025: 1,690,438,741 units)						
- Capital value (at ex-net asset value per unit at the beginning of the year)	79,037,733	-	79,037,733	175,908,234	-	175,908,234
- Element of income	2,909,477	-	2,909,477	11,642,342	-	11,642,342
Total proceeds on issuance of units	81,947,210	-	81,947,210	187,550,576	-	187,550,576
Redemption of 1,012,646,728 units (2025: 1,398,452,098 units)						
- Capital value (at ex-net asset value per unit at the beginning of the year)	(105,590,250)	-	(105,590,250)	(145,523,900)	-	(145,523,900)
- Element of income	(2,506,083)	(2,109,268)	(4,615,351)	(8,405,716)	(4,823,753)	(13,229,469)
Total payments on redemption of units	(108,096,333)	(2,109,268)	(110,205,601)	(153,929,616)	(4,823,753)	(158,753,369)
Total comprehensive income for the year	-	2,493,607	2,493,607	-	5,501,362	5,501,362
Distribution for the year ended June 30, 2026						
@ Rs. 7.1341 per unit (declared on June 17, 2026)	-	(197,723)	(197,723)	-	-	-
Refund of capital for the year ended June 30, 2026	(285,138)	-	(285,138)	-	-	-
Distribution for the year ended June 30, 2025						
@ Rs. 15.6063 per unit (declared on June 21, 2025)	-	-	-	-	(605,795)	(605,795)
Refund of capital for the year ended June 30, 2025	-	-	-	(3,214,243)	-	(3,214,243)
Net income for the year less distribution	(285,138)	2,295,884	2,010,746	(3,214,243)	4,895,567	1,681,324
Net assets at the end of the year	16,163,300	366,019	16,529,319	42,597,561	179,403	42,776,964
Undistributed income brought forward						
- Realised (loss) / income		(337,124)			60,786	
- Unrealised income / (loss)		516,527			46,803	
		179,403			107,589	
Accounting income available for distribution						
- Relating to capital gains	55,118			76,609		
- Excluding capital gains	329,221			601,000		
	384,339			677,609		
Distributions made during the year	(197,723)			(605,795)		
Undistributed income carried forward	366,019			179,403		
Undistributed income carried forward						
- Realised income / (loss)	433,119			(337,124)		
- Unrealised (loss) / income	(67,100)			516,527		
	366,019			179,403		
	(Rupees)			(Rupees)		
Net asset value per unit at the beginning of the year	104.2903			104.0607		
Net asset value per unit at the end of the year	106.2502			104.2903		

The annexed notes from 1 to 28 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

	Note	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		2,493,607	5,501,362
Adjustments for:			
Profit on savings accounts with banks and debt securities		(2,635,914)	(5,045,007)
Net unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.6	67,100 (75,207)	(516,527) (60,172)
Decrease / (increase) in assets			
Investments - net		14,275,572	(10,121,225)
Receivable against conversion of units		5,330,356	-
Advances, deposits, prepayments and other receivables		16,550	(94,252)
		19,622,478	(10,215,477)
(Decrease) / increase in liabilities			
Payable to MCB Investment Management Limited - Management Company		(37,790)	25,784
Payable to Central Depository Company of Pakistan Limited - Trustee		329	(328)
Payable to the Securities and Exchange Commission of Pakistan		(1,196)	1,183
Payable against redemption and conversion of units		(283,738)	-
Accrued expenses and other liabilities		(180,592)	190,197
		(502,987)	216,836
Profit received on savings accounts with banks and debt securities		2,994,757	5,006,973
Net cash generated from / (used in) operating activities		22,039,041	(5,051,840)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units - net of refund of capital		81,662,072	179,005,977
Payments against redemption and conversion of units		(110,205,601)	(158,469,631)
Dividend paid		(197,723)	(605,795)
Net cash (used in) / generated from financing activities		(28,741,252)	19,930,551
Net (decrease) / increase in cash and cash equivalents during the year		(6,702,211)	14,878,711
Cash and cash equivalents at the beginning of the year		18,625,054	3,746,343
Cash and cash equivalents at the end of the year	15	11,922,843	18,625,054

The annexed notes from 1 to 28 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

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Income Fund (the Fund) was established through a Trust Deed executed between MCB Investment Management Limited, as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The draft Trust Deed of the Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated January 25, 2011 consequent to which Trust Deed was executed on March 07, 2011 in accordance with the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules), and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to promulgation of Provisional Trust Act namely "Sindh Trusts Act, 2021" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Consequently, the Fund was registered under the Sindh Trust Act on August 12, 2021.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company 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-end collective investment scheme and is listed on the Pakistan Stock Exchange Limited. The principal objective of the Fund is to seek to generate risk adjusted returns by investing in short, medium and long-term Shariah Compliant Fixed Income instruments. The units of the Fund were initially offered for public subscription at a par value of Rs 100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The Fund has been categorised as a "Shariah Compliant Islamic Income scheme" by the Board of Directors of the Management Company in accordance with the requirements of Circular 7 of 2009 dated March 6, 2009 issued by the SECP.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 03, 2025 (2025: 'AM1' dated October 04, 2024) to the Management Company and AA(f) as stability rating dated April 24, 2026 (2025: "AA(f)" dated May 05, 2025) to the Fund. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 The title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 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;
- 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 Regulation) 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.

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

3.2 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current year

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and therefore have not been disclosed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2026. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) effective for annual accounting periods beginning on or after January 1, 2027. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers effective for annual accounting periods beginning on or after January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

3.4 Critical accounting estimates and judgments

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.1 and 6).

3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for certain investments which have been classified as 'at fair value through profit or loss' and which are measured at fair value. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 21.

3.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistani Rupees, which is the Fund's functional and presentation currency.

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Financial assets

4.1.1 Initial recognition and measurement

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

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

4.1.2 Classification and subsequent measurement

4.1.2.1 Debt instruments

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

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

based on the business model of the entity.

However, IFRS 9 also provides an option whereby securities managed as a portfolio or group of assets and whose performance is measured on a fair value basis, to be recognized at FVTPL. The Fund is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. Therefore the management considers its investment in debt securities as being managed as a group of assets and hence has classified them as FVTPL.

4.1.2.2 Cash and cash equivalents

Cash and cash equivalents are carried in the Statement of Assets and Liabilities at amortised cost. These comprise balances with banks in savings and current accounts and other short-term highly liquid investments with original maturities of three months or less.

4.1.3 Impairment

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

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

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

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

4.1.4 Impairment loss on debt securities

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

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

4.1.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within the time frame established by regulation or market convention (which is generally one business day (T+1) for debt securities or same day (T+0) for money market placements).

