



MCB FUNDS
Investments for Life

ANNUAL REPORT 2026

Pakistan Pension Fund Managed by
MCB Investment Management Limited



PAKISTAN PENSION FUND

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Vision

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

Mission

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

Core Values

HONESTY

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

INTEGRITY

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

ETHICS

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

PROFESSIONALISM

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

FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Muhammad Nauman Chughtai Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Ms. Sadia Muzaffar Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Ms. Sadia Muzaffar Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah Mr. Muhammad Nauman Chughtai	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Ms. Sadia Muzaffar Mr. Khawaja Khalil Shah	Member Member Member Member
IT & Digital Risk Management Committee	Ms. Mavra Adil Khan Mr. Ahmed Jahangir Mr. Khawaja Khalil Shah Mr. Syed Sohail Ahmed Mr. Shabbir Hussain Mr. Muhammad Arsalan Mr. Raheel Iqbal (CISO)	Chairman Member Member Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary & Financial Controller	Mr. Muhammad Rehan Khan	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	Zarai Taraqiat Bank Limited Habib Metropolitan Bank Limited Bank Al Falah Limited Allied Bank Limited JS Bank Limited	Faysal Bank Limited Habib Bank Limited MCB Bank Limited Soneri Bank Limited HBL Micro Finance Bank Limited United Bank Limited
Auditors	Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-75350.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

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

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Pakistan Pension 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

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

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

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

FUND PERFORMANCE

Debt Fund

The debt sub-fund generated a return of 8.72% during the period under review. The fund's exposure towards PIBs, TFCs and Cash stood at 64.5%, 2.2% and 29.2% respectively.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 1,563.45 million as compared to Rs. 2,088.52 million as at June 30, 2025 registering a decrease of 25.14%.

The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 650.05 as compared to opening NAV of Rs. 597.93 per unit as at June 30, 2025 registering an increase of Rs. 56.12 per unit.

Money Market Fund

The money market sub-fund generated a return of 9.95% during the period. The fund's exposure towards T bills and cash stood at 57.3% and 38.2% respectively.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 2,936.11 million as compared to Rs. 2,234.81 million as at June 30, 2025 registering an increase of 31.38%.

The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 560.5 as compared to opening NAV of Rs. 509.78 per unit as at June 30, 2025 registering an increase of Rs. 50.72 per unit.

Equity Fund

The Equity sub-fund generated a return of 51.73% against the KSE-100 return of 43.52%. The sub-fund slightly increased its overall equity exposure to 95.3%. Sector-wise, the sub-fund mainly held exposure in Commercial Banks and Oil & Gas Exploration Companies.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 6,151.00 million as compared to Rs. 3,200.59 million as at June 30, 2025 registering a increase of 92.18%.

The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 2,538.84 as compared to opening NAV of Rs. 1,673.30 per unit as at June 30, 2025 registering an increase of Rs. 865.54 per unit.

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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 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

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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.

Mutual Fund Industry Outlook

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

HOLDING COMPANY

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

EXTERNAL AUDITORS

The Fund's external auditor's **M/s. Yousuf Adil Chartered Accountants** have retired after completion of (5) year term, and are thus not eligible for reappointment as per the requirements of Listed (Code of Corporate Governance) Regulations 2019. The Audit Committee has recommended appointment of **M/s. KPMG Taseer Hadi & 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. KPMG Taseer Hadi & Co. Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

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

ACKNOWLEDGMENT

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

On behalf of Directors,



Khawaja Khalil Shah

Chief Executive Officer

August 04, 2026

ڈائریکٹرز رپورٹ

36,956,768 (یعنی 51.33 فیصد) حصص سے بڑھ کر 58,620,935 (یعنی 81.42 فیصد) ہو گئی ہے اور اے ایچ سی ایل اب ایم سی بی۔ اے ایچ میں حصص کی حامل نہیں ہے۔ اس کے نتیجے میں کمپنی کا نام ایم سی بی۔ اے ایچ سے تبدیل کر کے ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ کر دیا گیا۔

خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز، M/s یوسف عادل چارٹرڈ اکاؤنٹنٹس پانچ سالہ مدت کی تکمیل کے بعد ریٹائر ہو گئے ہیں، اور چنانچہ لسٹڈ کمپنیز (کوڈ آف کارپوریٹ گورننس) ریگولیشنز 2019 کے تقاضوں کے مطابق دوبارہ تقرری کے لیے اہل نہیں ہیں۔ آڈٹ کمیٹی نے 30 جون 2027ء کو ختم ہونے والے مالی سال کے لیے کمپنی کے خارجی آڈیٹرز کے طور پر M/s 'کے پی ایم جی تاثیر ہادی اینڈ کمپنی' چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی تجویز پیش کی ہے، اور بورڈ نے بھی اس تجویز کی توثیق کی ہے۔ M/s 'کے پی ایم جی تاثیر ہادی اینڈ کمپنی' چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے خارجی آڈیٹرز کے طور پر کام کرنے کے لیے رضامندی کا اظہار کیا ہے۔

اظہار تشکر

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

منجانب ڈائریکٹرز،



خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2026ء

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

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

میوچل فنڈز صنعت کے مستقبل کا منظر نامہ

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

ہولڈنگ کمپنی

18 اپریل 2023ء کو ایم سی بی بینک لمیٹڈ (ایم سی بی) نے، ایم سی بی-عارف حبیب سیونگز اینڈ انویسٹمنٹس لمیٹڈ (ایم سی بی-اے ایچ) کی سپرنٹ (سرپرست) کمپنی کی حیثیت میں، عارف حبیب کارپوریشن لمیٹڈ (اے ایچ سی ایل) سے ایم سی بی-اے ایچ کے 21,664,167 (یعنی 30.09 فیصد) حصص خرید لیے۔ اس سودے کے ذریعے ایم سی بی بینک لمیٹڈ کی ایم سی بی-اے ایچ میں حاملیت حصص

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 ملتی چاہیے۔ پاکستان کی مسلسل جغرافیائی و سیاسی اہمیت بھی دوست ممالک سے مزید رقوم کی آمد میں معاون ثابت ہو سکتی ہے۔ اس حوالے سے سعودی عرب نے حال ہی میں مزید 3.0 بلین ڈالر کے ڈپازٹس فراہم کیے ہیں اور اپنی موجودہ 5.0 بلین ڈالر کی سہولت کی مدت میں مزید تین سال کی توسیع کی ہے۔ کرنسی کے مستقبل کے امکانات بدستور عالمی سطح پر تیل کی قیمتوں کے رجحان، بیرونی مالی معاونت کی آمد اور وسیع تر جغرافیائی و سیاسی حالات سے گہرا تعلق رکھیں گے۔ ہماری بنیادی صورتحال کے مفروضے کے تحت ہم نے روپے کی قدر میں تقریباً 5.0 فیصد کی فرض کی ہے، اور توقع ہے کہ جون 2027 تک ڈالر اور روپے کا تناسب تقریباً 292 روپے پر پہنچ جائے گا۔

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

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

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

ایکویٹی فنڈ

ایکویٹی ذیلی فنڈ نے 51.73 فیصد منافع بنایا جبکہ اس کے بالمقابل 'ایس ای-100' کا منافع 43.52 فیصد تھا۔ ذیلی فنڈ نے ایکویٹی میں اپنی مجموعی سرمایہ کاری میں معمولی اضافہ کر کے اسے 95.3 فیصد کر دیا۔ سیکٹر کے اعتبار سے ذیلی 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 6,151.00 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 3,200.59 ملین روپے تھے، چنانچہ 92.18 فیصد اضافہ ہوا۔

30 جون 2026ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 2,538.84 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی فی یونٹ 1,673.30 روپے تھی، چنانچہ 865.54 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۔

عالمی سطح پر تیل کی قیمتوں اور ریفرنسری کے منافعوں کے فرق میں اضافے کے پیش نظر اب ہماری توقع ہے کہ پاکستان کا کرنٹ اکاؤنٹ خسارہ مالی سال 2027 میں بڑھ کر تقریباً 2.5 بلین ڈالر (جی ڈی پی کا 0.5 فیصد) ہو جائے گا، جبکہ مالی سال 2026 میں یہ 139 ملین ڈالر (جی ڈی پی کا 0.03 فیصد) تھا۔ تیل کی بڑھی ہوئی قیمتیں بیرونی کھاتے کے لیے بدستور سب سے بڑا منفی پہلو ہے۔ ہمارے اندازوں کے مطابق اگر ہماری بنیادی مفروضہ کردہ قیمت 80 ڈالر فی بیرل سے اوپر تیل کی قیمت میں ہر 10 ڈالر فی بیرل اضافہ ہوتا ہے تو درآمدی بل میں تقریباً 2.0 بلین ڈالر کا اضافہ ہو سکتا ہے، اور اس کے نتیجے میں کرنٹ اکاؤنٹ خسارہ بھی اتنی ہی حد تک

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 گردش 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 مرکز نگاہ بن رہا۔

فنڈ کی کارکردگی

ڈیٹ فنڈ

زیر جائزہ مدت کے دوران ڈیٹ ذیلی فنڈ نے 8.72 فیصد منافع پوسٹ کیا۔ اختتام مدت پر فنڈ کی سرمایہ کاری پاکستان انویسٹمنٹ بانڈز (پی آئی بی) اور نقد میں بالترتیب 64.5 فیصد اور 29.2 فیصد تھی۔

30 جون 2026ء کو فنڈ کے net اثاثہ جات 1,563.45 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 2,088.52 ملین روپے تھے، چنانچہ 25.14 فیصد کمی ہوئی۔

30 جون 2026ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 650.05 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی فی یونٹ 593.93 روپے تھی، چنانچہ 56.12 روپے فی یونٹ اضافہ ہوا۔

منی مارکیٹ فنڈ

دوران مدت منی مارکیٹ ذیلی فنڈ نے 9.95 فیصد منافع پوسٹ کیا۔ فنڈ کی نقد میں سرمایہ کاری 38.2 فیصد تھی۔

30 جون 2026ء کو فنڈ کے net اثاثہ جات 2,936.11 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 2,234.81 ملین روپے تھے، چنانچہ 31.38 فیصد اضافہ ہوا۔

30 جون 2026ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 560.5 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی فی یونٹ 509.78 روپے تھی، چنانچہ 50.72 روپے فی یونٹ اضافہ ہوا۔

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، گردش 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 پاکستان پنشن فنڈ کے اکاؤنٹس برائے سال مختتمہ 30 جون 2026ء کا جائزہ پیش خدمت ہے۔

معیشت کا جائزہ

مُلک نے مالی سال 2026 میں 139 ملین ڈالر کا کرنٹ اکاؤنٹ خسارہ ریکارڈ کیا، جبکہ گزشتہ سال اسی مدت میں 1,838 ملین ڈالر کا سرپلس تھا۔ برآمدات میں 4.6 فیصد کمی، جبکہ درآمدات میں 9.0 فیصد اضافہ ہونے کے باعث تجارتی خسارے میں سال در سال (YoY) 25.4 فیصد اضافہ ہوا۔ ترسیلات زر میں 8.6 فیصد کمی اچھی شرح سے اضافہ ہوا اور یہ 41.6 بلین ڈالر تک پہنچ گئیں۔ مُلک کی بیرونی مالیاتی صورتحال مضبوط رہی کیونکہ اسٹیٹ بینک آف پاکستان (ایس بی پی) کے 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 PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2026

Fund Type and Category

Pakistan Pension Fund (PPF) is an open-end Voluntary Pension Scheme

Investment Strategy

PPF is a flexible savings cum investment plan under the voluntary pension system which facilitates all individuals who are Pakistani nationals, to save for their retirement in a systematic way, and allows special tax rebate on the contributions under this system. The investors have a choice between the various allocation schemes that PPF offers, each of which is invested in different Proportions in the three sub-Funds: Equity, Debt and Money Market. Equity Sub-Fund invests up to 96% of its assets in equity securities. Sector/stock selection is done on the basis of fundamental outlook and DCF valuation. Debt sub-fund Invests in Govt. Bonds of duration of less than 5 years. Money Market sub- Fund invests in short dated money market instruments including treasury bills.

Manager's Review

Equity Sub-Fund

The Equity sub-fund generated a return of 51.73%. The sub-fund stood at 95.2% in equity exposure. Sector-wise, the sub-fund mainly held exposure in Commercial Banks and Oil & Gas Exploration Companies.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 6151.00 million as compared to Rs. 3200.59 million as at June 30, 2025 registering an increase of 92.183%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 2,538.84 as compared to opening NAV of Rs. 1673.30 per unit as at June 30, 2025 registering an increase of Rs. 865.54 per unit.

