

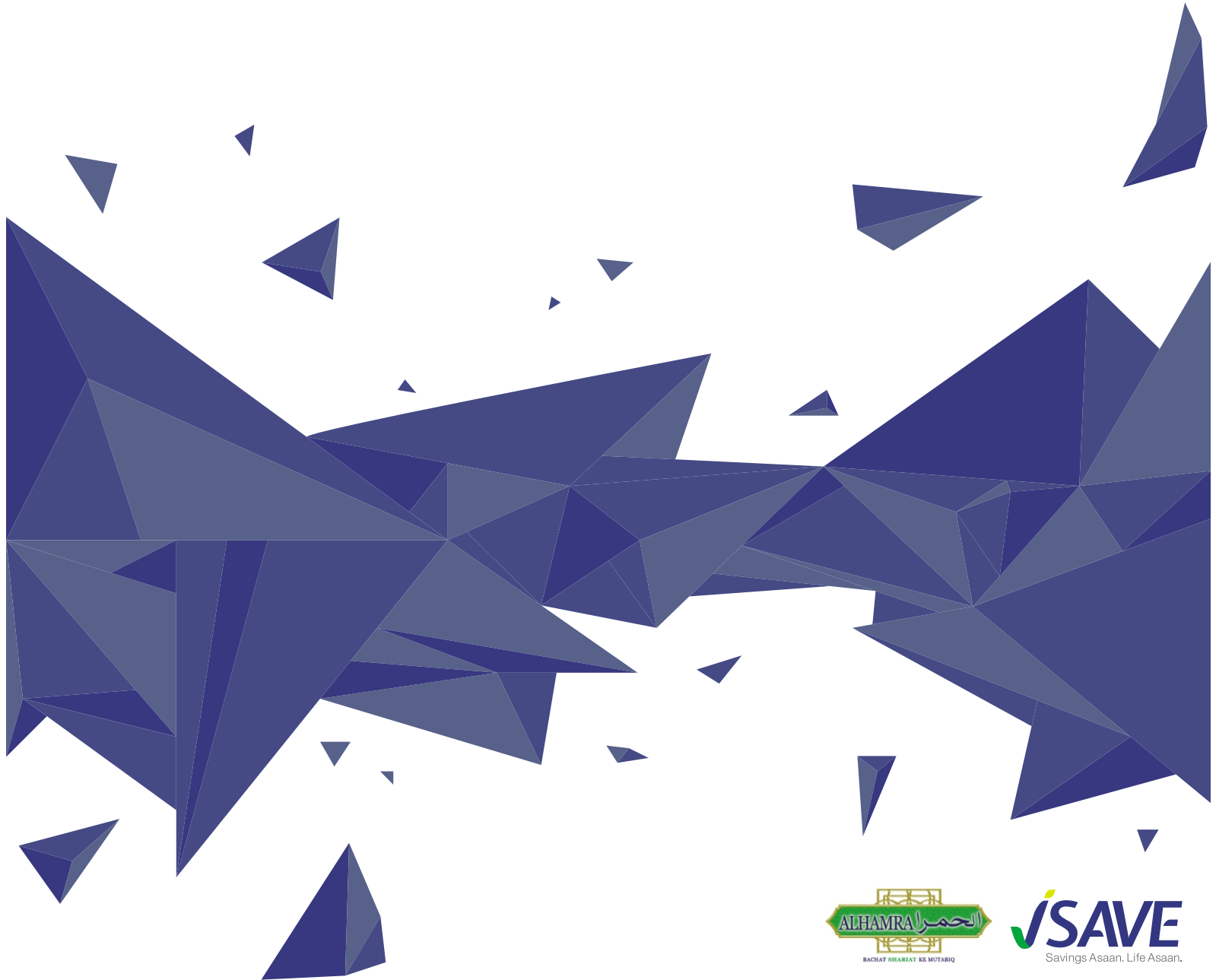


MCB FUNDS
Investments for Life

HALF YEARLY REPORT

DECEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



MCB KPK GOVT. EMPLOYEES PENSION FUND

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

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Muhammad Nauman Chughtai Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Syed Savail Meekal Hussain 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 Director
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shakra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	Habib Metropolitan Bank Limited	
Auditors	BDO Ebrahim & Co. Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed Road, Karachi	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB KPK Government Employees Pension Fund-Money Market Sub Fund**'s accounts review for the half-year ended December 31, 2024.

Economy Review

The fiscal year began on a positive note with the government securing a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately USD 7.0 billion. After Pakistan fulfilled all the required preconditions the IMF Executive Board approved the program on September 27, 2024. Subsequently, the State Bank of Pakistan (SBP) received the first tranche of USD 1.0 billion, bolstering foreign exchange reserves and lending support to the the currency as the USD/PKR parity remained stable around 278.5 during the first half of the fiscal year.

The country posted a current account Surplus of USD 1.2bn in the first six months of the fiscal year 2025 (1HFY25) compared to a deficit of USD 1.4bn in the corresponding period last year. The major contributor towards improving current account was the remittances inflows which skyrocketed by 32.8% to USD 4.4bn. Trade Deficit increased by 12.6% YoY as exports rose by 7.2% while imports increased by 9.3% from a low base. The county's external position improved with SBP's foreign exchange reserves increasing to USD 11.7bn as of Dec-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of current account surplus and flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 7.3% during 1HFY25 compared to 28.8% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past one year, which led to stable food and energy prices. Additionally, the large decline in wheat prices and base effect further contributed to the lower inflation figures.

