



MCB FUNDS
Investments for Life

ANNUAL REPORT 2026

Funds Under Management of
MCB Investment Management Limited



MCB GOVERNMENT SECURITIES FUND

TABLE OF CONTENTS

1	Fund's Information	1634
2	Report of the Director of the Management Company	1635
3	Report of the Fund Manager	1651
4	Trustee Report to the Unit Holders	1653
5	Independent Auditor's Report to the Unit Holders	1654
6	Statement of Assets and Liabilities	1656
7	Income Statement	1657
8	Statement of Other Comprehensive Income	1658
9	Statement of Movement in Unit Holder's Fund	1659
10	Cash Flow Statement	1660
11	Notes to and Forming Part of the Financial Statements	1661
12	Pattern of Units Holding by Size	1684
13	Performance Table	1685

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	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	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	Habib Metropolitan Bank Limited MCB Bank Limited United Bank Limited	Habib Bank Limited Faysal Bank Limited Al Falah Bank Limited
Auditors	Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-75350.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

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

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Government Securities Fund** accounts review for the year ended June 30, 2026.

Economy Review

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

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

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

FUND PERFORMANCE

During the period under review, the fund generated a return of 9.53% as against its benchmark return of 10.82%. WAM of the fund was 2.3 years. The fund was 20.5% invested in Cash as of June end. The Net Assets of the Fund as at June 30, 2026 stood at Rs. 13,440 million. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 100.7724.

Economy & Market – Future Outlook

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

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

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

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.

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.

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

HOLDING COMPANY

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

CORPORATE GOVERNANCE

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

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

The details of above are as under:

Sr. No.	Name	Status	Membership in other Board Committees
1.	Mr. Haroun Rashid	Non-Executive Director	None
2.	Mr. Muhammad Nauman Chughtai	Non-Executive Director	HR&R* Committee
3.	Mr. Ahmed Jahangir	Non-Executive Director	HR&R* Committee Audit Committee IT&DRMC**Committee
4.	Mr. Manzar Mushtaq	Non-Executive Director	Audit Committee
5.	Ms. Sadia Muzaffar	Independent Director	Audit Committee (Chairman)
6.	Mr. Fahd Kamal Chinoy	Independent Director	HR&R* Committee (Chairman)
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee IT&DRMC**Committee (Chairman)
8.	Mr. Khawaja Khalil Shah	Executive Director	HR&R* Committee IT&DRMC**Committee

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

* HR&R stands for Human Resource and Remuneration

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

Management is continuing to comply with the provisions of best practices set out in the code of corporate governance.

The Board of Directors is pleased to report that:

- a. The financial statements, present fairly the state of affairs, the results of operations, cash flows and changes in equity;
- b. Proper books of accounts of the fund have been maintained;
- c. Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.;
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further;
- f. There are no significant doubts upon the fund's ability to continue as going concern;
- g. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations;
- h. The outstanding taxes, statutory charges and duties, if any, have been fully disclosed in the audited financial statements;
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report;
- j. As at June 30, 2026, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 19 of the Code;
- k. The detailed pattern of shareholding as on June 30, 2026 is annexed;
- l. A formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and Committees of the Board;

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

m. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below are the details of committee meetings held during the year ended June 30, 2026:

1. Meeting of the Audit Committee.

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

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

* Appointed on February 07, 2026

** Resigned on February 06, 2026

2. Meeting of the Human Resource and Remuneration Committee.

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

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

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

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

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

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

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

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

S.No.	Name	Designation	Investment	Redemption	Dividend Distribution
			No. of Units		
1	Sara Mushtaq	W/o Manzar Mustaq	0.06	1,818,835.63	-
2	Haroun Rashid	Director/ Chairman	231,082.41	231,082.40	-

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

EXTERNAL AUDITORS

The Fund's external auditor's **M/s. Yousuf Adil 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. Yousuf Adil 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. Yousuf Adil Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

ACKNOWLEDGMENT

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

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
August 04, 2026



Manzar Mushtaq
Director
August 04, 2026

ڈائریکٹرز رپورٹ

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

نمبر شمار	نام	عہدہ	سرمایہ کاری	واپسی	ڈیویڈنڈ کی تقسیم
یونٹس کی تعداد					
1.	سارہ مشتاق	اہلیہ منظر مشتاق	0.06	1,818,835.63	-
2.	ہارون رشید	ڈائریکٹر/چیئر مین	231,082.41	231,082.40	-

خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز M/s یوسف عادل 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 یوسف عادل چارٹرڈ اکاؤنٹنٹس کی تقرری کی تجویز پیش کی ہے، اور بورڈ نے بھی اس تجویز کی توثیق کی ہے۔
M/s یوسف عادل چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے خارجی آڈیٹرز کے طور پر کام کرنے کے لیے رضامندی کا اظہار کیا ہے۔

اظہار تشکر

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

منجانب ڈائریکٹرز،

Manzar Mushtaq

منظر مشتاق

ڈائریکٹر

04 اگست 2026ء

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2026ء

ڈائریکٹرز رپورٹ

2. ہیومن ریسورس اور ریمپوزیشن کمیٹی کی میٹنگز

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

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

3. آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی کی میٹنگز

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

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

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

ڈائریکٹرز رپورٹ

k. 30 جون 2026ء کو حصص یافتگی کا تفصیلی خاکہ ملحق ہے؛

l. بورڈ اور اس کے ارکان اور کمیٹیوں کی کارکردگی کی سالانہ جانچ کے لیے ایک باضابطہ اور مؤثر طریقہ کار نافذ کیا گیا ہے؛

m. بورڈ آف ڈائریکٹرز کی میٹنگ میں حاضری کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ سالِ مختتمہ 30 جون 2026 کے دوران کمیٹی میٹنگز کی تفصیلات درج ذیل ہیں:

1. آڈٹ کمیٹی کی میٹنگز

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

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

* 07 فروری 2026ء کو تقرری ہوئی

** 06 فروری 2026ء کو مستعفی ہو گئے

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

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

a. مالیاتی گوشوارے کمپنی کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کی آمد و رفت اور اس کی ایکویٹی میں تبدیلیوں کو منصفانہ انداز میں پیش کرتے ہیں؛

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

c. مالیاتی گوشواروں کی تیاری میں موزوں اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے، جو مالیاتی گوشواروں سے منسلک اہم نکات میں مذکور ہیں، اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں؛

d. مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیارات (جس حد تک ان کا پاکستان میں اطلاق ہوتا ہے) نان-بینکنگ فنانس کمپنیز (اسٹیٹسمنٹ اینڈ ریگولیشنز) رولز 2003، نان-بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ اینسٹیز ریگولیشنز 2008، متعلقہ ٹرسٹ ڈیڈز کے تقاضوں اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے؛

e. انٹرئل کنٹرول کا نظام مضبوط خطوط پر استوار ہے اور اس کا موثر نفاذ اور نگرانی کی جاتی ہے، اور اسے مزید بہتر بنانے کی کوششیں جاری ہیں؛

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

g. لسٹنگ ضوابط میں تفصیلاً بیان کردہ کارپوریٹ گورننس کی بہترین روایات سے کوئی قابل ذکر انحراف نہیں کیا گیا ہے؛

h. واجب الاداء ٹیکسز، قانونی چارجز اور ڈیوٹیز، اگر کوئی ہیں تو، کو آڈٹ شدہ مالیاتی گوشواروں میں مکمل طور پر ظاہر کر دیا گیا ہے؛

i. پراویڈنٹ / گریپوٹی اور پینشن فنڈ کی سرمایہ کاریوں کی قدر کے بیان کا اطلاق فنڈ پر نہیں ہوتا لیکن منجمنٹ کمپنی پر ہوتا ہے، چنانچہ ڈائریکٹرز رپورٹ میں اس حوالے سے کوئی بیان شامل نہیں کیا گیا ہے؛

j. 30 جون 2026ء کو کمپنی ضابطہء اخلاق کے ریگولیشن نمبر 19 میں بیان کردہ ڈائریکٹرز ٹریننگ پروگرام کے تقاضوں پر عمل پیرا ہے؛

ڈائریکٹرز رپورٹ

کارپوریٹ گورننس

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

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

* 4 نان-ایگزیکٹو ڈائریکٹرز؛

* 3 انڈپنڈنٹ ڈائریکٹرز؛ اور

* 1 ایگزیکٹو ڈائریکٹر (سی ای او)