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

4.1.6 Derecognition

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

4.2 Financial liabilities

4.2.1 Classification and subsequent measurement

Financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value and subsequently stated at amortised cost.

4.2.2 Derecognition

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

4.3 Offsetting of financial assets and financial liabilities

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

Income and expenses are presented on a net basis only when permitted by the accounting and reporting standards as applicable in Pakistan.

4.4 Provisions

Provisions are recognised when the Fund has a present, legal or constructive, obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Net asset value per unit

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

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 Management Company / distributors during business hours on that day. The offer price represents the Net Asset Value (NAV) per unit as at the close of the business day, plus the allowable sales load, provision of any duties and charges and provision for transaction costs, if applicable. The sales load is payable to the Management Company / distributors.

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

4.7 Distributions to unit holders

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

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements of the year in which such distributions are declared and approved by the Board of Directors of the Management Company.

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

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

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

4.9 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement, on the date when the transaction takes place;
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;
- Income on corporate sukuks and government securities is recognised on a time proportionate basis using the effective yield method, except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on cash basis; and
- Profit on savings accounts with bank is recognised on time proportion basis using the effective yield method.

4.10 Expenses

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

4.11 Taxation

Current

Provision for current taxation is based on taxable income at the current rates of taxes after taking into account tax credits and rebates, if any. The charge for current tax is calculated using the prevailing tax rates.

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, for the purpose of determining distribution of at least 90 percent of the accounting income, the income distributed through bonus units shall not be taken into account.

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.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit.

The deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse, based on enacted tax rates.

	Note	June 30, 2026	June 30, 2025
		----- (Rupees '000) -----	
5 BALANCES WITH BANKS			
- In savings accounts	5.1	11,784,157	18,594,261
- In current accounts	5.2	138,686	30,793
		<u>11,922,843</u>	<u>18,625,054</u>

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

- 5.1** These carry profit at the rates ranging from 10.75% to 11.45% (2025: 10.00% to 10.25%) per annum and include Rs. 4,702.47 million (2025: Rs. 3,057.99 million) maintained with MCB Islamic Bank Limited (a related party) which carries profit at the rate of 11.45% (2025: 10.25%) per annum.
- 5.2** These include balance held with MCB Bank Limited (a related party) of Rs. 138.63 million (2025: Rs. 29.48 million).

	Note	June 30, 2026	June 30, 2025
		----- (Rupees '000) -----	
6 INVESTMENTS			
Investments at 'fair value through profit or loss'			
Unlisted securities - Corporate sukus	6.1	416,469	558,114
Listed securities - Corporate sukus	6.2	-	405,500
GoP ijarah sukus	6.3	4,033,792	17,829,319
Bai muajjal certificates	6.4	-	-
Certificates of musharakah	6.5	-	-
		<u>4,450,261</u>	<u>18,792,933</u>

6.1 Unlisted securities - Corporate sukus

Sukus have a face value of Rs. 1,000,000 each unless stated otherwise

Name of the investee company	Principal redemptions	Issue date	Maturity date	Profit rate (%)	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation / (dimunation)	net assets of the Fund	total market value of investments
					----- Number of sukus -----				----- (Rupees '000) -----			----- % -----	
Commercial banks													
Dubai Islamic Bank Pakistan Limited (AA-, VIS, traded)	At maturity	December 2, 2021	December 2, 2032	6 months KIBOR plus base rate of 0.70%	22	-	-	22	22,139	22,220	81	0.13	0.50
Faysal Bank Limited (AA, VIS, non traded)	At maturity	May 25, 2026	May 24, 2036	6 months KIBOR plus base rate of 0.45%	-	150	-	150	150,000	150,000	-	0.91	3.37
Meezan Bank Limited (AAA, VIS, non traded)	At maturity	December 16, 2021	December 16, 2031	6 months KIBOR plus base rate of 0.35%	189	-	-	189	185,975	185,916	(59)	1.12	4.18
Engineering													
Mughal Iron & Steel Industries Limited (A+, VIS, non traded)	At maturity	November 14,2025	August 17,2026	3 Months KIBOR plus base rate of 1.3%	-	25	17	8	8,333	8,333	-	0.05	0.19
Food and personal care products													
At-Tahur Limited (A- VIS, non traded)	At maturity	June 3, 2025	December 2, 2025	6 Months KIBOR plus base rate of 1.5%	100	-	100	-	-	-	-	-	-
Textile composite													
Masood Textile Mills Limited (A- PACRA, non traded)	At maturity	May 21, 2025	November 21, 2025	6 Months KIBOR plus base rate of 0.95%	250	-	250	-	-	-	-	-	-
Masood Spinning Mills Ltd (A- PACRA, non traded)	At maturity	February 10,2026	August 10,2026	3 Months KIBOR plus base rate of 0.85%	-	50	-	50	50,000	50,000	-	0.30	1.12
Nishat Mills Limited (AA, PACRA, non traded)	At maturity	November 06,2025	May 06,2026	3 Months KIBOR plus base rate of 0%	-	750	750	-	-	-	-	-	-
Total as at June 30, 2026									416,447	416,469	22	2.51	9.36
Total as at June 30, 2025									560,778	558,114	(2,664)		

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

6.2 Listed securities - Corporate sukuks

Sukuks have a face value of Rs. 5,000 each unless stated otherwise

Name of the security	Principal redemption	Issue date	Maturity date	Profit rate (%)	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
----- Number of sukuk -----									----- (Rupees '000) -----			----- % -----	
Energy													
Pakistan Energy Sukuk - II (Unrated, traded)	At maturity	May 21, 2020	May 21, 2030	6 months KIBOR less base rate of 0.10%	81,100	-	81,100		-	-	-	-	-
Total as at June 30, 2026									-----				
Total as at June 30, 2025									405,987 405,500 (487)				

