



MCB FUNDS
Investments for Life

ANNUAL REPORT 2026

MCB Alhamra KPK Govt Employees Pension Fund Managed by
MCB Investment Management Limited



MCB ALHAMRA KPK GOVT. EMPLOYEES PENSION FUND

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Vision

“To be the most coveted Savings and Investment company,
while leading the effort to make the saving
population and industry grow”

Mission

“To be the preferred Savings and Investment Manager in Pakistan
by being best in class in customer services
and maximizing stakeholders’ value”

Core Values

HONESTY

We ensure to build trust through responsible actions and honest
relationships with our colleagues, customers and stakeholders

INTEGRITY

We work with integrity in everything we do, and embody our principles
when working with stakeholders as well as internal and external customers.
We assure to promote the integrity for the ultimate benefit for everyone

ETHICS

As a trusted custodian of customer funds, we are committed to
conforming to the highest level of ethical standards in the workplace
that involves putting customer interest first and maintaining
our stakeholders trust in the Company

PROFESSIONALISM

We value everyone and treat our external and internal
customers and our stakeholders with respect, dignity and professionalism

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	The Bank of Khyber Faysal Bank Limited Dubai Islamic Bank Limited	
Auditors	BDO Ebrahim & Co. Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed 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 DIRECTORS OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2026

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Alhamra KPK Government Employees Pension Fund- Money Market Sub 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

The money market sub-fund generated a return of 9.75% during the period under review. The sub-fund's exposure in cash stood at 99.0%.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 1,337.52 million. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 139.1989.

Economy & Market – Future Outlook

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

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

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 DIRECTORS OF THE PENSION FUND MANAGER 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.

EXTERNAL AUDITORS

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

ACKNOWLEDGMENT

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

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
August 04, 2026

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،



خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2026ء

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 رسک 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 بلا رکاوٹ 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 سیونگز اینڈ انویسٹمنٹس لمیٹڈ (ایم سی بی-اے ایچ) کی سپرینٹ (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۔

خارجی آڈیٹرز

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

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

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 Money مارکیٹ ذیلی فنڈ نے 9.75 فیصد منافع بنایا۔ ذیلی فنڈ کی نقد میں سرمایہ کاری 99.0 فیصد تھی۔

30 جون 2026ء کو فنڈ کے net اثاثہ جات 1,337.52 ملین روپے تھے، جبکہ net اثاثہ جاتی قدر (این اے وی) فی یونٹ 139.1989 روپے تھی۔

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 ہوا 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 ایم سی بی الحمراء کے پی کے گورنمنٹ ایمپلائیز پینشن فنڈ - منی مارکیٹ ذیلی فنڈ کے اکاؤنٹس برائے سال مختتمہ 30 جون 2026ء کا جائزہ پیش خدمت ہے۔

معیشیت 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 افراطِ 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 PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2026

Fund Type and Category

MCB Alhamra KPK Govt. Employees' Pension Fund (MCB-ALH-KPKPF) is an open-end Voluntary Pension Scheme.

Investment Objective

The Investment Objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund.

Manager's Review

The fund posted an annualized return of 9.75% during the period under review. Cash exposure was 99.0% and exposure in GoP Ijara Sukuk was 0.0% at year end.

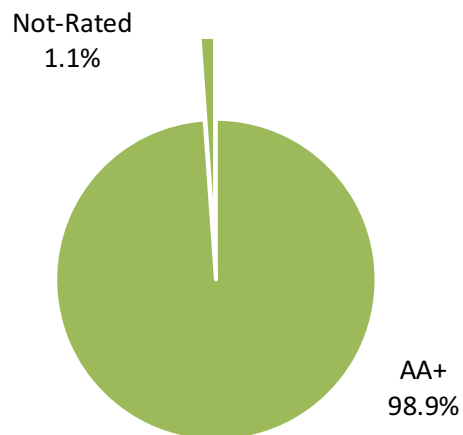
The Net Assets of the Fund as at June 30, 2026 stood at Rs. 1,337.52 million as compared to Rs. 564.85 million as at June 30, 2025 registering an increase of 136.79%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 139.1989 as compared to opening NAV of Rs. 126.8270 per unit as at June 30, 2025 registering an increase of Rs. 12.3719 per unit.

Asset Allocation (MM Sub-fund) as of June 30, 2026 (% of Total Assets)

PPF-Money Market (%age of Total Assets)	Jun-26
Cash	99.0%
GoP Ijara Sukuk	0.0%
Others including receivables	1.0%

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

Asset Quality (MM Sub-fund) as of June 30, 2026 (% of Total Assets)



Saad Ahmed

Fund Manager

TRUSTEE REPORT TO THE PARTICIPANTS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

CDC House, 99-B, Block 'B'
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TRUSTEE REPORT TO THE PARTICIPANTS

MCB ALHAMRA KPK GOVT. EMPLOYEES' PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of MCB Alhamra KPK Govt. Employees' Pension Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, 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.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: August 24, 2026



REPORT OF THE SHARIAH ADVISORY BOARD

Karachi: July 30, 2026

REPORT OF THE SHARIAH ADVISORY BOARD

Alhamdulillah, We the Shariah Advisory Board of **MCB Alhamra KPK Government Employees Pension Fund** (the Fund), are issuing this report in accordance with the offering document of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of M/s MCB Investment Management Limited (MCBIM), 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.

