



MCB FUNDS
Investments for Life

ANNUAL REPORT 2026

Funds Under Management of
MCB Investment Management Limited



MCB PAKISTAN ASSET ALLOCATION FUND

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FUND'S INFORMATION

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

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

Dear Investor,

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

Economy Review

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

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

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

Equity Market Review

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

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

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

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

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

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

FUND PERFORMANCE

The fund posted a return of 38.78% during the period under review against the benchmark return of 41.93%. The fund has gradually increased exposure in equities which reached to 75.9% at June 30, 2026 and at the same time it decreased the exposure in cash to 23.5% at June 30, 2026.

On the equity side, the fund was mainly invested in Commercial Banks and Oil & Gas Exploration Companies.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 1,444 million as compared to Rs. 756 million as at June 30, 2025 registering an increase of 91.0%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 248.0919 as compared to opening NAV of Rs. 187.4224 per unit as at June 30, 2025 registering an increase of 60.6695 per unit.

Economy & Market – Future Outlook

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

Given the increase in global oil prices and refinery margins, we now expect Pakistan's current account deficit to widen to approximately USD 2.5 billion, or 0.5% of GDP, in FY27, compared with USD 139 million, or 0.03% of GDP, in FY26. Elevated oil prices remain the key downside risk to the external account. Based on our estimates, every USD 10 per barrel increase above our

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

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

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

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

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

Mutual Fund Industry Review

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

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.

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Mutual Fund Industry Outlook

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

HOLDING COMPANY

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

CORPORATE GOVERNANCE

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

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

The details of above are as under:

Sr. No.	Name	Status	Membership in other Board Committees
1.	Mr. Haroun Rashid	Non-Executive Director	None
2.	Mr. Muhammad Nauman Chughtai	Non-Executive Director	HR&R* Committee
3.	Mr. Ahmed Jahangir	Non-Executive Director	HR&R* Committee Audit Committee IT&DRMC**Committee
4.	Mr. Manzar Mushtaq	Non-Executive Director	Audit Committee
5.	Ms. Sadia Muzaffar	Independent Director	Audit Committee (Chairman)

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

6.	Mr. Fahd Kamal Chinoy	Independent Director	HR&R* Committee (Chairman)
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee IT&DRMC**Committee (Chairman)
8.	Mr. Khawaja Khalil Shah	Executive Director	HR&R* Committee IT&DRMC**Committee

* HR&R stands for Human Resource and Remuneration

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

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

The Board of Directors is pleased to report that:

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

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

1. Meeting of the Audit Committee.

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

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

* Appointed on February 07, 2026

** Resigned on February 06, 2026

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:

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

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

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

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

* 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.

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- n. No trades were carried out in the Units of the Fund 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.

EXTERNAL AUDITORS

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

ACKNOWLEDGMENT

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

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
August 04, 2026



Manzar Mushtaq
Director
August 04, 2026

ڈائریکٹرز رپورٹ

n. دورانِ سال مینجمنٹ کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانسٹل آفیسر، کمپنی سیکریٹری اور چیف انٹرل آڈیٹر اور ان کے شریک حیات اور نابالغ بچوں نے فنڈ کے نوٹس میں کوئی خرید و فروخت نہیں کی۔

خارجی آڈیٹرز

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

اظہارِ تشکر

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

منجانب ڈائریکٹرز،

Manzar Mushtaq

منظر مشتاق

ڈائریکٹر

04 اگست 2026ء

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2026ء

ڈائریکٹر رپورٹ

2. ہیومن ریسورس اور ریمپوزیشن کمیٹی کی میٹنگز

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

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

3. آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی کی میٹنگز

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

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

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

ڈائریکٹرز رپورٹ

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

1. آڈٹ کمیٹی کی میننگز

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

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

* 07 فروری 2026ء کو تقرری ہوئی

** 06 فروری 2026ء کو مستعفی ہو گئے

ڈائریکٹرز رپورٹ

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

* ہیومن ریسورس اینڈ ریمونریشن

** آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی

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

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

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

ہولڈنگ کمپنی

18 اپریل 2023ء کو ایم سی بی بینک لمیٹڈ (ایم سی بی) نے، ایم سی بی-عارف حبیب سیونگزن 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۔

کارپوریٹ گورننس

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

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

* 4 نان-ایگزیکٹو ڈائریکٹرز؛

* 3 انڈپنڈنٹ ڈائریکٹرز؛ اور

* 1 ایگزیکٹو ڈائریکٹر (سی ای او)

تفصیل درج ذیل ہے:

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

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

میوچل فنڈ صنعت کا جائزہ

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

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

میوچل فنڈز صنعت کے مستقبل کا منظر نامہ

منی مارکیٹ فنڈز کو بہتر نقدیت کا فائدہ اٹھانا چاہیے کیونکہ یہ درمیانی سے طویل مدت کے لیے اور کم رسک کے ساتھ سرمایہ کاری کرنے والوں کے لیے موزوں ترین ہوتے ہیں۔ معاشی بحالی کے تیز تر اور وسیع تر ہونے کے ساتھ ساتھ کیپیٹل مارکیٹس، خصوصاً ایکویٹیز، میں گہری دلچسپی برقرار رہے گی۔ ہمارے آپریشنز 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۔

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

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

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

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

فنڈ کی کارکردگی

زیرِ جائزہ مدت کے دوران فنڈ نے 38.78 فیصد منافع پوسٹ کیا، جبکہ اس کے بالمقابل بنچ مارک منافع 41.93 فیصد تھا۔ فنڈ نے ایکویٹیز میں سرمایہ کاری کو بتدریج بڑھا کر 30 جون 2026ء تک اسے 75.9 فیصد کر دیا، اور ساتھ ساتھ نقد میں سرمایہ کاری کو کم کر کے 30 جون 2026ء تک اسے 23.5 فیصد کر دیا۔

ایکویٹی کی جہت میں فنڈ کی زیادہ تر سرمایہ کاری کمرشل بینکوں اور تیل اور گیس کی دریافت کی کمپنیوں میں تھی۔

30 جون 2026ء کو فنڈ کے net اثاثہ جات 1,444 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 756 ملین روپے تھے، چنانچہ 91.0 فیصد اضافہ ہوا۔

30 جون 2026ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 248.0919 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی فی یونٹ 187.4224 روپے تھی، چنانچہ 60.6695 روپے فی یونٹ اضافہ ہوا۔

معیشت اور مارکیٹ - مستقبل کا منظر نامہ

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

ایکویٹی مارکیٹ کا جائزہ

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

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

مالی سال 2026 کے دوران غیر ملکی سرمایہ کار، انشورنس کمپنیاں اور بینک بڑے net فروخت کنندگان رہے، جن کے ذریعے بالترتیب 847.7 ملین ڈالر، 242.7 ملین ڈالر اور 177.1 ملین ڈالر کا خارجی بہاؤ ہوا۔ اس فروخت کو بنیادی طور پر کمپنیوں، میوچل فنڈز اور انفرادی سرمایہ کاروں نے جذب کیا، جن کے ذریعے بالترتیب 587.5 ملین ڈالر، 406.8 ملین ڈالر اور 330.1 ملین ڈالر کا اندرونی بہاؤ ہوا۔ کاروباری سرگرمی کے لحاظ سے 'ایس ای-100' انڈیکس میں روزانہ اوسط خرید و فروخت کا حجم بڑھ کر 910.9 ملین حصص ہو گیا، جبکہ مالی سال 2025 میں یہ تقریباً 618.4 ملین حصص تھا۔ اس دوران اوسط تجارتی مالیت گزشتہ سال کے مقابلے میں 54.7 فیصد بڑھ کر 151.8 ملین ڈالر ہو گئی۔

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی پاکستان ایسیٹ ایلوکیشن کے اکاؤنٹس برائے سال مختتمہ 30 جون 2026ء کا جائزہ پیش خدمت ہے۔

معیشت کا جائزہ

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

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

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

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

Fund Type and Category

MCB Pakistan Asset Allocation Fund MCB-PAAF is an Open-End Asset Allocation Scheme for which SECP categorization in process.