The country's GDP grew by 0.9% in the first quarter of the financial year 2024-25 as compared to 2.3% in the corresponding period last year. Agriculture grew by 1.2%, Services sector grew by 1.4% while industrial sector witnessed a decline of 1.0%. Historic high interest rates and political uncertainty were the major culprits behind the subdued industrial output. On the fiscal side, FBR tax collection increased by 25.9% in 1HFY25 to PKR 5,623 billion, missing the target by PKR 386 billion. The shortfall is largely attributed to reduced tax collection from imports due to a slowdown in trade, sluggish growth and low inflation.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

FUND PERFORMANCE

The money market sub-fund generated an annualized return of 18.47% during the period. The fund's exposure towards cash stood at 14.7%.

The Net Assets of the Fund as at December 31, 2024 stood at Rs. 68.70 million. The Net Asset Value (NAV) per unit as at December 31, 2024 was Rs. 121.8025.

Economy & Market – Future Outlook

Pakistan's GDP growth is projected to inch up to 2.8% in FY25, compared to 2.5% last year. The industrial and services sectors are expected to expand by 3.1% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 2.2%, constrained by the high base effect and flood-related damage to the cotton crop.

The continuation of the IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 13.5bn by year end on the back of flows from friendly countries, IMF and multilateral agencies. Pakistan is on track to record the first annual surplus since FY11 on the back of rebound in exports and remittances along with controlled imports. We expect a current account surplus of USD 2.1bn (0.5% of GDP) in FY25 compared to deficit of USD 681mn (0.2% of GDP) in FY24. We are of the view that improvement in exports and remittances and increased comfort on the external will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close June 25 around 280.8.

The inflation reading has come down sharply mainly due to base effect and stable currency. The headline inflation number in December 2024 clocked in at 4.1% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 80 months. The core inflation also remained on a declining trajectory, clocking at 9.2% (34 months low). We anticipate CPI to average around 6.1% in FY25 compared to 23.9% in FY24. The SBP has decreased interest rates by a cumulative 900bps since June-24 as interest rates have declined to 13.0% from a high of 22.0%. We believe after an interest rate cut of further 100bps, monetary policy committee may pause the easing cycle to evaluate the monetary transmission effect of the interest rate decline. In our base case, we have assumed the interest rate may remained anchored at 12.0% in near term. We do not rule out further rate cuts with lower than expected inflation along with a strong build up in Forex Reserves.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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 68.1% during 1HFY25 to PKR 4,326bn. Total money market funds grew by about 45.8% since Jun-24. Within the money market sphere, conventional funds showed a growth of 85.9% to PKR 1,170bn while Islamic funds increased by 8.7% to PKR 738bn. In addition, the total fixed Income and Fixed Rate funds increased by about 96.5% since Jun-24 to PKR 1,889bn while Equity and related funds increased by 80.9% to PKR 462bn.

In terms of the segment share, Money Market funds were the leader with a share of around 44.1%, followed by Income and fixed return funds with 43.7% and Equity and Equity related funds having a share of 10.7% as at the end of December 2024.

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. As economic recovery gains further traction and becomes more broad based, 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.

ACKNOWLEDGEMENT

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
February 04, 2025

ڈائریکٹرز رپورٹ

اظہارِ تشکر

بورڈ فنڈ کے قابلِ قدر سرمایہ کاروں، سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور فنڈ کے ٹرسٹیوں کا اُن کے مسلسل تعاون اور حمایت کے لیے شکریہ ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کی کاوشوں کو بھی خراجِ تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز



خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

کراچی،

04 فروری 2025ء

ڈائریکٹرز رپورٹ

مستقبل قریب میں 12.0 فیصد پر جھکی رہے گی، تاہم متوقع سے کم مہنگائی اور زر مبادلہ کے ذخائر میں بھرپور بڑھوتری کے ساتھ شرح سود میں مزید کمی خارج از امکان نہیں ہے۔

حاملین قرض کے لیے ہم سمجھتے ہیں کہ منی مارکیٹ فنڈز سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔

میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز صنعت کے نیٹ اثاثہ جات مالی سال 2025ء کے نصف اول کے دوران تقریباً 68.1 فیصد بڑھ کر 4,326 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز میں جون 2024ء کے بعد مجموعی طور پر تقریباً 45.8 فیصد ترقی ہوئی۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 85.9 فیصد بڑھ کر 1.170 بلین روپے ہو گئے جبکہ اسلامک فنڈز 8.7 فیصد بڑھ کر 738 بلین روپے ہو گئے۔ مزید برآں، فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2024ء کے بعد سے مجموعی طور پر تقریباً 96.5 فیصد بڑھ کر 1,889 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 80.9 فیصد بڑھ کر 462 بلین روپے ہو گئے۔

زمرہ جاتی تقسیم کے اعتبار سے دسمبر 2024ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 44.1 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ انکم اور فیکسڈ ریٹ فنڈز 43.7 فیصد، اور ایکویٹی اور اس سے متعلقہ فنڈز 10.7 فیصد حصے کے ساتھ دوسرے اور تیسرے نمبر پر رہے۔