For Money Market Sub Funds, we have prescribed a criteria and procedures to be followed in ensuring Shariah compliance in every investment.

As part of our mandate as Shariah Advisor, we have reviewed the following, during the period;

- The modes of investment of the Fund's property and its compliance with the Shariah guidelines.
- Shariah compliance of new investment avenues proposed by MCBIM.

In the light of the above scope, we hereby certify that all the provisions of the scheme and investments made by the Fund (including all four sub funds) for the year ended 30th June 2026 are in compliance with the 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 PARTICIPANTS



UHY Hassan Naeem & Co.
Chartered Accountants

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Sharah-e-Faisal
Karachi, Pakistan.

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

To the unit holders of MCB Alhamra KPK Govt Employees Pension 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 **MCB Alhamra KPK Govt Employees Pension Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2026. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

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

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

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

3. Management's Responsibility for Shariah Compliance

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

Audit | Tax | Consulting

A member of UHY International, a network of independent accounting and consulting firms

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





4. Our Independence and Quality Control

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

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

5. Our Responsibility and Summary of the Work Performed

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

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

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

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

7. Conclusion

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

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

Audit | Tax | Consulting

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MEMBER OF THE
FORUM OF FIRMS

AUDITOR'S REPORT TO THE PARTICIPANTS



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INDEPENDENT AUDITORS' REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE PARTICIPANTS OF MCB ALHAMRA KPK GOVT. EMPLOYEES PENSION FUND

Opinion

We have audited the financial statements of MCB Alhamra KPK Govt. Employees Pension Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, the statement of movement in participants sub-funds and cash flow statement for the year ended, and notes to the financial statements, including material accounting policy information.

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

Basis for opinion

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

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

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

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BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms.

AUDITOR'S REPORT TO THE PARTICIPANTS



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

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

AUDITOR'S REPORT TO THE PARTICIPANTS



Report on Other Legal and Regulatory Requirements

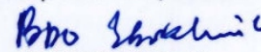
Based on our audit, in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008 and Voluntary Pension System Rules, 2005.

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

KARACHI

DATED: 18 SEP 2026

UDIN: AR2026101660QY6LxGoT


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

		June 30, 2026				June 30, 2025					
	Note	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees)					(Rupees)				
ASSETS											
Balances with banks	5	594,245	594,250	594,252	1,325,841,944	1,327,624,691	565,134	565,463	565,467	560,488,735	562,184,799
Investments	6	-	-	-	-	-	-	-	-	-	-
Markup receivable	7	2,270	2,267	2,268	13,110,879	13,111,684	2,163	2,163	2,163	4,850,948	4,857,437
Deposits and other receivable	8	-	-	-	100,000	100,000	715	370	370	106,241	107,696
Total assets		596,515	596,517	596,520	1,339,046,823	1,340,836,375	568,012	567,996	568,000	565,445,924	567,149,932
LIABILITIES											
Payable to Pension Fund Manager	9	1,002	1,002	1,002	990,343	993,349	463	464	463	425,068	426,458
Payable to the Central Depository Company-Trustee	10	1,002	1,002	1,002	171,053	174,059	475	466	468	16,012	17,421
Payable to the Securities and Exchange Commission of Pakistan	11	232	232	232	361,103	361,799	220	220	220	158,198	158,858
Withholding Tax Payable Surcharge		-	-	-	2,337	2,337	-	-	-	1,523	1,523
Total liabilities		2,236	2,236	2,236	1,524,836	1,531,544	1,158	1,150	1,151	600,801	604,260
Net Assets		594,279	594,281	594,284	1,337,521,986	1,339,304,831	566,854	566,846	566,849	564,845,123	566,545,672
REPRESENTED BY:											
Participants' Sub Funds		594,279	594,281	594,284	1,337,521,986	1,339,304,831	566,854	566,846	566,849	564,845,123	566,545,672
(as per statement attached)											
Contingencies and commitments											
Number of units in issue	14	----- (Number of units) -----					----- (Number of units) -----				
		----- (Rupees) -----					----- (Rupees) -----				
		5,000	5,000	5,000	9,608,710		5,000	5,000	5,000	4,453,664	
Net assets value per unit		118.8557	118.8563	118.8567	139.1989		113.3706	113.3693	113.3698	126.8270	

The annexed notes from 1 to 24 form an integral part of these financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)

[Signature]

Chief Executive Officer

Margaret Murshtag

Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026					June 30, 2025				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
INCOME										
Mark-up on bank deposits	29,661	29,671	29,671	92,235,891	92,324,894	40,442	40,448	40,447	43,539,652	43,660,989
Income from debt securities	-	-	-	3,223,923	3,223,923	-	-	-	4,785,536	4,785,536
Capital gain on sale of investment - net	-	-	-	-	-	-	-	-	2,579,216	2,579,216
Amortization on Government securities	-	-	-	-	-	-	-	-	2,682,584	2,682,584
Unrealised appreciation on re-measurement of investments classified as 'financial asset at fair value through profit or loss - net	-	-	-	-	-	-	-	-	-	-
Total income	29,661	29,671	29,671	95,459,814	95,548,817	40,442	40,448	40,447	53,586,988	53,708,325
EXPENSES										
Remuneration of the Pension Fund Manager	871	871	872	7,222,055	7,224,669	825	827	812	3,159,034	3,161,498
Sindh sales tax on remuneration of the Pension Fund Manager	131	130	130	1,083,313	1,083,704	109	109	122	473,857	474,197
Remuneration of the Trustee	871	872	871	1,312,530	1,315,144	825	813	819	593,238	595,695
Sindh sales tax on remuneration of Trustee	131	131	131	196,881	197,274	120	120	120	88,981	89,341
Securities and Exchange Commission of Pakistan - Annual fee	232	232	232	361,103	361,799	220	220	220	158,203	158,863
Securities transaction cost	-	-	-	-	-	-	-	-	7,188	7,188
Total expenses	2,236	2,236	2,236	10,175,882	10,182,590	2,099	2,089	2,093	4,480,501	4,486,782
Net income for the year before taxation	27,425	27,435	27,435	85,283,932	85,366,227	38,343	38,359	38,354	49,106,487	49,221,543
Taxation	-	-	-	-	-	-	-	-	-	-
Net income for the year after taxation	27,425	27,435	27,435	85,283,932	85,366,227	38,343	38,359	38,354	49,106,487	49,221,543
Earnings per unit										