تفصیل درج ذیل ہے:

نمبر شمار	نام	حیثیت	دیگر بورڈ کمیٹیوں میں رکنیت
1.	جناب ہارون رشید	نان-ایگزیکٹو ڈائریکٹر	کوئی نہیں
2.	جناب محمد نعمان چغتائی	نان-ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر * کمیٹی
3.	جناب احمد جہانگیر	نان-ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر * کمیٹی، آڈٹ کمیٹی، آئی ٹی اینڈ ڈی آر ایم سی ** کمیٹی
4.	جناب منظر مشتاق	نان-ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5.	محترمہ سعدیہ مظفر	انڈپنڈنٹ ڈائریکٹر	آڈٹ کمیٹی (چیرمین)
6.	جناب فہد کمال چنائے	انڈپنڈنٹ ڈائریکٹر	ایچ آر اینڈ آر کمیٹی * (چیرمین)
7.	محترمہ ماوراء عادل خان	انڈپنڈنٹ ڈائریکٹر	ایچ آر اینڈ آر * کمیٹی، آئی ٹی اینڈ ڈی آر ایم سی ** کمیٹی (چیرمین)
8.	جناب خواجہ خلیل شاہ	ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر * کمیٹی، آئی ٹی اینڈ ڈی آر ایم سی ** کمیٹی

* ہیومن ریسورس اینڈ ریمو نیشن

** آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی

برائے جون 2025 کے بعد سے فکسڈ انکم اور فکسڈ ریٹ فنڈ کے مجموعی حجم میں تقریباً 15.9 فیصد اضافہ ہوا اور یہ 1,440 بلین روپے تک پہنچ گئے، جبکہ ایکویٹی اور اس سے متعلقہ فنڈز میں 62.3 فیصد اضافہ ہوا اور ان کی مالیت 797 بلین روپے ہو گئی۔

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

میوچل فنڈز صنعت کے مستقبل کا منظر نامہ

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

ہولڈنگ کمپنی

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

کے ڈپاز فراہم کیے ہیں اور اپنی موجودہ 5.0 بلین ڈالر کی سہولت کی مدت میں مزید تین سال کی توسیع کی ہے۔ کر 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۔ ہمارے بنیادی صورتحال کے مفروضے کے تحت ہم نے روپے کی قدر میں تقریباً 5.0 فیصد کمی فرض کی ہے، اونیٹ توقع ہے کہ جون 2027 تک ڈالر اور روپے کا تناسب تقریباً 292 روپے پر پہنچ جائے گا۔

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

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

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

میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز کی صنعت کے net اثاثہ جات مالی سال 2026ء کے دوران تقریباً 14.3 فیصد بڑھ کر 4,209 بلین روپے ہو گئے۔ منی مارکیٹ کے کل فنڈز میں جون 2025ء کے بعد سے 0.9 فیصد کمی ہوئی۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 6.5 فیصد کم ہو کر 914 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 5.0 فیصد بڑھ کر 957 بلین روپے ہو گئے۔ مزید

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 9.53 فیصد منافع بنایا، جبکہ اس کے بالمقابل بیچ مارک منافع 10.82 فیصد تھا۔

فنڈ کی بالوزن اوسط میچورٹی (WAM) اختتام مدت پر 2.3 سال تھی۔

جون کے اختتام پر فنڈ کی نقد میں سرمایہ کاری 20.5 فیصد تھی۔

30 جون 2026ء کو فنڈ کے net اثاثہ جات 13,440 ملین روپے تھے، جبکہ net اثاثہ جاتی قدر (این اے وی) فی یونٹ

100.7724 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 کثیر المملکتی، 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

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی گورنمنٹ سکیورٹیز 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 کمی اچھی شرح سے اضافہ ہوا اور یہ 41.6 بلین ڈالر تک پہنچ گئیں۔ مُلک کی بیرونی مالیاتی صورتحال مضبوط رہی کیونکہ اسٹیٹ بینک آف پاکستان (ایس بی پی) کے زیرِ مبادلہ کے ذخائر گزشتہ مالی سال کے اختتام پر 14.5 بلین ڈالر کے مقابلے میں بڑھ کر تقریباً 18.4 بلین ڈالر ہو گئے۔ مقامی کرنسی نے امریکی ڈالر (گرین بیک) کے مقابلے میں استحکام کا مظاہرہ کیا اور اس عرصے کے دوران USD/PKR شرح 2.0 فیصد کی بہتری کے ساتھ 278.2 تک پہنچ گئی۔

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

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

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

Fund Type and Category

MCB Government Securities Plan I is an Income Scheme.

Fund Benchmark

90% six (6) months PKRV rates + 10% six (6) months average of the highest rates on savings account of three (3) AA rated scheduled banks as selected by MUFAP.

Investment Objective

The Objective of MCB Government Securities Plan 1 (MCB GSP1) is to seek maximum possible rate of return by investing primarily in Government Securities.

Manager's Review

The fund posted a return of 9.53% during the period under review against the benchmark return of 10.82%. Exposure in T-Bills was 0.7%, PIB was 78.1% and 20.5% in cash.

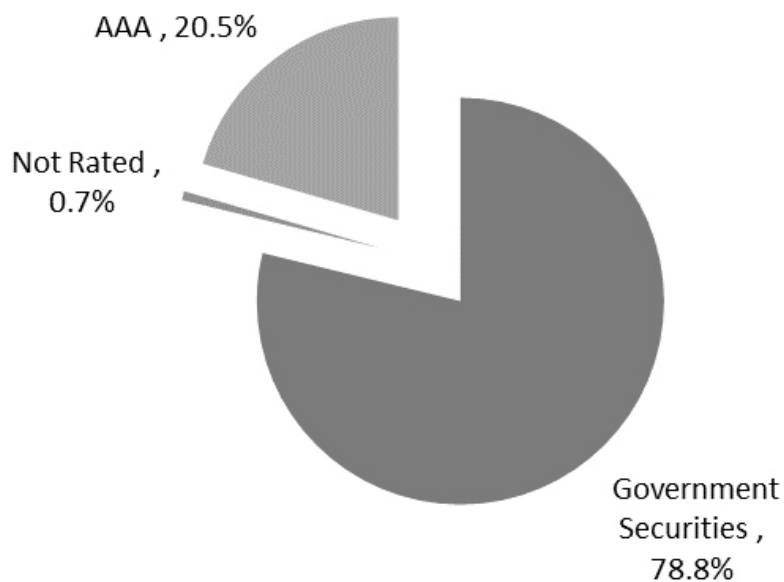
The Net Assets of the Fund as at June 30, 2026 stood at Rs. 13,440 million as compared to Rs. 38,606 million as at June 30, 2025 registering a decrease of 65.2%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 100.7724 as compared to opening NAV of Rs. 100.3599 per unit as at June 30, 2025 registering an increase of 0.4124 per unit.

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

Asset Allocation (%age of Total Assets)	Jun-26
Cash	20.5%
PIB	78.1%
T-Bills	0.7%
Others including receivables	0.7%

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

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



Saad Ahmed
Fund Manager

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

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



TRUSTEE REPORT TO THE UNIT HOLDERS

MCB GOVERNMENT SECURITIES FUND

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

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

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 01, 2026



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

Tel: +92 (021) 3454 6494-7
www.yousufadil.com

INDEPENDENT AUDITOR'S REPORT To The Unit Holders of MCB Government Securities Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **MCB Government Securities Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund, statement of cash flow and notes including a summary of material accounting policy information and other explanatory information.

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

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund and MCB Investment Management Limited (the Management Company) 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 Company 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 Management and the Board of Directors of the Management Company for the Financial Statements

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

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

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

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



Yousuf Adil
Chartered Accountants

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 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 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.

Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and Non-Banking Finance Companies and Notified Entities Regulations, 2008.

