



MCB FUNDS  
Investments for Life

# ANNUAL REPORT 2025

Pakistan Pension Fund Managed by  
MCB Investment Management Limited



# **PAKISTAN PENSION FUND**

## TABLE OF CONTENTS

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1	<b>Vision, Mission and Core Values</b>	3
2	<b>Fund's Information</b>	4
3	<b>Report of the Director of the Pension Fund Manager</b>	5
4	<b>Report of the Pension Fund Manager</b>	16
5	<b>Trustee Report to the Participants</b>	18
6	<b>Independent Auditor's Report to the Participants</b>	19
7	<b>Statement of Assets and Liabilities</b>	22
8	<b>Income Statement</b>	23
9	<b>Statement of Other Comprehensive Income</b>	24
10	<b>Cash Flow Statement</b>	25
11	<b>Statement of Movement in Participants Funds</b>	26
14	<b>Notes to and Forming Part of the Financial Statements</b>	27

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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

<b>Management Company</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid <b>Mr. Muhammad Nauman Chughtai</b> Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b> <b>Mr. Fahd Kamal Chinoy</b> Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Syed Savail Meekal Hussain Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b>	Chairman Member Member
<b>Human Resource &amp; Remuneration Committee</b>	<b>Mr. Fahd Kamal Chinoy</b> Mr. Ahmed Jahangir Ms. Mavra Adil Khan <b>Mr. Khawaja Khalil Shah</b> <b>Mr. Muhammad Nauman Chughtai</b>	Chairman Member Member Member Director
<b>Credit Committee</b>	<b>Mr. Ahmed Jahangir</b> <b>Mr. Manzar Mushtaq</b> Syed Savail Meekal Hussain <b>Mr. Khawaja Khalil Shah</b>	<b>Member</b> <b>Member</b> <b>Member</b> <b>Member</b>
<b>Chief Executive Officer Chief Operating Officer &amp; Chief Financial Officer</b>	<b>Mr. Khawaja Khalil Shah</b>	
<b>Company Secretary</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Trustee</b>	<b>Central Depository Company of Pakistan Ltd.</b> 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	
<b>Bankers</b>	Zarai Taraqiat Bank Limited Habib Metropolitan Bank Limited Bank Al Falah Limited Allied Bank Limited National Bank Pakistan JS Bank Limited	Faysal Bank Limited Habib Bank Limited MCB Bank Limited Soneri Bank Limited HBL Micro Finance Bank Limited
<b>Auditors</b>	<b>Yousuf Adil</b> Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-75350.	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	
<b>Transfer Agent</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

# REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2025

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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, 2025.

## **Economy Review**

The fiscal year commenced on a strong footing as the government secured a staff-level agreement (SLA) with the IMF for a 37-month Extended Fund Facility (EFF) of USD 7.0 billion. Over the course of the period, Pakistan demonstrated fiscal and external discipline, successfully meeting key IMF program targets and benchmarks. Consequently, in March 2025, the IMF team reached an SLA with Pakistani authorities for the first review of the EFF, along with a new 28-month Resilience and Sustainability Facility (RSF), unlocking an additional USD 1.3 billion in funding.

The country posted a current account Surplus of USD 1.8 billion in the first eleven months of the fiscal year 2025 (11MFY25) compared to a deficit of USD 1.6 billion in the corresponding period last year. The major contributor towards improving current account was the remittances inflows which skyrocketed by 28.8% to USD 34.9 billion. Trade Deficit increased by 22.1% YoY as exports rose by 4.0% while imports increased by 11.5% from a low base. The country's external position improved with SBP's foreign exchange reserves increasing to USD 14.5 billion as of Jun-25 end compared to USD 9.4 billion at the end of last fiscal year. This was on account of current account surplus, timely bilateral rollovers and flows from IMF and multilateral sources. The local currency witnessed a modest depreciation as the USD/PKR depreciated by 1.9% to 283.8 during the fiscal year.

Headline inflation represented by CPI averaged 4.6% during FY25 compared to 23.9% 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.