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The annexed notes from 1 to 24 form an integral part of these financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

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

	June 30, 2026					June 30, 2025				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)					(Rupees)				
Net income for the year after taxation	27,425	27,435	27,435	85,283,932	85,366,227	38,343	38,359	38,354	49,106,487	49,221,543
Other comprehensive income for the year	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	27,425	27,435	27,435	85,283,932	85,366,227	38,343	38,359	38,354	49,106,487	49,221,543

The annexed notes from 1 to 24 form an integral part of these financial statements.



Chief Executive Officer

For MCB Investment Management Limited
(Pension Fund Manager)



Director

STATEMENT OF MOVEMENT IN PARTICIPANTS FUNDS FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026					June 30, 2025				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees)					(Rupees)				
Net assets at the beginning of the year	566,854	566,846	566,849	564,845,123	566,545,672	528,511	528,487	528,495	128,623,678	130,209,171
Amount received on issue of units	-	-	-	687,731,954 (339,023)	687,731,954 (339,023)	-	-	-	387,465,635 (350,677)	387,465,635 (350,677)
Amount paid on redemption of units	-	-	-	687,392,932	687,392,931	-	-	-	387,114,958	387,114,958
Net income for the year after taxation	27,425	27,435	27,435	85,283,932	85,366,227	38,343	38,359	38,354	49,106,487	49,221,543
Net assets at the end of the year	<u>594,279</u>	<u>594,281</u>	<u>594,284</u>	<u>1,337,521,986</u>	<u>1,339,304,830</u>	<u>566,854</u>	<u>566,846</u>	<u>566,849</u>	<u>564,845,123</u>	<u>566,545,672</u>

The annexed notes from 1 to 24 form an integral part of these financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026				June 30, 2025					
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note										
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income for the year before taxation										
27,425 27,435 27,435 85,283,932 85,366,227 38,343 38,359 38,354 49,106,487 49,221,543										
Adjustments for non cash and other items:										
Unrealised appreciation on re-measurement of investments classified as 'financial asset at fair value through profit or loss - net										
Income from debt securities - Sukuks										
Capital gain on sale of investment - net										
Amortization on Government securities										
Mark-up on bank deposits										
(29,661) (29,671) (29,671) (92,235,891) (92,324,894) (40,442) (40,448) (40,447) (43,539,652) (43,660,989)										
(2,236) (2,236) (2,236) (10,175,882) (10,182,589) (2,099) (2,089) (2,093) (4,480,501) (4,486,782)										
Decrease / (increase) in assets										
Investments										
Profit receivable										
Advances, deposits and other receivable										
608 266 265 (8,247,690) (8,246,551) 139 484 484 112,358,422 112,359,529										
Increase/ (decrease) in liabilities										
Payable to the Pension Fund Manager										
Payable to the Trustee										
Payable to the Securities and Exchange Commission of Pakistan										
Other Liability										
539 538 539 565,275 566,891 (12) (13) (13) 330,533 330,495										
527 536 534 155,041 156,638 (4) (13) (11) (1,714) (1,742)										
12 12 12 202,905 202,941 107 107 107 138,655 138,977										
- - - 814 814 - - 1,523 1,523										
1,078 1,086 1,085 924,035 927,284 91 82 83 468,997 469,253										
(550) (884) (886) (17,499,536) 78,046,960 (1,869) (1,523) (1,527) 108,346,918 162,050,325										
Cashflows (used in) / generated from operation										
Income from debt securities										
Mark-up received on bank deposits										
29,661 29,671 29,671 92,235,891 92,324,894 41,742 41,747 41,749 43,143,373 43,268,611										
29,111 28,787 28,785 77,960,278 173,595,777 39,873 40,224 40,222 151,490,291 205,318,936										
Net cashflows generated from operating activities										
CASH FLOWS FROM FINANCING ACTIVITIES										
Amount received on issuance of units										
Amount paid on redemption of units										
Net cash generated from financing activities										
Net increase in cash and cash equivalents										
Cash and cash equivalents at beginning of the year										
Cash and cash equivalents at end of the year										
5										

Note

CASH FLOWS FROM OPERATING ACTIVITIES

Net income for the year before taxation

Adjustments for non cash and other items:

Unrealised appreciation on re-measurement of investments classified as 'financial asset at fair value through profit or loss - net
Income from debt securities - Sukuks
Capital gain on sale of investment - net
Amortization on Government securities
Mark-up on bank deposits