Money Market Sub- Fund

The money market sub-fund generated a return of 9.95% during the period. The fund's exposure in Cash was 38.2%.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 2,936.11 million as compared to Rs. 2,234.81 million as at June 30, 2025 registering an increase of 31.38%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 560.5 as compared to opening NAV of Rs. 509.78 per unit as at June 30, 2025 registering an increase of Rs. 50.72 per unit.

Debt Sub-Fund

The debt sub-fund generated a return of 8.72% during the period under review. The fund's exposure in Cash stood at 29.2% while exposure in T-Bills and PIBs was 0% and 64.5%, respectively, towards the period end.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 1,563.45 million as compared to Rs. 2,088.52 million as at June 30, 2025 registering a decrease of 25.1407%. The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 650.05 as compared to opening NAV of Rs. 597.93 per unit as at June 30, 2025 registering an increase of Rs. 52.12 per unit.

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

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

PPF-Equity (%age of Total Assets)	Jun-26
Cash	4.4%
Commercial Banks	25.8%
OIL & GAS EXPLORATION COMPANIES	12.8%
Cement	10.2%
Textile Composite	8.0%
Fertilizer	6.2%
Other Equity Sectors	32.2%
Others including receivables	0.3%

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

PPF-Money Market (%age of Total Assets)	Jun-26
Cash	38.2%
T-Bills	57.3%
Others including receivables	4.5%

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

PPF-Debt (%age of Total Assets)	Jun-26
Cash	29.2%
PIBs	64.5%
Commercial Paper	0.0%
TFC/Sukuks	2.2%
T-Bills	0.0%
Others including receivables	4.1%
GoP IJARA Sukuk	0.0%

Raza Inam, CFA

Fund Manager

TRUSTEE REPORT TO THE PARTICIPANTS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

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



TRUSTEE REPORT TO THE PARTICIPANTS

PAKISTAN PENSION FUND

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

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

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: September 01, 2026



INDEPENDENT AUDITOR'S REPORT TO THE PARTICIPANTS



Yousuf Adil
Chartered Accountants

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

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INDEPENDENT AUDITOR'S REPORT To the participants of Pakistan Pension Fund

Report on the audit of the financial statements

Opinion

We have audited the financial statements of **Pakistan Pension Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement and statement of comprehensive income, the statement of movement in participants' sub funds, the statement of cash flows for the year then ended, and notes including a summary of material accounting policy information and other explanatory information.

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

Basis for opinion

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

Information other than the financial statements and auditor's report thereon

The Pension Fund Manager 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 Fund Manager and Board of Directors of the Pension Fund Manager for the financial statements

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

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INDEPENDENT AUDITOR'S REPORT TO THE PARTICIPANTS



Yousuf Adil
Chartered Accountants

In preparing the financial statements, The Pension Fund Manager 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 The Pension Fund Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

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

Report on other legal and regulatory requirements

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

- a) the financial statements prepared for the year ended June 30, 2026 have been properly prepared in accordance with the relevant provisions of the Trust Deed and the Voluntary Pension System Rules, 2005 including the guidelines thereunder;
- b) the allocation and reallocation of units of the sub-funds for all the participants have been made according to the Voluntary Pension System Rules, 2005;

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INDEPENDENT AUDITOR'S REPORT TO THE PARTICIPANTS



Yousuf Adil
Chartered Accountants

- c) the cost and expenses debited to the Fund and apportionment of expenses between sub-funds are as specified in the constitutive documents of the Fund;
- d) a true and fair view is given of the disposition of the Fund as at June 30, 2026 and of the transactions of the Fund for the period then ended;

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


Chartered Accountants

Place: Karachi
Date: September 25, 2026
UDIN: AR202610057vod4CmzNP

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STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2026

		June 30, 2026		June 30, 2025	
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees '000)			
Note					
ASSETS					
	Bank balances	274,222	458,761	1,125,701	1,858,684
4					
	Investments	5,873,346	1,047,864	1,686,484	8,607,694
5					
	Profit receivable	8,704	47,986	42,956	99,646
6					
	Advances, deposits and other receivables	14,681	15,316	88,063	118,060
7					
	Total assets	6,170,953	1,569,927	2,943,204	10,684,084
LIABILITIES					
	Payable to Pension Fund Manager	13,950	1,811	2,670	18,431
8					
	Payable to Central Depository Company of Pakistan Limited - Trustee	460	120	220	800
9					
	Payable to the Securities and Exchange Commission of Pakistan	1,982	706	971	3,659
10					
	Payable against purchase of investment	-	-	-	-
	Payable against redemption of units	-	-	-	-
	Accrued expenses and other liabilities	3,565	3,845	3,235	10,645
11					
	Total liabilities	19,957	6,482	7,096	33,535
	NET ASSETS	6,150,996	1,563,445	2,936,108	10,650,549
Participants' sub funds (as per Statement of Movement in Participants' sub funds)					
		6,150,996	1,563,445	2,936,108	
NUMBER OF UNITS IN ISSUE		(Number of units)			
		2,422,762	2,405,102	5,238,363	
NET ASSETS VALUE PER UNIT		(Rupees)			
3.6		2,538.8400	650.0500	560.5000	
CONTINGENCIES AND COMMITMENTS		(Rupees)			
14					

The annexed notes from 1 to 25 form an integral part of these financial statements.

For MCB Investment Management Limited
(the Pension Fund Manager)



Chief Executive Officer



Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

		June 30, 2026			June 30, 2025		
		Equity	Debt	Money	Equity	Debt	Money
		Sub-Fund	Sub-Fund	Market	Sub-Fund	Sub-Fund	Market
		Total			Total		
		(Rupees '000)			(Rupees '000)		
Note							
Income							
Profit on:							
-	bank balance	23,355	53,637	139,425	216,417	14,478	22,166
-	government securities	-	132,525	136,903	269,428	248,730	264,575
-	term finance certificates	-	4,228	-	4,228	10,794	-
-	NCCPL deposit against exposure margin	-	-	-	-	-	-
-	Dividend income	216,719	-	-	216,719	-	-
-	Capital gain on sale of investments	811,960	(13,965)	(15,180)	782,815	104,411	16,816
-	Unrealised gain / (loss) on re-measurement of investments	-	-	-	-	-	-
-	at fair value through profit or loss - net	-	-	-	-	-	-
5.4	Total income	839,049	21	3,075	842,145	10,087	1,038
		1,891,083	176,446	264,223	2,331,752	388,500	304,595
							1,931,614
Expenses							
8.1	Remuneration of Pension Fund Manager	123,869	22,067	24,269	170,205	25,667	23,250
8.2	Sindh Sales Tax on remuneration of Pension Fund Manager	18,580	3,310	3,641	25,531	3,850	3,488
9.1	Remuneration of Trustee	4,210	1,509	2,069	7,788	1,910	1,952
9.2	Sales Sales Tax on remuneration of Trustee	632	226	310	1,168	287	293
10	Securities and Exchange Commission of Pakistan fee	1,982	706	971	3,659	790	809
15	Auditors' remuneration	527	193	259	979	311	248
	Custody and settlement charges	1,557	522	7	2,086	411	7
	Securities transaction cost	15,647	115	53	15,815	414	176
	Legal and professional charges	75	42	48	165	59	62
	Bank charges	38	168	175	381	943	422
	Total expenses	167,117	28,858	31,802	227,777	34,642	30,707
							116,010
	Net income for the year before taxation	1,723,966	147,588	232,421	2,103,975	353,858	273,888
16	Taxation	-	-	-	-	-	-
	Net income for the year after taxation	1,723,966	147,588	232,421	2,103,975	353,858	273,888
							1,815,604

The annexed notes from 1 to 25 form an integral part of these financial statements.

For MCB Investment Management Limited
(the Pension Fund Manager)



Chief Executive Officer



Director

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

	June 30, 2026			June 30, 2025		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Sub-Fund	Equity Sub-Fund	Money Market Sub-Fund
	(Rupees '000)			(Rupees '000)		
Net income for the year after taxation	1,723,966	147,588	232,421	2,103,975	1,187,858	273,888
Comprehensive income for the year	-	-	-	-	-	-
Total comprehensive income for the year	1,723,966	147,588	232,421	2,103,975	1,187,858	273,888
						1,815,604

The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Executive Officer

For MCB Investment Management Limited
(the Pension Fund Manager)



Director

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

	June 30, 2026			June 30, 2025				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees '000)				(Rupees '000)			
Net assets at the beginning of the year	3,200,592	2,088,516	2,234,807	7,523,915	1,495,556	1,571,176	1,906,307	4,973,039
Amount received on issuance of units	6,984,175	4,515,117	4,968,181	16,467,473	4,212,643	3,216,445	3,912,147	11,341,235
Amount paid on redemption of units	(5,757,737)	(5,187,776)	(4,499,301)	(15,444,814)	(3,695,465)	(3,052,963)	(3,857,535)	(10,605,963)
	1,226,438	(672,659)	468,880	1,022,659	517,178	163,482	54,612	735,272
	4,427,030	1,415,857	2,703,687	8,546,574	2,012,734	1,734,658	1,960,919	5,708,311
Net income for the year	1,723,966	147,588	232,421	2,103,975	1,187,858	353,858	273,888	1,815,604
Net assets at the end of the year	6,150,996	1,563,445	2,936,108	10,650,549	3,200,592	2,088,516	2,234,807	7,523,915

The annexed notes from 1 to 25 form an integral part of these financial statements.



Chief Executive Officer

For MCB Investment Management Limited
(the Pension Fund Manager)



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026				June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- (Rupees '000) -----				----- (Rupees '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES								
	1,723,966	147,588	232,421	2,103,975	1,187,858	353,858	273,888	1,815,604
Adjustments for non cash and other items:								
	(23,355)	(190,390)	(276,328)	(490,073)	(8,296)	(274,002)	(286,741)	(569,039)
	(216,719)	-	-	(216,719)	(140,726)	-	-	(140,726)
	(839,049)	(21)	(3,075)	(842,145)	(645,764)	(10,087)	(1,038)	(656,889)
5.4	(1,079,123)	(190,411)	(279,403)	(1,548,937)	(794,786)	(284,089)	(287,779)	(1,366,654)
	644,843	(42,823)	(46,982)	555,038	393,072	69,769	(13,891)	448,950
(Increase) / decrease in assets								
	(2,064,536)	372,320	(713,260)	(2,405,476)	(1,150,198)	(345,032)	(61,530)	(1,556,760)
	23,216	12,681	(26,925)	8,972	(33,791)	(22,301)	(45,720)	(101,812)
	(2,041,320)	385,001	(740,185)	(2,396,504)	(1,183,989)	(367,333)	(107,250)	(1,658,572)
Increase / (decrease) in liabilities								
	9,769	(793)	187	9,163	2,830	641	563	4,034
	407	83	181	671	(65)	(130)	(145)	(340)
	1,108	(84)	162	1,186	494	369	149	1,012
	(7,212)	(3,211)	(61)	(10,484)	7,217	4,421	1,123	12,761
	4,072	(4,005)	469	536	10,476	5,301	1,690	17,467
	216,719	-	-	216,719	140,726	-	-	140,726
	16,633	189,010	239,266	444,909	7,412	268,937	287,714	564,063
	(1,159,053)	527,183	(547,432)	(1,179,302)	(632,303)	(23,326)	168,263	(487,366)
CASH FLOWS FROM FINANCING ACTIVITIES								
	6,984,175	4,515,117	4,968,181	16,467,473	4,212,643	3,216,445	3,912,147	11,341,235
	(5,757,737)	(5,210,094)	(4,499,301)	(15,467,132)	(3,695,465)	(3,030,645)	(3,857,557)	(10,583,667)
	1,226,438	(694,977)	468,880	1,000,341	517,178	185,800	54,590	757,568
	67,385	(167,794)	(78,552)	(178,961)	(115,125)	162,474	222,853	270,202
	206,837	626,555	1,204,253	2,037,645	321,962	464,081	981,400	1,767,443
	274,222	458,761	1,125,701	1,858,684	206,837	626,555	1,204,253	2,037,645
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The annexed notes from 1 to 25 form an integral part of these financial statements.