Pakistan's Provisional GDP growth clocked at 2.7% in FY25 with Agricultural, Industrial and Services sectors increasing by 0.6%, 4.8% and 2.9% respectively. The Agriculture posted subpar growth due to high base effect and flood damaging cotton crop. Industrial and services sector growth recovered due to improvement in macroeconomic indicators. On the fiscal side, FBR tax collections rose by 25.9% in FY25, reaching PKR 11,722 billion—against the downward revised target of PKR 11,900 billion, reflecting a shortfall of PKR 178 billion. The shortfall is largely attributed to reduced tax collection from imports due to a slowdown in trade, sluggish growth and low inflation.

## **Equity Market Review**

The equity market sustained its positive momentum, with the benchmark KSE-100 Index closing FY25 at a historic high of 125,627 points. The index delivered a stellar full-year return of 60.2% (57.1% in USD terms), marking the second-strongest annual performance in the past 22 years—trailing only FY24's exceptional 89% gain.

The strong market performance was driven by several positive developments, including inflation easing to multi-decade lows and a cumulative 1,100-basis point rate cut by the SBP. Investor confidence was further reinforced by the IMF Board's approval of a USD 7.0 billion EFF program, continued rollover of foreign currency deposits by friendly countries, and a major World Bank lending package under the Country Partnership Framework. Additional tailwinds included government initiatives to address circular debt and the approval of a USD 1.3 billion RSF arrangement. While the last quarter of the fiscal year saw

## **REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2025**

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some volatility due to geopolitical tensions—particularly Pakistan-India strains and the Iran-Israel conflict—market sentiment rebounded quickly after a U.S.-brokered ceasefire led to de-escalation, allowing the index to close the year at a record high.

During FY25, Foreign investors were net sellers with an outflow of USD 303.8 million. The massive selling was on account FTSE rebalancing related outflow as Pakistan was reclassified from Secondary Emerging to Frontier market status. This selling was mainly absorbed by Mutual Funds, Corporates and Individuals with inflow of USD 230.5 million, USD 94.3 million, and USD 69.3 million.

On activity front, average trading volumes for KSE-All Index improved by 44.0% to 633.1 million shares compared to about 439.8 million shares in the last year. While the average trading value saw an increase of 93.5% to near USD 101.4 million in FY25.

The Banking, Fertilizer, and E&P sectors were the major contributors to the index gains, adding 15,155, 9,716, and 6,866 points respectively. Attractive dividend yields amid monetary easing garnered investor interest in the Banking and Fertilizer sectors. The E&P sector also remained in the limelight due to a surprise 800% bonus announcement by MARI and improvements in the liquidity position of circular debt-linked companies.

### **FUND PERFORMANCE**

#### ***Debt Fund***

The debt sub-fund generated a return of 19.55% during the period under review. The fund's exposure towards T-Bills and PIBs stood at 25.0% and 51.9% respectively, whereas exposure in cash was 18.0% at period end.

The Net Assets of the Fund as at June 30, 2025 stood at Rs. 2,088.52 million as compared to Rs. 1,571.18 million as at June 30, 2024 registering an increase of 32.93%.

The Net Asset Value (NAV) per unit as at June 30, 2025 was Rs. 597.93 as compared to opening NAV of Rs. 500.14 per unit as at June 30, 2024 registering an increase of Rs. 97.79 per unit.

#### ***Money Market Fund***

The money market sub-fund generated a return of 14.91% during the period. The fund's exposure towards cash stood at 36.2%.

The Net Assets of the Fund as at June 30, 2025 stood at Rs. 2,234.81 million as compared to Rs. 1,906.31 million as at June 30, 2024 registering an increase of 17.23%.

The Net Asset Value (NAV) per unit as at June 30, 2025 was Rs. 509.78 as compared to opening NAV of Rs. 443.63 per unit as at June 30, 2024 registering an increase of Rs. 66.15 per unit.