6.3 GoP Ijarah sukuk

Name of the security	Tenor	Issue date	Maturity date	Profit / yield rate (%)	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
					----- Number of sukuk -----				----- (Rupees '000) -----			----- % -----	
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	August 16, 2024	August 15, 2025	0.00%	69,000	-	69,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	September 18, 2024	September 17, 2025	0.00%	199	2	201	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	October 21, 2024	October 20, 2025	0.00%	217,600	7,000	224,600	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	November 07, 2024	November 06, 2025	0.00%	450,000	292,001	742,001	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	December 04, 2024	December 03, 2025	0.00%	463,619	759,633	1,223,252	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	January 9, 2025	January 8, 2026	0.00%	187,500	37,500	225,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	May 30, 2025	May 29, 2026	0.00%	240,000	395,001	635,001	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	June 26, 2025	June 25, 2026	0.00%	37,500	99,702	137,202	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	July 24, 2025	July 23, 2026	0.00%	-	34,978	7,110	27,868	138,655	138,420	(235)	0.84	3.11
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	August 21, 2025	August 20, 2026	0.00%	-	779,213	779,213	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	October 15, 2025	October 14, 2026	0.00%	-	300,000	300,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	November 14, 2025	November 13, 2026	0.00%	-	2	1	1	5	5	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	January 22, 2026	January 21, 2027	0.00%	-	345,000	267,060	77,940	367,165	366,552	(613)	2.22	8.24
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	February 09, 2026	February 08, 2027	0.00%	-	100,000	100,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	March 26, 2026	March 25, 2027	0.00%	-	23	1	22	102	101	(1)	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	April 16, 2026	April 15, 2027	0.00%	-	50,000	50,000	-	-	-	-	-	-

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

Name of the security	Tenor	Issue date	Maturity date	Profit / yield rate (%)	As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
----- Number of sukus -----						----- (Rupees '000) -----			----- % -----				
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	May 14, 2026	May 13, 2027	0.00%	-	1	-	1	5	5	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	1 year	June 24, 2026	June 23, 2027	0.00%	-	75,000	-	75,000	336,606	336,675	69	2.04	7.57
GoP Ijarah Sukuk - XXIV - VRR (note 6.3.1)	3 years	June 26, 2023	June 26, 2026	18.49%	2,250	1,000	3,250	-	-	-	-	-	-
GoP Ijarah Sukuk - VRR - XLI (note 6.3.1)	3 years	December 4, 2023	December 4, 2026	Weighted Average 6 months T-Bills	2,500	-	2,500	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	3 years	June 28, 2024	June 28, 2027	15.80%	103,000	-	100,100	2,900	15,140	15,055	(85)	0.09	0.34
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	3 years	June 28, 2024	June 28, 2027	Weighted Average 6 months T-Bills	40,993	5,000	45,993	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	3 years	September 18, 2024	September 18, 2027	13.89%	-	40,000	40,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	3 years	October 21, 2024	October 21, 2027	12.00%	113,610	25,000	138,610	-	-	-	-	-	-
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	3 years	October 21, 2024	October 21, 2027	Weighted Average 6 months T-Bills	9,998	59,997	69,995	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	3 years	January 9, 2025	January 9, 2028	11.50%	12,500	12,500	25,000	-	-	-	-	-	-
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	3 years	January 9, 2025	January 9, 2028	Weighted Average 6 months T-Bills	24,778	12,500	37,278	-	-	-	-	-	-
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	3 years	May 19, 2025	May 19, 2028	Weighted Average 6 months T-Bills	15,000	15,000	30,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	3 years	May 30, 2025	May 30, 2028	10.85%	20,000	77,500	97,001	499	2,494	2,463	(31)	0.01	0.06
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	3 years	January 22, 2026	January 22, 2029	9.63%	-	75,204	9,887	65,317	325,292	313,522	(11,770)	1.90	7.05
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	3 years	June 18, 2026	June 18, 2029	12.10%	-	125,000	-	125,000	625,000	627,375	2,375	3.80	14.10
GoP Ijarah Sukuk - VRR - XXIII (note 6.3.1)	5 years	October 6, 2021	October 6, 2026	Weighted Average 6 months T-Bills	1,600	-	1,600	-	-	-	-	-	-
GoP Ijarah Sukuk - VRR - XXVI (note 6.3.1)	5 years	October 26, 2022	October 26, 2027	Weighted Average 6 months T-Bills	2,000	-	2,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	January 24, 2024	January 24, 2029	15.49%	532,200	328,027	822,429	37,798	204,877	204,298	(579)	1.24	4.59
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	May 10, 2024	May 10, 2029	15.48%	-	30,000	30,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	June 28, 2024	June 28, 2029	15.10%	112,000	20,021	132,000	21	112	114	2	0.00	0.00
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	5 years	June 28, 2024	June 28, 2029	Weighted Average 6 months T-Bills	996	13,000	13,996	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	September 18, 2024	September 18, 2029	13.85%	7,999	5,000	12,800	199	1,063	1,040	(24)	0.01	0.02
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	October 21, 2024	October 21, 2029	12.53%	257,280	97,502	160,928	193,854	1,013,718	990,497	(23,221)	5.99	22.26
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	5 years	October 21, 2024	October 21, 2029	Weighted Average 6 months T-Bills	-	100,000	100,000	-	-	-	-	-	-

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

Name of the security	Tenor	Issue date	Maturity date	Profit / yield rate (%)	As at July 1, 2025	Purchased during the period	Sold / matured during the period	As at June 30, 2026	Balance as at June 30, 2026			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
					----- Number of sukuk -----				----- (Rupees '000) -----			----- % -----	
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	January 9, 2025	January 9, 2030	11.99%	25,000	69,000	92,401	1,599	8,170	8,013	(158)	0.05	0.18
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	5 years	January 9, 2025	January 9, 2030	Weighted Average 6 months T-Bills	12,480	12,100	24,580	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	May 30, 2025	May 30, 2030	10.87%	227,500	436,225	630,197	33,528	167,453	163,717	(3,736)	0.99	3.68
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	5 years	May 30, 2025	May 30, 2030	Weighted Average 6 months T-Bills	25,000	90,000	115,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	September 30, 2025	September 30, 2030	11.14%	-	525,003	525,000	3	15	14	(1)	0.00	0.00
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	5 years	January 22, 2026	January 22, 2031	9.87%	-	115,068	31,048	84,020	403,520	395,230	(8,290)	2.39	8.88
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	10 years	September 18, 2024	September 18, 2034	13.04%	99,500	-	99,500	-	-	-	-	-	-
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	10 years	October 21, 2024	October 21, 2034	Weighted Average 6 months T-Bills	32,891	-	32,891	-	-	-	-	-	-
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	10 years	May 30, 2025	May 30, 2035	Weighted Average 6 months T-Bills	13,000	201,000	214,000	-	-	-	-	-	-
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	10 years	July 24, 2025	July 24, 2035	0.00%	-	50,000	1	49,999	95,820	85,623	(10,197)	0.52	1.92
GoP Ijarah Sukuk - FRR - PSX (note 6.3.2)	10 years	January 22, 2036	January 22, 2036	0.00%	-	50,000	1	49,999	95,819	83,573	(12,246)	0.51	1.88
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	10 years	January 22, 2036	January 22, 2036	Weighted Average 6 months T-Bills	-	75,000	75,000	-	-	-	-	-	-
GoP Ijarah Sukuk - VRR - PSX (note 6.3.2)	10 years	April 16, 2026	April 16, 2036	Weighted Average 6 months T-Bills	-	60,000	-	60,000	299,883	301,500	1,617	1.82	6.77
Total as at June 30, 2026									4,100,914	4,033,792	(67,124)		
Total as at June 30, 2025									17,309,642	17,829,319	519,677		