Fund Benchmark

KSE-100 Index, 75% six (6) months KIBOR + 25% Six (6) month average of the highest rates on savings account three (3) AA rated Scheduled Banks as selected by MUFAP and 90% three (3) months PKRV rates + 10% three (3) months average of the highest rates on savings account of three (3) AA rated Scheduled Banks as selected by MUFAP on the basis of actual proportion held by the CIS.

Investment Objective

MCB Pakistan Asset Allocation Fund is an asset allocation fund and its objective is to aim to provide a high absolute return by investing in equity and debt markets.

Investment Strategy

The fund will aim to achieve the above-mentioned objective by investing up to 100% in equity securities or up to 100% in debt securities according to the market conditions.

Manager's Review

The fund posted a return of 38.78% during the period under review against the benchmark return of 41.93%. Equity exposure of the fund at June end was 75.9% whereas cash exposure was 23.5%.

On the equity side, the fund was mainly invested in Commercial Banks, Oil & Gas Exploration Companies & Textile Composite.

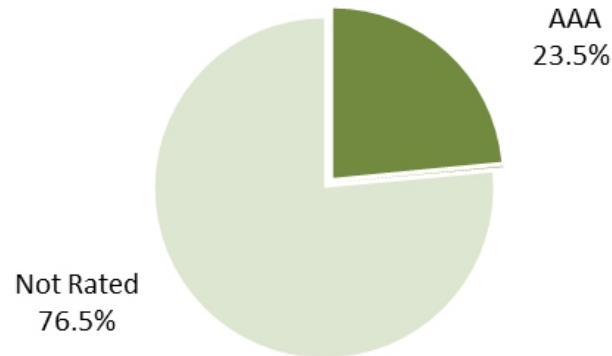
The Net Assets of the Fund as at June 30, 2026 stood at Rs. 1,444 million as compared to Rs. 756 million as at June 30, 2025 registering an increase of 91.0%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 248.0919 as compared to opening NAV of Rs. 187.4224 per unit as at June 30, 2025 registering an increase of 60.6695 per unit.

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

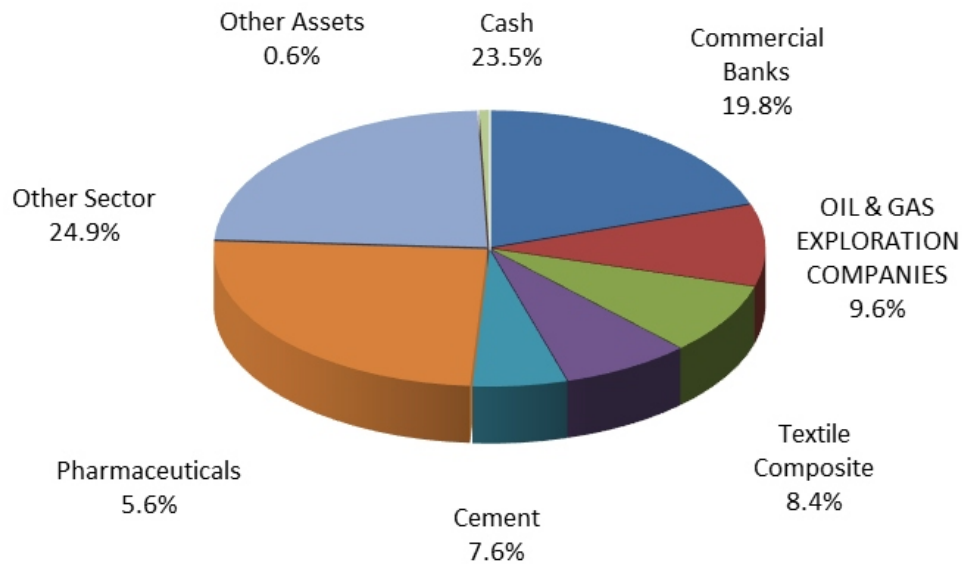
Asset Allocation (%age of Total Assets)	Jun-26
Cash	23.5%
Stocks / Equities	75.9%
Others including receivables	0.6%

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

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



Sector Allocation (%age of Total Assets)



Awais Abdul Sattar, CFA
Fund Manager

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

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TRUSTEE REPORT TO THE UNIT HOLDERS

MCB PAKISTAN ASSET ALLOCATION FUND

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

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

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 17, 2026



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



A.F. FERGUSON & CO.

INDEPENDENT AUDITOR'S REPORT

To the Unit holders of MCB Pakistan Asset Allocation Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of MCB Pakistan Asset Allocation Fund (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, the statement of comprehensive income, statement of movements in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

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

Basis for Opinion

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

Key Audit Matters

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

Following is the key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1	Net Asset Value (NAV) (Refer notes 5 & 6 to the financial statements) Balances with banks and investments constitute the most significant components of the net asset value. Balances with banks aggregated to Rs. 350.446 million and investments of the Fund amounted to Rs. 1,127.272 million as at June 30, 2026. The existence of balances with banks and the existence and proper valuation of investments for the determination of NAV of the Fund as at June 30, 2026 were considered high risk areas and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: - Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2026 and traced them with the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed; - Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and - Obtained bank reconciliation statements and tested reconciling items on a sample basis.

Mee

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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A.F. FERGUSON & Co.

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

The Management Company (MCB Investment Management Limited) is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Amel

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

3



A.F. FERGUSON & CO.

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

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

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

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

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

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

A. F. Ferguson & Co.

Chartered Accountants

Karachi

Dated: September 28, 2026

UDIN: AR202610611edAQbZ6TD

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2026

	Note	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
ASSETS			
Balances with banks	5	350,446	124,675
Investments	6	1,127,272	653,603
Receivable against sale of investments		-	6,055
Advances, deposits and other receivables	7	6,842	10,824
Total assets		1,484,560	795,157
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	8	3,957	2,547
Payable to Central Depository Company of Pakistan Limited - Trustee	9	226	28
Payable to the Securities and Exchange Commission of Pakistan	10	109	56
Accrued expenses and other liabilities	11	36,686	36,662
Total liabilities		40,978	39,293
NET ASSETS		1,443,582	755,864
Unit holders' fund (as per statement attached)		1,443,582	755,864
Contingencies and commitments	12		
----- (Number of units) -----			
NUMBER OF UNITS IN ISSUE		5,818,739	4,032,942
----- (Rupees) -----			
NET ASSET VALUE PER UNIT		248.0919	187.4224