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


Chartered Accountants

Place: Karachi

Date: September 25, 2026

UDIN: AR202610057osj54BdGc

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STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2026

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
		Note	
ASSETS			
Bank balances	4	2,812,966	9,844,446
Investments	5	10,789,499	28,549,702
Profit receivable	6	67,999	502,348
Advance, deposits, prepayments and other receivables	7	32,670	1,377
Total assets		13,703,134	38,897,873
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	8	19,169	55,516
Payable to Central Depository Company of Pakistan Limited - Trustee	9	703	403
Payable to Securities and Exchange Commission of Pakistan	10	833	1,826
Payable against conversion of units		49,202	-
Accrued expenses and other liabilities	11	192,964	234,001
Total liabilities		262,871	291,746
NET ASSETS		13,440,263	38,606,127
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		13,440,263	38,606,127
CONTINGENCIES AND COMMITMENTS	12	----- Number of units -----	
NUMBER OF UNITS IN ISSUE		133,372,476	384,676,859
		----- Rupees -----	
NET ASSETS VALUE PER UNIT	3.7	100.7724	100.3599

The annexed notes 1 to 27 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

		MCB GSF Plan I	
		For the period from	June 30, 2026
		November 05, 2024 to June 30, 2025	
		----- (Rupees in '000) -----	
		Note	
INCOME			
Income from government securities			3,387,502
Profit on bank deposits			375,465
Income from letter of placements			6,283
Income from musharika			34,239
Capital (loss) / gain on sale of investment - net			(263,934)
Unrealised gain on re-measurement of investments at fair value through profit or loss - net	5.7		42,538
Total income			3,582,093
EXPENSES			
Remuneration of MCB Investment Management Limited - Management Company	8.1		375,360
Sindh Sales Tax on remuneration of Management Company	8.2		56,304
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1		19,111
Sindh Sales Tax on remuneration of the Trustee	9.2		2,867
Securities and Exchange Commission of Pakistan fee	10		26,061
Auditors' remuneration	13		624
Legal and professional charges			204
Printing and related costs			-
Brokerage expense			4,127
Fees and subscriptions			272
Bank charges			420
Total operating expenses			485,350
Net income for the year before taxation			3,096,743
Taxation	16		-
Net income for the year after taxation			3,096,743
Allocation of net income for the year			
Net income for the year / period after taxation			3,096,743
Income already paid on units redeemed			(2,997,597)
			99,146
Accounting income available for distribution			
Relating to capital gains			-
Excluding capital gains			99,146
			99,146
Earnings per unit	3.10		

The annexed notes 1 to 27 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	MCB GSF Plan I	
	For the period from June 30, 2026	November 05, 2024 to June 30, 2025
	----- (Rupees in '000) -----	
Net income for the year after taxation	3,096,743	1,256,395
Other comprehensive income	-	-
Total comprehensive income for the year	3,096,743	1,256,395

The annexed notes 1 to 27 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	MCB GSF Plan I			MCB GSF Plan I		
	For the year ended June 30, 2026			For the period from November 05, 2024 to June 30, 2025		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the year	38,536,077	70,050	38,606,127	-	-	-
Issuance of 460,047,443 units (June 2025: 797,961,005 units):						
- Capital value (at net asset value per unit at the beginning of the year)	46,170,315	-	46,170,315	79,796,101	-	79,796,101
- Element of income	1,947,294	-	1,947,294	2,028,419	-	2,028,419
	48,117,609	-	48,117,609	81,824,520	-	81,824,520
Redemption of 711,351,826 units (June 2025: 413,284,146 units):						
- Capital value (at net asset value per unit at the beginning of the year)	(71,391,198)	-	(71,391,198)	(41,328,415)	-	(41,328,415)
- Amount paid out of element of income	(1,049,241)	(2,997,597)	(4,046,838)	(1,736,519)	(1,121,267)	(2,857,786)
	(72,440,439)	(2,997,597)	(75,438,036)	(43,064,934)	(1,121,267)	(44,186,201)
Total comprehensive income for the year	-	3,096,743	3,096,743	-	1,256,395	1,256,395
Interim dividend distribution on November 07, 2024	-	-	-	-	(70)	(70)
Interim dividend distribution on June 18, 2026 at the rate of Rs 9.1099 per unit (2025: Rs. 7.7041 per unit on June 21, 2025)	(893,465)	(48,715)	(942,180)	(223,509)	(65,008)	(288,517)
	(893,465)	3,048,028	2,154,563	(223,509)	1,191,317	967,808
Net assets as at the end of the year	13,319,782	120,481	13,440,263	38,536,077	70,050	38,606,127
Undistributed income brought forward:						
- Realised		62,091			-	
- Unrealised		7,959			-	
		70,050			-	
Accounting income available for distribution						
- Relating to capital gains		-			65,249	
- Excluding capital gains		99,146			69,879	
		99,146			135,128	
Distributions during the year		(48,715)			(65,078)	
Undistributed income carried forward		120,481			70,050	
Undistributed income carried forward						
- Realised		77,943			62,091	
- Unrealised		42,538			7,959	
		120,481			70,050	
		(Rupees)			(Rupees)	
Net assets value per unit as at beginning of the year		100.3599			-	
Net assets value per unit as at end of the year		100.7724			100.3599	

The annexed notes 1 to 27 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

MCB GSF Plan I		
	June 30,2026	For the period from November 05, 2024 to June 30, 2025
Note	------(Rupees in '000)-----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	3,096,743	1,256,395
Adjustments for non cash:		
Unrealised gain on re-measurement of investments at fair value through profit or loss - net	5.7 (42,538)	(7,959)
	3,054,205	1,248,436
Decrease / (increase) in assets		
Investments - net	17,312,406	(28,051,408)
Profit receivable	434,349	(502,348)
Advance,deposits, prepayments and other receivables	(31,293)	(1,377)
	17,715,462	(28,555,133)
(Decrease) / increase in liabilities		
Payable to MCB Investment Management Limited - Management Company	(36,347)	55,516
Payable to Central Depository Company of Pakistan Limited - Trustee	300	403
Payable to Securities and Exchange Commission of Pakistan	(993)	1,826
Accrued expenses and other liabilities	(41,037)	234,001
	(78,077)	291,746
Net cash generated from / (used in) operating activities	20,691,590	(27,014,951)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	47,224,144	81,601,011
Amount paid against redemption of units	(75,388,834)	(44,186,201)
Distributions made during the year	(48,715)	(65,078)
Net cash (used in) / generated from financing activities	(28,213,405)	37,349,732
Net (decrease) / increase in cash and cash equivalents during the year	(7,521,815)	10,334,781
Cash and cash equivalents at beginning of the year	10,334,781	-
Cash and cash equivalents at the end of the year	2,812,966	10,334,781

15

The annexed notes 1 to 27 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Government Securities Fund (the Fund / the Scheme / the Trust / the Unit Trust / MCBGSF) has been established through the Trust Deed (the Deed) dated January 25, 2024 under the Sindh Trust Act, 2020 entered into and between MCB Investment Management Limited, (the Management Company) and Central Depository Company of Pakistan Limited, (the Trustee) and is authorised under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "Rules") and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the Regulations). The Securities and Exchange Commission of Pakistan (SECP) has authorised to offer units of plans under the umbrella of MCB Government Securities Fund (MCBGSF) and has registered MCBGSF as a notified entity under the Non Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations") vide letter No SCD/AMCW/MCBGSF/2023/405/MF-NE-155 dated February 02, 2024. SECP has approved this Offering Document under the Regulations vide its Letter No. SCD/AMCW/MCBGSF/2023/455 dated April 08, 2024.
- 1.2 Management Company of the Fund has been licensed to act as an Asset Management Company under the Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end collective investment scheme categorised as a "Government Securities Income Scheme" and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund.
- 1.4 The objective of the Fund is to generate a competitive return by investing primarily in Government Securities such as Pakistan Investment Bonds, GOP Ijarah Sukuks and Market Treasury Bills issued by Government of Pakistan.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of AM1 dated October 03, 2025 to the Management Company and "AA(f)" as stability rating dated June 16, 2026 to the fund.
- 1.6 Title to the assets of Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with Part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

The prior period amounts of the income statement, statement of comprehensive income, statement of movement in unit holder's fund and the statement of cash flows are not comparable as the comparative figures represent the results of period from November 05, 2024 to June 30, 2025 whilst the figures for the current period represent the results of complete financial year of the Fund.

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

2.2 New amendments that are effective for the year ended June 30, 2026

The following amendments are effective for the year ended June 30, 2026. These amendments 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.

- Lack of Exchangeability (Amendments to IAS 21)

2.3 Standard and amendments to IFRS that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments and standards 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 except for the amendment of "IFRS 09 regarding the classification and measurement of financial instruments" when applied may impact the timing of recognition and derecognition of financial instrument and "IFRS 18 Presentation and Disclosures in Financial Statements" when applied may impact the presentation of "Income Statement" with certain additional disclosures in the financial statements. The impact of these amendments and standards is being evaluated the by Management Company.