میوچل فنڈ صنعت کے مستقبل کا منظر

منی مارکیٹ فنڈز کو بہتر نقدیت سے فائدہ اٹھانا چاہیے کیونکہ یہ فنڈز ایسے سرمایہ کاروں کے لیے موزوں ترین ہوتے ہیں جو مختصر مدت کے لیے اور خسارے کے کم خطرے کے ساتھ سرمایہ کاری کرنا چاہتے ہیں۔ معاشی بحالی کے مزید تیز اور وسیع ہونے کے ساتھ کپیٹل مارکیٹوں، خصوصاً ایکویٹی، میں بھرپور دلچسپی کا سلسلہ جاری رہے گا۔ ہمارے کام کاج بلا رکاوٹ چلتے رہے، اور ڈیجیٹل رسائی اور صارفین کو آن لائن خدمات کی فراہمی میں مسابقتی فائدہ حاصل ہونے کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے فائدہ اٹھانے کے لیے کمر بستہ ہیں۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران منی مارکیٹ ذیلی فنڈ کا ایک سال پر محیط منافع 18.47 فیصد تھا۔
فنڈ کی سرمایہ کاری نقد میں 14.7 فیصد تھی۔

31 دسمبر 2024ء کو فنڈ کے نیٹ اثاثہ جات 68.70 ملین روپے تھے۔ 31 دسمبر 2024ء کو فنڈ کی نیٹ اثاثہ جاتی قدر (NAV) فی یونٹ 121.8025 روپے تھی۔

معیشت اور مارکیٹ - مستقبل کا منظر

پاکستان کی 'جی ڈی پی' میں مالی سال 2025ء میں 2.8 فیصد اضافے کا امکان ہے، جو گزشتہ سال کی سطح 2.5 فیصد کے بالمقابل ہے۔ صنعتی شعبے میں 3.1 فیصد اور خدمات کے شعبے میں 3.0 فیصد ترقی متوقع ہے جس کی وجہ مانگ اور بنیادی اثر کی بتدریج بحالی ہے۔ تاہم زراعتی ترقی کا 2.2 فیصد کے درمیانے درجے پر رہنے کا امکان ہے جس کے عوامل اعلیٰ بنیادی اثر کا محدود ہونا اور کپاس کی فصل کو سیلاب کے باعث نقصان ہیں۔

آئی ایم ایف پروگرام کا تسلسل کلیدی مثبت پہلو ہے کیونکہ اس کی بدولت ہم دوطرفہ اور کثیرالجہتی ذرائع سے رقم حاصل کر سکیں گے۔ 'ایس بی پی' کے ذخائر کا دوست ممالک، آئی ایم ایف اور کثیرالجہتی ایجنسیوں سے آمدات کی بنیاد پر سال کے اختتام پر بڑھ کر 13.5 بلین ڈالر تک پہنچ جانے کا امکان ہے۔ پاکستان مالی سال 2011ء کے بعد پہلا سالانہ منافع ریکارڈ کرنے کی سمت میں رواں ہے، جس کے عوامل برآمدات اور ترسیلات میں بحالی بشمول درآمدات پر قابو ہیں۔ کرنٹ اکاؤنٹ میں مالی سال 2025ء میں 2.1 بلین ڈالر (جی ڈی پی کا 0.5 فیصد) منافع متوقع ہے، جو مالی سال 2024ء میں 681 ملین ڈالر (جی ڈی پی کا 0.2 فیصد) خسارے کے بالمقابل ہے۔ ہم سمجھتے ہیں کہ برآمدات اور ترسیلات میں بہتری اور خارجی جہت میں بڑھتے ہوئے اطمینان کی بدولت روپیہ مستقبل قریب میں مستحکم رہے گا۔ سال رواں میں روپے کی قدر میں معمولی کمی متوقع ہے اور ڈالر اور روپے کا تناسب جون 2025ء کے اختتام پر تقریباً 280.8 ہوگا۔

مہنگائی کی سطح میں تیزی سے کمی آئی ہے جس کے اہم ترین عوامل بنیادی اثر اور روپے میں استحکام ہیں۔ ہیڈ لائن مہنگائی دسمبر 2024ء میں 4.1 فیصد تک پہنچ گئی تھی، جو مئی 2023ء میں 38.0 فیصد کی بلند سطح کے بالمقابل ہے۔ یہ گزشتہ 80 ماہ کی کم ترین سطح ہے۔ بنیادی مہنگائی میں بھی کمی کارہجان رہا جو 9.2 فیصد (34 ماہ کی کم ترین سطح) تک پہنچ گئی۔ 'سی پی آئی' کا اوسط مالی سال 2025ء میں متوقع طور پر تقریباً 6.1 فیصد ہوگا، جو مالی سال 2024ء میں 23.9 فیصد کے بالمقابل ہے۔ ایس بی پی نے سود کی شرحوں میں جون 2024ء سے اب تک مجموعی طور پر 900 بی پی ایس کمی کی ہے کیونکہ سود کی شرحیں 22.0 فیصد کی بلند سطح سے کم ہو کر 13.0 فیصد ہو گئے ہیں۔ ہم سمجھتے ہیں کہ شرح سود میں مزید 100 بی پی ایس کمی کے بعد مانیٹری پالیسی کمیٹی اس کمی کی مالیاتی منتقلی کے اثر کو جانچنے کے لیے تسہیل کے چکر کو کچھ عرصے کے لیے روک سکتی ہے۔ ہمارے base کے معاملے میں ہم فرض کر رہے ہیں کہ شرح سود