The annexed notes from 1 to 28 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
INCOME			
Net realised gain on sale of investments		235,691	163,181
Dividend income		58,286	54,997
Profit on savings accounts with banks		22,251	14,904
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	145,523	109,093
Other income		77	151
Total income		461,828	342,326
EXPENSES			
Remuneration of MCB Investment Management Limited - Management Company	8.1	42,363	22,429
Sindh sales tax on remuneration of the Management Company	8.2	6,354	3,364
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	2,402	1,376
Sindh sales tax on remuneration of the Trustee	9.2	360	206
Fee to the Securities and Exchange Commission of Pakistan	10.1	1,341	654
Auditor's remuneration	13	1,760	1,325
Brokerage and settlement charges		6,510	4,795
Fees and subscription		288	288
Legal and professional charges		207	204
Bank charges		139	45
Total expenses		(61,724)	(34,686)
Net income for the year before taxation		400,104	307,640
Taxation	14	-	-
Net income for the year after taxation		400,104	307,640
Allocation of net income for the year			
Net income for the year after taxation		400,104	307,640
Income already paid on units redeemed		(60,328)	(52,917)
		339,776	254,723
Accounting income available for distribution			
- Relating to capital gains		322,185	223,468
- Excluding capital gains		17,591	31,255
		339,776	254,723

The annexed notes from 1 to 28 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
Net income for the year after taxation	400,104	307,640
Other comprehensive income for the year	-	-
Total comprehensive income for the year	<u>400,104</u>	<u>307,640</u>

The annexed notes from 1 to 28 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	Year ended June 30, 2026			Year ended June 30, 2025		
	Capital value	Accumulated losses	Total	Capital value	Accumulated losses	Total
	----- (Rupees in '000) -----					
Net assets at the beginning of the year	1,496,355	(740,491)	755,864	1,653,021	(981,093)	671,928
Issuance of 7,268,660 units (2025: 6,444,069 units)						
- Capital value (at net assets value per unit at the beginning of the year)	1,362,311	-	1,362,311	77,812	-	77,812
- Element of income	246,864	-	246,864	299,090	-	299,090
Total proceeds on issuance of units	1,609,175	-	1,609,175	1,070,902	-	1,070,902
Redemption 5,482,863 units (2025: 8,021,241 units)						
- Capital value (at net assets value per unit at the beginning of the year)	(1,027,612)	-	(1,027,612)	960,711	-	960,711
- Element of loss	(184,819)	(60,328)	(245,147)	(2,186,608)	(52,917)	(2,239,525)
Total payments on redemption of units	(1,212,431)	(60,328)	(1,272,759)	(1,225,897)	(52,917)	(1,278,814)
Total comprehensive income for the year	-	400,104	400,104	-	307,641	307,641
Distribution for the year ended June 30, 2026 @ Rs. 5 per unit (declared on June 23, 2026)	(4,738)	(23,900)	(28,638)			
Distribution for the period ended December 31, 2025 @ Rs. 5 per unit (declared on July 1, 2025)	-	(20,164)	(20,164)			
Distribution for the year ended June 30, 2025 @ Rs. 4 per unit (declared on June 26, 2025)				(1,671)	(14,122)	(15,793)
Net income for the year less distribution	(4,738)	356,040	351,302	(1,671)	293,519	291,848
Net assets at the end of the year	<u>1,888,361</u>	<u>(444,779)</u>	<u>1,443,582</u>	<u>1,496,355</u>	<u>(740,491)</u>	<u>755,864</u>
Accumulated losses brought forward						
- Realised loss		(849,585)			(1,139,274)	
- Unrealised gain		109,093			158,181	
		(740,492)			(981,093)	
Accounting income available for distribution						
- Relating to capital gains		322,185			223,468	
- Excluding capital gains		17,591			31,255	
		339,776			254,723	
Distribution made during the year		(44,064)			(14,122)	
Accumulated losses carried forward		<u>(444,780)</u>			<u>(740,492)</u>	
Accumulated losses carried forward						
- Realised loss		(590,303)			(849,585)	
- Unrealised gain		145,523			109,093	
		<u>(444,780)</u>			<u>(740,492)</u>	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the year		<u>187.4225</u>			<u>119.7708</u>	
Net asset value per unit at the end of the year		<u>248.0919</u>			<u>187.4224</u>	

The annexed notes from 1 to 28 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the year before taxation		400,104	307,640
Adjustments for:			
Dividend income		(58,286)	(54,997)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	(145,523)	(109,093)
Profit on savings accounts with banks		(22,251)	(14,904)
		<u>174,044</u>	<u>128,646</u>
Increase assets			
Investments - net		(328,146)	67,355
Receivable against sale of investments		6,055	2,166
Advances, deposits and other receivables		(1,000)	1,215
		<u>(323,091)</u>	<u>70,736</u>
(Decrease) / Increase in liabilities			
Payable to MCB Investment Management Limited - Management Company		1,410	25
Payable to Central Depository Company of Pakistan Limited - Trustee		198	(96)
Payable to the Securities and Exchange Commission of Pakistan		53	4
Payable against purchase of investments		-	(7,016)
Accrued expenses and other liabilities		24	(237)
		<u>1,685</u>	<u>(7,320)</u>
Dividend received		62,538	53,237
Profit received on savings accounts with banks		22,980	14,303
Net cash (used in) / generated from operating activities		<u>(61,844)</u>	<u>259,602</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units - net of refund of capital		1,604,437	1,069,231
Payments against redemption and conversion of units		(1,272,759)	(1,278,845)
Dividend paid		(44,064)	(14,122)
Net cash generated from / (used in) financing activities		<u>287,614</u>	<u>(223,736)</u>
Net increase in cash and cash equivalents during the year		<u>225,770</u>	<u>35,866</u>
Cash and cash equivalents at the beginning of the year		124,675	88,809
Cash and cash equivalents at the end of the year	15	<u><u>350,445</u></u>	<u><u>124,675</u></u>

The annexed notes from 1 to 28 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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 Pakistan Asset Allocation Fund (the Fund) was established through a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited (now: MCB Investment Management Limited), as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed of the Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated January 17, 2008 consequent to which Trust Deed was executed on November 22, 2007 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations). During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to promulgation of Provisional Trust Act namely "Sindh Trusts Act, 2021" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was registered under the Sindh Trust Act on August 12, 2021.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to make investment in securities or instruments both inside and outside Pakistan. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Asset Allocation" scheme by the Board of Directors of the Asset Management Company in accordance with the requirements of Circular 7 of 2009 dated March 06, 2009 issued by the SECP.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' on October 3, 2025 (June 30, 2025: 'AM1' dated October 4, 2024) to the Management Company. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2 BASIS OF PRESENTATION

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

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

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

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

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

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

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

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

The management is in the process of assessing the impacts of the new standards and amendments on the financial statements of the Fund.

3.4 Critical accounting estimates and judgements

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

The estimates and judgements that have a significant effect on the financial statements of the Fund relate to classification and valuation of financial assets (notes 4.2 and 6).

3.5 Accounting convention

These financial statements have been prepared under the historical cost convention except for investments classified as 'at fair value through profit or loss' which are measured at their respective fair values. The details in respect of valuation techniques under IFRS 13 'Fair Value Measurement' used for the fair valuation of financial assets has been disclosed in note 20.

3.6 Functional and presentation currency

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

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

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

4.1 Cash and cash equivalents

These comprise balances with banks in savings and current accounts, cheques in hand and other short-term highly liquid investments with original maturities of three months or less.

4.2 Financial assets

4.2.1 Initial recognition and measurement

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

4.2.2 Classification and subsequent measurement

4.2.2.1 Debt instruments

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

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

based on the business model of the entity.

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

4.2.2.2 Equity instruments

Equity instruments are instruments that meet the definition of equity from the issuer's perspective and are instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuer's net assets.