Decrease / (increase) in assets

Investments
Profit receivable
Advances, deposits and other receivable

Increase/ (decrease) in liabilities

Payable to the Pension Fund Manager
Payable to the Trustee
Payable to the Securities and Exchange Commission of Pakistan
Other Liability

Cashflows (used in) / generated from operation
Income from debt securities
Mark-up received on bank deposits
Net cashflows generated from operating activities

CASH FLOWS FROM FINANCING ACTIVITIES

Amount received on issuance of units
Amount paid on redemption of units
Net cash generated from financing activities
Net increase in cash and cash equivalents
Cash and cash equivalents at beginning of the year
Cash and cash equivalents at end of the year

The annexed notes from 1 to 24 form an integral part of these financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive 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 MCB Alhamra KPK Govt. Employees' Pension Fund is established under a Trust deed executed between MCB Investment Management Limited as a Pension Fund Manager and Central Depository Company of Pakistan Limited as Trustee. The Trust Deed is approved by the Securities and Exchange Commission of Pakistan (SECP) on June 21, 2023 under the Voluntary Pension System (VPS) Rules, 2005. Central Depository Company of Pakistan Limited was appointed as a trustee for the fund by SECP on June 05, 2023. The Fund is registered under the Sindh Trust Act, 2020, as amended vide Sindh Trusts (Amendment) Act, 2021 and was launched on December 13, 2023.
- 1.2 The Fund is an unlisted open-end pension fund consisting of four sub-funds namely; Equity Index Sub Fund, Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund. Units are offered on a continuous basis to employees of KPK Government appointed/ recruited under Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 or an employee of KPK Government regularize as Civil Servant through any legal instrument issued after coming in to force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022. Under the KPK Rules, the contribution by or on behalf of the employee for the first three years from the date of launch of the fund shall be invested in Money Market Sub Fund only. Moreover, in the remaining three sub funds (Equity Index Sub Fund, Equity Sub Fund and Debt Sub Fund) only seed capital be injected by the Pension Fund Manager which would remain invested till three years from the launch date of the Fund. Following the initial three years of appointment/ recruitment under Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022, KPK employees are eligible to change their allocation as per the life cycle allocation scheme. In cases where an employee fails to specify their asset allocation preferences, the pension fund manager, taking into consideration the employee's profile and age, will allocate the contribution to the default Asset Allocation Scheme outlined in the offering document. The Fund adheres to the Shariah Governance Regulations, 2023 issued by the SECP.
- 1.3 MCB Investment Management Limited has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is located at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.4 The Pakistan Credit Rating Agency (PACRA) Limited has assigned a management quality rating of 'AM1' (Stable outlook) to the Pension Fund Manager as at October 03, 2025.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as 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
- The requirements of the Constitutive Documents, Voluntary Pension System Rules, 2005 (The VPS Rules), The Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and the directives issued by the SECP.

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the requirements of Voluntary Pension System Rules and the requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and the requirements of Voluntary Pension System Rules have been followed.

2.2 Basis of measurement

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

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

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

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

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

The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances the result of which form the basis of making judgement about carrying value of assets and liabilities. Actual result may differ from these estimates. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

Classification and valuation of investments

For details please refer notes 4.2.1.1 and 18 to these financial statements.

Impairment of investment

For details please refer notes 4.2.1.2 to these financial statements.

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

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

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

	Effective date (annual periods beginning on or after)
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025

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

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

3.2 New accounting standards, amendments and interpretations that are not yet effective for the year ended June 30, 2026

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Amendments regarding translations to a hyperinflationary presentation currency	January 01, 2027
Amendments to IAS 28 'Investments in Associates' - Amendments to the Fair Value Option for Investments in Associates and Joint Ventures	January 01, 2027
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

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

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

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

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

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

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

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

4.2 Financial instruments

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

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

4.2.1 Financial assets

4.2.1.1 Classification and measurement of financial assets

4.2.1.1.1 Debt instruments

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

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

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

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

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

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

Business model assessment

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

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

- The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;

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

- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);

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

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

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

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

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

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

Initial recognition and measurement

Financial assets are recognized at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognized 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 recognized at fair value and transaction costs associated with these financial assets are charged to the income statement.

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

Subsequent measurement

The following accounting policies apply to the subsequent measurement of financial assets:

Debt investments at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognized in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognized in income statement. Other net gains and losses are recognized in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognized in income statement.

4.2.1.1.2 Equity instruments

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

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

4.2.1.2 Impairment of financial assets

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

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

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

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

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

4.2.1.3 Regular way contracts

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

4.2.1.4 Derecognition

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

4.2.1.5 Financial liabilities

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

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

4.2.1.6 Offsetting of financial assets and liabilities

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

4.3 Provisions

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

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. 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.

4.5 Proposed distributions

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

4.6 Issuance and redemption of units

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

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

4.7 Element of income

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

4.8 Net assets value per unit

The Net Assets Value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

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

4.9 Revenue recognition

- Gains / (losses) arising on sale of investments are included in Income Statement and are recognised when the transaction takes place.
- Unrealised appreciation / (diminution) arising on remeasurement of investments classified as financial assets 'at fair value through profit or loss' are included in the income statement.
- Income on government securities is recognized on an accrual basis using the effective yield method.
- Profit on saving accounts with banks is recognized on an accrual basis using the effective yield method.