عزیز سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی کے پی کے، گورنمنٹ ایمپلائیز پینشن فنڈ - منی مارکیٹ ذیلی فنڈ کے اکاؤنٹس کا جائزہ برائے نصف سال مختتمہ 31 دسمبر 2024ء پیش خدمت ہے۔

معیشت کا جائزہ

مالی سال کا آغاز مثبت انداز میں ہوا کیونکہ حکومت نے آئی ایم ایف سے 37 ماہ پر مبنی ایکسٹینڈڈ فنڈ فسیلٹی (ای ایف ایف) کے لیے اسٹاف - لیول معاہدہ کر لیا جس کی مالیت تقریباً 7.0 بلین ڈالر ہے۔ پاکستان کے تمام مطلوبہ شرائط پوری کرنے کے بعد آئی ایم ایف ایگزیکٹو بورڈ نے 27 ستمبر 2024ء کو پروگرام کی منظوری دی۔ بعد ازاں، اسٹیٹ بینک آف پاکستان (ایس بی پی) کو 1.0 بلین ڈالر کی پہلی قسط موصول ہوئی جس کی بدولت غیر ملکی زرمبادلہ کے ذخائر پروان چڑھے اور روپے کو سہارا ملا، جیسا کہ مالی سال کے نصف اول کے دوران روپے اور ڈالر کے مابین تناسب سے ظاہر ہے جو تقریباً 278.5 روپے کی سطح پر مستحکم رہا۔

مالی سال 2025ء کے نصف اول (ابتدائی چھ ماہ) میں ملک کا کرنٹ اکاؤنٹ 1.2 بلین روپے منافع میں رہا، جو گزشتہ سال مماثل مدت میں 1.4 بلین ڈالر خسارے کے بالمقابل ہے۔ کرنٹ اکاؤنٹ کی بہتری میں سب سے بڑا حصہ ترسیلات کا ہے جو تیزی سے 32.8 فیصد بڑھ کر 4.4 بلین ڈالر تک پہنچ گئیں۔ تجارتی خسارہ 12.6 فیصد سال در سال (YoY) بڑھ گیا کیونکہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ درآمدات گزشتہ پست سطح سے 9.3 فیصد بڑھ گئیں۔ ملک کی خارجی صورتحال میں بہتری آئی کیونکہ ایس بی پی کے زرمبادلہ کے ذخائر بڑھ کر دسمبر 2024ء کے اختتام تک 11.7 بلین ڈالر تک پہنچ گئے، جو گزشتہ مالی سال کے اختتام پر 9.4 بلین ڈالر کے بالمقابل تھے، جس کے عوامل کرنٹ اکاؤنٹ میں منافع اور آئی ایم ایف اور کثیر الجہتی ذرائع سے آمدات ہیں۔

ہیڈ لائن مہنگائی، جس کی ترجمانی 'سی پی پی آئی' سے ہوتی ہے، کا اوسط مالی سال 2025ء کے نصف اول میں 7.3 فیصد تھا، جو گزشتہ سال مماثل مدت میں 28.8 کے بالمقابل ہے۔ تیزی سے ہونے والی اس کمی کی وجہ گزشتہ ایک سال کے دوران روپے میں استحکام ہے جس کے نتیجے میں اشیائے خورد و نوش اور توانائی کی قیمتیں مستحکم ہوئیں۔ مزید برآں، گندم کی قیمتوں اور سال گزشتہ کی سطح کے سال رواں پر اثر میں بھرپور کمی نے مہنگائی کم کرنے میں مزید کردار ادا کیا۔

ملک کے جی ڈی پی میں مالی سال 2024-25ء کی پہلی سہ ماہی میں 0.9 فیصد ترقی ہوئی، جو گزشتہ سال مماثل مدت میں 2.3 فیصد کے بالمقابل ہے۔ زراعت میں 1.2 فیصد ترقی اور خدمات کے شعبے میں 1.4 فیصد ترقی ہوئی، جبکہ صنعتی شعبے میں 1.0 فیصد ترقی ہوئی۔ صنعتی پیداوار میں کمی کے سب سے بڑے عوامل سود کی اب تک کی بلند ترین شرحیں اور سیاسی عدم یقینی تھے۔ مالیاتی جہت میں ایف بی آر کی ٹیکس وصولی مالی سال 2025ء کے نصف اول میں 25.9 فیصد بڑھ کر 5,623 بلین روپے ہو گئی، جو ہدف سے 386 بلین روپے کم ہے۔ اس کمی کے بڑے عوامل درآمدات سے حاصل ہونے والے ٹیکس میں کمی بوجہ سست رفتار تجارت، ترقی کی سست روی اور مہنگائی میں کمی ہیں۔

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-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

MCB KPK GOVERNMENT EMPLOYEES PENSION FUND

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

We, Central Depository Company of Pakistan Limited, being the Trustee of MCB KPK Government Employees Pension Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the six months period ended December 31, 2024 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, February 21, 2025



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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Lakson Square, Building No.1
Sarwar Shaheed Road
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Pakistan

INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE PARTICIPANTS' OF MCB KPK GOVERNMENT EMPLOYEES PENSION FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of MCB KPK Government Employees Pension Fund ("the Fund") as at December 31, 2024 and the related condensed interim income statement, the condensed interim statement of comprehensive income, the condensed interim statement of movement in participations' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the half year then ended. The Management Company (MCB Investment Management Limited) is responsible for the preparation and presentation of this condensed interim financial statements in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

The figures for the quarter ended December 31, 2024 and December 31, 2023 in the condensed interim income statement and condensed interim statement of other comprehensive income have not been reviewed and we do not express a conclusion on them.