All equity investments are required to be measured in the "Statement of Assets and Liabilities" at fair value, with gains and losses recognised in the "Income Statement", except where an irrevocable election has been made at the time of initial recognition to measure the investment at FVOCI. The management considers its investment in equity securities being managed as a group of assets and hence has classified them as FVPL. Accordingly, the irrevocable option has not been considered.

The dividend income for equity securities classified under FVPL is recognised in the Income Statement.

Since all investments in equity instruments have been designated as FVPL, the subsequent movement in the fair value of equity securities is routed through the Income Statement.

4.2.3 Impairment (other than debt securities)

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

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

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

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

4.2.4 Impairment loss on debt securities

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

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

4.2.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e., the date on which the Fund commits to purchase or sell the asset.

Up to February 8, 2026, regular way purchases / sales of assets required delivery of securities within two days from the transaction date (T+2) as per the stock exchange regulations. Effective from February 9, 2026, in accordance with the revised regulations of the Pakistan Stock Exchange (PSX) and National Clearing Company of Pakistan Limited (NCCPL), the settlement cycle has transitioned to a Trade plus one day (T+1) basis, requiring delivery of securities within one day from the transaction date.

4.2.6 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership. Any gain or loss on derecognition of financial assets is taken to the 'Income Statement'.

4.3 Financial liabilities

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

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

4.4 Offsetting of financial assets and financial liabilities

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

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

4.5 Provisions

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

4.6 Net asset value per unit

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

4.7 Issuance and redemption of units

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

Units redeemed are recorded at the redemption price applicable to units for which the Management Company / distributors receive redemption applications during business hours of that day. The redemption price is equal to NAV as of the close of the business day, less an amount as the Management Company may consider to be an appropriate provision of duties and charges.

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

4.8 Distributions to unit holders

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

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

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

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

4.10 Revenue recognition

- Gains / (losses) arising on sale of investments are included in the Income Statement, on the date when the transaction takes place;
- Unrealised appreciation / (diminution) arising on re-measurement of investments classified as financial assets 'at fair value through profit or loss' are included in the Income Statement in the period in which they arise;
- Dividend income is recognised when the Fund's right to receive the same is established i.e. on the commencement of date of book closure of the investee company / institution declaring the dividend; and
- Profit on savings accounts with bank is recognised on time proportion basis using the effective yield method.

4.11 Expenses

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

4.12 Taxation

Current

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

Deferred

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

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

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

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

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

	Note	June 30, 2026	June 30, 2025
5 BALANCES WITH BANKS			
		----- (Rupees in '000) -----	
- In savings accounts	5.1	345,100	124,325
- In current accounts	5.2	5,346	350
		<u>350,446</u>	<u>124,675</u>

5.1 These carry profit at the rates ranging from 9% to 10.00% per annum (2025: 7.75% to 9.50% per annum) and include Rs. 5.6 million (2025: Rs. 3.2 million) maintained with MCB Bank Limited (a related party) which carries profit at the rate of 9.00% (2025: 9.50%) per annum.

5.2 These include balance of Rs. 0.57 million (2025: Rs. 0.34 million) maintained with MCB Bank Limited (a related party).

	Note	June 30, 2026	June 30, 2025
6 INVESTMENTS			
		----- (Rupees in '000) -----	
6.1 Investments at 'fair value through profit or loss'			
Listed equity securities - ordinary shares	6.1.1	1,127,272	635,754
Listed equity securities - preference shares	6.1.2	-	17,849
		<u>1,127,272</u>	<u>653,603</u>

6.1.1 Listed equity securities - ordinary shares

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

Name of the investee company	Number of shares				Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 1, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the fund	
	----- (Number of shares) -----				----- (Rupees in '000) -----			----- (%) -----		
Automobile Assembler										
Indus Motor Company Limited	4,000	12,788	16,788	-	-	-	-	-	-	-
Sazgar Engineering Works Limited	15,000	11,950	26,950	-	-	-	-	-	-	-
					-	-	-	-	-	-
Automobile Parts & Accessories										
Panther Tyres Limited	213,520	715,839	672,698	256,661	12,293	14,974	2,681	1.04	1.33	0.15
Service Long March Tyres Limited***	-	1,223,735	923,735	300,000	5,985	7,614	1,629	0.53	0.68	0.00
					<u>18,278</u>	<u>22,588</u>	<u>4,310</u>	<u>1.56</u>	<u>2.00</u>	<u>0.16</u>
Cable & Electrical Goods										
Pak Elektron Limited	160,000	-	160,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Cement										
Cherat Cement Company Limited	109,950	138,732	177,550	71,132	21,944	24,607	2,663	1.70	2.18	0.04
D.G. Khan Cement Company Limited*	-	60,000	60,000	-	-	-	-	-	-	-
Fauji Cement Company Limited	-	145,000	-	145,000	7,227	8,345	1,118	0.58	0.74	0.01
Lucky Cement Limited***	92,000	238,000	195,000	135,000	56,924	63,385	6,461	4.39	5.62	0.01
Maple Leaf Cement Factory Limited	-	155,000	-	155,000	14,104	16,571	2,467	1.15	1.47	0.01
Pioneer Cement Limited	22,100	-	22,100	-	-	-	-	-	-	-
					<u>100,199</u>	<u>112,908</u>	<u>12,709</u>	<u>7.82</u>	<u>10.02</u>	<u>0.07</u>
Chemicals										
Ittehad Chemical Limited	75,964	-	75,964	-	-	-	-	-	-	-
Nimir Industrial Chemicals Limited	34,000	202,579	166,579	70,000	11,667	15,826	4,159	1.10	1.40	0.06
					<u>11,667</u>	<u>15,826</u>	<u>4,159</u>	<u>1.10</u>	<u>1.40</u>	<u>0.06</u>
Balance carried forward					<u>130,144</u>	<u>151,322</u>	<u>21,178</u>			