	Effective from accounting period beginning on or after:
- Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	January 01, 2026
- Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
- Amendments to IFRS 9 and IFRS 7 regarding power purchase arrangements	January 01, 2026
- IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2027
- IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
- IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Other than the aforesaid standards and amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
- IFRS 20 Regulatory Assets and Regulatory Liabilities

2.4 Critical accounting estimates and judgments

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgment in the application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis.

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

- Classification and measurements of financial assets (notes 3.1.1.1 and 5)
- Impairment of financial assets (note 3.1.1.3)
- Taxation (notes 3.4 and 16)
- Classification and measurement of financial liabilities (note 3.1.2.1)
- Contingencies and commitments (note 12)
- Provisions (note 3.3)

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future years if the revision affects both current and future period.

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

2.5 Basis of measurement

These financial statements have been prepared under the historical cost convention, except for investments which are stated at fair value.

2.6 Functional and presentation currency

Items included in these financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupees which is the Fund's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 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. Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the income statement.

3.1.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3.1.1.1 Classification and measurement of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the entity's business model for managing them.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate (EIR) method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments at fair value through other comprehensive income (FVOCI), profit income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income (OCI). Upon derecognition, the cumulative fair value change recognised in OCI is reclassified to the income statement.

Financial assets at fair value through profit or loss (debt instruments)

Debt instruments that do not meet the amortised cost criteria or the FVOCI criteria are classified as at fair value through profit or loss (FVTPL). In addition, debt instruments that meet either the amortised cost criteria or FVOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

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

3.1.1.2 Fair value measurement principles

The fair value of financial instruments is determined as follows:

Basis of valuation of government securities:

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV / PKFRV / PKISRV) which are based on the remaining tenure of the securities. Moreover, listed government securities traded on Pakistan Stock Exchange are valued at revaluation rates disseminated by Pakistan Stock Exchange (PSX).

Basis of valuation of debt securities:

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

The Fund applies discretion on the effective yield as per the allowable limits in the above mentioned circulars after taking into account aspects such as Liquidity Risk, Sector Specific Risk and Issuer Class Risk.

The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/-50 bps. For unrated securities the allowable limits +50 bps.

3.1.1.3 Impairment of financial assets

The Management Company assesses at each reporting date whether there is objective evidence that the Fund's financial assets or a group of financial assets are impaired. If any such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognised whenever the carrying value of an asset exceeds its recoverable amount.

The SECP / Commission has through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Therefore, the Fund will not be subject to the impairment provisions of IFRS 9.

For financial assets other than debt securities measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model. Under IFRS 9, the Fund is required to measure loss allowance equal to an amount equal to lifetime ECL or 12 months ECL based on credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

However, majority of the assets of the Fund exposed to credit risk pertain to counter parties which have high credit rating or where credit risk has not been increased since initial recognition. Therefore, management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

3.1.1.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of assets and liabilities) when:

- the rights to receive cash flows from the asset have expired; or
- the Fund has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset;

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

3.1.2 Financial liabilities

3.1.2.1 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest rate (EIR) method or at fair value through profit or loss.

Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as instruments held for trading or derivatives) or the Fund has opted to measure them at fair value through profit or loss.

3.1.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

3.1.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less which are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value.

3.3 Provisions

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

3.4 Taxation

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend.

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.

3.5 Dividend distribution and appropriations

Dividend distributions and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on the Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders.

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

3.6 Issue and redemption of units

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

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

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

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. Further, the 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.

3.7 Net asset value per unit

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

3.8 Revenue recognition

- Gain or loss on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / loss arising on re-measurement of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Income / profit from investments in government securities is recognised on a time proportionate basis using effective interest rate method.
- Profit on bank deposits is recognised on a time proportionate basis using bank's approved rates.

3.9 Expenses

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

3.10 Earnings per unit

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

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
4	BANK BALANCES	Note	------(Rupees in '000)-----
	In saving accounts	4.1	2,812,966 9,844,446

- 4.1** These carry profit at the rates ranging between 8.5% to 11.42% (2025:8.5%) per annum. These include a balance of Rs. 2,800.48 million (2025: 0.008 million) maintained with MCB Bank Limited (a related party) which carries profit at the rate of 8.5% to 13% per annum (2025: 8.5% per annum).

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
5	INVESTMENTS	Note	------(Rupees in '000)-----
Investment 'at fair value through profit or loss' - net			
	Pakistan Investments Bonds - FRB	5.1	10,429,989 26,007,915
	Pakistan Investments Bonds	5.2	269,336 -
	Market Treasury Bills	5.3	90,174 2,541,787
	GOP Ijarah Sukkuk	5.4	- -
	Letter of Placement	5.5	- -
	Musharika Certificates	5.6	- -
			10,789,499 28,549,702

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

5.1 Pakistan Investments Bond - FRB

Tenure	Issue Date	Face value			As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments (%)
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value		
Pakistan Investment Bond - 5 years	May 06, 2021	-	500,000	500,000	-	-	-	-	-
Pakistan Investment Bond - 5 years	September 21, 2023	2,000,000	1,000,000	3,000,000	-	-	-	-	-
Pakistan Investment Bond - 5 years	October 19, 2023	-	3,000,000	3,000,000	-	-	-	-	-
Pakistan Investment Bond - 5 years*	December 14, 2023	-	100,000	-	100,000	98,983	99,330	0.74	0.92
Pakistan Investment Bond - 5 years*	June 27, 2024	10,058,000	-	-	10,058,000	9,916,280	9,960,437	74.11	92.32
Pakistan Investment Bond - 5 years*	September 05, 2024	3,461,000	1,000,000	4,092,000	369,000	363,861	364,424	2.71	3.38
Pakistan Investment Bond - 5 years	October 03, 2024	4,808,000	2,500,000	7,308,000	-	-	-	-	-
Pakistan Investment Bond - 5 years	November 14, 2024	1,050,000	-	1,050,000	-	-	-	-	-
Pakistan Investment Bond - 5 years	April 17, 2025	-	500,000	500,000	-	-	-	-	-
Pakistan Investment Bond - 10 years	November 04, 2021	1,000,000	-	1,000,000	-	-	-	-	-
Pakistan Investment Bond - 10 years	December 14, 2023	-	1,250,000	1,250,000	-	-	-	-	-
Pakistan Investment Bond - 10 years	September 05, 2024	-	3,804,500	3,804,500	-	-	-	-	-
Pakistan Investment Bond - 10 years*	April 17, 2025	2,256,000	1,250,000	3,500,000	6,000	5,774	5,798	0.04	0.05
Pakistan Investment Bond - 10 years	June 27, 2025	2,000,000	250,000	2,250,000	-	-	-	-	-
Pakistan Investment Bond - 10 years	July 10, 2025	-	1,500,000	1,500,000	-	-	-	-	-
Pakistan Investment Bond - 10 years	January 8, 2026	-	1,330,000	1,330,000	-	-	-	-	-
As at June 30, 2026						10,384,898	10,429,989	45,091	
As at June 30, 2025						26,000,750	26,007,915	7,165	

* These carry effective yield at the rate ranging from 10.96% to 12.95% (2025: 12.18% to 13.91%).

5.2 Pakistan Investments Bond

Tenure	Issue Date	Face value			As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments (%)
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value		
Pakistan Investment bond - 2 years*	January 16, 2025	-	286,500	-	286,500	271,780	269,336	2.00	2.50
Pakistan Investment bond - 5 years	January 16, 2025	-	500,000	500,000	-	-	-	-	-
Pakistan Investment bond - 5 years	July 17, 2025	-	1,050,000	1,050,000	-	-	-	-	-
Pakistan Investment bond - 5 years	January 15, 2026	-	650,000	650,000	-	-	-	-	-
As at June 30, 2026						271,780	269,336	(2,444)	
As at June 30, 2025						-	-	-	

*These carry effective yield at the rate of 11% (2025:NIL).