Other Matter

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2024 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

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

KARACHI

DATED: 24 FEB 2025

UDIN: RR202410166AumkxfFK

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

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

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2024**

	December 31, 2024 (Unaudited)					June 30, 2024 (Audited)				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
ASSETS										
Balances with banks	601,831	601,825	601,583	10,134,221	11,939,460	550,107	547,459	547,477	20,975,451	22,620,494
Investment	-	-	-	58,531,098	58,531,098	-	-	-	21,247,171	21,247,171
Markup receivable	6,297	6,294	6,316	106,047	124,955	9,327	9,288	9,287	343,733	371,635
Other receivable	-	-	-	-	-	1,380	3,877	3,879	35,002	44,138
Total assets	608,128	608,119	607,899	68,771,366	70,595,512	560,814	560,624	560,643	42,601,357	44,283,437
LIABILITIES										
Payable to the Pension Fund Manager	509	509	508	51,739	53,265	492	489	493	30,886	32,361
Payable to Trustee	509	509	508	9,829	11,355	494	494	498	5,866	7,351
Payable to the Securities and Exchange Commission of Pakistan-Annual fee	118	118	118	11,880	12,234	116	117	117	8,248	8,598
Brokerage fee	-	-	-	2,074	2,074	-	-	-	367	367
Total liabilities	1,135	1,135	1,135	75,522	78,927	1,102	1,100	1,108	45,367	48,676
NET ASSETS	606,993	606,984	606,764	68,695,844	70,516,585	559,712	559,524	559,534	42,555,990	44,234,761
REPRESENTED BY:										
PARTICIPANTS' SUB FUNDS (As per statement attached)	606,993	606,984	606,764	68,695,844	70,516,585	559,712	559,524	559,534	42,555,990	44,234,761
Contingencies and commitments										
	5,000	5,000	5,000	563,994		5,000	5,000	5,000	381,911	
Number of units in issue										
	121,3987	121,3968	121,3528	121,8025		111,9424	111,9048	111,9069	111,4292	
Net assets value per unit										

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Half year ended December 31, 2024				Half year ended December 31, 2023					
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
INCOME										
Markup on bank and other deposits	48,417	48,597	48,358	1,157,790	1,303,163	5,476	5,448	5,449	343,344	359,717
Capital Gain On Sale OF T-Bills	-	-	-	778,727	778,727	-	-	-	-	-
Amortization / Discount On Govt Sec Billss	-	-	-	3,581,280	3,581,280	-	-	-	-	-
Unrealised appreciation on re-measurement-classified as 'financial asset at fair value through profit or loss - net	-	-	-	7,071	7,071	-	-	-	-	-
Total income	48,417	48,597	48,358	5,524,868	5,670,240	5,476	5,448	5,449	343,344	359,717
EXPENSES										
Remuneration of Pension Fund Manager	444	446	442	232,940	234,271	36	36	36	12,667	12,775
Sindh sales tax on remuneration of Pension Fund Manager	67	67	66	34,595	34,794	5	5	5	1,646	1,660
Remuneration of Trustee	439	439	435	44,552	45,864	43	43	43	2,508	2,635
Sales tax on remuneration of Trustee	69	69	69	6,682	6,889	2	2	2	321	328
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	118	117	117	11,881	12,233	10	10	10	668	699
Brokerage expense	-	-	-	6,383	6,383	-	-	-	-	-
Total expenses	1,136	1,137	1,129	337,033	340,435	96	96	96	17,810	18,098
Net income for the period before taxation	47,281	47,460	47,230	5,187,835	5,329,805	5,380	5,352	5,353	325,534	341,619
Taxation	-	-	-	-	-	-	-	-	-	-
Net income for the period after taxation	47,281	47,460	47,230	5,187,835	5,329,805	5,380	5,352	5,353	325,534	341,619
Earnings per unit										

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Quarter Ended December 31, 2024				Quarter Ended December 31, 2023				Total
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
INCOME									
Markup on bank accounts and other deposits	22,333	22,643	22,347	310,156	5,476	5,448	5,449	343,344	359,717
Capital Gain / (loss) On sale OF T-Bills	-	-	-	502,168	-	-	-	-	-
Amortization / Discount On Govt Sec Bills	-	-	-	2,010,411	-	-	-	-	-
Unrealised appreciation on re-measurement of investment classified as 'financial asset at fair value through profit or loss - net	-	-	-	(204,250)	-	-	-	-	-
Total income	22,333	22,643	22,347	2,618,485	5,476	5,448	5,449	343,344	359,717
EXPENSES									
Remuneration of Pension Fund Manager	226	226	226	128,390	36	36	36	12,667	12,775
Sindh sales tax on remuneration of Pension Fund Manager	34	34	34	19,282	5	5	5	1,646	1,660
Remuneration of Trustee	226	226	226	24,406	43	43	43	2,508	2,635
Sales tax on remuneration of Trustee	34	34	34	3,661	2	2	2	321	328
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	60	60	60	6,508	10	10	10	668	699
Brokerage expense	-	-	-	2,074	-	-	-	-	-
Total expenses	579	579	580	184,321	96	96	96	17,810	18,098
Net income for the period before taxation	21,754	22,064	21,768	2,434,164	5,380	5,352	5,353	325,534	341,619
Taxation	-	-	-	-	-	-	-	-	-
Net income for the period after taxation	21,754	22,064	21,768	2,434,164	5,380	5,352	5,353	325,534	341,619
Earnings per unit									