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

Name of the investee company	Number of shares				Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 1, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the fund	
	(Number of shares)				(Rupees in '000)			(%)		
Balance brought forward					130,144	151,322	21,178			
Commercial Banks										
Bank Alfalah Limited**	750,000	1,791,500	1,281,500	1,260,000	56,683	71,404	14,721	4.95	6.33	0.04
Bank Al Habib Limited	-	163,000	-	163,000	25,728	27,651	1,923	1.92	2.45	0.01
Habib Bank Limited	152,900	100,000	152,900	100,000	30,186	29,221	(965)	2.02	2.59	0.01
Meezan Bank Limited	-	98,400	33,400	65,000	32,426	33,570	1,144	2.33	2.98	0.00
National Bank Of Pakistan	371,000	544,000	812,000	103,000	12,195	20,446	8,251	1.42	1.81	0.00
United Bank Limited**	204,600	492,000	446,600	250,000	93,260	111,918	18,658	7.75	9.93	0.01
					250,478	294,210	43,732	20.38	26.10	0.08
Engineering										
Mughal Iron & Steel Industries Limited	91,400	319,000	91,400	319,000	24,548	27,948	3,400	1.94	2.48	0.01
					24,548	27,948	3,400	1.94	2.48	0.01
Fertilizer										
Engro Fertilizer Limited	164,000	125,000	164,000	125,000	24,495	24,869	374	1.72	2.21	0.01
Fatima Fertilizer Company Limited	340,000	293,000	471,500	161,500	17,355	26,696	9,341	1.85	2.37	0.01
Fauji Fertilizer Company Limited	20,000	15,800	20,000	15,800	7,665	9,061	1,396	0.63	0.80	0.00
					49,515	60,626	11,111	4.20	5.38	0.02
Food & Personal Care Products										
Barkat Frisian Agro Limited ****	505,034	-	505,034	-	-	-	-	-	-	-
National Foods Limited**	28,000	38,500	28,000	38,500	14,481	14,916	435	1.03	1.32	0.02
					14,481	14,916	435	1.03	1.32	0.02
Glass & Ceramics										
Ghani Glass Limited	80,000	134,000	80,000	134,000	4,942	5,356	414	0.37	0.48	0.01
Tariq Glass Industries Limited	-	85,000	17,000	68,000	10,388	13,136	2,748	0.91	1.17	0.04
					15,330	18,492	3,162	1.28	1.64	0.05
Insurance										
Jubilee General Insurance Limited	65,599	-	65,599	-	-	-	-	-	-	-
					-	-	-	-	-	-
Inv. Banks / Inv. Cos. / Securities Cos										
Engro Holding Limited	-	184,000	-	184,000	53,210	52,940	(270)	3.67	4.70	0.02
					53,210	52,940	(270)	3.67	4.70	0.02
Miscellaneous										
Pakistan Aluminium Beverage Cans Limited	60,000	-	60,000	-	-	-	-	-	-	-
Shifa International Hospitals Limited	10,000	-	10,000	-	-	-	-	-	-	-
					-	-	-	-	-	-
Oil & Gas Exploration Companies										
Mari Energies Limited	-	13,500	-	13,500	8,861	9,103	242	0.63	0.81	0.00
Oil & Gas Development Company Limited	129,000	167,500	129,000	167,500	49,452	56,091	6,639	3.89	4.98	0.00
Pakistan Oilfields Limited	21,000	40,000	21,000	40,000	26,595	27,516	921	1.91	2.44	0.01
Pakistan Petroleum Limited	84,000	206,300	84,000	206,300	44,897	50,053	5,156	3.47	4.44	0.01
					129,805	142,763	12,958	9.89	12.66	0.03
Oil & Gas Marketing Companies										
Attock Petroleum Limited	24,500	12,000	24,600	11,900	6,771	6,405	(366)	0.44	0.57	0.01
Pakistan State Oil Company Limited	21,000	40,550	61,550	-	-	-	-	-	-	-
					6,771	6,405	(366)	0.44	0.57	0.01
Paper, Board & packaging										
Century Paper & Board Mills Limited	-	130,000	-	130,000	4,021	3,883	(138)	0.27	0.34	0.03
Packages Limited	15,800	46,150	34,276	27,674	16,670	22,414	5,744	1.55	1.99	0.03
					20,691	26,297	5,606	1.82	2.33	0.06
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	-	53,400	11,339	42,061	47,698	41,404	(6,294)	2.87	3.67	0.04
AGP Limited	82,000	386,053	368,053	100,000	18,683	20,633	1,950	1.43	1.83	0.04
Ferozsons Laboratories Limited	27,000	93,843	93,343	27,500	10,998	11,087	89	0.77	0.98	0.06
GlaxoSmithKline Pakistan Limited	-	102,552	102,552	-	-	-	-	-	-	-
Highnoon Laboratories Limited	-	9,500	-	9,500	9,251	9,526	275	0.66	0.85	0.02
					86,630	82,650	(3,980)	5.73	7.33	0.16
Balance carried forward					781,603	878,569	96,966			

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

Name of the investee company	Number of shares				Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 1, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the fund	
	----- (Number of shares) -----				(Rupees in '000)			(%)		
Balance brought forward					781,603	878,569	96,966			
Power Generation & Distribution										
Lalpir Power Limited*	150,000	-	150,000	-	-	-	-	-	-	-
Nishat Power Limited*	225,000	1,010,000	810,000	425,000	23,501	27,417	3,916	1.90	2.43	0.12
Nishat Chunian Power Limited*	100,000	645,000	535,000	210,000	11,149	15,437	4,288	1.07	1.37	0.06
					34,650	42,854	8,204	2.97	3.80	0.18
Refinery										
Attock Refinery Limited	-	38,000	29,500	8,500	6,839	7,231	392	0.50	0.64	0.01
					6,839	7,231	392	0.50	0.64	0.01
Technology & Communication										
Pakistan Telecommunication Company Ltd	-	60,000	-	60,000	3,335	3,931	596	0.27	0.35	0.00
Systems Limited***	144,000	413,000	307,000	250,000	30,641	36,773	6,132	2.55	3.26	0.02
					33,976	40,704	6,728	2.82	3.61	0.02
Textile Composite										
Gul Ahmed Textile Mills Limited	500,523	12,000	500,523	12,000	292	366	74	0.03	0.03	0.00
Interloop Limited	260,000	1,227,012	546,686	940,326	67,843	101,123	33,280	7.01	8.97	0.07
Nishat Chunian Limited*	560,000	863,032	874,818	548,214	24,623	22,586	(2,037)	1.56	2.00	0.23
					92,758	124,075	31,317	8.59	11.01	0.30
Tobacco										
Pakistan Tobacco Company Limited	7,000	59,200	42,502	23,698	31,923	33,839	1,916	2.34	3.00	0.01
					31,923	33,839	1,916	2.34	3.00	0.01
Total as at June 30, 2026					981,749	1,127,272	145,523			
Total as at June 30, 2025					529,545	635,754	106,209			

*These represent transaction in shares of related parties.

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

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

**** These have a face value of Re. 1 per share.

6.1.1.1 The below investments include shares having a market value (in aggregate) amounting to Rs. 196.172 million (June 30, 2025: Rs. 105.875 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no. 11 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Name of security	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	----- (Number of shares) -----		----- (Rupees in '000) -----	
Lucky Cement Limited	105,000	70,000	49,299	24,867
Oil & Gas Development Company Limited	-	16,000	-	3,529
National Bank Of Pakistan	103,000	60,000	20,446	6,521
Pakistan State Oil Company Limited	-	21,000	-	7,928
Sazgar Engineering Works Limited	-	2,500	-	2,850
Bank Alfalah Limited	730,000	750,000	41,369	60,180
The Hub Power Company Limited	-	-	-	-
Maple Leaf Cement Factory Limited	-	-	-	-
Fauji Cement Company Limited	-	-	-	-
Systems Limited	-	-	-	-
United Bank Limited	190,000	-	85,058	-
	1,128,000	898,500	196,172	105,875

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

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

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

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

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

As at June 30, 2026, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 3.55 million (2025: Rs. 2.54 million).