#### ***Equity Fund***

The Equity sub-fund generated a return of 74.46% against the KSE-100 return of 60.15%. The sub-fund slightly increased its overall equity exposure to 92.6%. Sector-wise, the sub-fund mainly held exposure in Commercial Banks and Cement.

The Net Assets of the Fund as at June 30, 2025 stood at Rs. 3,200.59 million as compared to Rs. 1,495.56 million as at June 30, 2024 registering an increase of 114.01%.

The Net Asset Value (NAV) per unit as at June 30, 2025 was Rs. 1,673.30 as compared to opening NAV of Rs. 959.13 per unit as at June 30, 2024 registering an increase of Rs. 714.17 per unit.

## **REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2025**

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### **Economy & Market – Future Outlook**

Going forward we expect GDP growth to clock at 4.1% in FY26. Agriculture Growth is likely to clock at 3.9% as it would recover due to base effect. The lagged impact of interest rate decline would benefit industrial and services sector going forward which are expected to expand by 4.4% and 4.0% respectively.

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 17.4 billion by year end on the back of timely bilateral rollover, and inflows from IMF and multilateral agencies. Our external position has improved which could allow Pakistan to consider re-entering the international capital markets to explore options such as Eurobonds, Sukuk, and Panda bonds.

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 the trend to continue in the medium term. We could witness a measured depreciation in the currency as imports picks up following monetary easing. We expect USD/PKR to close Jun-26 around 304.

Headline Inflation will stay in low single digits due to decline in food prices and stable currency. The inflation would temporarily rise by the end of FY26 due to base effect. The average inflation in FY26 is expected to be 5.6%. Core inflation has been steadily declining due to stable currency and overall demand dynamics. We expect core inflation to gradually trickle down reaching low single digit by the end of next fiscal year.

On the fiscal side we expect the fiscal deficit to clock in at 4.0% in FY26, which would be the lowest level since FY2006. This marks the fourth consecutive year of budget deficit reduction since it peaked at 7.9% in FY2022. The reduction in finance cost would be a major reason for this reduction. Strict IMF target regarding primary surplus would also play its part in maintaining fiscal discipline.

The SBP has decreased interest rates by a cumulative 1,100bps since June-24 as interest rates have declined to 11.0% from a high of 22.0%. Enhanced external stability, coupled with easing inflationary pressures, created room for this monetary easing. Going forward, while inflationary pressures are likely to remain muted, further rate cuts shall be contingent on strength in foreign exchange reserves.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 14.2%, a discount of 23% from its historical average of 18.4%. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies, which trade at a discount to their intrinsic value. The market is currently trading at a forward Price to Earnings ratio of 7.4x, while offering a dividend yield of 7.1%. 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 43.1% during FY25 to PKR 3,684 billion. Total money market funds grew by about 44.4% since June 2024. Within the money market sphere, conventional funds showed a growth of 55.3% to PKR 977 billion while Islamic funds increased by 34.3% to PKR 912 billion. In addition, the total fixed Income and Fixed Rate funds increased by about 29.2% since June 2024 to PKR 1,242 billion while Equity and related funds increased by 92.3% to PKR 491 billion.

## REPORT OF THE DIRECTOR OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2025

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In terms of the segment share, Money Market funds were the leader with a share of around 51.3%, followed by Income and fixed return funds with 33.7% and Equity and Equity related funds having a share of 13.3% as at the end of June 2025.

### **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 broader 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.

### **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 audit for Financial Year ended June 30, 2025. The Audit Committee has recommended re-appointment of **M/s. Yousuf Adil Chartered Accountants** as external auditors of the Fund for financial year ending June 30, 2026 and the Board has also endorsed the recommendation of the Audit Committee. **M/s. Yousuf Adil Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

### **ACKNOWLEDGMENT**

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

On behalf of Directors,



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**Khawaja Khalil Shah**  
Chief Executive Officer  
August 04, 2025