For MCB Investment Management Limited
(the Pension Fund Manager)



Chief Executive Officer



Director

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

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Pakistan Pension Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited (now, MCB Investment Management Limited) as Pension Fund Manager and Muslim Commercial Financial Services (Private) Limited (MCFSL) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 24, 2007 and was executed on June 04, 2007 under the Voluntary Pension System Rules, 2005 (VPS Rules). Habib Metropolitan Bank Limited (HMBL) was appointed as the new Trustee in place of MCFSL through a revised Trust Deed dated June 16, 2011 which was approved by SECP on July 07, 2011. Central Depository Company of Pakistan Limited was appointed as the new Trustee in place of HMBL through a revised Trust Deed dated July 21, 2014 which was approved by SECP on July 23, 2014. Due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020", on August 12, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trusts Act.
- 1.2 MCB Investment Management Limited has been licensed to act as a Pension Fund Manager under the voluntary pension system (VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is located at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end pension fund consisting of three sub-funds namely; Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund. Units are offered for public subscription on a continuous basis. The number of units of any sub-fund purchased out of contributions depends on the Allocation Scheme selected by the respective Participant out of the allocation schemes offered by the Pension Fund Manager.
- 1.4 The Pakistan Credit Rating Agency (PACRA) has maintained quality rating of 'AM1' dated October 03, 2025 to the Pension Fund Manager.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company Limited as Trustee of the Fund.

2. BASIS OF PREPARATION

- 2.1 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with Part VIIIA of the repealed Companies Ordinance, 1984; and
 - The requirements of the Trust Deed, Voluntary Pension System Rules, 2005 (VPS Rules) and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the Companies Act 2017, the VPS Rules or the directives issued by the SECP differ with the requirements of IFRS. The requirements of the Trust Deed, the Companies Act 2017, the VPS Rules (2005) or the requirements of the said directives prevail.

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

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

- Lack of Exchangeability (Amendments to IAS 21)

2.3 Standard and amendments to IFRS that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments and standards are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures and except for the amendments of "IFRS 09 regarding the classification and measurement of financial instruments when applied may impact the timing of recognition and derecognition of financial instrument" and "IFRS 18 Presentation and Disclosures in Financial Statements" when applied may impact the presentation of "Income Statement" with certain additional disclosures in the financial statements.

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

Effective from accounting period beginning on or after:

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

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

- IFRS 1 – First Time Adoption of International Financial Reporting Standards
-

2.4 Critical accounting estimates and judgements

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

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

- Classification and measurement of financial assets (notes 3.1.1.1 and 5)
- Impairment of financial assets (note 3.1.1.3)
- Taxation (notes 3.4 and 16)
- Classification and measurements of financial liabilities (note 3.1.2.1)
- Contingencies and Commitments (note 14)
- Provisions (note 3.3)

2.5 Basis of measurement

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

2.6 Functional and presentation currency

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

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

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

3.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument.

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

3.1.1 Financial assets

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

3.1.1.1 Classification and measurement of financial assets

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

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

Financial assets at amortised cost (debt instruments)

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

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

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

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

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

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

Upon initial recognition, the Fund can elect to classify irrevocably its equity investments as equity instruments designated at fair value through other comprehensive income when they meet the definition of equity under IAS 32 Financial Instruments : Presentation and are not held for trading. The classification is determined on an instrument-by-instrument basis.

Gains and losses from changes in fair value are recognised in other comprehensive income and are accumulated in the investments revaluation reserve. The cumulative gain or loss is not reclassified to profit or loss on disposal of the equity investments, instead, it is transferred to undistributed income. Equity instruments designated at fair value through other comprehensive income are not subject to impairment assessment.

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

Dividends are recognised as income in the income statement when the right of payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

The Fund elected not to classify irrevocably any of the equity investments under this category on initial recognition.

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

Equity investments which the Fund had not irrevocably elected to classify at fair value through other comprehensive income are classified as at fair value through profit or loss. Financial assets at fair value through profit or loss are carried in the statement of assets and liabilities at fair value with net changes in fair value recognised in the the income statement.

Dividends on equity investments are recognised as income in the income statement when the right of payment has been established.

The Fund elected to classify all of the equity investments at fair value through profit or loss on initial recognition.

3.1.1.2 Fair value measurement principles

The fair value of financial instruments is determined as follows:

Basis of valuation of government debt securities

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

Basis of valuation of debt securities

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

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

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

Basis of valuation of equity instruments:

The fair value of equity instruments is determined by using closing rate of securities at day end available on the Pakistan Stock Exchange's website.

3.1.1.3 Impairment of financial assets

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

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

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

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

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

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

3.1.1.4 Derecognition

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

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

3.1.2 Financial liabilities

3.1.2.1 Classification and measurement of financial liabilities

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

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

3.1.2.2 Derecognition

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

3.1.3 Offsetting of financial instruments

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

3.2 Cash and cash equivalents

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

3.3 Provisions

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

3.4 Taxation

The income of the Fund is exempt from income tax under Clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

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

3.5 Issue and redemption of units

Contribution received in the individual pension account after deduction of applicable front end fee is used to purchase the units of Sub-Funds according to the Allocation Scheme selected by the participant. The units are allotted at the net asset value notified by the Pension Fund Manager at the close of the business day for each Sub-Fund on the date on which funds are actually realised against application. The front end fee is payable to the Pension Fund Manager.

The Pension Fund Manager makes reallocation of the Sub-Fund units between the Sub-Funds at least once a year to ensure that the allocation of the Sub-Fund units of all the participants are according to the Allocation Schemes selected by the participants. In case of withdrawal before retirement, units are redeemed at the net asset value of each of the sub-fund as of the close of the business day on which such request is received by the Fund before the cut off time. Redemption of units is recorded on acceptance of application for redemption.

In case of retirement of the participant, units are redeemed at the net asset value of each of the Sub-Fund as of the close of the business day on which retirement age is reached.

In case of change of Pension Fund Manager, units are redeemed at the net asset value of each of the sub-fund as of the close of the business day corresponding to the date of change specified by the participant.

3.6 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 sub-fund by the number of units in issue at the year end.

3.7 Revenue recognition

- Gain or loss on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / loss arising on remeasurement of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Dividend income is recognised when the right to receive the dividend is established.
- Income / profit from investments in term finance certificates / sukuks, marginal transaction system and government securities is recognised on a time proportionate basis using effective interest rate method.
- Profit on bank balances is recognised on a time proportionate basis using bank's approved rates.

3.8 Expenses

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

3.9 Basis of allocation of expenses to each sub-fund

- Remuneration of the Pension Fund Manager, Trustee and SECP fee is allocated to each sub-fund on the basis of the net assets of the sub-fund
- Expenses specifically incurred by a sub-fund, such as custody and settlement charges, fees and subscription and bank charges are charged to that sub-fund
- Auditors' remuneration and legal and professional charges are allocated on the basis of the proportionate net assets of each sub-fund.

3.10 Earnings per unit

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

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

		June 30, 2026			
	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000) -----					
4. BANK BALANCES					
Current accounts		222	674	517	1,413
Savings accounts	4.1	274,000	458,087	1,125,184	1,857,271
		274,222	458,761	1,125,701	1,858,684

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000) -----					
Current accounts		508	676	-	1,184
Savings accounts	4.1	206,329	380,711	811,985	1,399,025
		206,837	381,387	811,985	1,400,209

- 4.1** These carry profit at the rates of ranging from 8.50% to 12.10% (2025: 8.50% to 11.50%) per annum. These include a balance of Rs. 208.65 million (2025: Rs. 6.86 million) at the rate of 10.92% (2025: 9.50%) in Equity Sub-Fund, Rs. 8.36 million (2025: Rs. 6.21 million) in Debt Sub-Fund at the rate of 10.92% (2025: 9.50%) and Rs. 9.14 million (2025: Rs. 6.17 million) in Money Market Sub-Fund at the rate of 10.92% (2025: 9.50%) held with MCB Bank Limited, (a related party).

		June 30, 2026			
	Note	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000) -----					
5. INVESTMENTS					
At fair value through profit or loss					
Listed Equity Securities	5.1	5,873,346	-	-	5,873,346
Government Securities	5.2	-	1,013,335	1,686,484	2,699,819
Term Finance Certificate / Sukuks	5.3	-	34,529	-	34,529
		5,873,346	1,047,864	1,686,484	8,607,694

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- (Rupees in '000) -----					
At fair value through profit or loss					
Listed Equity Securities	5.1	3,089,382	-	-	3,089,382
Government Securities	5.2	-	1,630,901	1,362,417	2,993,318
Term Finance Certificate / Sukuks	5.3	-	34,430	-	34,430
		3,089,382	1,665,331	1,362,417	6,117,130

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

5.1 Listed equity securities - at fair value through profit or loss

Equity Sub-Fund

Name of the Investee Company	Number of shares				As at June 30, 2026			Market value as a percentage of net assets of the sub-fund	Percentage of the paid up capital of the investee company
	As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying Value	Market value	Unrealised gain / (loss)		
								(Rupees in '000)	(%)
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise									
Automobile Assembler									
Sazgar Engineering Works Limited	50,500	-	50,500	-	-	-	-	-	-
Automobile Parts & Accessories									
Panther Tyres Limited	868,537	351,880	-	1,220,417	55,226	71,199	15,973	1.16	3.39
Thal Limited**	41,200	60,615	101,815	-	-	-	-	-	-
Indus Motor Company Limited	13,000	-	13,000	-	-	-	-	-	-
Service Long March Tyres Limited**	-	2,759,935	1,459,935	1,300,000	25,935	32,994	7,059	0.54	3.71
					81,161	104,193	23,032		
Cable & Electrical Goods									
Pak Elektron Limited	1,660,000	-	1,660,000	-	-	-	-	-	-
Cement									
Cherat Cement Company Limited	456,000	195,000	231,000	420,000	124,244	145,291	21,047	2.36	0.31
D.G. Khan Cement Company Limited*	150,000	415,000	445,000	120,000	24,547	26,792	2,245	0.44	0.06
Fauji Cement Company Limited	160,000	2,410,000	820,000	1,750,000	72,402	100,713	28,311	1.64	0.40
Lucky Cement Limited***	495,000	497,500	342,500	650,000	266,492	305,188	38,696	4.96	0.03
Maple Leaf Cement Factory Limited	380,000	760,000	735,000	405,000	34,802	43,299	8,497	0.70	0.03
Pioneer Cement Limited	178,543	35,667	178,543	35,667	8,489	10,107	1,618	0.16	0.16
					530,976	631,390	100,414		
Chemicals									
Ittehad Chemicals Limited	317,251	-	317,251	-	-	-	-	-	-
Nimir Industrial Chemicals Limited	190,000	345	-	190,345	29,896	43,035	13,139	0.70	0.19
Lucky Core Industries Limited	14,921	59,684	74,605	-	-	-	-	-	-
					29,896	43,035	13,139		
Commercial Banks									
Bank Alfalah Limited	3,373,400	7,030,000	3,313,400	7,090,000	348,596	401,790	53,194	6.53	0.45
Habib Bank Limited	820,008	555,000	775,008	600,000	136,603	175,326	38,723	2.85	0.04
Meezan Bank Limited	201,000	362,125	192,000	371,125	172,329	191,671	19,342	3.12	0.04
National Bank of Pakistan	2,240,000	920,000	2,610,000	550,000	97,973	109,175	11,202	1.77	0.03
United Bank Limited**	843,800	1,054,902	698,702	1,200,000	414,173	537,204	123,031	8.73	0.06
Bank Al Habib Limited	-	1,059,999	-	1,059,999	166,804	179,818	13,014	2.92	0.04
					1,336,478	1,594,984	258,506		