Name of investee company	Number of shares withheld	Market Value per share	Market Value
			(Rupees in '000)
Faysal Bank Limited	33,855	99.24	3,359.77
The Searle Company Limited	2,058	94.54	194.56
Total as at June 30, 2026	35,913		3,554
Total as at June 30, 2025	35,913		2,540

6.1.2 Listed equity securities - preference shares

Name of the investee company	Number of shares					Balance as at June 30, 2026			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 01, 2025	Purchased during the year	Bonus / right issue during the year	Sold during the year	As at June 30, 2025	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the fund	
Engro Polymer and Chemicals Limited	1,323,153	-	-	(1,323,153)	-	-	-	-	-	-	-
Total as at June 30, 2026						-	-	-			
Total as at June 30, 2025						14,965	17,849	2,884			

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

	June 30, 2026	June 30, 2025
Market value of investments	1,127,272	653,603
Less: Carrying value of investments	(981,749)	(544,510)
	145,523	109,093

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

	Note	June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
7 ADVANCES, DEPOSITS AND OTHER RECEIVABLES			
Dividend receivable		-	4,253
Profit receivable on savings accounts		1,517	2,246
Receivable from National Clearing Company of Pakistan Limited (NCCPL)		1,134	1,134
Other receivables		67	52
Receivable against bonus shares withheld		1,056	1,056
Security deposits with:			
- National Clearing Company of Pakistan Limited (NCCPL)		2,500	1,500
- Central Depository Company of Pakistan Limited (CDC)		100	100
Advance tax	7.1	467	483
		<u>6,842</u>	<u>10,824</u>

- 7.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on profit on saving accounts with banks and dividend paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on dividends, disposal of shares and profit on saving accounts with banks amounted to Rs. 0.467 million (2025: Rs. 0.483 million). Pending resolution of the matter, the amount of withholding tax deducted on dividends received by the Fund, shares disposed by the fund and profit on savings accounts with banks has been shown as Advance tax under 'Advances, deposits and other receivables' as at June 30, 2026 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

	Note	June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
8 PAYABLE TO MCB INVESTMENT LIMITED - MANAGEMENT COMPANY			
Management remuneration payable	8.1	3,441	2,055
Sindh Sales Tax payable on remuneration of the Management Company	8.2	516	308
Sales load payable		-	184
		<u>3,957</u>	<u>2,547</u>

- 8.1** In accordance with the NBFC Regulations, 2008, as amended by the SECP vide SRO No. 600(I)/2025 dated April 10, 2025, the Fund may charge a management fee up to 3% per annum on average daily net assets of the Fund, applicable to 'Asset Allocation Scheme', with effect from July 01, 2025. Accordingly, the Fund has charged management fee at 3% per annum of average daily net assets of the Fund during the current year. (2025: 3.1 to 3.48% per annum of average daily net assets). The remuneration is payable to the Management Company monthly in arrears.

- 8.2** Sindh sales tax on remuneration of the Management Company has been charged at the rate of 15% (2025: 15%). Accordingly, during the year an amount of Rs. 6.354 million (2025: Rs. 3.364 million) has been charged on account of sales tax and an amount of Rs. 6.15 million (2025: Rs. 3.28 million) has been paid to the Management Company which acts as a collecting agent.

	Note	June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Trustee remuneration payable	9.1	197	25
Sindh sales tax payable on trustee remuneration	9.2	30	3
		<u>226</u>	<u>28</u>

- 9.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff specified therein, based on the average daily net assets of the Fund during the year. The tariff structure applicable to the Fund in respect of trustee remuneration is as follows:

Average net asset value	Tariff per annum
Up to Rs.1,000 million	0.20% per annum of net assets
Amount exceeding Rs.1,000 million	Rs.2.0 million plus 0.10% p.a. of net assets exceeding Rs.1 billion

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

9.2 'Sales tax on Trustee remuneration has been charged at the rate of 15% (June 30, 2025: 15%). Accordingly, during the year an amount of Rs. 0.36 million (2025: Rs. 0.206 million) has been charged on account of sales tax and an amount of Rs. 0.333 million (2025: Rs. 0.217 million) was paid to the Trustee who acts as a collecting agent.

	Note	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Fee payable	10.1	109	56

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% (2025: 0.095%) per annum of the daily net assets during the year.

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

	Note	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
11 ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for federal excise duty on:			
- Remuneration of the Management Company	11.1	19,027	19,027
- Sales load		16,173	16,173
Auditors' remuneration payable		1,015	760
Withholding tax payable		146	609
Brokerage payable		284	54
Legal and professional charges payable		42	39
		<u>36,686</u>	<u>36,662</u>

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 35.20 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2026 would have been higher by Rs. 6.05 (2025: Rs. 8.73) per unit.

12 CONTINGENCIES AND COMMITMENTS

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

	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 ----- (Rupees in '000) -----
13 AUDITORS' REMUNERATION		
Annual audit fee	955	648
Half year review fees	413	335
Fee for other certifications	125	125
Out of pocket expenses	137	119
	<u>1,630</u>	<u>1,227</u>
Sindh Sales Tax	130	98
	<u>1,760</u>	<u>1,325</u>

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

14 TAXATION

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

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

	Note	June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
15 CASH AND CASH EQUIVALENTS			
Balances with banks	5	350,446	124,675
		<u>350,446</u>	<u>124,675</u>

16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2026 is 4.37% (June 30, 2025: 4.53%) which includes 0.57% (June 30, 2025: 0.51%) representing government levies on the Fund such as sales taxes, annual fee to SECP etc.

The SECP, vide S.R.O. 600(1)/2025 dated April 10, 2025, has removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The TER limit of 4.5% for a collective investment scheme categorised as an 'Asset Allocation Scheme', applicable previously, has been replaced with the management fee cap as disclosed in note 8.1 to these financial statements for a collective investment scheme categorised as an 'Asset Allocation Scheme'.

17 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

- 17.1** Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.
- 17.2** Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges and distribution payments to connected persons. The transactions with connected persons are also in the normal course of business, at contracted rates and at terms determined in accordance with market rates.
- 17.3** Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations, 2008 and the offering document.
- 17.4** Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.
- 17.5** Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

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

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

Transactions during the year:

	For the year ended	
	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
MCB Investment Management Limited - Management Company		
Remuneration (including indirect taxes)	48,717	25,793
Central Depository Company of Pakistan Limited - Trustee		
Remuneration (including indirect taxes)	2,762	1,582
Central Depository Service (CDS) settlement charges	163	149
Group / Associated Companies		
MCB Bank Limited		
Profit on savings accounts with banks	644	88
Bank charges	25	16
D.G. Khan Cement Company Limited		
Purchase of 60,000 (June 30, 2025: 123,000) shares	9,676	12,342
Sale of 60,000 (June 30, 2025: 123,000) shares	10,376	13,319
Nishat Chunian Power Limited		
Purchase of 1,010,000 (June 30, 2025: Nil) shares	25,302	-
Sale of 810,000 (June 30, 2025: Nil) shares	5,728	-
Dividend income	210	-

Transactions during the year:

	For the year ended	
	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
Lalpir power limited		
Purchase of Nil (June 30, 2025: 150,000) shares	-	3,666
Sale of 150,000 (June 30, 2025: Nil) shares	3,704	-
Nishat Power Limited		
Purchase of 645,000 (June 30, 2025: 250,000) shares	29,914	6,250
Sale of 535,000 (June 30, 2025: 150,000) shares	35,639	5,469
Dividend income	210	-
Nishat Chunian Limited		
Purchase of 863,032 (June 30, 2025: Nil) shares	40,889	-
Sale of 874,818 (June 30, 2025: 150,000) shares	36,480	-
Dividend income	2,822	-

- 17.7** **Balances outstanding at year end:**

	2026	2025
	----- (Rupees in '000) -----	
MCB Investment Management Limited - Management Company		
Management remuneration payable	3,441	2,055
Sindh Sales Tax payable on remuneration of the Management Company	516	308
Sales load payable	-	184
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	197	25
Sindh sales tax payable on trustee remuneration	30	3
Security deposit	100	100
MCB Bank Limited		
Balances with banks	5,688	3,632
Nishat Power Limited		
210,000 shares (2025: 100,000) held	15,437	3,627
Lalpir Power Limited		
Nil shares (2025: 150,000) held	-	3,914
Nishat Chunian Power Limited		
425,000 shares (2025: 225,000) held	27,417	5,470
Nishat Chunian Limited		
548,214 shares (2025: 560,000) held	22,586	23,027