6.3.1 The nominal value of these sukuk is Rs.100,000 each.

6.3.2 The nominal value of these sukuk is Rs.5,000 each.

6.4 Bai muajjal certificates

Name of the investee company	Issue date	Maturity date	Profit rate (%)	As at July 1, 2025	Placed during the year	Matured during the year	Balance as at June 30, 2026			Market value as a percentage of	
							Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
(Rupees in '000)										%	
Ministry Of Finance - Bai Muijal (Psx Ijara)	October 09, 2025	April 09, 2026	10.48%	-	1,097,250	1,097,250	-	-	-	-	-
Total as at June 30, 2026							-	-	-		
Total as at June 30, 2025							-	-	-		

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

6.5 Certificates of musharakah

Name of the investee company	Issue date	Maturity date	Profit rate (%)	As at July 1, 2025	Placed during the year	Matured during the year	Balance as at June 30, 2026			Market value as a percentage of	
							Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
Habib Bank Limited (AAA, VIS)	July 14, 2025	July 18, 2025	10.30%	-	2,000,000	2,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	August 01, 2025	August 08, 2025	10.40%	-	3,000,000	3,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	August 13, 2025	August 22, 2025	10.50%	-	3,000,000	3,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	August 13, 2025	August 22, 2025	10.50%	-	1,000,000	1,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	August 15, 2025	August 21, 2025	10.25%	-	4,000,000	4,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	August 29, 2025	September 01, 2025	10.40%	-	4,000,000	4,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	August 29, 2025	September 05, 2025	10.50%	-	3,000,000	3,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	August 29, 2025	September 05, 2025	10.50%	-	1,000,000	1,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	September 12, 2025	September 15, 2025	10.50%	-	4,000,000	4,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	September 12, 2025	September 19, 2025	10.55%	-	1,000,000	1,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	September 12, 2025	September 19, 2025	10.55%	-	3,000,000	3,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	September 26, 2025	September 29, 2025	10.40%	-	4,000,000	4,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	September 26, 2025	September 29, 2025	10.50%	-	1,000,000	1,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	September 26, 2025	September 29, 2025	10.50%	-	3,000,000	3,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	October 24, 2025	October 27, 2025	10.25%	-	3,000,000	3,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	December 05, 2025	December 08, 2025	10.25%	-	1,700,000	1,700,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	December 19, 2025	December 22, 2025	9.90%	-	2,500,000	2,500,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	December 22, 2025	December 26, 2025	10.15%	-	2,500,000	2,500,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	December 26, 2025	December 29, 2025	10.10%	-	3,200,000	3,200,000	-	-	-	-	-
Habib Bank Limited (AAA, VIS)	December 29, 2025	December 30, 2025	10.00%	-	1,500,000	1,500,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	December 29, 2025	December 30, 2025	10.10%	-	3,000,000	3,000,000	-	-	-	-	-
Habib Bank Limited (AAA, VIS)	December 30, 2025	December 31, 2025	10.10%	-	3,300,000	3,300,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	December 31, 2025	January 05, 2026	10.10%	-	3,300,000	3,300,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	January 02, 2026	January 09, 2026	10.00%	-	1,000,000	1,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	January 07, 2026	January 19, 2026	10.10%	-	2,300,000	2,300,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	January 16, 2026	January 19, 2026	9.65%	-	4,150,000	4,150,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	January 30, 2026	February 02, 2026	9.75%	-	3,950,000	3,950,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	February 13, 2026	February 16, 2026	9.70%	-	3,700,000	3,700,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	February 27, 2026	March 02, 2026	9.80%	-	3,500,000	3,500,000	-	-	-	-	-
Total as at June 30, 2026							-	-	-	-	-
Total as at June 30, 2025							-	-	-	-	-

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

	Note	June 30, 2026	June 30, 2025	
		----- (Rupees '000) -----		
6.6	Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'			
	Market value of investments	6.1, 6.2 & 6.3	4,450,261	
	Less: Carrying value of investments	6.1, 6.2 & 6.3	(4,517,361)	
			(67,100)	
			516,527	
7	PROFIT RECEIVABLES			
	Profit receivable on:			
	- Savings accounts		24,225	
	- Corporate sukuks		6,649	
	- GoP Ijarah sukuks		80,407	
			111,282	
			470,125	
8	ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES			
	Security deposits with:			
	- National Clearing Company of Pakistan Limited (NCCPL)		2,500	
	- Central Depository Company of Pakistan Limited (CDC)		100	
	Prepayments		365	
	Other receivables		109,791	
	Advance tax	8.1	6,190	
			118,946	
			135,496	
8.1	As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, during prior years, withholding tax on profit on debt securities and profit on savings accounts with banks paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on profit on debt securities and profit on savings accounts with banks amounts to Rs. 6.19 million (2025: Rs. 13.39 million).			
	For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on debt securities and profit on savings accounts with banks paid to the Fund has been shown as Advance tax as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will be refunded.			
9	PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	June 30, 2026	June 30, 2025
			----- (Rupees '000) -----	
	Management remuneration payable	9.1	6,160	37,048
	Sindh Sales Tax payable on remuneration of Management Company	9.2	924	5,557
	Sales load payable		1,497	3,788
	Shariah advisory fee payable		53	31
			8,634	46,424
9.1	In accordance with the NBFC Regulations, 2008, as amended by the SECP vide SRO No. 600(1)/2025 dated April 10, 2025, the Fund may charge a management fee up to 1.50% per annum on average daily net assets of the Fund, applicable to 'Income Schemes', with effect from July 01, 2025. Previously, the Management Company was entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Accordingly, the Fund has charged management fee at the rates ranging from 0.50% to 1.50% (2025: 0.95% to 2.00%) per annum.			

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

The management fee is calculated on a daily basis and paid to the Management Company on a monthly basis in arrears.

- 9.2** Sindh Sales Tax on remuneration of the management company has been charged at the rate of 15% (June 30, 2025: 15%).

10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	June 30, 2026	June 30, 2025
		----- (Rupees '000) -----	----- (Rupees '000) -----
Trustee remuneration payable	10.1	737	450
Sindh Sales Tax payable on Trustee remuneration	10.2	110	68
		<u>847</u>	<u>518</u>

- 10.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.075% (2025: 0.075%) per annum of the average annual net assets of the Fund.