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

5.3 Market Treasury Bills

Tenure	Issue Date	Face value			As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Unrealised (loss) / gain		
(Rupees in '000)									
Treasury Bills - 1 months	July 10, 2025	-	2,500,000	2,500,000	-	-	-	-	-
Treasury Bills - 1 months	August 21, 2025	-	4,750,000	4,750,000	-	-	-	-	-
Treasury Bills - 1 months	October 02, 2025	-	1,000,000	1,000,000	-	-	-	-	-
Treasury Bills - 1 months	October 16, 2025	-	1,500,000	1,500,000	-	-	-	-	-
Treasury Bills - 1 months	October 30, 2025	-	500,000	500,000	-	-	-	-	-
Treasury Bills - 1 months	December 26, 2025	-	1,300,000	1,300,000	-	-	-	-	-
Treasury Bills - 3 months	May 29, 2025	-	5,500,000	5,500,000	-	-	-	-	-
Treasury Bills - 3 months	June 12, 2025	500,000	-	500,000	-	-	-	-	-
Treasury Bills - 3 months	July 10, 2025	-	1,078,000	1,078,000	-	-	-	-	-
Treasury Bills - 3 months	August 21, 2025	-	540,000	540,000	-	-	-	-	-
Treasury Bills - 3 months	November 13, 2025	-	646,000	646,000	-	-	-	-	-
Treasury Bills - 3 months	January 08, 2026	-	1,090,400	1,090,400	-	-	-	-	-
Treasury Bills - 3 months	January 22, 2026	-	500,000	500,000	-	-	-	-	-
Treasury Bills - 6 months	June 12, 2025	250,000	-	250,000	-	-	-	-	-
Treasury Bills - 6 months	July 10, 2025	-	5,000,000	5,000,000	-	-	-	-	-
Treasury Bills - 6 months	August 21, 2025	-	1,570,000	1,570,000	-	-	-	-	-
Treasury Bills - 6 months	September 04, 2025	-	2,500,000	2,500,000	-	-	-	-	-
Treasury Bills - 6 months	November 27, 2025	-	680,000	680,000	-	-	-	-	-
Treasury Bills - 6 months	December 11, 2025	-	438,420	438,420	-	-	-	-	-
Treasury Bills - 6 months	December 26, 2025	-	11,000,000	11,000,000	-	-	-	-	-
Treasury Bills - 6 months*	January 08, 2026	-	6,165,400	6,165,400	400	399	399	0.00	0.00
Treasury Bills - 6 months*	January 22, 2026	-	1,590,400	1,500,000	90,400	89,884	89,775	0.67	0.83
Treasury Bills - 6 months	February 06, 2026	-	5,290,200	5,290,200	-	-	-	-	-
Treasury Bills - 6 months	February 19, 2026	-	10,700,000	10,700,000	-	-	-	-	-

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

Tenure	Issue Date	Face value				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments (%)
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised (loss) / gain		
Treasury Bills - 12 months	October 17, 2024	-	4,000,000	4,000,000	-	-	-	-	-	-
Treasury Bills - 12 months	October 31, 2024	-	3,000,000	3,000,000	-	-	-	-	-	-
Treasury Bills - 12 months	November 14, 2024	82,660	-	82,660	-	-	-	-	-	-
Treasury Bills - 12 months	November 28, 2024	-	2,000,000	2,000,000	-	-	-	-	-	-
Treasury Bills - 12 months	December 12, 2024	-	1,600,000	1,600,000	-	-	-	-	-	-
Treasury Bills - 12 months	December 26, 2024	-	1,600,000	1,600,000	-	-	-	-	-	-
Treasury Bills - 12 months	January 09, 2025	8,500	5,000,000	5,008,500	-	-	-	-	-	-
Treasury Bills - 12 months	January 23, 2025	125,000	-	125,000	-	-	-	-	-	-
Treasury Bills - 12 months	March 06, 2025	250,000	-	250,000	-	-	-	-	-	-
Treasury Bills - 12 months	April 17, 2025	-	5,500,000	5,500,000	-	-	-	-	-	-
Treasury Bills - 12 months	May 02, 2025	1,350,000	2,200,000	3,550,000	-	-	-	-	-	-
Treasury Bills - 12 months	May 15, 2025	150,000	-	150,000	-	-	-	-	-	-
Treasury Bills - 12 months	June 12, 2025	-	51,880	51,880	-	-	-	-	-	-
Treasury Bills - 12 months	June 26, 2025	-	3,860,000	3,860,000	-	-	-	-	-	-
Treasury Bills - 12 months	July 10, 2025	-	4,722,730	4,722,730	-	-	-	-	-	-
Treasury Bills - 12 months	November 27, 2025	-	4,000,000	4,000,000	-	-	-	-	-	-
Treasury Bills - 12 months	January 08, 2026	-	500,000	500,000	-	-	-	-	-	-
Treasury Bills - 12 months	January 22, 2026	-	500,000	500,000	-	-	-	-	-	-
Treasury Bills - 12 months	February 06, 2026	-	2,500,000	2,500,000	-	-	-	-	-	-
As at June 30, 2026						90,283	90,174	(109)		
As at June 30, 2025						2,540,993	2,541,787	794		

* These carry effective yield at the rate of 10% (2025: 10.98% to 11.48%).

5.4 Government of pakistan ijara Sukuk

Tenure	Issue Date	Face value				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)		
(Rupees in '000)										
Listed GOP - Ijara Sukuk										
GOP Ijara - 1 Year - (Fixed)	April 30, 2026	-	449,005	449,005	-	-	-	-	-	-
As at June 30, 2026										
As at June 30, 2025										

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

5.5 Letter of Placement

Name of Investee Company	Rating of Investee Company	Issue Date	Maturity Date	Profit rate (%)	Face Value (Rupees in '000)				As at Jun 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments (%)
					As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)		
National Bank of Pakistan	AA+	January 16, 2026	January 19, 2026	9.70	-	3,850,000	3,850,000	-	-	-	-	-	-
National Bank of Pakistan	AA+	March 27, 2026	March 30, 2026	9.70	-	2,500,000	2,500,000	-	-	-	-	-	-
PAK Kuwait Investment Company Limited	AA+	March 27, 2026	March 30, 2026	9.70	-	1,500,000	1,500,000	-	-	-	-	-	-
As at June 30, 2026													
As at June 30, 2025									-	-	-	-	-
									-	-	-	-	-

5.6 Musharika Certificates

Name of Investee Company	Rating of Investee Company	Issue Date	Maturity Date	Profit rate (%)	Face Value (Rupees in '000)				As at Jun 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments (%)
					As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)		
Meezan Bank Limited	AAA	September 12, 2025	September 15, 2025	10.50	-	3,500,000	3,500,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	September 26, 2025	September 29, 2025	10.40	-	3,000,000	3,000,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	October 24, 2025	October 27, 2025	10.25	-	3,800,000	3,800,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	November 07, 2025	November 10, 2025	10.30	-	3,900,000	3,900,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	November 21, 2025	November 24, 2025	10.30	-	3,900,000	3,900,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	December 05, 2025	December 08, 2025	10.25	-	3,200,000	3,200,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	December 19, 2025	December 22, 2025	9.90	-	3,400,000	3,400,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	December 22, 2025	December 26, 2025	10.15	-	2,000,000	2,000,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	December 31, 2025	January 05, 2026	10.10	-	1,000,000	1,000,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	January 02, 2026	January 08, 2026	10.20	-	1,000,000	1,000,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	January 16, 2026	January 19, 2026	9.65	-	2,500,000	2,500,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	January 30, 2026	February 02, 2026	9.75	-	2,200,000	2,200,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	February 13, 2026	February 16, 2026	9.70	-	4,200,000	4,200,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	May 22, 2026	May 25, 2026	11.20	-	500,000	500,000	-	-	-	-	-	-
Meezan Bank Limited	AAA	June 05, 2026	June 08, 2026	11.10	-	600,000	600,000	-	-	-	-	-	-
As at June 30, 2026													
As at June 30, 2025									-	-	-	-	-
									-	-	-	-	-

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

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
5.7	Unrealised gain on re-measurement of investments at fair value through profit or loss - net	Note	(Rupees in '000)
	Market value of investment	5.1, 5.2, 5.3, 5.4, 5.5 & 5.6	10,789,499
	Less: Carrying value of investment	5.1, 5.2, 5.3, 5.4, 5.5 & 5.6	10,746,961
			42,538
6.	PROFIT RECEIVABLE		
	Bank deposits	6.1	42,066
	Investment in government securities		25,933
			67,999

6.1. This includes Rs. 10.968 million receivable from MCB Bank Limited (2025: Nil), a related party.

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
7.	ADVANCE, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	Note	(Rupees in '000)
	Receivable against collection account		-
	Advance tax	7.1	32,342
	Receivable from management company		-
	Prepayments		228
	Security deposit Central Depository Company of Pakistan Limited		100
			32,670

7.1 This includes advance tax amounting to Rs: 32.29 million deducted under Section 151A of the Income Tax Ordinance, 2001 introduced through Finance Act, 2025 by withholding agents on capital gains arising from the disposal of debt securities during the year. The Fund had applied for the requisite exemption certificate; however, pending its receipt, the tax was deducted by the withholding agents. Management is of the view that the amount deducted is refundable and, accordingly, has been recognised as advance tax in these financial statements.