4.91 Expenses

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

4.92 Earnings Per Unit (EPU)

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

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

4.93 Transactions with related parties / connected persons

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

Remuneration to the Pension Fund Manager and the Trustee is determined in accordance with the provisions of NBFC Regulations and the Trust Deed respectively.

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

		June 30, 2026				June 30, 2025					
Note		Equity	Equity	Debt	Money Market	Total	Equity	Equity	Debt	Money Market	Total
		Index Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Index Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
		(Rupees)									

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

6.1 Corporate Sukuk Certificates - at fair value through profit or loss

Issue Date	Securities	Tenor	Face value			As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investment
			Opening on July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026	Carrying Value	Market Value	Unrealized gain	
06-Nov-25	Corporate Sukuk Certificates	6 months	-	60,000,000	60,000,000	-	-	-	-	-
As at June 30, 2026										
As at June 30, 2025										

June 30, 2026

	Equity	Equity	Debt	Money
Index Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Market
				Sub-Fund
				Total

6.2 Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net

Market value of investments
Less: carrying value of investments

-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

June 30, 2025

	Equity	Equity	Debt	Money
Index Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Market
				Sub-Fund
				Total

6.3 Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net

Market value of investments
Less: carrying value of investments

-	-	-	-	-
-	-	-	-	-
-	-	-	-	-

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

7 MARKUP RECIEVABLES

Profit on:
Deposit accounts
Accrued profit on GOP Jara

	June 30, 2026			June 30, 2025		
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund
	(Rupees)			(Rupees)		
Total						
	2,270	2,267	2,268	2,163	2,163	2,163
	-	-	-	-	-	-
	2,270	2,267	2,268	2,163	2,163	2,163
	13,111,684			4,857,437		
	13,111,684			4,857,437		

8 DEPOSITS AND OTHER RECEIVABLES

Security deposits with CDC
Other receivables

	June 30, 2026			June 30, 2025		
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund
	(Rupees)			(Rupees)		
Total						
	-	-	-	-	-	-
	-	-	-	715	370	370
	-	-	-	715	370	370
	100,000			100,000		
	100,000			106,241		
	100,000			107,696		

9 PAYABLE TO PENSION FUND MANAGER

Payable to Pension Fund Manager
Sindh sales tax payable on remuneration payable
Insurance fee
Sindh sales tax payable on insurance fee payable

	June 30, 2026			June 30, 2025		
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund
	(Rupees)			(Rupees)		
Total						
	871	871	871	403	404	403
	131	131	131	60	60	60
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,002	1,002	1,002	463	464	463
	993,349			425,068		
	993,349			426,458		

9.1 This represents remuneration of the Pension Fund Manager at the rate of 0.15% (2025: 0.15%) for Equity Index, Equity, Debt and 0.6% (2025: 0.6%) for Money Market Fund.

9.2 This represents sales tax on remuneration payable at the rate of 15% (2025: 15%).

9.3 This represents insurance fee of the management at the rate of 0.2% for Money Market Fund. (2025: 0.2%)

9.4 This represents sales tax on insurance fee payable at the rate of 15%. (2025: 15%)

10 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY - TRUSTEE

Trustee Fee Payable
Sales Tax on trustee fee payable

	June 30, 2026			June 30, 2025		
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund
	(Rupees)			(Rupees)		
Total						
	871	871	871	416	407	409
	131	131	131	59	59	59
	1,002	1,002	1,002	475	466	468
	174,059			16,012		
	174,059			17,421		

10.1 As per regulation 60 (3)(b) together with 67G (3) of the NBFC Regulations, 2008, the Pension Fund Manager shall change remuneration of the Trustee related to the Fund within the limits of Total Expense Ratio as prescribed under the said regulations. During the period such fees is charged as follows:

Net Assets

Upto Rs.1 billion
Rs.1 billion to Rs.3 billion
Rs.3 billion to Rs.6 billion
Over Rs.6 billion

Tariff per annum
Rs.0.3 million or 0.15% p.a. of Net Assets whichever is higher

Rs.1.5 million plus 0.10% p.a. of Net Assets exceeding Rs.1 billion

Rs.3.5 million plus 0.08% p.a. of Net Assets exceeding Rs.3 billion

Rs.5.9 million plus 0.06% p.a. of Net Assets exceeding Rs.6 billion

10.2 Sindh Sales Tax at the rate of 15% (2025: 15%) is charged on the Trustee fee.

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

Note	June 30, 2026				June 30, 2025			
	Equity	Equity	Debt	Money Market	Equity	Debt	Money Market	Total
	Index Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Index Sub-Fund	Sub-Fund	Sub-Fund	(Rupees)
11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)								
Annual fee (SECP)	232	232	232	361,103	220	220	158,198	158,858

11.1 As per Clause 36 of the VPS Rules, 2005 the Pension Fund Manager shall pay an annual fee to the Commission an amount equal to one twenty-fifth of one per cent of the average annual net asset value of the pension fund. The fees is chargeable to the fund under Regulation 60 (3)(f) and 67G (3) of the NBFC Regulations and is payable in arrears.