- 10.2** Sindh Sales Tax on remuneration of the Trustee has been charged at the rate of 15% (June 30, 2025: 15%).

11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	June 30, 2026	June 30, 2025
		----- (Rupees '000) -----	----- (Rupees '000) -----
Fee payable	11.1	736	1,932

- 11.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (2025: 0.075%) per annum of the daily net assets during the year.

The Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

12 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	June 30, 2026	June 30, 2025
		----- (Rupees '000) -----	----- (Rupees '000) -----
Provision for federal excise duty payable on			
- Remuneration of the Management Company	12.1	8,639	8,639
- Sales load		3,028	3,028
Auditors' remuneration payable		1,014	841
Brokerage and settlement charges payable		1,185	1,084
Legal and professional charges payable		738	739
Capital gain tax payable		49,192	230,057
		<u>63,796</u>	<u>244,388</u>

- 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 and sales load were 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 Sindh High Court (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.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load 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. 11.66 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 Re. 0.07 (2025: Re. 0.03) per unit.

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.

	June 30, 2026	June 30, 2025
	----- (Rupees '000) -----	
14 AUDITORS' REMUNERATION		
Annual audit fee	644	644
Fee for half yearly review of condensed interim financial statements	365	332
Income certification and others	210	125
Out of pocket expenses	273	35
	<u>1,492</u>	<u>1,136</u>
Sindh Sales Tax	119	91
	<u>1,611</u>	<u>1,227</u>

15 CASH AND CASH EQUIVALENTS

Balances with banks	5	11,922,843	18,625,054
		<u>11,922,843</u>	<u>18,625,054</u>

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2026 is 1.13% (June 30, 2025: 1.75%) which includes 0.21% (June 30, 2025: 0.20%) representing government levies on the Fund such as sales taxes, annual fee to SECP etc.

The SECP, vide S.R.O. 600(1)/2025 dated April 10, 2025, has removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The TER limit of 2.5% for a collective investment scheme categorised as an 'Income Scheme', applicable previously, has been replaced with the management fee cap as disclosed in note 9.1 to these financial statements for a collective investment scheme categorised as an 'Income Scheme'.

17 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the management has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2026 to the unit holders in the manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

18 TRANSACTIONS WITH CONNECTED PERSONS AND 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 of sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

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

The details of transactions carried out by the Fund with connected persons during the year and balances with them as at year end are as follows:

18.1 Transactions during the year:

	June 30, 2026	June 30, 2025
	----- (Rupees '000) -----	-----
MCB Investment Management Limited - Management Company		
Remuneration of the Management Company	263,759	548,369
Sindh Sales Tax on remuneration of the Management Company	39,564	82,255
Allocated expenses	-	9,026
Shariah advisory fee	529	368
Units issued to unitholder on behalf of the Management Company*	-	1,461
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	24,368	31,189
Sindh Sales Tax on remuneration of the Trustee	3,655	4,678
CDC settlement charges	491	1,172
MCB Bank Limited - Parent of the Management Company		
Bank charges	325	318
MCB Islamic Bank Limited - Subsidiary of parent of the Management Company		
Profit on savings account with bank	325,425	305,164
Nishat Mills Limited		
Purchase of 750,000,000 sukuk (2025: Nil)	750,000	-

*This represents amount reimbursed by the Management Company in the form of dividend to identified unit holders of the Fund in relation to reversal of excess amount charged against reimbursement of selling and marketing expenses as per the direction of Securities and Exchange Commission of Pakistan.

18.2 Balances outstanding as at year end:

	June 30, 2026	June 30, 2025
	----- (Rupees '000) -----	-----
MCB Investment Management Limited - Management Company		
Management remuneration payable	6,160	37,048
Sindh Sales Tax payable on remuneration of the Management Company	924	5,557
Shariah advisory fee payable	53	31
Sales load payable	1,497	3,788
Receivable from Collection Account	10,846	52,041
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	737	450
Sindh Sales Tax payable on Trustee remuneration	110	68
Security deposit	100	100
MCB Bank Limited		
Balance with bank	138,633	29,479
MCB Islamic Bank Limited		
Balance with bank	4,702,466	3,058,174
Profit receivable on savings account	16,818	17,939
Nishat Mills Limited		
Investment in sukuk 750,000,000 units (2025: Nil)	750,000	-

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

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

June 30, 2026							
As at July 01, 2025	Issued for cash	Redeemed	As at June 30, 2026	As at July 01, 2025	Issued for cash	Redeemed	As at June 30, 2026
Units				(Rupees in '000)			

Associated companies / undertakings:

Lalpir Staff Provident Fund	87,511	5,986	-	93,497	9,127	624	-	9,934
MCB Investment Management Limited	-	11,132,700	4,506,372	6,626,328	-	1,200,000	500,195	704,049
Nishat Mills Limited Employees Provident Fund Trust	-	202,349	-	202,349	-	21,103	-	21,500
Security General Insurance Co. Ltd. Employees Provident Fund Trust	144,796	9,905	-	154,701	15,101	1,033	-	16,437
Adamjee Life Assurance Company Limited - Tameen	3,411,296	12,338,960	12,421,511	3,328,745	355,765	1,300,636	1,314,123	353,680
Security General Insurance Company Limited Employees Gratuity Fund Trust*	646,670	44,236	-	690,906	67,441	4,613	-	73,409
Hyundai Nishat Motor Private Limited Employees Provident Fund	1,062,947	2,016,323	1,849,535	1,229,735	110,855	212,249	197,876	130,660
Arif Habib Securities Limited Employees Provident Fund Trust	18	1	-	19	2	-	-	2
Adamjee Insurance Company Limited Window Takaful Operations	3,137,264	-	3,137,265	(1)	327,186	-	329,193	-
MCBFSL Trustee Alhamra Smart Portfolio	1,528,691	4,320,311	4,178,610	1,670,392	159,428	457,361	456,030	177,479
Nishat Power Limited	-	9,458,852	9,458,852	-	-	996,807	998,410	-
Adamjee Insurance Co. Ltd. Window Takaful Operation-Opf	1,942,056	1,944,729	3,886,785	-	202,538	212,776	421,470	-

Key management personnel

326,758	5,098,615	3,940,484	1,484,889	34,078	548,434	429,332	157,770
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Mandate under discretionary portfolio services

2,707,761	10,927,814	4,289,466	9,346,109	282,393	1,150,335	455,643	993,026
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June 30, 2025							
As at July 01, 2024	Issued for cash	Redeemed	As at June 30, 2025	As at July 01, 2024	Issued for cash	Redeemed	As at June 30, 2025
Units				(Rupees in '000)			

Associated companies:

MCB Investment Management Limited	-	10,775,579	10,775,579	-	-	1,209,720	1,217,958	-
MCBFSL Trustee Alhamra Smart Portfolio	976,144	1,370,559	818,013	1,528,691	101,578	142,686	92,558	159,428
Adamjee Life Assurance Company Limited	531,607	4,623,994	5,155,601	-	55,319	513,000	579,276	-
Adamjee Life Assurance Company Limited Amaanat Fund	-	2	2	-	-	-	-	-
Adamjee Life Assurance Company Limited - Tameen	-	17,706,488	14,295,192	3,411,296	-	1,958,935	1,650,298	355,765
Adamjee Life Assurance Company Limited-PTF	-	135,772	135,772	-	-	15,702	15,743	-
Adamjee Insurance Co. Ltd. Window Takaful Operation-OPF	-	1,942,056	-	1,942,056	-	202,281	-	202,538
Adamjee Insurance Company Limited Window Takaful Operations	1,826,870	13,933,155	12,622,761	3,137,264	190,105	1,563,921	1,460,683	327,186
Hyundai Nishat Motor (Private) Limited Employees Provident Fund	-	346,760	346,760	-	-	37,066	39,468	-
Hyundai Nishat Motor Private Limited Employees Provident Fund	438,106	1,394,646	769,805	1,062,947	45,590	145,626	89,261	110,855
Security General Insurance Company Limited Employees Provident Fund Trust	-	144,796	-	144,796	-	15,068	-	15,101
Arif Habib Securities Limited Employees Provident Fund Trust	-	18	-	18	-	2	-	2
Adamjee Life Assurance Company Limited- GFT PTF	-	115,875	115,875	-	-	13,401	13,436	-
Adamjee Life Assurance Company Limited - OSF	-	1,108,942	1,108,942	-	-	128,245	128,584	-
Nishat Power Limited	-	42,470,539	42,470,539	-	-	4,419,514	4,423,659	-
Lalpir Staff Provident Fund	-	284,048	196,537	87,511	-	30,733	22,000	9,127
Pakgen Power Limited	-	52,014,782	52,014,782	-	-	5,412,695	5,417,771	-

Key management personnel

114,728	12,496,023	12,283,993	326,758	11,939	946,910	934,462	34,078
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Mandate under discretionary portfolio services

1,221,730	18,037,502	16,551,471	2,707,761	127,134	2,009,525	1,873,217	282,393
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*Current period balance and transactions have been presented as the person was classed as a related party / connected person of the Fund during the year ended June 30, 2026.

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

19 FINANCIAL INSTRUMENTS BY CATEGORY

FINANCIAL INSTRUMENTS BY CATEGORY		2026		
	At amortised cost	At fair value through profit or loss	Total	
	(Rupees '000)			
Financial assets				
Balances with banks	11,922,843	-	11,922,843	
Investments	-	4,450,261	4,450,261	
Profit receivables	111,282	-	111,282	
Deposits and other receivables	112,390	-	112,390	
	<u>12,146,515</u>	<u>4,450,261</u>	<u>16,596,776</u>	
Financial liabilities				
Payable to MCB Investment Management Limited - Management Company	8,634	-	8,634	
Payable to Central Depository Company of Pakistan Limited - Trustee	847	-	847	
Accrued expenses and other liabilities	2,937	-	2,937	
	<u>12,418</u>	<u>-</u>	<u>12,418</u>	
	2025			
	At amortised cost	At fair value through profit or loss	Total	
	(Rupees '000)			
Financial assets				
Balances with banks	18,625,054	-	18,625,054	
Receivable against conversion of units	5,330,356	-	5,330,356	
Investments	-	18,792,933	18,792,933	
Profit receivables	470,125	-	470,125	
Deposits and other receivables	121,772	-	121,772	
	<u>24,547,307</u>	<u>18,792,933</u>	<u>43,340,240</u>	
Financial liabilities				
Payable against redemption and conversion of units	283,738	-	283,738	
Payable to MCB Investment Management Limited - Management Company	46,424	-	46,424	
Payable to Central Depository Company of Pakistan Limited - Trustee	518	-	518	
Accrued expenses and other liabilities	2,664	-	2,664	
	<u>333,344</u>	<u>-</u>	<u>333,344</u>	

20 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.

20.1 Market risk

Market risk is the risk that the fair value or future cash flows of financial instruments will 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 risks: yield / profit rate risk, currency risk and price risk.

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

(i) 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 yield / profit rates. As of June 30, 2026, the Fund is exposed to such risk on its balances held with banks and investment in government securities and corporate sukuks. 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

a) Sensitivity analysis for variable rate instruments

As at June 30, 2026, the Fund holds balances with banks, government securities and corporate sukuks which expose the Fund to cash flow yield / profit rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income for the year and net assets of the Fund would have been higher / lower by Rs. 162.14 million (2025: Rs. 208.68 million).

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rate.

Yield / profit rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet instruments is based on the settlement date.

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

----- 2026 -----						
Yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total	
	Up to three months	More than three months and up to one year	More than one year			
----- Rupees ('000) -----						
Financial assets						
Balances with banks	10.75% - 11.45%	11,784,157	-	-	138,686	11,922,843
Investments						
- Unlisted securities - Corporate sukuks	11.80% - 13.10%	58,333	416,469	-	-	474,802
- GoP Ijarah sukuks	11.37%	-	-	301,500	3,732,292	4,033,792
Profit receivables		-	-	-	111,282	111,282
Deposits and other receivables		-	-	-	112,390	112,390
		11,842,490	416,469	301,500	4,094,650	16,655,109
Financial liabilities						
Payable to MCB Investment Management Limited		-	-	-	8,634	8,634
- Management Company		-	-	-	847	847
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	2,937	2,937
Accrued expenses and other liabilities		-	-	-	12,418	12,418
On-balance sheet gap (a)		11,842,490	416,469	301,500	4,082,232	16,642,691
Off-balance sheet financial instruments						
		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		11,842,490	416,469	301,500		
Cumulative profit rate sensitivity gap		11,842,490	12,258,959	12,560,459		