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
8.	PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	(Rupees in '000)
	Management remuneration payable	8.1	16,669
	Sindh Sales Tax payable on management remuneration	8.2	2,500
	Sale load payable		-
			19,169

8.1. Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the management fee for a Scheme is capped at 1.50% per annum, calculated on the basis of the average daily net assets, effective from July 01, 2025. Accordingly, the Management Company has charged management fees at a rate not exceeding 1.50% of the Fund's net assets, calculated on a daily basis. Prior to this amendment the management fee was allowed to charge at the rate of up to 2% per annum of the net assets of the Scheme. The management fee is payable to the Management Company on a monthly basis in arrears.

8.2. Sindh Sales Tax on remuneration of the Management Company has been charged at the rate of 15% (2025: 15%).

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
9.	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	(Rupees in '000)
	Trustee remuneration payable	9.1	611
	Sindh Sales Tax payable on Trustee remuneration	9.2	92
			703

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

9.1 The Trustee remuneration shall consist of reimbursement of actual custodial expenses / charges plus 0.055% per annum of the net assets to be paid monthly in arrears.

9.2 Sindh Sales Tax at 15% (2025: 15%) is charged on Trustee fee.

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note		
Payable to the SECP	10.1	833	1,826

10.1 The Fund has charged SECP Fee at the rate of 0.075% of the average daily net assets of the Fund which is payable on monthly basis in arrears.

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
11. ACCRUED EXPENSES AND OTHER LIABILITIES			
Withholding tax payable		192,500	232,853
Brokerage payable		1	768
Auditors' remuneration		422	339
Legal and professional		41	41
		192,964	234,001

12. CONTINGENCIES AND COMMITMENTS

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

		MCB GSF Plan I	
		June 30, 2026	For the period from November 05, 2024 to June 30, 2025
		----- (Rupees in '000) -----	
13. AUDITORS' REMUNERATION			
Annual audit fee		300	235
Half yearly review		175	150
Other Certifications		55	300
Out of pocket expenses		48	44
		578	729
Sales tax		46	58
		624	787

14. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund for the year ended July 01, 2025 to June 30, 2026 is 1.40% (November 05, 2024 to June 30, 2025: 1.74%) which includes 0.25% (November 05, 2024 to June 30, 2025: 0.29%) representing government levies, SECP fee and other related charges. However, pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
15. CASH AND CASH EQUIVALENTS	Note		
Bank balances	4	2,812,966	9,844,446
Market Treasury Bills	5.3	-	490,335
		2,812,966	10,334,781

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

16. TAXATION

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

17. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, MCB Islamic Bank Limited (being 100% subsidiary of the Holding Company), the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

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

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the period end are as follows:

		MCB GSF Plan I	
		June 30, 2026	For the period from November 05 2024 to June 30, 2025
		----- (Rupees in '000) -----	
17.1	Details of transactions other than units of the Fund with related parties / connected persons during the year		
	MCB Investment Management Limited - Management Company		
	Remuneration (including indirect taxes)	431,664	164,706
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration (including indirect taxes)	21,978	6,632
	MCB Bank Limited		
	Bank Charges	5	2
	Profit on bank balance	24,316	-
	Purchase of government securities Face Value Rs: 3,804.5 million (2025:Nil)	3,648,026	-
	Sale of government securities Face Value Rs: 3,804.5 million (2025:Nil)	3,649,356	-
		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
17.2	Details of balances with related parties / connected persons as at year end		
	MCB Investment Management Limited - Management Company		
	Management remuneration payable	16,669	41,587
	Sindh Sales Tax payable on management remuneration	2,500	6,238
	Sales load payable	-	7,691
	Receivable against collection account	-	1,243
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee remuneration payable	611	350
	Sindh Sales Tax payable on Trustee remuneration	92	53
	MCB Bank Limited		
	Bank balance	2,800,481	8
	Profit receivable	10,968	-

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

17.3 Transactions during the period with connected persons / related parties in units of the Fund:

	For the year ended June 30, 2026							
	As at July 01, 2025	Issued for cash	Redeemed	As at June 30, 2026	As at July 01, 2025	Issued for cash	Redeemed	As at June 30, 2026
----- Units ----- (Rupees in '000) -----								
Group / Associated companies								
D.G. Khan Cement Company Ltd Employees Provident Fund Trust	1,332,314	120,937	-	1,453,251	133,711	12	-	146,448
Lalpir Power Limited	-	70,515,506	58,326,193	12,189,312	-	3,639	6,239	1,228,346
Lalpir Staff Provident Fund	-	58,145	-	58,145	-	6	-	5,859
Mcb Employees Provident Fund (Pak Staff)	10,279,296	260,218	7,412,589	3,126,925	1,031,629	26	750	315,108
Mcb Investment Management Limited	7,050,269	-	7,050,269	-	707,564	-	715	-
Nishat Chunian Power Limited	-	67,495,518	67,495,517	1	-	3,026	7,308	-
Nishat Mills Limited Employees Provident Fund Trust	77,641	-	77,641	-	7,792	-	8	-
Nishat Power Limited	65,226,894	59,676,460	124,903,354	-	6,546,165	6,135	13,520	-
Pakgen Power Limited	64,678,943	51,329,285	97,935,073	18,073,156	6,491,172	5,203	10,442	1,821,275
Pakgen Staff Gratuity Fund Trust	255,027	-	255,027	-	25,594	-	26	-
Pakgen Staff Provident Fund	620,715	15,337	620,715	15,337	62,295	2	63	1,546
Security General Insurance Company Ltd	-	1,841,812	1,841,812	-	-	187	199	-
	149,521,099	251,313,218	365,918,191	34,916,127	15,005,922	18,236	39,270	3,518,582

Directors and key management personnel of the Management

Mandate under discretionary Portfolio*	7,939,154	13,343,151	15,143,453	6,138,853	796,773	1,340	1,527	618,627
10% or more Unit holding	-	65,376,827	-	65,376,827	-	6,561,212	-	6,588,180

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

For the period from November 05, 2024 to June 30, 2025							
As at November 05, 2024	Issued for cash	Redeemed	As at June 30, 2025	As at November 05, 2024	Issued for cash	Redeemed	As at June 30, 2025
----- Units ----- (Rupees in '000) -----							
MCB Employees Provident Fund (Pak Staff)	-	10,279,296	-	10,279,296	-	1,027,930	1,031,629
MCB Investment Management Limited	-	8,050,793	1,000,524	7,050,269	-	805,114	707,564
Nishat Mills Limited Employees Provident Fund Trust	-	16,352,277	16,274,636	77,641	-	1,663,148	7,792
D.G. Khan Cement Company Limited Employees Provident Fund Trust	-	1,332,314	-	1,332,314	-	133,493	133,711
Pakgen Power Limited	-	125,374,186	60,695,243	64,678,943	-	12,761,279	6,537,448
Nishat Power Limited	-	126,364,618	61,137,724	65,226,894	-	12,892,683	6,546,165
Pakgen Staff Provident Fund	-	620,715	-	620,715	-	62,072	62,295
Pakgen Staff Gratuity Fund Trust	-	255,027	-	255,027	-	25,503	25,594
	-	288,629,226	139,108,127	149,521,099	-	29,371,221	15,005,922
Directors and key management personnel of the Management Company	-	3,693,056	1,874,221	1,818,835	-	381,973	182,538
Mandate under discretionary Portfolio*	-	20,727,183	12,788,027	7,939,156	-	2,150,128	796,773
	-	24,420,239	14,662,248	9,757,991	-	2,532,102	979,311

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

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

18. 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 close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognised at fair value, based on:

Levels	Description	Valuation approach and input used
Level 1:	Quoted prices in active markets for identical assets or liabilities;	Listed government securities traded on Pakistan Stock Exchange are valued at revaluation rates disseminated by Pakistan Stock Exchange (PSX). The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP).
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	The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV / PKFRV / PKISRV) which are based on the remaining tenure of the securities.
Level 3:	Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	The Fund applies discretion on the effective yield as per the allowable limits after taking into account aspects such as Liquidity Risk, Sector Specific Risk and Issuer Class Risk. The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/50 bps. For unrated securities the allowable limits +50 bps.