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

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

	June 30, 2026							
	As at July 01, 2025	Issued for cash	Redeemed	As at June 30, 2026	As at July 01, 2025	Issued for cash	Redeemed	As at June 30, 2026
	Units				(Rupees in '000)			
Group / associated companies								
MCB INVESTMENT MANAGEMENT LIMITED	-	958,149	958,149	-	-	200,000	235,531	-
ADAMJEE LIFE ASSURANCE CO. LTD. (IMF)	1,038,567	984,204	-	2,022,771	-	194,132	-	501,833
Directors and Key Management Personnel	-	1,398	1,398	-	-	320	317	-
Mandate under discretionary Portfolio Services	233,974	117,773	-	351,747	-	27,448	-	87,266

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

	June 30, 2025							
	As at July 01, 2024	Issued for cash / Bonus	Redeemed	As at June 30, 2025	As at July 01, 2024	Issued for cash / Bonus	Redeemed	As at June 30, 2025
	Units				(Rupees in '000)			
Group / associated companies								
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	2,862,876	222,888	1,846,597	1,038,567	342,889	4,065	250,000	194,651
Directors and Key Management Personnel	-	3	3	-	-	-	-	-
Mandate under discretionary Portfolio Services	281,079	5,021	52,126	233,974	33,665	916	7,700	43,852

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

18 FINANCIAL INSTRUMENTS BY CATEGORY

	June 30, 2026		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
Financial assets			
Balances with banks	350,446	-	350,446
Investments	-	1,127,272	1,127,272
Deposits and other receivables	6,374	-	6,374
	<u>356,820</u>	<u>1,127,272</u>	<u>1,484,092</u>
Financial liabilities			
Payable to MCB Investment Management Limited - Management Company	3,957	-	3,957
Payable to Central Depository Company of Pakistan Limited - Trustee	226	-	226
Accrued expenses and other liabilities	1,340	-	1,340
	<u>5,523</u>	<u>-</u>	<u>5,523</u>
	June 30, 2025		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
Financial assets			
Balances with banks	124,675	-	124,675
Investments	-	653,603	653,603
Deposits and other receivables	10,341	-	10,341
Receivable against sale of investments	6,055	-	6,055
	<u>141,071</u>	<u>653,603</u>	<u>794,674</u>
Financial liabilities			
Payable to MCB Investment Management Limited - Management Company	2,547	-	2,547
Payable to Central Depository Company of Pakistan Limited - Trustee	28	-	28
Accrued expenses and other liabilities	853	-	853
	<u>3,428</u>	<u>-</u>	<u>3,428</u>

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

19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

19.1 Market risk

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

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

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

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(ii) Yield / interest rate risk

Yield / 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 yield / interest rates. As at June 30, 2026, the Fund is exposed to such risk on its balances held with bank. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis of variable rate instruments

As at June 30, 2026, the Fund is exposed to cash flow yield / interest rate risk on savings accounts maintained with banks. In case of 100 basis points increase / decrease as on June 30, 2026, with all other variables held constant, the net assets value of the Fund and the net income for the year would have been lower / higher by Rs. 3.433 million (2025: Rs.1.442 million).

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

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

The Fund's yield / interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 and June 30, 2025, can be determined as follows:

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

June 30, 2026					
Effective yield / interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and upto one year	More than one year		

(Rupees in '000)

On-balance sheet financial instruments

Financial assets

Balances with banks	9%-10%	345,100	-	-	5,346	350,446
Investments		-	-	-	1,127,272	1,127,272
Deposits and other receivables		-	-	-	6,374	6,374
Receivable against sale of investments		-	-	-	-	-
		345,100	-	-	1,138,992	1,484,092

Financial liabilities

Payable to MCB Investment Management Limited - Management Company		-	-	-	3,957	3,957
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	226	226
Accrued expenses and other liabilities		-	-	-	1,340	1,340
		-	-	-	5,523	5,523

On-balance sheet gap (a)

345,100	-	-	1,133,469	1,478,569
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total interest rate sensitivity gap (a+b)

345,100	-	-		
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Cumulative interest rate sensitivity gap

345,100	345,100	345,100		
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June 30, 2025					
Effective yield / interest rate (%)	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Total
	Up to three months	More than three months and upto one year	More than one year		

(Rupees in '000)

On-balance sheet financial instruments

Financial assets

Balances with banks	8.25%-9.50%	124,325	-	-	350	124,675
Investments	24.99%	-	17,849	-	635,754	653,603
Deposits and other receivables		-	-	-	10,341	10,341
Receivable against sale of investments		-	-	-	6,055	6,055
		124,325	17,849	-	652,500	794,675

Financial liabilities

Payable to MCB Investment Management Limited - Management Company		-	-	-	2,547	2,547
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	28	28
Accrued expenses and other liabilities		-	-	-	853	853
		-	-	-	3,428	3,428

On-balance sheet gap (a)

124,325	17,849	-	649,072	791,247
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total interest rate sensitivity gap (a+b)

124,325	17,849	-		
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Cumulative interest rate sensitivity gap

124,325	142,174	142,174		
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

(iii) Price risk

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

Equity price risk is the risk that the fair value of equity instruments decreases as a result of changes in the level of equity indices and the value of individual stocks.

In case of 1% increase / decrease in KSE-100 index on June 30, 2026, with all other variables held constant, the total net income of the Fund for the year would increase / decrease by Rs. 11.27 million (2025: Rs. 6.54 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE-100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KSE-100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KSE-100 Index.

19.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will cause a financial loss to the Fund by failing to discharge its obligation as it falls due. The table below analyses the Fund's maximum exposure to credit risk:

	-----2026-----		-----2025-----	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	-----Rupees in '000-----			
Balances with banks	350,446	350,446	124,675	88,809
Investments	1,127,272	-	653,603	-
Deposits and other receivables	6,374	6,374	10,341	8,964
Receivable against sale of investments	-	-	6,055	8,221
	<u>1,484,092</u>	<u>356,820</u>	<u>794,674</u>	<u>105,994</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities of Rs. 1,127.27 million (2025: Rs. 653.60 million) is not exposed to credit risk.

There is a possibility of default by participants or failure of the financial market / stock exchanges, the depositories, the settlements or clearing systems, etc. Settlement risk on equity securities is considered minimal because of inherent controls established in the settlement process. The Fund's policy is to enter into financial contracts in accordance with internal risk management policies and instruments guidelines approved by the Investment Committee.

19.2.1 Credit quality of financial assets

The Fund's significant credit risk arises mainly on account of its placements in banks and profit accrued thereon. The credit rating profile of bank balances and its accrued profit is as follows:

Rating category	2026	2025
	----- % -----	
AAA	99.84	99.76
AA+	0.14	0.14
AA	0.01	0.06
AA-	0.00	0.01
A+	0.01	0.04
A-	0.00	0.00
A	0.00	0.00
BB+	0.00	0.00
	<u>100.00</u>	<u>100.00</u>

Since, the balances are maintained with credit-worthy counter-parties therefore, credit risk is mitigated.

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

Concentration of credit risk

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

Settlement risk

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

19.3 Liquidity risk

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

The Fund is exposed to daily settlement of equity securities and daily redemptions at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed of and are considered readily realisable.