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

2025					
Yield / profit rate (%)	Exposed to yield / profit rate risk			Not exposed to yield / profit rate risk	Total
	Up to three months	More than three months and up to one year	More than one year		
Rupees ('000)					
Financial assets					
Balances with banks	10.00% - 10.25%	18,594,261	-	30,793	18,625,054
Receivable against conversion of units		-	-	5,330,356	5,330,356
Investments					
- Unlisted securities - Corporate sukuks	11.38% - 12.70%	-	558,114	-	558,114
- Listed securities - Corporate sukuks	11.39%	-	405,500	-	405,500
- GoP Ijarah sukuks	10.57% - 18.49%	123,209	1,186,440	-	17,829,320
Profit receivables		-	-	470,125	470,125
Deposits and other receivables		-	-	121,772	121,772
		18,717,470	2,150,054	5,953,046	43,340,241
Financial liabilities					
Payable against redemption and conversion of units		-	-	283,738	283,738
Payable to MCB Investment Management Limited		-	-	-	-
- Management Company		-	-	46,424	46,424
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	518	518
Accrued expenses and other liabilities		-	-	2,664	2,664
		-	-	333,344	333,344
On-balance sheet gap (a)		18,717,470	2,150,054	5,619,702	43,006,897
Off-balance sheet financial instruments		-	-	-	-
Off-balance sheet gap (b)		-	-	-	-
Total profit rate sensitivity gap (a+b)		18,717,470	2,150,054	16,519,671	
Cumulative profit rate sensitivity gap		18,717,470	20,867,524	37,387,195	

(ii) 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.

(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 does not hold any financial instrument that exposes it to price risk.

20.2 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 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 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 up to 90 days and would be secured by the assets of the Fund.

In order to manage the Fund's overall liquidity, the Fund may also withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

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

The table below summaries the maturity profile of the Fund's financial liabilities. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity dates. However, the liabilities that are payable on demand have been included in the maturity grouping of one month:

2026						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Payable to MCB Investment Management Limited - Management Company	8,634	-	-	-	-	8,634
Payable to Central Depository Company of Pakistan Limited - Trustee	847	-	-	-	-	847
Accrued expenses and other liabilities	1,923	1,014	-	-	-	2,937
	11,404	1,014	-	-	-	12,418

2025						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial instruments with no fixed maturity	Total
(Rupees in '000)						
Payable to MCB Investment Management Limited - Management Company	46,424	-	-	-	-	46,424
Payable to Central Depository Company of Pakistan Limited - Trustee	518	-	-	-	-	518
Payable against redemption and conversion of units	283,738	-	-	-	-	283,738
Accrued expenses and other liabilities	1,823	841	-	-	-	2,664
	332,503	841	-	-	-	333,344

20.3 Credit risk

Credit risk represents the accounting loss that would be recognised at the reporting date if counter parties fail completely to perform as contracted.

The Fund is exposed to counter party credit risks on investment in corporate sukuks, balances with banks deposits and other receivables. The credit risk on the Fund is limited because the counterparties are financial institutions with reasonably high credit ratings. Investments GoP Ijara sukuks are government backed and hence considered as secured.

The Fund has adopted a policy of only dealing with creditworthy counterparties and obtaining sufficient collateral, where appropriate as a means of mitigating the risk of financial loss from defaults. This information is supplied by the independent rating agencies, where available, and if not available, the Fund uses other publicly available financial information and its own trading records to rate its major customers. The Fund's exposure and the credit ratings of its counterparties are continuously monitored and spread amongst approved counterparties.

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	11,922,843	11,922,843	18,625,054	18,625,054
Receivable against conversion of units	-	-	5,330,356	5,330,356
Investments	4,450,261	416,469	18,792,933	963,614
Profit receivables	111,282	30,875	470,125	174,095
Deposits and other receivables	112,390	112,390	121,772	121,772
	16,596,776	12,482,577	43,340,240	25,214,891

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

Difference in the balance as per Statement of Asset and Liabilities and maximum exposure is due to the fact that investments in government securities of Rs. 4,033.79 million (2025: Rs. 17,829.32 million) and profit receivable from these securities of Rs. 80.407 million (2025: Rs. 296.03 million) are not exposed to credit risk.

20.3.1 Credit quality of financial assets

The Fund's significant credit risk (other than in government backed securities) arises mainly on account of its investment in corporate sukus, placements in banks, profit accrued thereon. Advances, deposits, prepayments and other receivables are unsecured however such financial assets are not considered for the purpose of credit rating profile. The credit rating profile of balances with banks and profit accrued thereon is as follows:

Rating	% of financial assets exposed to credit risk	
	2026	2025
AAA	0.43%	16.44%
AA+	99.16%	0.00%
AA	0.14%	83.46%
AA-*	0.00%	0.00%
A+	0.27%	0.10%
	<u>100.00%</u>	<u>100.00%</u>

* Nil balance due to rounding off.

Ratings of investments in corporate sukus have been disclosed in related notes to these financial statements. Since, the assets of the Fund are held with credit worthy counterparties, therefore any significant credit risk is mitigated.

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.

All financial assets of the Fund as at June 30, 2026 and June 30, 2025 are unsecured and are not impaired.

21 FAIR VALUE MEASUREMENT

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

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

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

21.1 Fair value hierarchy

International Financial Reporting Standard 13, 'Fair value measurement' requires the Fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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

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

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

As at June 30, 2026 and June 30, 2025, the Fund holds the following financial instrument measured at fair value:

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

Financial assets 'at fair value through profit or loss'

Unlisted securities - Corporate sukuks
Listed securities - Corporate sukuks
GoP ijarah sukuks

-----2026-----			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
-	416,469	-	416,469
-	-	-	-
3,691,073	342,719	-	4,033,792
<u>3,691,073</u>	<u>759,188</u>	<u>-</u>	<u>4,450,261</u>

Financial assets 'at fair value through profit or loss'

Unlisted securities - Corporate sukuks
Listed securities - Corporate sukuks
GoP ijarah sukuks

-----2025-----			
Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----			
-	558,114	-	558,114
405,500	-	-	405,500
16,970,694	858,626	-	17,829,320
<u>17,376,194</u>	<u>1,416,740</u>	<u>-</u>	<u>18,792,934</u>

21.2 Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Government of Pakistan - Ijarah sukuks - PSX Listed	The fair value of GoP Ijarah sukuks listed on Pakistan Stock Exchange has been determined through closing rates of Pakistan Stock Exchange.
Government of Pakistan - Ijarah sukuks - Other than PSX Listed	The fair value of other GoP Ijarah sukuks are derived using PKISRV rates. The PKISRV rates are announced by FMA (Financial Market Association) through Reuters. The rates announced are simple average of quotes received from eight different pre-defined / approved dealers / brokers.
Corporate sukuk certificates	The valuation has been determined through closing rates announced by FMA (Financial Market Association) through Reuters.

21.3 There were no transfers between levels during the year.

22 UNIT HOLDERS' FUND RISK MANAGEMENT

The unit holders' fund is represented by redeemable units. These units are entitled to dividends and to payment of a proportionate share based on the Fund's Net Asset Value per unit on the redemption date. The relevant movements are shown on the "Statement of Movement in Unit Holders' Fund".