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

Name of the Investee Company	Number of shares			As at June 30, 2026				Market value as a percentage of net assets of the sub-fund	Percentage of the paid up capital of the investee company
	As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying Value	Market value	Unrealised gain / (loss)		
								(Rupees in '000)	(%)
Engineering									
Mughal Iron and Steel Industries Limited	448,811	1,300,000	448,811	1,300,000	95,030	113,893	18,863	1.85	0.39
Pakistan Aluminium Beverage Cans Limited	44,001	-	44,001	-	-	-	-	-	-
International Steels Limited*	-	295,975	6,006	289,969	24,063	26,312	2,249	0.43	0.01
					119,093	140,205	21,112		
Fertilizer									
Engro Fertilizer Limited	555,000	545,000	380,000	720,000	143,611	143,244	(367)	2.33	0.05
Fauji Fertilizer Company limited	75,000	89,000	34,000	130,000	57,124	74,552	17,428	1.21	0.01
Fatima Fertilizer Company Limited	1,531,598	486,800	1,018,098	1,000,300	106,268	165,350	59,082	2.69	0.05
					307,003	383,146	76,143		
Food & Personal Care Products									
National Foods Limited**	186,000	125,500	60,500	251,000	86,971	97,245	10,274	1.58	0.11
Barkat Frisian Agro Limited****	990,034	-	990,034	-	-	-	-	-	-
					86,971	97,245	10,274		
Glass & Ceramics									
Shabbir Tiles & Ceramics Limited**	852,974	-	852,974	-	-	-	-	-	-
Ghani Glass Limited	400,000	1,082,000	182,000	1,300,000	48,994	51,961	2,967	0.97	0.03
Tariq Glass Industries Limited	-	395,000	87,000	308,000	52,236	59,499	7,263		
					101,230	111,460	10,230		
Insurance									
Jubilee General Insurance Limited	350,000	-	-	350,000	20,846	28,700	7,854	0.47	0.18
Miscellaneous									
Shifa International Hospitals Limited	91,215	-	-	91,215	43,339	46,108	2,769	0.75	0.14
Oil And Gas Exploration Companies									
Oil & Gas Development Company Limited	370,600	708,000	78,600	1,000,000	267,980	334,870	66,890	5.44	0.02
Mari Energies Limited	-	72,000	17,000	55,000	34,329	37,086	2,757	0.60	0.01
Pakistan Petroleum Limited	507,800	992,000	342,800	1,157,000	236,835	280,711	43,876	4.56	0.04
Pakistan Oilfields Limited	68,000	132,000	-	200,000	125,917	137,582	11,665	2.24	0.01
					665,061	790,249	125,188		
Oil And Gas Marketing Companies									
Attock Petroleum Limited	104,500	95,500	85,000	115,000	61,215	61,898	683	1.01	0.09
Hi-Tech Lubricants Limited	-	1,275,000	175,000	1,100,000	58,764	48,488	(10,276)	0.79	0.39
Pakistan State Oil Company Limited	99,000	157,500	196,500	60,000	23,372	20,541	(2,831)	0.33	0.01
					143,351	130,927	(12,424)		
Paper And Board									
Packages Limited	60,000	30,000	-	90,000	57,682	72,895	15,213	1.19	0.10
Century Paper & Board Mills Limited	-	850,000	-	850,000	23,247	25,390	2,143	0.41	0.02
					80,929	98,285	17,356		

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

Name of the Investee Company	Number of shares				As at June 30, 2026			Market value as a percentage of net assets of the sub-fund	Percentage of the paid up capital of the investee company
	As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying Value	Market value	Unrealised gain / (loss)		
(Number of shares)									
(Rupees in '000)									
(%)									
Pharmaceuticals									
AGP Limited	500,160	370,840	421,000	450,000	86,852	92,849	5,997	1.51	0.16
Ferozsons Laboratories Limited	93,000	50,210	-	143,210	53,188	57,739	4,551	0.94	0.06
Highnoon Laboratories Limited	13,000	89,318	26,356	75,962	71,623	76,167	4,544	1.24	0.17
Abbott Laboratories Limited	-	108,707	-	108,707	122,121	107,010	(15,111)	1.74	0.01
GlaxoSmithKline Pakistan Limited	-	401,964	291,964	110,000	45,017	40,728	(4,289)	0.66	0.21
					378,801	374,493	(4,308)		
Power Generation & Distribution									
Nishat Chunian Power Limited*	1,113,640	3,050,000	3,263,640	900,000	45,147	58,059	12,912	0.94	0.02
Nishat Power Limited*	667,000	2,098,000	1,965,000	800,000	49,199	58,808	9,609	0.96	0.21
					94,346	116,867	22,521		
Refinery									
Attock Refinery Limited	39,500	178,990	179,490	39,000	29,401	33,176	3,775	0.54	0.04
Technology & Communications									
Pakistan Telecommunication Company Limited	920,000	2,590,000	2,820,000	690,000	36,890	45,209	8,319	0.73	0.02
Systems Limited***	819,025	900,000	289,025	1,430,000	177,119	210,339	33,220	3.42	0.10
					214,009	255,548	41,539		
Textile Composite									
Gul Ahmed Textile Mills Limited	775,000	1,464,845	-	2,239,845	68,802	68,292	(510)	1.11	0.30
Interloop Limited	1,035,000	1,940,614	175,614	2,800,000	215,795	301,112	85,317	4.90	0.20
Nishat Chunian Limited*	2,306,868	692,400	33,700	2,965,568	127,807	122,181	(5,626)	1.99	1.24
Nishat Mills Limited*	-	228,500	228,500	-	-	-	-	-	-
					412,404	491,585	79,181		
Tobacco									
Pakistan Tobacco Company Limited	44,000	65,206	9,206	100,000	129,636	142,802	13,166	2.32	0.04
Service									
Service Industries Limited	10,000	-	10,000	-	-	-	-	-	-
					-	-	-		
Inv. Banks / Inv. Cos. / Securities Cos.									
Engro Holdings Limited	-	1,396,400	496,400	900,000	229,366	258,948	29,582	4.21	7.47
As at June 30, 2026									
As at June 30, 2025					5,034,297	5,873,346	839,049		
					2,443,618	3,089,382	645,764		

*These transactions relating to shares of related parties

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

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

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

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

- 5.1.1** Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) as security against settlement of the Sub-Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP:

	June 30, 2026	June 30, 2025	June 30, 2026	June 30, 2025
	— (Number of shares) —		(Rupees in '000) —	
Oil & Gas Development Company Limited	235,000	-	78,694	-
Lucky Cement Limited	133,000	88,000	62,446	31,261
Meezan Bank Limited	87,000	87,000	44,932	28,888
Bank Alfalah limited	-	546,000	-	43,811
Pakistan State Oil Company Limited	-	15,000	-	5,663
Fauji Cement Company Limited	-	160,000	-	7,147
	455,000	896,000	186,072	116,770

- 5.1.2** As at June 30, 2026, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.662 million (2025: Rs. 0.662 million).

- 5.1.3** 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 Voluntary Pension Schemes (VPSs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by VPSs. The petition was based on the fact that because VPSs are exempt from deduction of income tax under Clause 57(3)(viii) of 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 VPSs. A stay order had been granted by the High Court of Sindh in favor of VPSs.

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 VPSs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The VPSs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. Subsequent to the year ended June 30, 2019, the VPSs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the 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 favor of the VPSs.

Further, the Finance Act, 2018 effective from July 01, 2018 has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund during the year were not withheld by the investee companies.

			June 30, 2026		
			Debt	Money Market	
			Sub-Fund	Sub-Fund	Total
5.2	Government securities - at fair value through profit or loss	Note	----- (Rupees in '000) -----		
	Pakistan Investment Bonds	5.2.1	891,195	-	891,195
	Pakistan Investment Bonds - FRB	5.2.2	122,140	-	122,140
	Market Treasury Bills	5.2.3	-	1,686,484	1,686,484
			1,013,335	1,686,484	2,699,819

		June 30, 2025		
		Debt	Money Market	
		Sub-Fund	Sub-Fund	Total
		----- (Rupees in '000) -----		
Pakistan Investment Bonds	5.2.1	882,939	-	882,939
Pakistan Investment Bonds - FRB	5.2.2	218,516	-	218,516
Market Treasury Bills	5.2.3	529,446	1,362,417	1,891,863
		1,630,901	1,362,417	2,993,318

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

5.2.1 Pakistan Investment Bonds

Tenure	Issue date	Face value				As at June 30, 2026			Market value as percentage of net assets of sub-fund (%)
		As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying Value	Market value	Unrealised (loss) / gain	
(Rupees in '000)									
Debt Sub-Fund									
Pakistan investment bond- 2 years*	September 20, 2024	175,000	-	-	175,000	171,222	170,557	(665)	10.91
Pakistan investment bond- 2 years*	January 15, 2026	-	200,000	-	200,000	166,636	168,689	2,053	10.79
Pakistan investment bond- 3 years*	July 04, 2023	142,000	-	-	142,000	142,012	141,997	(15)	9.08
Pakistan investment bond- 3 years*	January 16, 2025	-	50,000	-	50,000	49,509	50,235	726	3.21
Pakistan investment bond- 3 years*	January 15, 2026	-	50,000	-	50,000	48,188	48,450	262	3.10
Pakistan investment bond- 5 years*	January 17, 2024	306,100	-	180,000	126,100	133,152	132,339	(813)	8.46
Pakistan investment bond- 5 years*	September 20, 2024	-	50,000	-	50,000	54,876	52,983	(1,893)	3.39
Pakistan investment bond- 5 years*	January 16, 2025	250,000	-	125,000	125,000	127,065	125,945	(1,120)	8.06
Pakistan investment bond- 5 years	July 17, 2025	-	300,000	300,000	-	-	-	-	-
Pakistan investment bond- 5 years	January 15, 2026	-	150,000	150,000	-	-	-	-	-
As at June 30, 2026						892,660	891,195	(1,465)	
As at June 30, 2025						874,665	882,939		8,274

* These carry effective yield of ranging between from 10.27% to 12.7% per annum (2025: 10.5% to 13%)

5.2.2 Pakistan Investment Bonds - FRB

Tenure	Issue date	Face value			As at June 30, 2026			Market value as percentage of net assets of sub-fund (%)
		As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying Value	Market value Unrealised gain / (loss)	
Debt Sub-Fund								
(Rupees in '000)								
Pakistan investment bond - 5 years*	April 06, 2023	400	-	-	400	397	397	0.03
Pakistan investment bond - 5 years*	December 14, 2023	125,000	-	100,000	25,000	24,709	24,833	1.59
Pakistan investment bond - 10 years*	May 29, 2025	100,000	-	-	100,000	95,657	96,910	6.20
Pakistan investment bond - 10 years	January 08, 2026	-	100,000	100,000	-	-	-	-
As at June 30, 2026						120,763	122,140	1,377
As at June 30, 2025						217,019	218,516	1,497

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

* These carry effective yield of ranging between from 10.2% to 12.4% per annum (2025: 10.5% to 14%)

5.2.3 Market Treasury Bills

Tenure	Issue date	Face value			As at June 30, 2026			Market value as percentage of net assets of sub-fund (%)	
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying Value	Market value		Unrealised gain / (loss)
(Rupees in '000)									
Debt Fund Sub-Fund									
Treasury bills - 3 months	June 12, 2025	250,000	-	250,000	-	-	-	-	-
Treasury bills - 3 months	July 10, 2025	-	890,000	890,000	-	-	-	-	-
Treasury bills - 3 months	October 30, 2025	-	150,000	150,000	-	-	-	-	-
Treasury bills - 3 months	December 11, 2025	-	420,000	420,000	-	-	-	-	-
Treasury bills - 3 months	December 26, 2025	-	400,000	400,000	-	-	-	-	-
Treasury bills - 6 months	February 06, 2025	-	225,000	225,000	-	-	-	-	-
Treasury bills - 6 months	August 21, 2025	-	250,000	250,000	-	-	-	-	-
Treasury bills - 12 months	December 12, 2024	58,995	-	58,995	-	-	-	-	-
Treasury bills - 12 months	December 26, 2024	-	42,500	42,500	-	-	-	-	-
Treasury bills - 12 months	April 17, 2025	-	250,000	250,000	-	-	-	-	-
Treasury bills - 12 months	May 02, 2025	50,000	-	50,000	-	-	-	-	-
Treasury bills - 12 months	May 15, 2025	50,000	100,000	150,000	-	-	-	-	-
Treasury bills - 12 months	May 29, 2025	150,000	-	150,000	-	-	-	-	-
Treasury bills - 12 months	June 26, 2025	-	600,000	600,000	-	-	-	-	-
Treasury bills - 12 months	July 10, 2025	-	250,000	250,000	-	-	-	-	-
As at June 30, 2026						-	-	-	-
As at June 30, 2025						528,986	529,446	460	

*These carry effective yield Nil (2025: 10.95% to 11.89%) per annum.