## ڈائریکٹرز رپورٹ

اظہار تشکر

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

منجانب ڈائریکٹرز،



خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2025ء

میوچل فنڈز صنعت کے مستقبل کا منظر نامہ

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

ہولڈنگ کمپنی

18 اپریل 2023ء کو ایم سی بی بینک لمیٹڈ (ایم سی بی) نے، ایم سی بی-عارف حبیب سیونگز اینڈ انویسٹمنٹس لمیٹڈ (ایم سی بی-اے ایچ) کی 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 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۔

خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز M/s ایم یوسف عادل چارٹرڈ اکاؤنٹنٹس 30 جون 2025ء کو ختم ہونے والے مالی سال کے مکمل ہونے کے بعد ریٹائر ہو گئے ہیں۔ آڈٹ کمیٹی نے 30 جون 2026ء کو ختم ہونے والے مالی سال کے لیے M/s ایم یوسف عادل چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش پیش کی ہے، جس کی بورڈ نے بھی توثیق کی ہے۔ M/s ایم یوسف عادل چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے خارجی آڈیٹرز کی حیثیت سے کام کرنے کے لیے رضامندی ظاہر کی ہے۔

ہوگی۔ چنانچہ یہ بجٹ خسارے میں کمی کا چوتھا مسلسل سال ہوگا، کیونکہ یہ مالی سال 2022ء میں 7.9 فیصد کی بلند ترین سطح تک پہنچ گیا تھا۔ اس کمی کی سب سے بڑی وجہ مالیاتی لاگت میں کمی ہے۔ مالیاتی نظم و ضبط برقرار رکھنے میں بنیادی سپر پلس سے متعلق آئی ایم ایف کے سخت اہداف بھی اپنا کردار ادا کریں گے۔

ایس بی پی نے سود کی شرحوں میں جون 2024ء سے لے کر اب تک مجموعی طور پر 1,100 بی پی ایس کمی کی ہے، چنانچہ شرحیں 22.0 فیصد کی بلند سطح سے 11.0 فیصد تک آگئی ہیں۔ خارجی استحکام میں بہتری، اور اس کے ساتھ ساتھ افراط زر کے دباؤ میں کمی، کی بدولت یہ مالیاتی تسہیل ممکن ہوئی۔ مستقبل میں چونکہ افراط زر کے دباؤ متوقع طور پر کم رہیں گے، چنانچہ شرحوں میں مزید کمی کا انحصار زر مبادلہ کے ذخائر کی تقویت پر ہوگا۔

کیپٹل 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 14.2 فیصد ہے، جو اس کے تاریخی اوسط 18.6 فیصد کے مقابلے میں 23 فیصد کم ہے۔ ہم سمجھتے ہیں کہ سیکٹرز اور اسٹاکس کا باریک بینی پر مبنی زاویہ اہمیت کا حامل رہے گا، اور سرمایہ کاری کے انتخاب کے لیے ایسی کمپنیوں پر توجہ مرکوز کرنی چاہیے جو اپنی اندرونی قدر میں بھرپور کمی پر تجارت کرتی ہیں۔ موجودہ طور پر مارکیٹ میں ہونے والی تجارت میں قیمت کا آمدنی کے ساتھ تناسب 7.4 گنا ہے، جبکہ ڈیویڈنڈ سے حاصل ہونے والا منافع 7.1 فیصد ہے۔

#### میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز کی صنعت کے net اثاثہ جات مالی سال 2025ء کے دوران تقریباً 43.1 فیصد بڑھ کر 3,684 بلین روپے ہو گئے۔ منی مارکیٹ کے کل فنڈز میں جون 2024ء کے بعد سے تقریباً 44.4 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 55.3 فیصد بڑھ کر 977 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 34.3 فیصد بڑھ کر 912 بلین روپے ہو گئے۔ مزید برآں، گل فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2024ء کے بعد سے تقریباً 29.2 فیصد بڑھ کر 1,242 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 92.3 فیصد بڑھ کر 491 بلین روپے ہو گئے۔ شعبہ جاتی حصے کے اعتبار سے جون 2025ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 51.3 فیصد حصے کے ساتھ سب سے آگے تھے، ان کے بعد انکم اور فیکسڈ ریٹ فنڈز کا 33.7 فیصد حصہ، اور ایکویٹی اور اس سے متعلقہ فنڈز کا 13.3 فیصد حصہ تھا۔