The Fund has no restriction 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 historically maintained and complied with the requirement of minimum fund size at all times.

The Fund's objectives when managing unit holders' funds are to safeguard its ability to continue as a going concern so that it can continue to provide returns to the unit holders and to maintain a strong base of assets to meet unexpected losses or opportunities.

In accordance with the risk management policies as stated in note 19, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

23 PATTERN OF UNITHOLDING

Details of pattern of unitholding

PATTERN OF UNITHOLDING	----- June 30, 2026 -----			
	Number of unit holders	Number of units held	Investment amount	Percentage investment
	(Rupees in '000)			%
Details of pattern of unitholding				
Individuals	15,052	94,552,720	10,046,241	60.78%
Insurance companies	3	729,718	77,533	0.47%
Associated companies	9	13,996,670	1,487,148	9.00%
Retirement funds	54	13,465,828	1,430,746	8.66%
Bank	1	1,282	136	0.00%
Public Limited Companies	2	14,660,533	1,557,684	9.42%
Others	61	18,163,093	1,929,831	11.68%
	15,182	155,569,844	16,529,319	100.00%

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

----- June 30, 2025 -----				
	Number of unit holders	Number of units held	Investment amount (Rupees in '000)	Percentage investment %
Individuals	12,975	197,859,294	20,634,815	48.24%
Insurance companies	11	24,669,989	2,572,842	6.02%
Associated companies	8	11,314,579	1,180,001	2.76%
Retirement funds	1	1,200	125	0.00%
Bank / DFI	74	34,929,039	3,642,762	8.52%
Public Limited Companies	6	85,482,667	8,915,017	20.84%
Others	80	55,915,063	5,831,402	13.63%
	<u>13,155</u>	<u>410,171,831</u>	<u>42,776,964</u>	<u>100.00%</u>

24 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 (Percentage)
1 JS Global Capital Limited		77.01%
2 Arif Habib Limited		20.40%
3 Icon Management Private Limited		0.83%
4 Magenta Capital Pvt Ltd		0.69%
5 C&M Management Private Limited		0.44%
6 Paramount Capital Pvt Limited		0.32%
7 Continental Exchange Pvt. Limited		0.14%
8 KTrade Securities Limited		0.05%
9 AKD Securities Limited		0.05%
10 Invest One Market Limited		0.05%
		2025 (Percentage)
1 JS Global Capital Limited		92.75%
2 Arif Habib Limited		2.28%
3 Icon Management Private Limited		1.57%
4 C&M Management Private Limited		1.13%
5 Paramount Capital Pvt Limited		0.61%
6 Invest One Market Limited		0.58%
7 Alfalah Securities (Pvt) Limited		0.57%
8 Magenta Capital Pvt Limited		0.51%

25 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 directors	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
Mr. Ahmed Jahangir	Director	10	10	10	-	-
Syed Savail Meekal Hussain*	Director	10	8	8	-	-
Ms. Mavra Adil Khan	Director	10	2	2	-	-
Ms. Sadia Muzaffar**	Director	10	10	10	-	-
Mr. Fahd Kamal Chinoy	Director	10	10	8	2	210th, 211th
Mr. Manzar Mushtaq	Director	10	10	10	-	-
Mr. Muhammad Nauman Chughtai	Director	10	10	7	3	208th, 210th, 212th
Mr. Khawaja Khalil Shah	Chief Executive Officer	10	10	10	-	-

*Syed Savail Meekal Hussain resigned from the Board with effect from February 06, 2026.

**Ms. Sadia Muzaffar appointed on the Board with effect from February 07, 2026.

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

26 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	Mr. Khawaja Khalil Shah	Chief Executive Officer	MBA	34
2	Mr. Muhammad Asim	Chief Investment Officer	MBA, CFA	23
3	Mr. Awais Abdul Sattar	Portfolio Manager Equities	MBA, CFA	15
4	Mr. Saad Ahmed	Head of Fixed Income	MBA	20
5	Mr. Syed Abid Ali	Head of Equities	MBA	18
6	Mr. Usama Iqbal	Fund Manager - Fixed Income Fund	Graduate	22
7	Mr. Raza Inam	Head Of Research	BSc, CFA	12

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

- MCB Pakistan fixed return plan XVIII;
- MCB DCF fixed return plan;
- Alhamra Islamic Money Market fund;
- Pakistan income fund;
- Alhamra Wada plan; and
- Alhamra Smart Portfolio.

27 GENERAL

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

28 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**

No. of Unit Holders	Unit holdings	Total units held
14411	A. 001-10,000	5,449,979
568	B. 10,001 – 100,000	19,837,614
176	C. 100,001 – 1000,000	50,908,216
27	D. 1000,001 & Above	79,374,035
<u>15,182</u>		<u>155,569,844</u>

PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2026

Performance Information	2026	2025	2024	2023	2022
Total Net Assets Value – Rs. in million	16,529.3195	42,776.9635	12,298.4331	4,275.1245	4,783.3750
Net Assets value per unit – Rupees	106.2502	104.2903	104.0607	102.9884	102.1635
Closing Offer Price	105.3497	106.0893	105.8245	104.7341	103.8952
Highest offer price per unit	113.3465	121.7313	125.8523	119.2606	112.7264
Lowest offer price per unit	106.1084	105.8816	104.7835	103.9229	103.6983
Highest Redemption price per unit	111.4244	119.667	123.7547	119.2606	110.8475
Lowest Redemption price per unit	104.3091	104.0861	103.037	103.9229	101.9699
Distribution per unit – Rs. *					
Interim	7.1341	15.6063	20.235	14.9742	8.8867
Final	-	-	-	-	-
Average Annual Return - %					
One year	8.85	15.25	20.79	15.56	8.93
Two year	12.05	18.02	18.18	12.25	7.72
Three year	14.96	17.20	15.09	10.33	9.02
Net Income for the period – Rs. in million	2,493.6043	5,501.3610	1,575.628	844.035	645.2008
Distribution made during the year – Rs. in million	482.8567	382.0038	1516.817	830.7790	642.2110
Accumulated Capital Growth – Rs. in million	2,010.7476	5,119.3572	58.8111	13.2560	2.9898
Weighted average Portfolio Duration (Days)	365	365.0000	814	767	1,351

* Date of Distribution

2026	
Date	Rate
17-Jun-26	7.1341

2025	
Date	Rate
20-Jun-25	15.6063

2024	
Date	Rate
22-Jun-24	20.235

2023	
Date	Rate
16-Jun-23	14.9742

2022	
Date	Rate
24-Jun-22	8.8867

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.

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