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

Tenure	Issue date	Face value				As at June 30, 2026			Market value as percentage of net assets of sub-fund (%)
		Purchased during the year		Sold / matured during the year	As at June 30, 2026	Carrying Value	Market value	Unrealised gain / (loss)	
		As at July 01, 2025	year						
Money Market Sub-Fund									
Treasury bills - 3 months	June 12, 2025	400,000	-	400,000	-	-	-	-	-
Treasury bills - 3 months	July 10, 2025	-	995,000	995,000	-	-	-	-	-
Treasury bills - 3 months	August 21, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 3 months	January 08, 2026	-	500,000	500,000	-	-	-	-	-
Treasury bills - 3 months	January 22, 2026	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	April 17, 2025	250,000	-	250,000	-	-	-	-	-
Treasury bills - 6 months	May 02, 2025	300,000	-	300,000	-	-	-	-	-
Treasury bills - 6 months	May 29, 2025	100,000	-	100,000	-	-	-	-	-
Treasury bills - 6 months	July 10, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	August 21, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	January 08, 2026	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	February 06, 2026	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	February 19, 2026	-	2,850,000	2,850,000	-	-	-	-	-
Treasury bills - 6 months*	March 17, 2026	-	1,050,000	525,000	525,000	511,679	512,309	630	17.45
Treasury bills - 12 months	August 22, 2024	40,000	-	40,000	-	-	-	-	-
Treasury bills - 12 months	September 05, 2024	97,610	-	97,610	-	-	-	-	-
Treasury bills - 12 months	November 14, 2024	-	82,000	82,000	-	-	-	-	-
Treasury bills - 12 months	November 28, 2024	192,000	-	192,000	-	-	-	-	-
Treasury bills - 12 months	December 12, 2024	25,000	58,000	83,000	-	-	-	-	-
Treasury bills - 12 months	January 09, 2025	-	560,000	560,000	-	-	-	-	-
Treasury bills - 12 months	May 15, 2025	-	225,000	225,000	-	-	-	-	-
Treasury bills - 12 months*	September 04, 2025	-	600,500	300,500	300,000	293,745	294,029	284	10.01
Treasury bills - 12 months*	November 13, 2025	-	1,917,700	1,000,000	917,700	877,985	880,146	2,161	29.98
As at June 30, 2026						1,683,409	1,686,484	3,075	
As at June 30, 2025						1,361,379	1,362,417	1,038	

* These carry effective yield of ranging between from 12.20% to 12.38% per annum (June 2025: 10.95% to 11.95%)

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

5.3 Debt securities - Term finance certificates / Sukuks - at fair value through profit or loss

Debt Sub-Fund

Name of security	Issue date	Number of certificates				As at June 30, 2026			Market value as percentage of net assets of sub-fund
		As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying Value	Market value	Unrealised gain / (loss)	
----- (Number of certificates) ----- (Rupees in '000) ----- (%) -----									
Term finance certificates									
Bank Al Habib Limited*	September 30, 2021	5,000	-	-	5,000	24,580	24,692	112	1.579
Sukuks									
Meezan Bank Limited*	December 16, 2021	10	-	-	10	9,840	9,837	(3)	0.629
As at June 30, 2026									
						34,420	34,529	109	
As at June 30, 2025						34,574	34,430	(144)	

*These carry effective yield of ranging between from 11.11% to 12.88% per annum (2025: 11.91% to 13.23%)

5.3.1 Significant terms and conditions of term finance certificates / sukuks outstanding at the year end are as follows:

Name of security	Number of certificates	Principal outstanding / redemption value		Interest rate per annum	Maturity	Secured / unsecured	Rating
		Per certificate	Total (Rs '000)				

Un-listed

Bank Al Habib Limited	5,000	4,991	24,955	6 Month KIBOR + 0.75%	September 30, 2031	Unsecured	AAA
Meezan Bank Limited	10	1,000,000	10,000	6 Month KIBOR + 0.35%	December 16, 2031	Unsecured	AAA

5.4 Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss - net

	June 30, 2026				
	Equity	Debt	Money Market		
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Total
	(Rupees in '000)				
	5,873,346	1,047,864	1,686,484		8,607,694
	5,034,297	1,047,843	1,683,409		7,765,549
	839,049	21	3,075		842,145

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

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
Market value of investments	5.1, 5.2.1, 5.2.2, 5.2.3 & 5.3	3,089,382	1,665,331	1,362,417	6,117,130
Less: Carrying value of investments	5.1, 5.2.1, 5.2.2, 5.2.3 & 5.3	2,443,618	1,655,244	1,361,379	5,460,241
		645,764	10,087	1,038	656,889

		June 30, 2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
6. PROFIT RECEIVABLE	Note				
Profit on:					
- Pakistan Investment Bonds		-	31,647	-	31,647
- Term Finance Certificates		-	887	-	887
- Bank deposits	6.1	8,704	15,452	42,956	67,112
		8,704	47,986	42,956	99,646

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
Profit on:					
- Pakistan Investment Bonds		-	43,324	-	43,324
- Term Finance Certificates		-	914	-	914
- Bank deposits	6.1	1,982	2,368	5,894	10,244
		1,982	46,606	5,894	54,482

6.1	These includes Rs. 4.69 million (2025: Rs. Nil) receivable from MCB Bank Limited, a related party.				
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		June 30, 2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
7. ADVANCES, DEPOSITS, AND OTHER RECEIVABLES	Note				
Receivable against collection account		10,937	10,875	80,482	102,294
Deposits against:					
- National Clearing Company of Pakistan Limited		2,500	-	-	2,500
- Central Depository Company of Pakistan Limited		200	200	200	600
Receivable against bonus shares withheld	5.1.2 & 5.1.3	662	-	-	662
Advance tax	7.1	347	4,224	7,366	11,937
Others		35	17	15	67
		14,681	15,316	88,063	118,060

7.1	This includes advance tax amounting to Rs: 2.31 million in Debt Sub Fund and 7.21 million in Money Market Sub Fund deducted under Section 151A of the Income Tax Ordinance, 2001 introduced through Finance Act, 2025 by withholding agents on capital gains arising from the disposal of debt securities during the year. The Fund had applied for the requisite exemption certificate; however, pending its receipt, the tax was deducted by the withholding agents. Management is of the view that the amount deducted is refundable and, accordingly, has been recognised as advance tax in these financial statements.				
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NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

		June 30, 2025			
		Equity	Debt	Money Market	
		Sub-Fund	Sub-Fund	Sub-Fund	Total
Note		----- (Rupees in '000) -----			
	Receivable against collection account	34,160	27,581	60,775	122,516
	Deposits against:				
	- National Clearing Company of Pakistan Limited	2,500	-	-	2,500
	- Central Depository Company of Pakistan Limited	200	200	200	600
	Receivable against bonus shares withheld	662	-	-	662
	Advance tax	340	198	146	684
	Others	35	18	17	70
		37,897	27,997	61,138	127,032

		June 30, 2026			
		Equity	Debt	Money Market	
		Sub-Fund	Sub-Fund	Sub-Fund	Total
8. PAYABLE TO PENSION FUND MANAGER		----- (Rupees in '000) -----			
Remuneration payable to Pension Fund Manager	8.1	12,130	1,575	2,322	16,027
Sindh Sales Tax payable on remuneration of Pension Fund Manager	8.2	1,820	236	348	2,404
		13,950	1,811	2,670	18,431

		June 30, 2025			
		Equity	Debt	Money Market	
		Sub-Fund	Sub-Fund	Sub-Fund	Total
		----- (Rupees in '000) -----			
Remuneration payable to the					
Pension Fund Manager	8.1	3,636	2,264	2,159	8,059
Sindh Sales Tax payable on remuneration of					
Pension Fund Manager	8.2	545	340	324	1,209
		4,181	2,604	2,483	9,268

8.1 This represents remuneration of the Pension Fund Manager at the rate up to 2.5% for equity sub fund (2025: 1.5%), 1.25% for debt sub fund (2025: 1.3%) and 1% for money market sub fund (2025: 1.15%) of the average of values of net assets of each sub fund. The remuneration is paid to the Pension Fund Manager on a monthly basis in arrears.

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

		June 30, 2026				
		Equity	Debt	Money Market		
		Sub-Fund	Sub-Fund	Sub-Fund	Total	
9.	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	(Rupees in '000)			
	Remuneration payable	9.1	400	104	191	695
	Sindh Sales Tax on remuneration payable	9.2	60	16	29	105
			460	120	220	800

		June 30, 2025			
		Equity	Debt	Money Market	
		Sub-Fund	Sub-Fund	Sub-Fund	Total
Note		----- (Rupees in '000) -----			
Remuneration payable	9.1	46	32	34	112
Sindh Sales Tax on remuneration payable	9.2	7	5	5	17
		53	37	39	129

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

- 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 Documents as per the tariff specified therein, based on the daily net asset value of the Fund. The tariff structure applicable to the Fund in respect of trustee fee is as follows:

Average net assets value	Tariff per annum
Up to Rs.1 billion	Rs. 0.3 million or 0.15% p.a. of net assets, whichever is higher
Rs.1 billion to Rs.3 billion	Rs. 1.5 million plus 0.10% p.a. of net assets exceeding Rs.1 billion
Rs.3 billion to Rs.6 billion	Rs. 3.5 million plus 0.08% p.a. of net assets exceeding Rs.3 billion
Over Rs.6 billion	Rs. 5.9 million plus 0.06% p.a. of net assets exceeding Rs.6 billion

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

10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		June 30, 2026			
		Equity	Debt	Money Market	
		Sub-Fund	Sub-Fund	Sub-Fund	Total
Note		----- (Rupees in '000') -----			
SECP fee payable	10.1	1,982	706	971	3,659

		June 30, 2025			
		Equity	Debt	Money Market	
		Sub-Fund	Sub-Fund	Sub-Fund	Total
		----- (Rupees in '000') -----			
SECP fee payable	10.1	874	790	809	2,473

- 10.1** This represents Securities and Exchange Commission of Pakistan fee at the rate of one twenty-fifth of one percent (2025: one twenty-fifth of one percent) of average annual net assets of each sub-fund, revised as per SRO 260(I)/2019 dated December 24, 2019.

		June 30, 2026				
		Equity	Debt	Money Market		
		Sub-Fund	Sub-Fund	Sub-Fund	Total	
11.	ACCRUED EXPENSES AND OTHER LIABILITIES	Note	----- (Rupees in '000) -----			
	Provision for Federal					
	Excise Duty on remuneration of Pension Fund Manager	11.1	2,420	2,405	1,151	5,976
	Brokerage payable		532	3	24	559
	Auditors' remuneration		361	119	174	654
	Withholding tax payable		252	1,317	1,886	3,455
	Others		-	1	-	1
			3,565	3,845	3,235	10,645

		June 30, 2025			
		Equity	Debt	Money Market	
		Sub-Fund	Sub-Fund	Sub-Fund	Total
		----- (Rupees in '000) -----			
Provision for Federal					
Excise Duty on remuneration					
of Pension Fund Manager	11.1	2,420	2,405	1,151	5,976
Brokerage payable		564	43	30	637
Auditors' remuneration		199	179	184	562
Withholding tax payable		98	238	1,931	2,267
Others		7,496	4,191	-	11,687
		10,777	7,056	3,296	21,129

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

11.1 Provision for Federal Excise Duty on remuneration of Pension Fund Manager

The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Pension Fund Manager with effect from June 13, 2013. As the asset management services rendered by the Pension Fund Manager of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund, the Pension Fund Manager was of the view that further levy of FED was not justified.

On September 04, 2013, a Constitutional Petition was filed in the Honourable Sindh High Court (SHC) jointly by various Asset Management Companies, together with their representatives of Collective Investment Schemes through their trustees, challenging the levy of FED.

During the previous year, 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.

With effect from July 01, 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.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Pension Fund Manager with effect from July 01, 2016. However, being prudent, the provision for FED made prior to this period has been maintained by the Fund which at June 30, 2025 aggregates to Rs. 2.42 million (2025: Rs. 2.42 million), Rs. 2.40 million (2025: Rs. 2.40 million) and Rs. 1.15 million (2025: Rs. 1.15 million) in Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund is being retained in the financial statements of the Sub-Funds, respectively as the matter is pending before the Supreme Court of Pakistan. Had the said provision for FED not been recorded in the financial statements of the Sub-Funds, the net assets value of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at June 30, 2026 would have been higher by Rs. 0.99 per unit (2025: Rs. 1.27 per unit), Re. 0.99 per unit (2025: Re. 0.99 per unit) and Re. 0.22 per unit (2025: Re. 0.26 per unit) respectively.