## ڈائریکٹرز رپورٹ

30 جون 2025ء کو فنڈ کے net اثاثہ جات 3,200.59 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2024ء کو 1,495.55 ملین روپے تھے، چنانچہ 114.0 فیصد اضافہ ہوا۔

30 جون 2025ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 1,673.30 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2024ء کو ابتدائی این اے وی فی یونٹ 959.13 روپے تھی، چنانچہ 714.17 روپے فی یونٹ اضافہ ہوا۔

معیشت اور مارکیٹ - مستقبل کا منظر نامہ

مستقبل کے امکانات کے حوالے سے ہم سمجھتے ہیں کہ مالی سال 2026ء میں جی ڈی پی میں 4.1 فیصد ترقی ہوگی۔ زراعت base اثر کی وجہ سے بحال ہوگی اور اس میں متوقع طور پر 3.9 فیصد ترقی ہوگی۔ شرح سود میں کمی کے سبب رفتار اثر سے صنعت اور خدمات کے شعبے کو مستقبل میں فائدہ ہوگا اور ان میں بالترتیب 4.4 فیصد اور 4.0 فیصد ترقی کا امکان ہے۔

آئی ایم ایف پروگرام کا تسلسل ایک اہم مثبت پہلو ہے کیونکہ اس کی بدولت ہم دو طرفہ اور کثیرالجہتی ذرائع سے فنڈنگ حاصل کر سکیں گے۔ ایس بی پی کے ذخائر متوقع طور پر بڑھ کر سال کے اختتام تک 17.4 بلین ڈالر تک پہنچ جائیں گے اور اس کے عوامل بروقت دو طرفہ رول اوور (قرض کے معاہدوں میں توسیع) اور آئی ایم ایف اور کثیرالجہتی ایجنسیوں کی طرف سے آمدات ہیں۔ ہماری خارجی صورتحال بہتر ہوئی ہے جس کی بدولت پاکستان بین الاقوامی کیپیٹل مارکیٹوں میں دوبارہ داخل ہونے پر غور کرنے کے قابل ہو سکتا ہے تاکہ Euro بانڈز، سٹاک اور پابند ابا بانڈز جیسے ذرائع کا جائزہ لے سکے۔

پاکستان مال سال 2011ء کے بعد سے پہلا سالانہ سرپلس ریکارڈ کرنے جا رہا ہے، جس کے عوامل برآمدات اور ترسیلات میں بحالی اور محدود درآمدات ہیں۔ ہمیں اُمید ہے کہ درمیانی مدت میں یہ رجحان جاری رہے گا۔ اگر درآمدات میں تیزی آئے اور اس کے نتیجے میں مالیاتی تسہیل ہو تو روپے کی قدر میں بتدریج گراؤ ہو سکتی ہے۔ جون 2026ء کے اختتام پر روپے کا ڈالر کے مقابلے تناسب تقریباً 304 ہونے کا امکان ہے۔

ایشیائے خورد و نوش کی قیمتوں میں کمی اور روپے میں استحکام کے باعث ہیڈ لائن (مجموعی) افراط زر کم سطح (ایک ہندسے پر مبنی عدد) پر رہے گی۔ مالی سال 2026ء کے اختتام تک base اثر کے باعث افراط زر میں عارضی طور پر اضافہ ہوگا۔ مالی سال 2026ء میں اوسط افراط زر 5.6 فیصد ہونے کا امکان ہے۔ روپے کے استحکام اور مجموعی طلب کے عوامل کے باعث بنیادی افراط زر میں مسلسل کمی ہوتی رہی۔ ہمیں اُمید ہے کہ اگلے مالی سال کے اختتام تک بنیادی افراط زر بتدریج کم ہو کر ایک ہندسے پر مبنی عدد تک پہنچ جائے گی۔