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

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

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

June 30, 2026						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial liabilities with no fixed maturity	Total
Rupees in '000						

Financial liabilities

Payable to MCB Investment Management

Limited - Management Company

Payable to Central Depository Company of

Pakistan Limited - Trustee

Accrued expenses and other liabilities

3,957	-	-	-	-	-	3,957
226	-	-	-	-	-	226
325	1,015	-	-	-	-	1,340
4,508	1,015	-	-	-	-	5,523

June 30, 2025						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial liabilities with no fixed maturity	Total
Rupees in '000						

Financial liabilities

Payable to MCB Investment Management

Limited - Management Company

Payable to Central Depository Company of

Pakistan Limited - Trustee

Accrued expenses and other liabilities

2,547	-	-	-	-	-	2,547
28	-	-	-	-	-	28
93	760	-	-	-	-	853
2,668	760	-	-	-	-	3,428

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

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

20.1 Fair value hierarchy

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

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

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

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

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

----- June 30, 2026 -----				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Listed equity securities - ordinary shares	1,127,272	-	-	1,127,272
Listed equity securities - preference shares	-	-	-	-
	<u>1,127,272</u>	<u>-</u>	<u>-</u>	<u>1,127,272</u>
----- June 30, 2025 -----				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
Financial assets 'at fair value through profit or loss'				
Listed equity securities - ordinary shares	653,603	-	-	653,603
Listed equity securities - preference shares	17,849	-	-	17,849
	<u>671,452</u>	<u>-</u>	<u>-</u>	<u>671,452</u>

20.2 Valuation techniques used in determination of fair values

Item	Valuation approach and input used
Listed securities	The valuation has been determined through closing rates of Pakistan Stock Exchange.

20.3 There were no transfers between levels during the year.

21 UNIT HOLDERS' FUND RISK MANAGEMENT

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

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

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

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

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

22 PATTERN OF UNITHOLDING

Details of pattern of unitholding

----- As at June 30, 2026 -----				
	Number of unit holders	Number of units held	Investment amount (Rupees in '000)	Percentage investment %
Individuals	1,595	3,009,480	746,628	51.72
Associated company	1	2,022,771	501,833	34.76
Retirement funds	4	747,828	185,530	12.85
Others	5	38,660	9,591	0.66
	<u>1,605</u>	<u>5,818,739</u>	<u>1,443,582</u>	<u>100</u>

----- As at June 30, 2025 -----				
	Number of unit holders	Number of units held	Investment amount (Rupees in '000)	Percentage investment %
Individuals	1,179	2,346,805	439,844	58.19
Retirement funds	1	1,038,567	194,651	25.75
Associated companies	4	613,210	114,929	15.21
Others	5	34,360	6,440	0.85
	<u>1,189</u>	<u>4,032,942</u>	<u>755,865</u>	<u>100</u>

23 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

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

		2026 (Percentage)
1	Ismail Iqbal Securities (Private) Limited	7.87%
2	Optimus Capital Management (Private) Limited	7.76%
3	BMA Capital Management Limited	7.64%
4	JS Global Capital Limited	7.59%
5	Chase Securities Pakistan Private Limited	7.13%
6	Topline Securities (Private) Limited	6.98%
7	Intermarket Securities Limited	6.82%
8	Akik Capital (Private) Limited	5.90%
9	Taurus Securities Limited	5.64%
10	Arif Habib Limited	5.05%
		2025 (Percentage)
1	BMA Capital Management Limited	9.03%
2	Foundation Securities (Private) Limited	8.44%
3	JS Global Capital Limited	7.35%
4	Khadim Ali Shah Bukhari Securities Limited	7.28%
5	Taurus Securities Limited	7.22%
6	Al Habib Capital Markets (Private) Limited	6.65%
7	Arif Habib Limited	6.54%
8	Ismail Iqbal Securities (Private) Limited	5.84%
9	Topline Securities (Private) Limited	5.82%
10	IGI Finex Securities (Private) Limited	5.47%

24 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

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

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

Name of directors	Designation	Number of meetings held	Number of meetings			Meetings not attended
			Attendance required	Attended	Leave granted	
Mr. Haroon Rashid	Chairman	10	10	9	1	211th
Mr. Ahmed Jahangir	Director	10	10	10	0	-
Syed Savail Meekal Hussain*	Director	10	8	8	0	-
Ms. Mavra Adil Khan	Director	10	10	10	0	-
Ms. Sadia Muzaffar**	Director	10	2	2	0	-
Mr. Fahd Kamal Chinoy	Director	10	10	8	2	210th, 211th
Mr. Manzar Mushtaq	Director	10	10	10	-	-
Mr. Muhammad Nauman Chughtai	Director	10	10	7	3	208th, 210th and 212th
Mr. Khawaja Khalil Shah	Chief Executive Officer	10	10	10	0	-

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

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

25 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

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

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

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

26 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.

27 GENERAL

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

28 DATE OF AUTHORISATION FOR ISSUE

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

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

No. of Unit Holders	Unit holdings	Total units held
1546	A. 001-10,000	737,111
48	B. 10,001 – 100,000	1,147,942
10	C. 100,001 – 1000,000	1,910,831
1	D. 1000,001 & Above	2,022,854
<u>1,605</u>		<u>5,818,739</u>

PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2026

Performance Information	2026	2025	2024	2023	2022
Total Net Assets Value – Rs. in million	1443.582193	755.863626	671.928	610.6500	837.9825
Net Assets value per unit – Rupees	248.0919	187.4224	119.7708	76.5925	76.1026
Closing Offer Price	256.6511	193.8885	123.831	79.1890	78.6825
Highest offer price per unit	281.7404	193.8885	145.3054	82.6547	91.8276
Lowest offer price per unit	190.9373	190.9373	79.1922	70.7022	76.9827
Highest Redemption price per unit	272.3445	187.4224	140.5411	79.9446	88.8167
Lowest Redemption price per unit	184.5696	117.7845	76.5956	68.3840	74.4586
Distribution per unit – Rs. *					
Interim	5.0000		20	-	-
Final		-	-	-	-
Average Annual Return - %					
One year	38.78	59.92	82.79	0.64	-11.56
Two year	49.35	71.36	41.72	-5.46	7.30
Three year	60.50	47.78	23.96	5.08	3.67
Net Income / (loss) for the period – Rs. in million	400.1042	307.6409	377.058	-2.7232	-125.15
Distribution made during the year – Rs. in million*	44.0640	87.2035	169.0180	-	6.3160
Accumulated Capital Growth – Rs. in million	356.0402	220.4375	208.0404	(2.7232)	(131.4634)

* Date of Distribution

2026	
Date	Rate

23-Jun-26 5

2025	
Date	Rate

25-Jun-25 4

2024	
Date	Rate

26-Jun-24 20

2023	
Date	Rate

NIL

2022	
Date	Rate

NIL

Disclaimer

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

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

The Board of Directors of MCB Investment Management Limited (the Management Company of MCB Pakistan Asset Allocation Fund – MCB-PAAF) has an overall responsibility for the implementation of Proxy Voting Policy and Procedures which is available on the Management Company's website (www.mcbfunds.com).

During the financial year ended June 30, 2026, the Management Company on behalf of MCB-PAAF participated in twenty-two (22) shareholders' meetings. The Management Company did not participate in shareholders' meetings in the cases which did not meet the criteria reported in Paragraph No. 8 and 9 of the Proxy Voting Policy and Procedures. Summary of actual proxies voted during the financial year are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	137	137	0	0	-
(%ages)	100	100	0	0	-

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

MCB INVESTMENT MANAGEMENT LIMITED

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UAN: (+92-21) 111 468 378 (111 INVEST)

URL: www.mcbfunds.com, **Email:** info@mcbfunds.com