12. NUMBER OF UNITS IN ISSUE

Total units outstanding at beginning of the year

Add: Units issued during the year

Less: Units redeemed during the year

Total units in issue at the end of the year

June 30, 2026		
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
----- (Units) -----		
1,912,748	3,492,883	4,383,871
3,108,018	7,231,725	9,206,116
(2,598,004)	(8,319,506)	(8,351,624)
2,422,762	2,405,102	5,238,363

Total units outstanding at beginning of the year

Add: Units issued during the year

Less: Units redeemed during the year

Total units in issue at the end of the year

June 30, 2025		
Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
----- (Units) -----		
1,559,278	3,141,473	4,297,052
3,127,750	5,842,116	8,000,341
(2,774,280)	(5,490,706)	(7,913,522)
1,912,748	3,492,883	4,383,871

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

13. CONTRIBUTION TABLE

	June 30, 2026						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	(Rupees'000)	Units	(Rupees'000)	Units	(Rupees'000)	
Opening balance	1,912,748	1,382,668	3,492,883	1,276,229	4,383,871	1,308,723	3,967,620
Issue of units	3,108,018	6,984,175	7,231,725	4,515,118	9,206,116	4,968,182	16,467,475
Redemption of units	(2,598,004)	(5,757,737)	(8,319,506)	(5,187,776)	(8,351,624)	(4,499,301)	(15,444,814)
Closing balance	2,422,762	2,609,106	2,405,102	603,571	5,238,363	1,777,604	4,990,281

	June 30, 2025						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	(Rupees'000)	Units	(Rupees'000)	Units	(Rupees'000)	
Opening balance	1,559,278	865,490	3,141,473	1,112,748	4,297,052	1,254,111	3,232,349
Issue of units	3,127,750	4,212,643	5,842,116	3,216,444	8,000,341	3,912,147	11,341,234
Redemption of units	(2,774,280)	(3,695,465)	(5,490,706)	(3,052,963)	(7,913,522)	(3,857,535)	(10,605,963)
Closing balance	1,912,748	1,382,668	3,492,883	1,276,229	4,383,871	1,308,723	3,967,620

14. CONTINGENCIES AND COMMITMENTS

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

15. AUDITORS' REMUNERATION

	June 30, 2026			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)			
Annual audit fee	296	108	146	550
Half yearly review fee	148	55	72	275
Out of pocket expenses	44	16	22	82
	488	179	240	907
Sales tax	39	14	19	72
	527	193	259	979

	June 30, 2025			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)			
Annual audit fee	204	195	152	551
Half yearly review fee	70	67	57	194
Out of pocket expenses	27	26	21	74
	301	288	230	819
Sales tax	24	23	18	65
	325	311	248	884

16. TAXATION

No provision for taxation for the year ended June 30, 2026 has been made in view of the exemption available under Clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

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

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

		June 30, 2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
17. CASH AND CASH EQUIVALENTS	Note				
Bank balances	4	274,222	458,761	1,125,701	1,858,684
Market Treasury Bills	5	-	-	-	-
		274,222	458,761	1,125,701	1,858,684
		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
	Note				
Bank balances	4	206,837	381,387	811,985	1,400,209
Market Treasury Bills	5	-	245,168	392,268	637,436
		206,837	626,555	1,204,253	2,037,645

18. TRANSACTIONS WITH CONNECTED PERSONS

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

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

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

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

		June 30, 2026			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000)			
18.1 Details of transactions other than units of the Fund with related parties / connected persons during the year					
MCB Investment Management Limited - Pension Fund Manager					
Remuneration of Pension Fund Manager		123,869	22,067	24,269	170,205
Sindh Sales Tax on remuneration of Pension Fund Manager		18,580	3,310	3,641	25,531
Central Depository Company of Pakistan Limited - Trustee					
Remuneration of Trustee		4,210	1,509	2,069	7,788
Sindh Sales Tax on remuneration of Trustee		632	226	310	1,168
Settlement charges		415	7	7	429
Group / Associated companies					
MCB Bank Limited					
Profit earned		1,955	2,286	2,257	6,498
Bank charges		9	11	39	59
D.G Khan Cement Company Limited					
Purchase of 415,000 shares		81,010	-	-	81,010
Sale of 445,000 shares		99,581	-	-	99,581
Dividend Income		580	-	-	580

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

	June 30, 2026			
	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund	
	(Rupees in '000)			
Nishat Chunian Limited				
Purchase of 692,400 shares	34,401	-	-	34,401
Sale of 33,700 shares	1,352	-	-	1,352
Dividend Income	5,704	-	-	5,704
Nishat Chunian Power Limited				
Purchase of 3,050,000 shares	147,167	-	-	147,167
Sale of 3,263,640 shares	215,785	-	-	215,785
Dividend Income	1,200	-	-	1,200
Nishat Mills Limited				
Purchase of 228,500 shares	40,139	-	-	40,139
Sale of 228,500 shares	31,196	-	-	31,196
International Steels Limited				
Purchase of 295,975 shares	24,736	-	-	24,736
Sale of 6,006 shares	673	-	-	673
Dividend Income	107	-	-	107
Nishat Power Limited				
Purchase of 2,098,000 shares	131,242	-	-	131,242
Sale of 1,965,000 shares	156,545	-	-	156,545
Dividend Income	803	-	-	803
	June 30, 2025			
	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund	
	(Rupees in '000)			
MCB Investment Management Limited -				
Pension Fund Manager				
Remuneration of Pension Fund Manager	32,773	25,667	23,250	81,690
Sindh Sales Tax on remuneration of Pension Fund Manager	4,916	3,850	3,488	12,254
Central Depository Company of Pakistan Limited - Trustee				
Remuneration of Trustee	2,100	1,910	1,952	5,962
Sindh sales tax on remuneration of Trustee	315	287	293	895
Settlement charges	212	7	7	226
Group / Associated companies				
MCB Bank Limited				
Profit earned	342	456	467	1,265
Bank charges	12	7	36	55
Atlas Battery Limited				
Purchase of 35,529 shares	11,765	-	-	11,765
Sale of 35,529 shares	11,228	-	-	11,228
Dividend Income	511	-	-	511
Lalpir Power Limited				
Sale of 885,000 shares	16,223	-	-	16,223
Dividend Income	1,770	-	-	1,770
Nishat Power Limited				
Purchase of 760,000 shares	19,920	-	-	19,920
Sale of 93,000 shares	2,818	-	-	2,818
Dividend Income	1,520	-	-	1,520

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

June 30, 2025				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)			
Nishat Mills Limited				
Purchase of nil shares	-	-	-	-
Sale of 195,000 shares	12,115	-	-	12,115
D.G. Khan Cement Company Limited				
Purchase of 215,000 shares	24,925	-	-	24,925
Sale of 65,000 shares	6,634	-	-	6,634
June 30, 2026				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)			
18.2 Details of balances with related parties / connected persons persons as at year end				
MCB Investment Management Limited - Pension Fund Manager				
Remuneration payable to Pension Fund Manager	12,130	1,575	2,322	16,027
Sindh Sales Tax payable on remuneration	1,820	236	348	2,404
Other receivable against collection account	10,937	10,875	80,482	102,294
Central Depository Company of Pakistan Limited - Trustee				
Remuneration payable	400	104	191	695
Sindh Sales Tax payable on remuneration	60	16	29	105
Security deposit	200	200	200	600
Group / Associated companies				
MCB Bank Limited				
Bank balance	208,650	8,357	9,140	226,147
D.G. Khan Cement Company Limited				
120,000 Shares	26,792	-	-	26,792
Nishat Chunian Limited				
2,965,568 Shares	122,181	-	-	122,181
Nishat Chunian Power Limited				
900,000 Shares	58,059	-	-	24,192
International Steels Limited				
289,969 Shares	26,312	-	-	26,312
Nishat Power Limited				
800,000 Shares	58,808	-	-	58,808
June 30, 2025				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)			
MCB Investment Management Limited - Pension Fund Manager				
Remuneration payable	3,636	2,264	2,159	8,059
Sindh Sales Tax payable on remuneration	545	340	324	1,209
Other receivable against collection account	34,160	27,581	60,775	122,516
Central Depository Company of Pakistan Limited				
Remuneration payable	46	32	34	112
Sindh Sales Tax payable on remuneration	7	5	5	17
Security deposit	200	200	200	600
Group / Associated companies				
MCB Bank Limited				
Bank balance	6,861	6,212	6,168	19,241
D.G. Khan Cement Company Limited				
150,000 shares	24,834	-	-	24,834
Nishat Power Limited				
667,000 shares	24,192	-	-	24,192

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

18.3 Participant Fund

For the year ended June 30, 2026

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

MCB Investment Management Limited - Pension Fund Manager

- Pakistan Pension Fund - Equity	143,444	-	143,444	137,581	-	-	364,181
- Pakistan Pension Fund - Debt	253,109	-	253,109	126,590	-	-	164,534
- Pakistan Pension Fund - Money Market	300,000	-	300,000	133,089	-	-	168,150

Key management personnel

- Pakistan Pension Fund - Equity	30,422	55,492	72,549	13,365	50,905	128	157	33,932
- Pakistan Pension Fund - Debt	3,872	21,876	17,457	8,291	2,315	11	11	5,390
- Pakistan Pension Fund - Money Market	630	339,082	201,481	138,231	321	180	109	77,478

For the year ended June 30, 2025

As at July 01, 2024	Issued for cash	Redeemed	As at June 30, 2025	As at July 01, 2024	Issued for cash	Redeemed	As at June 30, 2025
(Units)				(Rupees'000)			

MCB Investment Management Limited - Pension Fund Manager

- Pakistan Pension Fund - Equity	143,444	-	143,444	137,581	-	-	240,025
- Pakistan Pension Fund - Debt	253,109	-	253,109	126,590	-	-	151,341
- Pakistan Pension Fund - Money Market	300,000	-	300,000	133,089	-	-	152,934

Key management personnel

- Pakistan Pension Fund - Equity	6,158	56,739	32,475	30,422	5,907	44,426	50,905
- Pakistan Pension Fund - Debt	12,622	60,804	69,554	3,872	6,313	39,152	2,315
- Pakistan Pension Fund - Money Market	14,837	79,368	93,575	630	6,582	44,984	321

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

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

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

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

Levels	Description	Valuation approach and input used
Level 1:	Quoted prices in active markets for identical assets or liabilities;	Listed government securities are traded on PSX are valued at revaluation rates disseminated by PSX and listed equity securities are valued at quoted rates. The fair value of debt securities (other than government securities) is based on the value determined and announced by MUFAP.
Level 2:	Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and	The government securities not listed on a stock exchange and traded are valued at the average rates quoted on electronic quotation system (PKRV / PKFRV / PKISRV). For Debt securities for which MUFAP valuation is not available are valued at face value of the securities.
Level 3:	Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	The Fund applies discretion on the effective yield as per the allowable limits. The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/50 bps. For unrated securities the allowable limits +50 bps.

As at June 30, 2026							
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
Financial assets measured at fair value							
Equity Sub-Fund							
Listed Equity Securities	5,873,346	-	5,873,346	5,873,346	-	-	5,873,346
Debt Sub-Fund							
Pakistan Investment Bond	891,195	-	891,195	-	891,195	-	891,195
Pakistan Investment Bond - FRB	122,140	-	122,140	-	122,140	-	122,140
Market Treasury Bills	-	-	-	-	-	-	-
Term Finance Certificates Sukuks	34,529	-	34,529	34,529	-	-	34,529
Money Market Sub-Fund							
Market Treasury Bills	1,686,484	-	1,686,484	-	1,686,484	-	1,686,484
	8,607,694	-	8,607,694	5,907,875	2,699,819	-	8,607,694

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

		As at June 30, 2026				
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3
(Rupees in '000)						
Financial assets not measured at fair value						
Equity Sub-Fund						
Bank balances	-	274,222	274,222			
Profit receivable	-	8,704	8,704			
Deposits and other receivables	-	14,334	14,334			
Debt Sub-Fund						
Bank balances	-	458,761	458,761			
Profit receivable	-	47,986	47,986			
Deposits and other receivables	-	11,092	11,092			
Money Market Sub-Fund						
Bank balances	-	1,125,701	1,125,701			
Profit receivable	-	42,956	42,956			
Deposits and other receivables	-	80,697	80,697			
	-	2,064,453	2,064,453			

Financial liabilities not measured at fair value

Equity Sub-Fund			
Payable to Pension Fund Manager	-	12,130	12,130
Payable to Trustee	-	400	400
Payable against purchase of investments	-	-	-
Accrued expenses and other liabilities	-	866	866
Debt Sub-Fund			
Payable to Pension Fund Manager	-	1,575	1,575
Payable to Trustee	-	104	104
Payable against redemption of units	-	-	-
Accrued expenses and other liabilities	-	114	114
Money Market Sub-Fund			
Payable to Pension Fund Manager	-	2,322	2,322
Payable to Trustee	-	191	191
Accrued expenses and other liabilities	-	185	185
	-	17,887	17,887