مالیاتی جہت میں ہم سمجھتے ہیں کہ مالی سال 2026ء میں مالیاتی خسارہ 4.0 فیصد ہوگا، جو مالی سال 2006ء کے بعد سے کم ترین سطح

## ڈائریکٹرز رپورٹ

سرگرمی کے محاذ پر کے ایس ای۔ آل انڈیکس کے تجارتی حجم 44.0 فیصد بڑھ کر 633.1 ملین شیئرز ہو گئے، جبکہ اس کے بالمقابل گزشتہ سال تقریباً 439.8 ملین شیئرز تھے۔ اوسط تجارتی قدر مالی سال 2025ء میں 93.5 فیصد بڑھ کر تقریباً 101.4 ملین ڈالر ہو گئی۔ انڈیکس کے منافعوں میں سب سے بڑا کردار کھاد، بینکاری اور ای اینڈ پی شعبوں کا تھا جنہوں نے بالترتیب 15155، 9716 اور 6866 پوائنٹس کا اضافہ کیا۔ ڈیویڈنڈ کے پُرکشش منافعوں کے ساتھ ساتھ مالیاتی تسہیل کی بدولت بینکاری اور کھاد کے شعبوں میں سرمایہ کاروں کی دلچسپی مبدول ہوئی۔ ای اینڈ پی شعبہ بھی مرکز نگاہ بنا رہا کیونکہ MARI کی جانب سے 800 فیصد بونس کا اچانک اعلان ہوا، اور گردش قرضوں سے منسلک کمپنیوں کی نقدیت کی صورت حال بہتر ہوئی۔

### فنڈ کی کارکردگی

#### ڈیٹ فنڈ

زیر جائزہ مدت کے دوران ڈیٹ ذیلی فنڈ نے 19.55 فیصد منافع پوسٹ کیا۔ اختتام مدت پر فنڈ کی سرمایہ کاری 25.0 فیصد ٹی۔ ہلز میں، 51.9 فیصد پی آئی بی میں، اور 18.0 فیصد نقد میں تھی۔ 30 جون 2025ء کو فنڈ کے net اثاثہ جات 2,088.52 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2024ء کو 1,571.18 ملین روپے تھے، چنانچہ 32.93 فیصد اضافہ ہوا۔ 30 جون 2025ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 597.93 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2024ء کو ابتدائی این اے وی فی یونٹ 500.14 روپے تھی، چنانچہ 97.79 روپے فی یونٹ اضافہ ہوا۔

#### منی مارکیٹ فنڈ

دوران مدت منی مارکیٹ ذیلی فنڈ نے 14.91 فیصد منافع پوسٹ کیا۔ فنڈ کی نقد میں سرمایہ کاری 36.2 فیصد تھی۔ 30 جون 2025ء کو فنڈ کے net اثاثہ جات 2,234.81 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2024ء کو 1,906.31 ملین روپے تھے، چنانچہ 17.23 فیصد اضافہ ہوا۔ 30 جون 2025ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 509.78 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2024ء کو ابتدائی این اے وی فی یونٹ 443.63 روپے تھی، چنانچہ 66.15 روپے فی یونٹ اضافہ ہوا۔

#### ایکوٹی فنڈ

ایکوٹی ذیلی فنڈ نے 74.46 فیصد منافع بنایا جبکہ اس کے بالمقابل کے ایس ای۔100 کا منافع 60.15 فیصد تھا۔ ذیلی فنڈ نے ایکویٹی میں اپنی مجموعی سرمایہ کاری میں معمولی اضافہ کر کے اسے 92.6 فیصد کر دیا۔ سیکٹر کے اعتبار سے ذیلی فنڈ کی زیادہ تر سرمایہ کاری کمرشل بینکوں اور سیمنٹ میں تھی۔

base اثر اور سیلاب سے کپاس کی فصل کو نقصان تھیں۔ صنعت اور خدمات کے شعبوں کی ترقی میں بحالی ہوئی جس کی وجہ مجموعی معاشی اشاروں میں بہتری تھی۔ مالیاتی جہت میں ایف بی آر کی ٹیکس کی وصولی مالی سال 2025ء میں 25.9 فیصد بڑھ کر 11,722 بلین روپے ہو گئی، جو نظر ثانی شدہ کم تر ہدف 11,900 بلین روپے کے بالمقابل ہے، یعنی 178 بلین روپے کم ٹیکس جمع ہوا۔ اس کی بڑی وجہ تجارت میں کمی، سست رفتار ترقی اور پست افراط زر ہیں۔