12 CONTINGENCIES AND COMMITMENTS

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

13 CONTRIBUTION TABLE

	June 30, 2026				June 30, 2025			
	Equity	Equity	Debt	Money Market	Equity	Debt	Money Market	Total
	Index Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Index Sub-Fund	Sub-Fund	Sub-Fund	(Rupees)
Opening balance	500,000	500,000	500,000	506,071,459	500,000	500,000	118,956,501	120,456,501
Units issued during the year / period	-	-	-	687,731,954	-	-	387,465,635	387,465,635
Units redeemed during the year / period	-	-	-	(339,023)	-	-	(350,677)	(350,677)
Closing balance	500,000	500,000	500,000	1,193,464,389	500,000	500,000	506,071,459	507,571,459

14 NUMBER OF UNITS IN ISSUE

	June 30, 2026				June 30, 2025			
	Equity	Equity	Debt	Money Market	Equity	Debt	Money Market	Total
	Index Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Index Sub-Fund	Sub-Fund	Sub-Fund	(Units)
Opening units	5,000	5,000	5,000	4,453,664	5,000	5,000	1,155,677	1,170,677
Units issued during the year / period	-	-	-	5,157,658	-	-	3,300,796	3,300,796
Units redeemed during the year / period	-	-	-	(2,612)	-	-	(2,809)	(2,809)
Total units in issue at the end of the year / period	5,000	5,000	5,000	9,608,710	5,000	5,000	4,453,664	4,468,664

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

15 CONTRIBUTION TABLE

	June 30, 2026				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Opening	500,000	500,000	500,000	506,071,459	507,571,459
Issue of units				687,731,954	687,731,954
Redemption of units				(339,023)	(339,023)
Closing balance	500,000	500,000	500,000	1,193,464,389	1,194,964,389

16 CASH AND CASH EQUIVALENTS

Balance with banks	594,245	594,250	594,252	1,325,841,944	1,327,624,691
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

15 TAXATION

The income of the Fund is exempt from income tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. 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.

16 EARNINGS PER UNIT (EPU)

Earnings per unit based on cumulative weighted average units for the year has not been disclosed as in the opinion of the Pension Fund Manager, the determination of the same is not practicable.

17 TRANSACTIONS WITH CONNECTED PERSONS

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

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

Remuneration payable to the Pension Fund Manager and the Trustee is determined in accordance with the provision of the VPS Rules and constitutive documents of the Fund respectively.

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

17.1 Transactions during the year

Transactions during the year	
MCB Investment Management Limited - Pension Fund Manager	
Remuneration (includes insurance fee and indirect taxes)	
Central Depository Company of Pakistan Limited - Trustee	
Remuneration (include indirect taxes)	
Nishat Mills Limited	
Purchase of securities	60,000,000 (2025: Nil)
Sale of securities	60,000,000 (2025: Nil)

Transactions during the year

MCB Investment's Management Limited -
Pension Fund Manager
Remuneration (include indirect taxes)

Central Depository Company of Pakistan Limited - Trustee
Remuneration (include indirect taxes)

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

	June 30, 2026				
	Equity Index	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				
MCB Investments Management Limited - Management Company	1,002	1,002	1,002	990,343	993,349
Remuneration (includes insurance fee and indirect taxes)					
Central Depository Company of Pakistan Limited - Trustee	1,002	1,002	1,002	171,053	174,059
Remuneration (include indirect taxes)					
Security Deposit	-	-	-	100,000	100,000
Balances at the end of year					
	June 30, 2025				
	Equity Index	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				
MCB Investments Management Limited - Management Company	463	464	463	425,068	426,458
Remuneration (include indirect taxes)					
Central Depository Company of Pakistan Limited - Trustee	475	466	468	16,012	17,421
Remuneration (include indirect taxes)					
Security Deposit	-	-	-	100,000	100,000

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

17.3 Unit Holders' 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)

MCB Investment Management Limited

Pension Fund Manager

Mcb Alhamra KPK Pension Fund - Equity Index	5,000	-	-	5,000	566,853	-	594,278
Mcb Alhamra KPK Pension Fund - Equity	5,000	-	-	5,000	566,846	-	594,281
Mcb Alhamra KPK Pension Fund - Debt	5,000	-	-	5,000	566,849	-	594,284
Mcb Alhamra KPK Pension Fund - Money Market	300,000	-	-	300,000	38,048,115	-	41,759,672

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)

MCB Investment Management Limited

Pension Fund Manager

Mcb Alhamra KPK Pension Fund - Equity Index	5,000	-	-	5,000	528,510	-	566,853
Mcb Alhamra KPK Pension Fund - Equity	5,000	-	-	5,000	528,487	-	566,846
Mcb Alhamra KPK Pension Fund - Debt	5,000	-	-	5,000	528,494	-	566,849
Mcb Alhamra KPK Pension Fund - Money Market	300,000	-	-	300,000	33,389,160	-	38,048,115

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

18 FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, markup rate and other price risk), credit risk and liquidity risk. Risk of the Fund are being managed by the Dividend Yield Fund Manager in accordance with the approved policies of the investment committee which provide broad guidelines for management of above mention risks. The Board of Directors of the Dividend Yield Fund has overall responsibility for the establishment and oversight of the Fund's risk management framework.

The Fund's primary financial assets comprise of balances with banks and investment at fair value through profit and loss, comprising of equity securities of listed companies. The Fund also has markup and other receivables. The Fund's principal financial liabilities include remuneration payable to Management company, Trustee and accrued and other liabilities.

18.1 Market risk

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

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP, the NBFC Regulations and the NBFC Rules.

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

18.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as all transactions were carried out in Pakistani Rupees.

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

18.1.2 Profit rate risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

a) Sensitivity analysis of variable rate instruments

The Fund is exposed to variable rate instrument risk for balances in certain savings accounts, the profit rates on which range between 4.65% to 11.43% per annum.