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

		As at June 30, 2025				
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3
(Rupees in '000)						
Equity Sub-Fund						
Listed equity securities	3,089,382	-	3,089,382	3,089,382	-	-
Debt Sub-Fund						
Pakistan investment bond	882,939	-	882,939	-	882,939	-
Pakistan investment bond - FRB	218,516	-	218,516	-	218,516	-
Market treasury bills	529,446	-	529,446	-	529,446	-
Term finance certificates and sukuks	34,430	-	34,430	34,430	-	-
Money Market Sub-Fund						
Market treasury bills	1,362,417	-	1,362,417	-	1,362,417	-
	6,117,130	-	6,117,130	3,123,812	2,993,318	-

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

		As at June 30, 2025				
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3
(Rupees in '000)						
Financial assets not measured at fair value						
Equity Sub-Fund						
Bank balances	-	206,837	206,837			
Profit receivable	-	1,982	1,982			
Deposits and other receivables	-	37,557	37,557			
Debt Sub-Fund						
Bank balances	-	381,387	381,387			
Profit receivable	-	46,606	46,606			
Deposits and other receivables	-	27,799	27,799			
Money Market Sub-Fund						
Bank balances	-	811,985	811,985			
Profit receivable	-	5,894	5,894			
Deposits and other receivables	-	60,992	60,992			
	-	1,581,039	1,581,039			
Financial liabilities not measured at fair value						
Equity Sub-Fund						
Payable to pension Fund Manager	-	3,636	3,636			
Payable to Trustee	-	46	46			
Payable against purchase of investments	-	119,621	119,621			
Accrued expenses and other liabilities	-	8,259	8,259			
Debt Sub-Fund						
Payable to pension Fund Manager	-	2,264	2,264			
Payable to Trustee	-	32	32			
Payable against purchase of investments	-	22,318	22,318			
Accrued expenses and other liabilities	-	4,413	4,413			
Money Market Sub-Fund						
Payable to pension Fund Manager	-	2,159	2,159			
Payable to Trustee	-	34	34			
Accrued expenses and other liabilities	-	214	214			
	-	162,996	162,996			

During the year ended June 30, 2025, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

20. FINANCIAL RISK MANAGEMENT

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

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

The Fund's primary financial assets comprise of bank balances, and investments, comprising of equity securities of listed companies, term finance certificates / sukuk certificates of other listed companies, Pakistan investment bonds and market treasury bills. The Fund also has dividend receivable, profit receivable, deposits and other receivables. The Fund's principal financial liabilities include remuneration payable to Pension Fund Manager, Trustee and SECP fee, payable against purchase of investment and accrued and other liabilities.

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

20.1 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 Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board of the Directors of the Management Company and regulations laid down by the SECP and the VPS Rules.

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

20.1.1 Currency risk

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

20.1.2 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 because of changes in market interest rates.

	June 30, 2026			June 30, 2025		
	Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund
	(Rupees in '000)					
Variable rate instruments (financial asset)						
Bank balances	274,000	458,087	1,125,184	206,329	380,711	811,985
Pakistan Investment Bonds - FRB	-	122,140	-	-	218,516	-
Term Finance Certificate / Sukuks	-	34,529	-	-	34,430	-
	274,000	614,756	1,125,184	206,329	633,657	811,985
Fixed rate instrument (financial asset)						
Pakistan Investment Bonds	-	891,195	-	-	882,939	-
Market Treasury Bills	-	-	1,686,484	-	529,446	1,362,417
	-	891,195	1,686,484	-	1,412,385	1,362,417

a) Sensitivity analysis for variable rate instruments

Presently, Debt Sub-Fund holds KIBOR based Pakistan Investment Bonds FRB, profit bearing term finance certificates and Sukuk Bonds exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR, with all other variables held constant, the net assets of the Fund as on June 30, 2026 and net income for the year then ended would have been higher / lower by Rs. 1.57 million (2025: Rs. 2.53 million).

The Fund holds balances in deposit accounts with banks, exposing the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in KIBOR, with all other variables held constant, the net assets of the Fund as on June 30, 2026 and net income for the year then ended would have been higher / lower by Rs. 18.57 million (2025: Rs. 13.99 million).

b) Sensitivity analysis for fixed rate instruments

Debt Sub-Fund holds Pakistan Investment Bonds and Treasury Bills which are classified as 'at fair value through profit or loss', exposing the Sub-Fund to interest rate risk. In case of 100 basis points increase / decrease in rates announced by FMAP (Financial Markets Association of Pakistan) on June 30, 2026, with all other variables held constant, the net assets of the Fund and net income for the year would have been lower / higher by Rs. 8.91 million (2025: Rs. 14.12 million).

Money market Sub-Fund holds Treasury Bills which are classified as 'at fair value through profit or loss', exposing the Sub-Fund to interest rate risk. In case of 100 basis points increase / decrease in rates announced by FMAP (Financial Markets Association of Pakistan) on June 30, 2026, with all other variables held constant, the net assets of the Fund and net income for the year would have been lower / higher by Rs. 16.86 million (2025: Rs. 13.62 million).

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

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.

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

Yield / effective interest rate (%)	June 30, 2026									
	Equity Sub-Fund					Debt Sub-Fund				
	Exposed to yield / interest rate risk					Exposed to yield / interest rate risk				
	Upto three months	More than three months and up to one year	More than three months and up to one year	More than three months and up to one year	Not exposed to yield / interest rate risk	Upto three months	More than three months and up to one year	More than three months and up to one year	Exposed to yield / interest rate risk	Not exposed to yield / interest rate risk
	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')
On-balance sheet financial instruments										
Financial assets										
Bank balances	8.50 to 13.10	1,858,684	274,000	-	222	458,087	-	-	674	1,125,184
Investments	10.2 to 12.88	8,607,694	-	-	5,873,346	312,554	-	735,310	-	880,146
Profit receivable		99,646	-	-	8,704	-	-	-	47,986	-
Deposits and other receivables		106,123	-	-	14,334	-	-	-	11,092	-
		10,672,147	274,000	-	5,896,606	770,641	-	735,310	59,752	1,931,522
									880,146	-
									-	124,170
Financial liabilities										
Payable to the Pension Fund Manager		16,027	-	-	12,130	-	-	-	1,575	-
Payable to the Trustee		695	-	-	400	-	-	-	104	-
Accrued expenses and other liabilities		1,165	-	-	866	-	-	-	114	-
		17,887	-	-	13,396	-	-	-	1,793	-
									-	2,698
On-balance sheet gap		10,654,260	274,000	-	5,883,210	770,641	-	735,310	57,959	1,931,522
									880,146	-
									-	121,472

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

Yield / effective interest rate (%)	June 30, 2025									
	Equity Sub-Fund					Debt Sub-Fund				
	Exposed to yield / interest rate risk					Exposed to yield / interest rate risk				
	Upto three months	More than three months and up to one year	More than three months and up to one year	More than three months and up to one year	Not exposed to yield / interest rate risk	Upto three months	More than three months and up to one year	More than three months and up to one year	Exposed to yield / interest rate risk	Not exposed to yield / interest rate risk
	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')	(Rupees in '000')
On-balance sheet financial instruments										
Financial assets										
Bank Balances	8.50 to 11.50	1,400,209	206,837	-	-	381,387	-	-	811,985	-
Investments	10.5 to 14	6,117,130	-	-	3,089,382	245,168	318,708	1,101,455	-	-
Profit receivable		54,482	-	-	1,982	-	-	-	392,268	-
Deposits and other receivables		126,348	-	-	37,557	-	-	-	46,606	-
		7,698,169	206,837	-	3,128,921	626,555	318,708	1,101,455	27,799	-
									1,204,253	-
									970,149	-
									-	66,886
Financial liabilities										
Payable to the Pension Fund Manager		8,059	-	-	3,636	-	-	-	2,264	-
Payable to the Trustee		112	-	-	46	-	-	-	32	-
Payable against purchase of investments		119,621	-	-	119,621	-	-	-	-	-
Payable against redemption of units		22,318	-	-	-	-	-	-	22,318	-
Accrued expenses and other liabilities		12,886	-	-	8,259	-	-	-	4,413	-
		162,996	-	-	131,562	-	-	-	29,027	-
									-	2,407
On-balance sheet gap		7,535,173	206,837	-	2,997,359	626,555	318,708	1,101,455	45,378	1,204,253
									970,149	-
									-	64,479

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

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

20.1.3 Price risk

Price risk is the risk that the value of the financial instrument may fluctuate as a result of changes in market prices (other than those arising from currency risk or interest rate risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instrument traded in the market.

The Equity Sub-Fund is exposed to equity price risk because of equity securities held by the Equity Sub-Fund and classified on the Statement of assets and liabilities as FVTPL. To manage its price risk arising from investment in equity securities, the Equity Sub-Fund's investment policy, as restricted by the VPS Rules, limits investments in listed shares of one company to not more than 10% of Sub-Fund net assets and investment in listed securities of a particular company have also been restricted to 10% of paid-up capital of investee company. Moreover, the sector limits have been restricted to 35% of the net assets of the Sub-Fund.

In case of 5% increase / decrease in KSE 100 index on June 30, 2026, the net assets relating to the Equity Sub-Fund and total net assets of the Fund would increase / decrease by Rs. 293.67 million (2025: Rs. 154.47 million) as a result of gains / losses on equity securities classified as at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 5% with all other variables held constant and all the Sub-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 Sub-Fund's investment portfolio and the correlation thereof to the KSE 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 Sub-Fund's net assets of future movements in the level of KSE 100 index.

20.2 Credit risk

Credit risk represents the risk of loss if counterparties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in debt securities. The Fund is also exposed to counter party credit risks on balances with banks and profit receivable. The credit risk on these funds is limited because the counterparties are financial institutions with reasonably high credit ratings. In addition, the internal risk management policies and investment guidelines approved by the Board require the Fund to invest in debt securities that have been rated as investment grade by a well known rating agency.

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

Credit risk from balances with banks and financial institutions is managed by finance department in accordance with the Fund's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Board of Directors of the Pension Fund Manager. The limits are set to minimise the concentration of risk and therefore mitigate financial loss through potential counterparty failure. Risk attributable to investment in government securities is limited as these are guaranteed by the Federal Government.

The Fund's maximum exposure to credit risk related to receivables at June 30, 2026 and June 30, 2025 is the carrying amounts of following financial assets.

	June 30, 2026					
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
	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	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----						
Bank balances	274,222	274,222	458,761	458,761	1,125,701	1,125,701
Investments	5,873,346	-	1,047,864	34,529	1,686,484	-
Profit receivable	8,704	8,704	47,986	16,339	42,956	42,956
Deposits and other receivables	14,681	13,672	15,316	11,092	80,697	80,697
	6,170,953	296,598	1,569,927	520,721	2,935,838	1,249,354

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

June 30, 2025					
Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
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	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----					
Bank balances	206,837	206,837	381,387	-	811,985
Investments	3,089,382	-	1,665,331	34,430	1,362,417
Profit receivable	1,982	1,982	46,606	3,282	5,894
Deposits and other receivables	37,897	36,895	27,997	27,799	60,992
	3,336,098	245,714	2,121,321	65,511	2,241,288
					1,673,932

Deposits are placed with National Clearing Company of Pakistan Limited (NCCPL) and Central Depository Company of Pakistan Limited (CDC) for the purpose of effecting transaction and settlement of listed securities. It is expected that all deposits with NCCPL and CDC will be clearly identified as being assets of the Fund, hence management believes that the Fund is not materially exposed to a credit risk with respect to deposits.

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

	June 30, 2026	June 30, 2025
Bank balances by rating category	----- (%) -----	
AA+/A+	0.08	36.22
AAA/AA	99.92	63.78
Term Finance Certificates by rating category		
AAA	100.00	100.00

The maximum exposure to credit risk before any credit enhancement as at June 30, 2026 is the carrying amount of the financial assets.

Concentration of credit risk

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

Settlement risk

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

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

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may encounter difficulty in raising funds to meet its obligations and commitments associated with financial instruments. Liquidity risk may result from an inability to sell a financial asset at close to its fair value. The Pension Fund Manager manages liquidity risk by continuously analyzing the maturities of financial assets and financial liabilities. Since the unit holders invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited.