### ایکوٹی مارکیٹ کا جائزہ

ایکوٹی مارکیٹ نے اپنا مثبت رجحان برقرار رکھا اور مالی سال 2025ء کے اختتام پر بیچ مارک کے ایس ای-100 انڈیکس 125,627 پوائنٹس کی تاریخی بلند ترین سطح پر پہنچ گیا تھا۔ انڈیکس کا سال بھر کا منافع 60.2 فیصد کی شاندار سطح پر تھا (ڈالر کے اعتبار سے 57.1 فیصد)، جو گزشتہ 22 برسوں میں دوسرے نمبر پر بہترین کارکردگی ہے، جبکہ پہلے نمبر پر مالی سال 2024ء کا منافع 89 فیصد کی بے مثال سطح پر تھا۔

مارکیٹ کی یہ عمدہ کارکردگی متعدد مثبت پیش رفت کی بدولت ممکن ہوئی، بشمول افراط زر کا کئی دہائیوں کی کم ترین سطح پر آنا، اور ایس بی پی کی طرف سے مجموعی طور پر 1,100 بیسیس پوائنٹس کی کمی کا ہونا۔ آئی ایم ایف بورڈ کی طرف سے 7.0 ملین ڈالر کے ای ایف ایف پروگرام کی منظوری، دوست ممالک کی طرف سے غیر ملکی کرنسی ڈپازٹس کے مسلسل رول اوور، اور ورلڈ بینک کی طرف سے کنٹری پارٹنرشپ فریم ورک کے تحت قرض کے ایک بڑے پیکیج کی بدولت سرمایہ کاروں کے اعتماد میں مزید اضافہ ہوا۔ گزشتہ قرض کے حوالے سے حکومتی اقدامات اور 1.3 بلین ڈالر کے آر ایس ایف انتظام کی منظوری سے مزید تقویت حاصل ہوئی۔ جبکہ عالمی سیاسی کشیدگی، خاص طور پر پاک-بھارت تناؤ اور ایران-اسرائیل تنازعے، کے باعث مالی سال کی آخری سہ ماہی میں کچھ غیر یقینی صورتحال پیدا ہوئی، لیکن امریکا کی کوشش سے عمل میں آنے والی جنگ بندی کے بعد کشیدگی میں کمی آئی اور مارکیٹ کا رجحان جلد بحال ہو گیا، جس کے بعد سال کے اختتام پر انڈیکس بلند ترین سطح پر پہنچا۔

مالی سال 2025ء کے دوران غیر ملکی سرمایہ کار 303.8 ملین ڈالر مالیت کے مجموعی فروخت کا رتھے۔ اس بڑی فروخت کی وجہ ایف ٹی ایس ای کے توازن کے از سر نو قیام سے متعلقہ اخراج تھا کیونکہ پاکستان کی درجہ بندی 'سیکنڈری امرجنگ' سے 'فرنٹیر مارکیٹ' کر دی گئی۔ اس فروخت کو زیادہ تر میوچل فنڈز، کارپوریٹ اداروں اور افراد نے جذب کیا جن کے ذریعے بالترتیب 230.5 ملین ڈالر، 94.3 ملین ڈالر اور 69.3 ملین ڈالر کی آمدات ہوئیں۔

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے پاکستان پنشن فنڈ کے اکاؤنٹس برائے سال مختتمہ 30 جون 2025ء کا جائزہ پیش خدمت ہے۔