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Half year ended December 31, 2024				Half year ended December 31, 2023					
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Net income for the period	47,281	47,460	47,230	5,187,835	5,329,805	5,380	5,352	5,353	325,534	341,619
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>47,281</u>	<u>47,460</u>	<u>47,230</u>	<u>5,187,835</u>	<u>5,329,805</u>	<u>5,380</u>	<u>5,352</u>	<u>5,353</u>	<u>325,534</u>	<u>341,619</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Quarter Ended December 31, 2024					Quarter Ended December 31, 2023				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Net income for the period	21,754	22,064	21,768	2,434,164	2,499,750	5,380	5,352	5,353	325,534	341,619
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>21,754</u>	<u>22,064</u>	<u>21,768</u>	<u>2,434,164</u>	<u>2,499,750</u>	<u>5,380</u>	<u>5,352</u>	<u>5,353</u>	<u>325,534</u>	<u>341,619</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANT'S SUB-FUNDS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	December 31, 2024 (Un-audited)					December 31, 2023 (Un-audited)				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Net assets at the beginning of period	559,712	559,524	559,534	42,555,990	44,234,761	-	-	-	-	-
Amount received on issue of units	-	-	-	20,952,019	20,952,019	500,000	500,000	500,000	32,271,341	33,771,341
Amount paid on redemption of units	-	-	-	-	-	-	-	-	-	-
Net income for the period	47,281	47,460	47,230	5,187,835	5,329,805	500,000	500,000	5,352	32,271,341	33,771,341
Net assets at the end of period	<u>606,993</u>	<u>606,984</u>	<u>606,764</u>	<u>68,695,844</u>	<u>70,516,584</u>	<u>505,380</u>	<u>505,352</u>	<u>505,353</u>	<u>32,596,875</u>	<u>34,112,960</u>

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	December 31, 2024 (Un-audited)				December 31, 2023 (Un-audited)					
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	47,281	47,460	47,230	5,187,835	5,329,805	5,380	5,352	5,353	325,534	341,619
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income before taxation					5,329,805					341,619
Adjustments for non cash and other items:										
Unrealised gain on re-measurement of investment- classified as 'financial asset at fair value through profit or loss - net (increase)/decrease in assets	-	-	-	(7,071)	(7,071)	-	-	-	-	-
Investments	3,030	2,994	2,971	(37,276,856)	(37,276,856)	-	-	-	-	-
Profit receivable	1,380	3,877	3,879	35,002	44,138	-	-	-	-	-
Other receivables	4,410	6,871	6,850	(37,004,169)	(36,986,038)	-	-	-	-	-
Increase in liabilities										
Payable to the Pension Fund Manager	17	19	15	20,853	20,904	24,241	23,641	23,841	28,013	99,735
Payable to Trustee	15	15	10	3,965	4,005	45	45	45	2,829	2,963
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	2	1	1	3,632	3,636	10	10	10	668	699
Accrued and other liabilities	-	-	-	1,707	1,707	-	-	-	-	-
	33	35	26	30,157	30,252	24,296	23,696	23,896	31,510	103,398
Net cash generated from / (used) in operating activities	51,724	54,366	54,106	(31,793,248)	(31,633,052)	24,200	23,600	23,800	13,700	85,300
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipt from issuance of units	-	-	-	20,952,019	20,952,019	500,000	500,000	500,000	32,271,341	33,771,341
Payments on redemption of units	-	-	-	-	-	-	-	-	-	-
Net cash generated from financing activities	-	-	-	20,952,019	20,952,019	500,000	500,000	500,000	32,271,341	33,771,341
Net increase/(decrease) in cash and cash equivalents	51,724	54,366	54,106	(10,841,230)	(10,681,034)	524,200	523,600	523,800	32,285,041	33,856,641
Cash and cash equivalents at beginning of the period	550,107	547,459	547,477	20,975,451	22,620,494	-	-	-	-	-
Cash and cash equivalents at end of the period	601,831	601,825	601,583	10,134,221	11,939,460	524,200	523,600	523,800	32,285,041	33,856,641

Note

CASH FLOWS FROM OPERATING ACTIVITIES

Net income before taxation

Adjustments for non cash and other items:

Unrealised gain on re-measurement of investment-
classified as 'financial asset at fair value through profit or loss - net
(increase)/decrease in assets

Investments

Profit receivable

Other receivables

Increase in liabilities

Payable to the Pension Fund Manager

Payable to Trustee

Annual fee - Securities and Exchange

Commission of Pakistan (SECP)