The following table show the carrying amount and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy.

MCB GSF Plan I June 30, 2026						
Carrying amount			Fair value			
Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----						

Financial assets measured at fair value

Pakistan Investments Bonds - FRB	10,429,989	-	10,429,989	-	10,429,989	-	10,429,989
Pakistan Investments Bonds	269,336	-	269,336	-	269,336	-	269,336
Market Treasury Bills	90,174	-	90,174	-	90,174	-	90,174
	10,879,673	-	10,879,673	-	10,879,673	-	10,879,673

Financial assets not measured at fair value

Bank balances	-	2,812,966	2,812,966
Profit receivable	-	67,999	67,999
Deposits	-	100	100
	-	2,881,065	2,881,065

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

MCB GSF Plan I

June 30, 2026

Carrying amount			Fair value			
Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total

----- (Rupees in '000) -----

Financial liabilities not measured at fair value

Payable to Management Company	-	16,669	16,669
Payable to Trustee	-	611	611
Accrued expenses and other liabilities	-	433	433
	-	17,713	17,713

During the period year June 30, 2026, there were no transfers between levels of fair value measurements, and no transfer into and out of level 3 fair value measurements.

MCB GSF Plan I

June 30, 2025

Carrying amount			Fair value			
Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total

----- (Rupees in '000) -----

Financial assets measured at fair value

Pakistan Investments Bonds - FRB	26,007,915	-	26,007,915	-	26,007,915	-	26,007,915
Market Treasury Bills	2,541,787	-	2,541,787	-	2,541,787	-	2,541,787
	28,549,702	-	28,549,702	-	28,549,702	-	28,549,702

Financial assets measured at fair value

Bank balances	-	9,844,446	9,844,446
Profit receivable	-	502,348	502,348
Receivable against collection account	-	1,343	1,343
	-	10,348,037	10,348,037

Financial liabilities not measured at fair value

Payable to Management Company	-	49,278	49,278
Payable to Trustee	-	350	350
Accrued expenses and other liabilities	-	1,123	1,123
	-	50,751	50,751

During the year ended June 30, 2025, there were no transfers between levels of fair value measurements, and no transfer into and out of level 3 fair value measurements.

19. FINANCIAL RISK MANAGEMENT

The Fund's objective in managing risk is the creation and protection of unit holders' value. Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, the constitutive documents of the Fund and the regulations and directives of the SECP. These limits reflect the business strategy and market environment of the Fund as well as the level of the risk that the Fund is willing to accept. The Board of Directors of the Management Company supervises the overall risk management approach within the Fund. The Fund is exposed to market risk, liquidity risk and credit risk arising from the financial instruments it holds.

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

19.1 Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of the 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 the regulations laid down by the SECP, the Regulations and the Rules.

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

19.1.1 Currency risk

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

19.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2026, the Fund is exposed to such risk on bank balances, government securities and other placements. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

As of June 30, 2026 details of Fund's profit bearing financial instruments were as follows:

		MCB GSF Plan I	
		June 30, 2026	June 30, 2025
		----- (Rupees '000) -----	
	Note		
Variable rate instruments (financial asset)			
Bank balances	4	2,812,966	9,844,446
Pakistan Investments Bonds - FRB	5.1	10,429,989	26,007,915
		13,242,955	35,852,361
Fixed rate instruments (financial asset)			
Pakistan Investment Bond	5.2	269,336	-
Market Treasury Bills	5.3	90,174	2,541,787
		449,684	2,541,787

a) Sensitivity analysis for variable rate instruments

As at June 30, 2026, the Fund holds interest based bank balances and Pakistan Investment Bonds which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net income / loss for the period and net assets of the Fund would have been higher / lower by Rs. 132.43 million (2025: Rs 358.52 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2026, the Fund holds Pakistan Investment Bonds and Market Treasury Bills which are fixed rate instruments exposing to the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by Financial Market Association of Pakistan (FMAP) on June 30, 2026 the net income / loss for the period and net assets of the Fund would have been higher / lower by Rs. 4.50 million (2025: Rs 25.42 million).

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 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 Interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be defined as follows:

Particulars	As at June 30, 2026					Total
	Effective yield / rate	Exposed to yield risk			Not exposed to yield rate risk	
		Upto three months	More than three months and up to one year	More than one year		

(%)-----

(Rupees in '000)-----

On-balance sheet financial instruments

Financial assets

Bank balances	7 to 13	2,812,966	-	-	-	2,812,966
Investments						-
Pakistan Investment Bonds - FRB	10.96 to 12.95	-	-	10,429,989	-	10,429,989
Pakistan Investment Bonds	11	-	269,336	-	-	269,336
Market Treasury Bills	10	90,174	-	-	-	90,174
Profit receivable		-	-	-	67,999	67,999
Deposits		-	-	-	100	100
		2,903,140	269,336	10,429,989	68,099	13,670,564

Financial liabilities

Payable to Management Company		-	-	-	16,669	16,669
Payable to Trustee		-	-	-	611	611
Accrued expenses and other liabilities		-	-	-	433	433
		-	-	-	17,713	17,713

Particulars	As at June 30, 2025					
	Effective yield / rate	Exposed to yield risk			Not exposed to yield rate risk	Total
		Upto three months	More than three months and up to one year	More than one year		
(%) (Rupees in '000)						

On-balance sheet financial instruments

Financial assets

Bank balances	8.5	9,844,446	-	-	-	9,844,446
Investments						
Pakistan Investments Bonds - FRB	10.94 to 13.91	-	-	26,007,915	-	26,007,915
Pakistan Investments Bonds	10.94 to 13.91	-	-	-	-	-
Market Treasury Bills	10.94 to 13.91	490,335	2,051,452	-	-	2,541,787
Profit receivable		-	-	-	502,348	502,348
Receivable against collection account		-	-	-	1,243	1,243
		10,334,781	2,051,452	26,007,915	503,591	38,897,739

Financial liabilities

Payable to Management Company		-	-	-	49,278	49,278
Payable to Trustee		-	-	-	350	350
Accrued expenses and other liabilities		-	-	-	1,123	1,123
		-	-	-	50,751	50,751

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

19.1.3 Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from profit rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Since the Fund is not allowed to invest in equity securities, hence it is not exposed to equity price risk.

19.2 Credit risk

Credit risk represents the risk of loss if counterparties fail to perform as contracted. The Fund is exposed to counterparty credit risks on profit receivables, other receivables and bank balances. The credit risk for Fund is limited because the counterparties are financial institutions with reasonably high credit ratings.

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

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

	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----				
Bank balances	2,812,966	2,812,966	9,844,446	9,844,446
Investments	10,789,499	-	28,549,702	-
Profit receivable	67,999	42,066	502,348	49,487
Deposits	100	100	1,243	1,243
	13,670,564	2,855,132	38,897,739	9,895,176

The analysis below summaries the credit rating quality of the Fund's financial assets as at June 30, 2026 and as at June 30, 2025.

Bank balances by rating category	MCB GSF Plan I June 30, 2026		MCB GSF Plan I June 30, 2025	
	(Rupees in '000)	-----(%)-----	(Rupees in '000)	-----(%)-----
Rating				
AAA	2,812,959	99.9998	8	0.0001
AA+	7	0.0002	9,844,438	99.9999
	2,812,966	100	9,844,446	100

Above ratings are on the basis of available ratings assigned by Pakistan Credit Rating Agency (PACRA) and VIS as of June 30, 2026.

Investments in government securities do not expose the Fund to credit risk as the counter party to the investment is the Government of Pakistan and management does not expect to incur any credit loss on such investment.

19.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting it's obligations arising from it's financial liabilities that are settled by delivering cash or other financial assets or that such obligations will have to be settled in a manner disadvantageous to the Fund. Liquidity risk also arises because of the possibility that the Fund could be required to pay its liabilities earlier than expected. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's applicable redemption price calculated in accordance with the Fund's constitutive documents and guidelines laid down by the SECP.

Units of the Fund are redeemable on demand at the unit holder's option, however, the Fund does not anticipate significant redemption of units.

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

The table below analyses the Fund's financial assets and 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.