In case of 100 basis points increase / decrease in interest rates on June 30, 2026, with all other variables held constant, the net income for the year and the net assets would have been higher / lower by Rs.13.28 million (2025: Rs. 5.62 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2026 the Fund does not hold any fixed rate instruments, therefore, the Fund is not exposed to fair value interest rate risk.

Interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date. The composition of the fund's investment may 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 interest rates.

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

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

2026					
Yield / effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to interest rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
On-balance sheet financial instruments					
Financial Assets					
Bank balances	4.65% - 11.43%	1,327,624,691	-	-	1,327,624,691
Mark-up receivable		-	-	13,111,684	13,111,684
Deposit and other receivable		-	-	100,000	100,000
		1,327,624,691	-	13,211,684	1,340,836,375
Financial Liabilities					
Payable to MCB Investments Management Limited		-	-	863,780	863,780
Payable to the Central Depository Company- Trustee		-	-	151,355	151,355
		-	-	1,015,135	1,015,135
On-balance sheet gap		1,327,624,691	-	12,196,549	1,339,821,240

There is no off-balance sheet financial instrument that exist as at year ended June 30, 2026.

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

----- 2025 -----					
Yield / effective interest rate (%)	Exposed to yield / interest rate risk			Not exposed to interest rate risk	Total
	Upto three months	More than three months and upto one year	More than one year		
----- (Rupees) -----					
On-balance sheet financial instruments					
Financial Assets					
Bank balances	4.65%-19.6%	562,184,799	-	-	562,184,799
Markup receivable		-	-	4,857,437	4,857,437
Deposit and other receivable		-	-	107,696	107,696
		562,184,799	-	4,965,133	567,149,932
Financial Liabilities					
Payable to the Management Company		-	-	370,834	370,834
Payable to the Trustee		-	-	15,156	15,156
		-	-	385,991	385,991
On-balance sheet gap		562,184,799	-	4,579,142	566,763,941

There is no off-balance sheet financial instrument that exist as at year ended June 30, 2025.

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

18.1.3 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 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 instrument that is exposed to price risk.

18.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. The credit risk of the Fund principally arises from deposits and other receivable balances.

Credit risk from balances with banks and financial institutions is managed in accordance with the Fund's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Board of Directors. The limits are set to minimize the concentration of risk and therefore mitigate financial loss through potential counterparty failure.

The main concentration to which the Fund is exposed arises from the Fund's bank balances. The Fund is also exposed to counterparty credit risk on deposits and other receivable balances. The Fund's maximum exposure to credit risk related to receivables at June 30, 2026 and June 30, 2025 is the carrying amounts of following financial assets.

The maximum exposure to credit risk as at June 30, 2026 and June 30, 2025 were as follows:

	----- 2026 -----		----- 2025 -----	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
	----- (Rupees) -----			
Bank balances	1,327,624,691	1,327,624,691	562,184,799	562,184,799
Mark-up receivable	13,111,684	13,111,684	4,857,437	4,857,437
Deposits and other receivables	100,000	100,000	107,696	107,696
	1,340,836,375	1,340,836,375	567,149,932	567,149,932

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

The analysis below summaries the credit rating quality of the Fund's financial assets as at June 30, 2026.

	2026 ----- % -----
Bank balances by rating category	
AA+	99.86%
AA	0.00%
AA-	0.13%
	<u>100.00%</u>
	2025 ----- % -----
AA	99.97%
A+	0.30%
	<u>100.00%</u>

Above rates are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2026 and June 30, 2025.

Deposits placed with CDC for the purpose of effecting transaction and settlement of listed securities. It is expected that all securities deposited with CDC will be clearly identified as being assets of the Fund, hence, the management believes that the Fund is not materially exposed to a credit risk with respect to such parties.

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.

Settlement risk

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of counter party to honour its obligations to deliver cash, securities or other assets as contractually agreed. Credit risk relating to unsettled transactions in securities is considered to be minimal as the Fund uses brokers with high creditworthiness and the transactions are settled or paid for only upon delivery using central clearing system.

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

18.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions, if any, 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, without incurring unacceptable losses or risking damage to the Fund's reputation. Its 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.

The Fund has the ability to borrow in the short-term to ensure settlement. During the current year, the Fund did not availed any borrowing. As per the NBFC Regulations the maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund and bear interest at commercial rates.

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

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the statement of assets and liabilities date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

----- 2026 -----			
Carrying value	Upto one month	More than one month upto three months	More than three months and upto one year
----- (Rupees) -----			

Liabilities

Payable to the Management
Company

863,780

863,780

-

-

Payable to the Trustee

151,355

151,355

-

-

1,015,135

1,015,135

-

-

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

----- 2025 -----			
Carrying value	Upto one month	More than one month upto three months	More than three months and upto one year