Accrued and other liabilities

Net cash generated from / (used) in operating activities

CASH FLOWS FROM FINANCING ACTIVITIES

Receipt from issuance of units

Payments on redemption of units

Net cash generated from financing activities

Net increase/(decrease) in cash and cash equivalents

Cash and cash equivalents at beginning of the period

Cash and cash equivalents at end of the period

The annexed notes from 1 to 22 form an integral part of these condensed interim financial statements.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB KPK Govt. Employees' Pension Fund is established under a Trust deed executed between MCB Investment Management Limited as a Pension Fund Manager and Central Depository Company of Pakistan Limited as Trustee. The Trust Deed is approved by the Securities and Exchange Commission of Pakistan (SECP) on June 21, 2023 under the Voluntary Pension System (VPS) Rules, 2005. Central Depository Company of Pakistan Limited was appointed as a trustee for the Fund by SECP on June 05, 2023. The Fund is registered under the Sindh Trust Act, 2020, as amended vide Sindh Trusts (Amendment) Act, 2021 and was launched on December 13, 2023.
- 1.2 The Fund is an open-end pension fund consisting of four sub-funds namely; Equity Index Sub Fund, Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund. Units are offered on a continuous basis to employees of KPK Government appointed/ recruited under Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022 or an employee of KPK Government regularized as Civil Servant through any legal instrument issued after coming in to force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022. Under the KPK Rules, the contribution by or on behalf of the employee for the first three years from the date of launch of the fund shall be invested in Money Market Sub Fund only. Moreover, in the remaining three sub funds (Equity Index Sub Fund, Equity Sub Fund and Debt Sub Fund) only seed capital be injected by the Pension Fund Manager which would remain invested and shall not be redeemable/transferable or tradable for a minimum period of three (3) years from the launch date of the Fund. Following the initial three years of appointment/ recruitment under Khyber Pakhtunkhwa Civil Servants (Amendment) Act, 2022, KPK employees are eligible to change their allocation as per the life cycle allocation scheme. In cases where an employee fails to specify their asset allocation preferences, the pension fund manager, taking into consideration the employee's profile and age, will allocate the contribution to the default Asset Allocation Scheme outlined in the offering document.
- 1.3 MCB Investment Management Limited has been licensed to act as a Pension Fund Manager under the VPS Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is located at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.4 Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 04, 2024 to the Management Company.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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1.6 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company after fulfilling the requirement for registration of Trust Deed under Sindh Act 2020, has submitted Collective Investment Scheme Trust Deed to Registrar acting under Sindh Act 2020 for registration.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standards (IAS) 34, "Interim Financial Statements" 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 Constitutive Documents, Voluntary Pension System Rules, 2005 (The VPS Rules), The Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and the directives issued by the SECP.

Wherever the requirements of the Constitutive Documents, the VPS Rules, NBFC Regulations or the directives issued by the SECP differ with the requirements of IAS 34, the requirements of the Trust Deed, the VPS Rules or the requirements of the said directives prevail.

2.2 The disclosures made in these condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the published audited financial statements of the Fund for the year ended June 30, 2024.

2.3 These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors.

2.4 In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2024.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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2.5 Functional and presentation currency

This condensed interim financial statements are presented in Pakistani rupee ("Rupees" or "Rs."), which is the functional and presentation currency of the Fund.

3 MATERIAL ACCOUNTING POLICY INFORMATION, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2024.

3.2 The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2024. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2024.

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

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2024 but are considered not to be relevant or did not have any material effect on the Fund's operations and therefore not detailed in these condensed interim financial statements.

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

There are certain new standards and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on or after July 1, 2025. However, the new standards, interpretations and amendments to the approved accounting standards and not expected to have any material impact on the Fund's condensed interim financial statements in the period of adoption and, therefore, have not been detailed in these condensed interim financial statements.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the fund as at and for the year ended June 30, 2024.

	December 31, 2024 (Un-audited)			June 30, 2024 (Audited)		
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Total
4 BALANCES WITH BANKS						
Savings accounts	601,831	601,825	601,583	10,134,221	11,939,459	22,620,494
						--- (Rupees) ---

4.1 These carry profit at the rates of ranging from 11.5% to 19% (2024: 20.5%) per annum.

	December 31, 2024 (Un-audited)			June 30, 2024 (Audited)		
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Total
5 INVESTMENTS						
At fair value through profit or loss	-	-	-	58,531,098	58,531,098	21,247,171
Treasury bills						--- (Rupees) ---

5.1

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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	December 31, 2024 (Un-audited)				June 30, 2024 (Audited)
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees)				--- (Rupees) ---
5.2 Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - net					
Market value of investments	-	-	-	58,531,098	21,247,171
Less: carrying value of investments	-	-	-	(58,524,027)	(21,280,662)
	-	-	-	7,071	(33,491)
				7,071	
6 PAYABLE TO PENSION FUND MANAGER					
Management fee payable	442	442	442	33,595	28,638
Sindh sales tax payable on remuneration payable	66	66	66	5,039	3,723
Insurance fee payable	-	-	-	11,396	-
Sindh Sales Tax Payable On Insurance	-	-	-	1,709	-
	509	509	508	51,739	32,361
				40,160	
6.1 This represents remuneration of the Pension Fund Manager at the rate of 0.15% for Equity index, Equity, Debt and 0.6% for Money Market Fund.					
6.2 This represents sales tax on remuneration payable at the rate of 15%.					
6.3 This represents insurance fee of the management at the rate of 0.2% for Money Market Fund					
6.4 This represents sales tax on insurance payable at the rate of 15%.					
7 PAYABLE TO THE TRUSTEE					
Remuneration payable	442	442	442	8,547	6,513
Sales tax on remuneration payable	66	66	66	1,282	838
	509	509	508	9,829	7,351
				11,355	
				9,874	
				1,481	
				11,355	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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7.1 The Central Depository Company of Pakistan Limited is entitled to remuneration at the rate of 0.15% per annum of the net assets value of the Fund where the net assets are upto Rs.1 billion. The rates applicable for Trustee's remuneration on net assets exceeding Rs.1 billion are as follows:

Net Assets	Tariff per annum
Upto 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

7.2 Sales tax at the rate of 15% on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

	December 31, 2024 (Un-audited)				June 30, 2024
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
8	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN				(Rupees) --- (Rupees) ---
Annual fee	118	118	118	11,880	12,234
					8,598

8.1

8.1 This represents annual fee to the SECP at the rate of 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.

	NUMBER OF UNITS IN ISSUE				Total
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
9	NUMBER OF UNITS IN ISSUE				--- (Units) ---
Total units outstanding at beginning of the period	5,000	5,000	5,000	381,911	396,911
Add: Units issued during the period	-	-	-	182,083	182,083
Less: Units redeemed during the period	-	-	-	-	-
Total units in issue at the end of the period	5,000	5,000	5,000	563,994	578,994
					396,911

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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	December 31, 2024 (Un-audited)			June 30, 2024 (Audited)
Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	601,831	601,825	10,134,221	11,939,460
				22,620,494

10 CASH AND CASH EQUIVALENTS

Bank Balances

	December 31, 2024 (Un-audited)			June 30, 2024 (Audited)
Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	500,000	500,000	38,471,061	39,971,061
	-	-	20,952,018	20,952,018
	-	-	-	-
	500,000	500,000	59,423,079	60,923,079

11 CONTRIBUTION TABLE

Opening Balance				-
Issue of units				39,971,061
Redemption of units				-
Closing balance				39,971,061

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2024 (June 30, 2024: Nil)

13 TAXATION

The income of the Fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further through Finance Act, 2011, effective from July 01, 2011, pension funds are included in the list of entities on which the provisions of section 113 regarding minimum tax shall not apply.

14 EARNINGS PER UNIT

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company, the determination of the same is not practicable.

15 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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:

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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15.1 Transactions during the period:

	December 31, 2024 (Un-audited)				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				
MCB Investment Management Limited - Pension Fund Manager					
Remuneration (include indirect taxes)	510	512	508	267,535	269,065
Central Depository Company of Pakistan Limited - Trustee					
Remuneration (include indirect taxes)	508	508	503	51,234	52,754

Transactions during the period:

	December 31, 2023 (Un-audited)				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				
MCB Investment Management Limited - Pension Fund Manager					
Remuneration (include indirect taxes)	41	41	41	14,313	14,435
Central Depository Company of Pakistan Limited - Trustee					
Remuneration (include indirect taxes)	45	45	45	2,829	2,963

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

15.2 Balances at year end

	December 31, 2024 (Un-audited)				
	Equity Index	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				
MCB Investment Management Limited - Pension Fund Manager					
Remuneration (include indirect taxes)	509	509	508	51,739	53,265
Central Depository Company of Pakistan Limited - Trustee					
Remuneration (include indirect taxes)	509	509	508	9,829	11,355
Balances at year end					
	June 30, 2024 (Audited)				
	Equity Index	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- (Rupees) -----				
MCB Investment Management Limited - Pension Fund Manager					
Remuneration (include indirect taxes)	492	489	493	30,886	32,361
Central Depository Company of Pakistan Limited - Trustee					
Remuneration (include indirect taxes)	494	494	498	5,866	7,351

16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e., period end. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

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

- Level 1:** quoted prices in active markets for identical assets or liabilities;
- Level 2:** those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3:** those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred. However, there were no transfers between levels of fair value hierarchy during the period.

The carrying amounts of all financial assets and liabilities reflected in the financial statements approximate their fair values at the reporting date.

17 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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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18 EXPENSE RATIO

18.1 Equity Sub Fund

The annualized total Expense Ratio (TER) of the Fund for the period ended December 31, 2024 is 0.40% which includes 0.13% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

18.2 Equity Index Sub Fund

The annualized total Expense Ratio (TER) of the Fund for the period ended December 31, 2024 is 0.40% which includes 0.13% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

18.3 Debt Sub Fund

The annualized total Expense Ratio (TER) of the Fund for the period ended December 31, 2024 is 0.40% which includes 0.13% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

18.4 Money Market Sub Fund

The annualized total Expense Ratio (TER) of the Fund for the period ended December 31, 2024 is 1.13% which includes 0.18% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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19 PERFORMANCE TABLE

19.1 Performance Information

	December 31, 2024 (Un-Audited)				December 31, 2023 (Un-Audited)			
	Equity Index	Equity	Debt	Money Market	Equity Index	Equity	Debt	Money Market
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund
Net Assets	606,993	606,984	606,764	68,695,844	505,380	505,352	505,353	32,596,875
Net Assets Value Per Unit	121.3987	121.3968	121.3528	121.8025	101.0760	101.0704	101.0706	101.0163
Net Income after Taxation	47,281	47,460	47,230	5,187,835	5,380	5,352	5,353	325,534
Realized Gain/Loss	-	-	-	778,727	-	-	-	-
Un-Realized Gain/(loss)	-	-	-	7,071	-	-	-	-
Net Contribution	-	-	-	20,952,019	500,000	500,000	500,000	32,271,341

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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20 CORRESPONDING FIGURES

The Company is incorporated in current year, therefore there is no corresponding figures to be reported.

21 GENERAL

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

22 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorized for issue by the Board of Directors of the Management Company on February 04, 2025.

For MCB Investment Management Limited
(Pension Fund Manager)



Chief Executive Officer



Director

MCB INVESTMENT MANAGEMENT LIMITED

Head Office: 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi

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