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

	June 30, 2026									
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund			
	Upto one month	More than one month upto three months	More than three months and upto one year	More than one month upto three months	Upto one month	More than three months and upto one year	Upto one month	More than one month upto three months	More than three months and upto one year	More than one year
Total										
Financial assets										
Bank balances	1,858,684	274,222	-	-	458,761	-	1,125,701	-	-	-
Investments	8,607,694	5,873,346	-	-	141,997	170,557	-	806,338	880,146	-
Profit receivable	99,646	8,704	-	-	47,986	-	-	-	-	-
Deposits and other receivables	106,123	14,334	-	-	11,092	-	-	-	-	-
Sub total	10,672,147	6,170,606	-	-	659,836	170,557	-	806,338	880,146	-
Financial Liabilities										
Payable to the Pension Fund Manager	16,027	12,130	-	-	1,575	-	-	2,322	-	-
Payable to the Trustee	695	400	-	-	104	-	-	191	-	-
Accrued expense and other liabilities	1,165	866	-	-	114	-	-	185	-	-
Sub total	17,887	13,396	-	-	1,793	-	-	2,698	-	-
On-balance sheet gap	10,654,260	6,157,210	-	-	658,043	170,557	-	806,338	880,146	880,146
Cumulative liquidity sensitivity gap	10,654,260	6,157,210	6,157,210	6,157,210	658,043	828,600	1,563,910	2,052,994	2,933,140	2,933,140

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

June 30, 2025											
Total	Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund		
	Upto one month	More than one month upto three months	More than three months upto one year	More than one year	Upto one month	More than one month upto three months	More than three months upto one year	More than one year	Upto one month	More than one month upto three months	More than three months upto one year
	(Rupees in '000)										
Financial assets											
Bank balances	1,400,209	206,837	-	-	-	381,387	-	-	811,985	-	-
Investments	6,117,130	3,089,382	-	-	-	-	245,168	284,278	1,135,885	392,268	970,149
Profit receivable	54,482	1,982	-	-	-	46,606	-	-	5,894	-	-
Deposits and other receivables	126,348	37,557	-	-	-	27,799	-	-	60,992	-	-
Sub total	7,698,169	3,335,758	-	-	-	455,792	245,168	284,278	1,135,885	878,871	392,268
Financial Liabilities											
Payable to the Pension Fund Manager	8,059	3,636	-	-	-	2,264	-	-	2,159	-	-
Payable to the Trustee	112	46	-	-	-	32	-	-	34	-	-
Payable against purchase of investments	119,621	119,621	-	-	-	-	-	-	-	-	-
Payable against redemption of units	22,318	-	-	-	-	22,318	-	-	-	-	-
Accrued and other liabilities	12,886	8,259	-	-	-	4,413	-	-	214	-	-
Sub total	162,996	131,562	-	-	-	29,027	-	-	2,407	-	-
On-balance sheet gap	3,204,196	-	-	-	-	426,765	245,168	284,278	1,135,885	876,464	392,268
Cumulative liquidity sensitivity gap	3,204,196	3,204,196	3,204,196	3,204,196	671,933	426,765	956,211	2,092,096	876,464	1,268,732	2,238,881

20.4 Financial instruments by category

Total	June 30, 2026								
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	At fair value through profit and loss	Amortised cost	Sub total	At fair value through profit and loss	Amortised cost	Sub total	At fair value through profit and loss	Amortised cost	Sub total
(Rupees'000)									
1,858,684	-	274,222	274,222	-	458,761	458,761	-	1,125,701	1,125,701
8,607,694	5,873,346	-	5,873,346	1,047,864	-	1,047,864	1,686,484	-	1,686,484
99,646	-	8,704	8,704	-	47,986	47,986	-	42,956	42,956
106,123	-	14,334	14,334	-	11,092	11,092	-	80,697	80,697
10,672,147	5,873,346	297,260	6,170,606	1,047,864	517,839	1,565,703	1,686,484	1,249,354	2,935,838

Financial Liabilities

16,027	-	12,130	12,130	-	1,575	1,575	-	2,322	2,322
695	-	400	400	-	104	104	-	191	191
1,165	-	866	866	-	114	114	-	185	185
17,887	-	13,396	13,396	-	1,793	1,793	-	2,698	2,698

Total	June 30, 2025								
	Equity Sub-Fund			Debt Sub-Fund		Money Market Sub-Fund			
	At fair value through profit and loss	Amortised cost	Sub total	At fair value through profit and loss	Amortised cost	Sub total	At fair value through profit and loss	Amortised cost	Sub total
(Rupees 000)									
1,400,209	-	206,837	206,837	-	381,387	381,387	-	811,985	811,985
6,117,130	3,089,382	-	3,089,382	1,665,331	-	1,665,331	1,362,417	-	1,362,417
54,482	-	1,982	1,982	-	46,606	46,606	-	5,894	5,894
126,348	-	37,557	37,557	-	27,799	27,799	-	60,992	60,992
7,698,169	3,089,382	246,376	3,335,758	1,665,331	455,792	2,121,123	1,362,417	878,871	2,241,288
8,059	-	3,636	3,636	-	2,264	2,264	-	2,159	2,159
112	-	46	46	-	32	32	-	34	34
119,621	-	119,621	119,621	-	-	-	-	-	-
22,340	-	-	-	-	22,318	22,318	-	22	22
12,886	-	8,259	8,259	-	4,413	4,413	-	214	214
163,018	-	131,562	131,562	-	29,027	29,027	-	2,429	2,429

Financial Liabilities

8,059	-	3,636	3,636	-	2,264	2,264	-	2,159	2,159
112	-	46	46	-	32	32	-	34	34
119,621	-	119,621	119,621	-	-	-	-	-	-
22,340	-	-	-	-	22,318	22,318	-	22	22
12,886	-	8,259	8,259	-	4,413	4,413	-	214	214
163,018	-	131,562	131,562	-	29,027	29,027	-	2,429	2,429

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

21. PERFORMANCE TABLE

		Equity Sub-Fund				
		June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022
		(Rupees in '000)				
21.1	Performance Information					
	Net income / (loss) after taxation	1,723,966	1,187,858	624,779	5,292	(171,202)
	Realised capital gains / (losses)	811,960	443,732	308,945	(13,513)	(59,110)
	Unrealised (losses) / gains	839,049	645,764	256,852	(42,833)	(156,534)
	Dividend income and profit income	240,074	149,022	82,652	79,060	56,650
	Net assets value per unit	2,538.84	1,673.30	959.13	492.00	486.14
	Transactions in securities					
	- Purchases	5,145,876	2,675,343	1,553,561	598,523	697,837
	- Sales	4,012,946	2,127,427	1,386,573	621,733	571,194
	Total contribution received	6,984,175	4,212,643	1,652,193	525,090	371,605
		Debt Sub-Fund				
		June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022
		(Rupees in '000)				
	Performance Information					
	Net income after taxation	147,588	353,858	209,635	87,273	47,050
	Realised capital gains / (losses)	(13,965)	104,411	6,938	6,112	(2,324)
	Unrealised gains / (losses)	21	10,087	(537)	(5,087)	154
	Profit income	190,390	274,002	221,315	95,213	54,509
	Net assets value per unit	650.05	597.93	500.14	406.76	347.06
	Transactions in securities					
	- Purchases	4,321,006	65,596,205	45,381,068	15,606,454	12,586,185
	- Sales	4,952,589	65,839,470	43,099,467	35,897,132	12,447,476
	Total contribution received	4,515,117	3,216,445	2,601,517	342,323	244,745
		Money Market Sub-Fund				
		June 30, 2026	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022
		(Rupees in '000)				
	Performance Information					
	Net income after taxation	232,421	273,888	338,339	182,739	55,991
	Realised capital gains / (losses)	(15,180)	16,816	12,138	1,247	(785)
	Unrealised gains / (losses)	3,075	1,038	77	(2,010)	-
	Profit income	276,328	286,741	343,971	190,530	62,692
	Net assets value per unit	560.50	509.78	443.63	361.47	307.40
	Transactions in securities					
	- Purchases	11,147,120	28,490,510	41,308,604	22,759,601	10,180,807
	- Sales	10,940,523	28,057,900	36,139,835	18,091,481	9,997,902
	Total contribution received	4,968,181	3,912,147	2,089,031	1,214,135	375,554

Lowest and highest issue price of units during the year

Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund	
Lowest Issue price	Highest Issue price	Lowest Issue price	Highest Issue price	Lowest Issue price	Highest Issue price
(Rupees)					
1,693.67	2,706.95	598.08	650.05	509.91	560.50

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

21.2 TOTAL EXPENSE RATIO

Equity Sub Fund

The Total Expense Ratio of the Equity Sub-Fund for the period from July 1, 2025 to June 30, 2026 is 3.37% (June 2025: 2.32%), which includes 0.43% (June 2025: 0.33%) representing government levy, SECP fee, and other related charges. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Pension Schemes, effective from July 01, 2025.

Debt Sub Fund

The Total Expense Ratio of the Debt Sub-Fund for the period from July 1, 2025 to June 30, 2026 is 1.63% (June 2025: 1.75%), which includes 0.24% (June 2025: 0.25%) representing government levy, SECP fee, and other related charges. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Pension Schemes, effective from July 01, 2025.

Money Market Sub Fund

The Total Expense Ratio of the Money Market Sub-Fund for the period from July 1, 2025 to June 30, 2026 is 1.11% (June 2025: 1.52%), which includes 0.20% (June 2025: 0.23%) representing government levy, SECP fee, and other related charges. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Pension Schemes, effective from July 01, 2025.

22. PARTICIPANTS' FUND RISK MANAGEMENT

The Fund's capital is represented by redeemable units of the sub-funds. They are entitled to payment of a proportionate share based on the sub-fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in Participants' sub-funds. In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the Participants invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited, such liquidity being augmented (by short-term borrowings or disposal of investments where necessary). During the year no such borrowing was exercised.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the fund and rank pari passu as to their rights in the net assets and earnings of such sub-fund and are not tradable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in such sub-fund.

23. GENERAL

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

24. 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.

25. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 04 August, 2026 by the Board of Directors of the Pension Fund Manager.

For MCB Investment Management Limited
(the Pension Fund Manager)



Chief Executive Officer



Director

PERFORMANCE TABLE

Pakistan Pension Fund - Equity Sub Fund											
Performance Information	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	
Total Net Assets Value – Rs. in million	6,151	3,201	1,496	770	832	905	642	721	742	768	
Net Assets value per unit – Rupees	2,538.84	1,673.30	959.13	492.00	486.14	585.07	440.67	432.30	511.85	565.00	
Closing Offer Price	2,538.84	1,673.30	959.13	492.00	486.14	585.07	440.67	432.30	511.85	565.00	
Highest Issue Price	2,706.95	1,673.30	965.19	519.03	607.11	604.15	545.29	535.51	568.56	624.90	
Lowest Issue Price	1,693.67	942.53	491.97	431.58	475.88	447.25	343.25	426.44	456.55	419.65	

Pakistan Pension Fund - Debt Sub Fund											
Performance Information	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	
Total Net Assets Value – Rs. in million	1,563	2,089	1,571	493	559	495	559	521	590	513	
Net Assets value per unit – Rupees	650.05	597.93	500.14	406.76	347.06	317.31	298.36	257.43	239.67	229.77	
Closing Offer Price	650.05	597.93	500.14	406.76	347.06	317.31	298.36	257.43	239.67	229.77	
Highest Issue Price	650.05	597.93	941.66	406.19	347.06	317.31	298.86	257.43	239.67	229.77	
Lowest Issue Price	598.08	500.35	406.98	346.42	317.38	298.10	257.57	239.72	229.87	220.38	

Pakistan Pension Fund - Money Market Sub Fund											
Performance Information	2026	2025	2024	2023	2022	2021	2020	2019	2018	2017	
Total Net Assets Value – Rs. in million	2,936	2,235	1,906	1,598	716	533	523	317	240	170	
Net Assets value per unit – Rupees	560.50	509.78	443.63	361.47	307.40	280.02	265.29	236.74	219.42	210.20	
Closing Offer Price	560.50	509.78	443.63	361.47	307.40	280.02	265.29	236.74	219.42	210.20	
Highest Issue Price	560.50	509.78	854.01	360.96	307.40	280.02	265.29	236.74	219.42	210.20	
Lowest Issue Price	509.91	443.85	361.67	306.12	280.11	265.33	236.87	219.47	210.28	201.61	

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

The Board of Directors of MCB Investment Management Limited (the Management Company of Pakistan Pension Fund – PPF) 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 PPF participated in forty-eight (48) 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	285	285	0	0	-
(%ages)	100	100	0	0	-

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

MCB INVESTMENT MANAGEMENT LIMITED

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