MCB GSF Plan I					
June 30, 2026					
Within 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 5 years	More than 5 years	Total
(Rupees in '000)					
Financial assets					
Bank balances	2,812,966	-	-	-	2,812,966
Investments	-	90,174	269,336	10,429,989	10,789,499
Profit receivable	42,066	-	25,933	-	67,999
Deposits	-	-	-	100	100
Sub total	2,855,032	90,174	295,269	10,429,989	13,670,564
Financial liabilities					
Payable to Management Company	16,669	-	-	-	16,669
Payable to Trustee	611	-	-	-	611
Accrued expenses and other liabilities	433	-	-	-	433
Sub total	17,713	-	-	-	17,713
On-balance sheet gap	2,837,319	90,174	295,269	10,429,989	13,652,851
Total liquidity risk sensitivity gap	2,837,319	90,174	295,269	10,429,989	13,652,851
Cumulative liquidity risk sensitivity gap	2,837,319	2,927,493	3,222,762	13,652,751	13,652,851

MCB GSF Plan I					
June 30, 2025					
Within 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 5 years	More than 5 years	Total
(Rupees in '000)					
Financial assets					
Bank balances	9,844,446	-	-	-	9,844,446
Investments	-	490,335	2,051,452	20,982,168	28,549,702
Profit receivable	49,487	-	452,861	-	502,348
Receivable against collection account	1,243	-	-	-	1,243
Sub total	9,895,176	490,335	2,504,313	20,982,168	38,897,739
Financial liabilities					
Payable to Management Company	49,278	-	-	-	49,278
Payable to Trustee	350	-	-	-	350
Accrued expenses and other liabilities	1,123	-	-	-	1,123
Sub total	50,751	-	-	-	50,751
On-balance sheet gap	9,844,425	490,335	2,504,313	20,982,168	38,846,988
Total liquidity risk sensitivity gap	9,844,425	490,335	2,504,313	20,982,168	38,846,988
Cumulative liquidity risk sensitivity gap	9,844,425	10,334,760	12,839,073	33,821,241	38,846,988

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

20. PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

Name	Designation	Qualification	Experience in years
Mr. Khawaja Khalil Shah	Chief Executive Officer	MBA	34
Mr. Muhammad Asim	Chief Investment Officer	MBA & CFA	23
Mr. Awais Abdul Sattar	Portfolio Manager Equities	MBA & CFA	15
Mr. Saad Ahmed	Head of Fixed Income	MBA	20
Mr. Muhammad Usama Iqbal	Fund Manager - Fixed Income Funds	Graduate	22
Mr. Raza Inam	Head of Research	BSc, CFA	12

20.1 Mr. Saad Ahmed is the fund manager who also manages following Funds:

- MCB DCF Income Fund
- MCB Cash Management Optimizer
- Pakistan Cash Management Fund
- MCB Pakistan Sovereign Fund
- Alhamra Cash Management Optimizer
- MCB Investment Savings Plan I
- Alhamra Daily Dividend Fund
- MCB Government Securities Plan I
- Pakistan Income Enhancement Fund
- Alhamra Islamic Investment Savings Fund
- Alhamra Islamic Punjab Pension Fund- Money Market Sub Fund
- MCB Punjab Pension Fund - Money Market Sub Fund

June 30, 2026

21. TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

-----(%)----

Continental Exchange Private Limited	3.36
Currency Market associate	2.23
Invest One Market Limited	1.08
Icon Management Private Limited	1.05
C&M Management Private Limited	0.76
Vector Capital Private Limited	0.71
AKD Securities Limited	0.56
BMA Capital Management Limited	0.53
Arif Habib Limited	0.46
Paramount Capital Pvt Limited	0.43

June 30, 2025

-----(%)----

Currency Market Associate	27.09
Invest One Market Limited	14.41
Icon Management Private Limited	13.68
Continental Exchange (Private) Limited	12.02
C&M Management (Private) Limited	7.65
Vector Capital (Private) Limited	7.18
Summit Capital (Private) Limited	3.82
Arif Habib Limited	3.82
BMA Capital Management Limited	3.00
Alfalah Securities (Private) Limited	2.68

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

22. PATTERN OF UNIT HOLDING

MCB GSF Plan I				
As at June 30, 2026				
Number of unit holders	Number of units	Investment amount	Percentage investment	
		(Rupees in '000)	----	(%) ----
Individuals	253	17,620,599	1,775,668	13.21
Associated companies	7	34,916,127	3,518,582	26.18
Provident & Pensions fund	4	2,897,506	291,988	2.17
Public Limited Companies	1	1,220,512	122,994	0.92
Others	11	76,717,732	7,731,031	57.52
	276	133,372,476	13,440,263	100

MCB GSF Plan I				
As at June 30, 2025				
Number of unit holders	Number of units	Investment amount	Percentage investment	
		(Rupees in '000)	----	(%) ----
Individuals	256	59,998,684	6,021,461	15.60
Associated companies	8	149,521,099	7,253,728	18.79
Insurance Companies	1	2,504,222	251,323	0.65
Provident & Pension Fund	4	4,693,552	1,732,066	4.49
Public Limited Companies	4	104,091,415	16,937,775	43.87
Others	24	63,867,887	6,409,774	16.60
	297	384,676,859	38,606,127	100

23. ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

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

Name of persons attending the meetings	Designation	Number of Meetings Held	Number of meetings			Meetings Not Attended
			Attendance required	Attended	Leave Granted	
Mr. Haroon Rashid	Chairman	10	10	9	1	211th
Mr. Ahmed Jahangir	Director	10	10	10	-	-
Mr. Syed Savail Meekal Hussain*	Director	10	8	8	-	-
Ms. Sadia Muzaffar**	Director	10	2	2	-	-
Ms. Mavra Adil Khan	Director	10	10	10	-	-
Mr. Muhammad Noman Chughtai	Director	10	10	7	3	208th, 210th and 212th
Mr. Fahd Kamal Chinoy	Director	10	10	8	2	210th and 211th
Mr. Manzar Mushtaq	Director	10	10	10	-	-
Mr. Khawaja Khalil Shah	Chief Executive Officer	10	10	10	-	-

* Resigned on Feb 06, 2026

** Appointed on Feb 07, 2026

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

24. UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund's capital is represented by redeemable units. The Fund is required by the NBFC Regulations, to maintain a minimum fund size of Rs.100 million, to be maintained all the time during the life of the scheme. The units issued by the Fund provides an investor with the right to require redemption for cash at a value proportionate to the unit holder's share in the Fund's net assets at the redemption date.

The Fund's objective in managing the unit holders' fund is to ensure a stable base to maximise returns to all investors and to manage liquidity risk arising from redemption. In accordance with the risk management policies, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption, such liquidity being augmented by disposal of investments.

25. CORRESPONDING FIGURES

Corresponding figures have been re-classified, re-arranged or additionally incorporated in these financial statements, wherever necessary to facilitate comparison and to conform with changes in presentation in the current year. No significant rearrangements or reclassifications were made in these financial statements.

26. GENERAL

Figures have been rounded off to the nearest thousands unless otherwise specified.

27. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 4 August, 2026 by the Board of Directors of the Management Company.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

No. of Unit Holders	Unit holdings	Total units held
183	A. 001-10,000	90,816
41	B. 10,001 – 100,000	1,733,479
36	C. 100,001 – 1000,000	9,996,646
16	D. 1000,001 & Above	121,551,535
276		133,372,476

PERFORMANCE TABLE

Performance Information	2026	2025
Total Net Assets Value – Rs. in million	13,440.2627	38,606.1275
Net Assets value per unit – Rupees	100.7724	100.3599
Closing Offer Price	103.0902	102.6682
Highest offer price per unit	111.9876	110.2512
Lowest offer price per unit	102.6939	100.0000
Highest Redemption price per unit	109.4698	107.7724
Lowest Redemption price per unit	100.3850	100.0000
Distribution per unit – Rs. *	-	-
Interim	9.1099	7.7739
Final		
Average Annual Return - %		
One year	9.53	12.58
Two year	11.06	
Three year		
Net (loss) / Income for the period – Rs. in million	3,096.7432	1,256.3949
Distribution made during the year – Rs. in million	3,046.3120	1,186.3452
Accumulated Capital Growth – Rs. in million	50.4312	70.0497

*** Date of Distribution**

2026	
Date	Rate
June 18, 2026	9.1099

2025	
Date	Rate
November 07, 2025	0.0698
June 21, 2025	7.7041

Disclaimer

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

MCB INVESTMENT MANAGEMENT LIMITED

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