----- (Rupees) -----

Liabilities

Payable to the Management Company

370,834

370,834

-

-

Payable to the Trustee

15,156

15,156

-

-

385,990

385,990

-

-

----- 2026 -----		
At fair value through profit or loss	At amortised cost	Total

----- (Rupees) -----

18.4 Financial instruments by category

Financial Assets

Bank balances

-

1,327,624,691

1,327,624,691

Mark-up receivable

-

13,111,684

13,111,684

Deposits and other receivables

-

100,000

100,000

-

1,340,836,375

1,340,836,375

Financial Liabilities

Payable to the Management Company

-

863,780

863,780

Payable to the Trustee

-

151,355

151,355

-

1,015,135

1,015,135

----- 2025 -----		
At fair value through profit or loss	At amortised cost	Total

----- (Rupees) -----

Financial instruments by category

Financial Assets

Bank balances

-

562,184,799

562,184,799

Mark-up receivable

-

4,857,437

4,857,437

Deposits and other receivables

-

107,696

107,696

-

567,149,932

567,149,932

Financial Liabilities

Payable to the Management Company

-

370,834

370,834

Payable to the Trustee

-

15,156

15,156

-

385,990

385,990

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

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

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

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

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

Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

As at June 30, 2026 and June 30, 2025 the Fund held instruments to be measured at fair values:

----- 2026 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			

At fair value through profit or loss

-	-	-	-
---	---	---	---

----- 2025 -----			
Level 1	Level 2	Level 3	Total
----- (Rupees) -----			

At fair value through profit or loss

-	-	-	-
---	---	---	---

19.1 During the year ended June 30, 2026, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

The Fund has not disclosed the fair values of other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of their fair values.

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

20 EXPENSE RATIO

20.1 Equity Index Sub Fund

The annualized total Expense Ratio (TER) of the Fund for the Year ended June 30, 2026 is 0.38% (2025: 0.38%) which includes 0.11% (2025: 0.10%) representing government levies and annual fee to the SECP respectively.

20.2 Equity Sub Fund

The annualized total Expense Ratio (TER) of the Fund for the Year ended June 30, 2026 is 0.38% (2025: 0.38%) which includes 0.11% (2025: 0.10%) representing government levies and annual fee to the SECP respectively.

20.3 Debt Sub Fund

The annualized total Expense Ratio (TER) of the Fund for the Year ended June 30, 2026 is 0.38% (2025: 0.38%) which includes 0.11% (2025: 0.10%) representing government levies and annual fee to the SECP respectively.

20.4 Money Market Sub Fund

The annualized total Expense Ratio (TER) of the Fund for the Year ended June 30, 2026 is 1.13% (2025: 1.13%) which includes 0.18% (2025: 0.18%) representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

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

21 PERFORMANCE TABLE

21.1 Performance Information

June 30, 2026				
Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
(Rupees)				
594,279	594,281	594,284	1,337,521,986	
118.8557	118.8563	118.8567	139.1989	
27,425	27,435	27,435	85,283,932	
-	-	-	-	
500,000	500,000	500,000	1,193,464,389	

Net Assets
Net Assets Value Per Unit
Net Income after Taxation
Realized gain
Net Contribution

June 30, 2026				
Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
(Rupees)				
118.8557	118.8563	118.8567	139.1989	
113.3839	113.3826	113.3831	126.8601	

Highest Issue Price
Lowest Issue Price

June 30, 2025				
Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
(Rupees)				
566,854	566,846	566,849	564,845,123	
113.3706	113.3693	113.3698	126.8270	
38,343	38,359	38,354	49,106,487	
-	-	-	2,579,216	
-	-	-	-	
500,000	500,000	500,000	506,071,459	

Net Assets
Net Assets Value Per Unit
Net Income after Taxation
Realized gain
Unrealized gain
Dividend Income
Net Contribution

June 30, 2025				
Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
(Rupees)				
113.3706	113.3693	113.3698	126.8270	
105.7240	105.7194	105.7207	111.3437	

Highest Issue Price
Lowest Issue Price

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

22 CORRESPONDING FIGURES

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

23 GENERAL

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

24 DATE OF AUTHORISATION FOR ISSUE

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

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

PERFORMANCE TABLE

Mcb Alhamra kpk Fund - Equity index Sub Fund			
Performance Information	2026	2025	2024
Total Net Assets Value – Rs. in million	0.5943	0.5669	0.5285
Net Assets value per unit – Rupees	118.8557	113.3706	105.7020
Closing Offer Price	118.8557	113.3706	105.7020
Highest Issue Price	118.8557	113.3706	105.7020
Lowest Issue Price	113.3839	105.7240	100.0000

Mcb Alhamra kpk Fund - Equity Sub Fund			
Performance Information	2026	2025	2024
Total Net Assets Value – Rs. in million	0.5943	0.5668	0.5285
Net Assets value per unit – Rupees	118.8563	113.3693	105.6974
Closing Offer Price	118.8563	113.3693	105.6974
Highest Issue Price	118.8563	113.3693	105.6974
Lowest Issue Price	113.3826	105.7194	100.0000

Mcb Alhamra kpk Fund - Debt Sub Fund			
Performance Information	2026	2025	2024
Total Net Assets Value – Rs. in million	0.5943	0.5668	0.5285
Net Assets value per unit – Rupees	118.8567	113.3698	105.6988
Closing Offer Price	118.8567	113.3698	105.6988
Highest Issue Price	118.8567	113.3698	105.6988
Lowest Issue Price	113.3831	105.7207	100.0000

Mcb Alhamra kpk Fund - Money Market Sub Fund			
Performance Information	2026	2025	2024
Total Net Assets Value – Rs. in million	1,337.5220	564.8451	128.6237
Net Assets value per unit – Rupees	139.1989	126.8270	111.2972
Closing Offer Price	139.1989	126.8270	111.2972
Highest Issue Price	139.1989	126.8270	111.2972
Lowest Issue Price	126.8601	111.3437	100.0000

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