معیشت کا جائزہ

مالی سال کا مضبوط آغاز ہوا کیونکہ حکومت نے آئی ایم ایف کے ساتھ 37 ماہ کی ایکسٹینڈڈ فنڈ فیسلٹی (ای ایف ایف) کے لیے 7.0 بلین ڈالر کا اسٹاف۔ لیول معاہدہ (ایس ایل اے) کر لیا۔ دورانِ مدت پاکستان نے مالیاتی اور خارجی نظم و ضبط کا مظاہرہ کر کے آئی ایم ایف پروگرام کے کلیدی اہداف اور مقررہ معیارات حاصل کر لیے۔ اس کے نتیجے میں مارچ 2025ء میں آئی ایم ایف ٹیم نے 'ای ایف ایف' کے پہلے جائزے کے لیے پاکستانی مختار اداروں کے ساتھ ایک 'ایس ایل اے' کیا، جمع 28 ماہ پر محیط ایک نئی ریزیلیئنس اینڈ سسٹینیبلی فیسلٹی (آر ایس ایف)، جس سے اضافی 1.3 بلین ڈالر فنڈنگ کی راہ ہموار ہوئی۔

مالی سال 2025ء کے ابتدائی گیارہ ماہ (11MFY25) میں ملکہ کارنٹ اکاؤنٹ سروسز 1.8 بلین ڈالر پوسٹ کیا گیا، جس کے بالمقابل گزشتہ سال مماثل مدت میں 1.6 بلین ڈالر خسارہ تھا۔ کرنٹ اکاؤنٹ کی بہتری میں اہم ترین کردار ترسیلاتِ زر کا تھا جن میں 28.8 فیصد کا خطرہ اضافہ ہوا اور وہ 34.9 بلین ڈالر ہو گئیں۔ تجارتی خسارہ 22.1 فیصد (YoY) (سال در سال) بڑھ گیا کیونکہ برآمدات میں 4.0 فیصد اضافہ ہوا جبکہ درآمدات ایک پست بنیاد سے 11.5 فیصد بڑھ گئیں۔ ملکہ کی خارجی صورتحال بہتر ہوئی کیونکہ ایس بی پی کے زرمبادلہ کے ذخائر بڑھ کر جون 2025ء کو 14.5 بلین ڈالر ہو گئے، جس کے بالمقابل گزشتہ مالی سال کے اختتام پر 9.4 بلین ڈالر تھے۔ اس کی وجوہات کرنٹ اکاؤنٹ سروسز، بروقت دو طرفہ رول اوور (قرض کے معاہدوں میں توسیع) اور آئی ایم ایف اور کثیرالجمہتی ذرائع سے آمدات تھیں۔ ڈالر کے مقابلے میں روپے کی قدر میں 1.9 فیصد کمی معمولی کمی ہوئی اور یہ 283.3 تک پہنچ گئی۔

مالی سال 2025ء کے دوران ہیڈ لائن (مجموعی) افراطِ زر، جس کی ترجمانی 'سی پی آئی' سے ہوتی ہے، کا اوسط 4.6 فیصد تھا، جس کے بالمقابل گزشتہ سالہ کی مماثل مدت میں 23.9 فیصد تھا۔ اس خطیر کمی کا سبب گزشتہ ایک سال کے دوران روپے کی قدر میں استحکام تھا، جس کی بدولت ایشیائی خورد و نوش اور توانائی کی قیمتیں مستحکم رہیں۔ مزید برآں، گندم کی قیمتوں اور base کے اثر میں بڑی کمی کے نتیجے میں افراطِ زر میں مزید کمی ہوئی۔

مالی سال 2025ء میں پاکستان کی پراویٹل جی ڈی پی (مجموعی ملکی پیداوار) 2.7 فیصد تھی، اور زراعت، صنعت اور خدمات کے شعبوں میں بالترتیب 0.6 فیصد، 4.8 فیصد اور 2.9 فیصد اضافہ ہوا۔ زراعت کے شعبے کی ترقی توقع سے کم تھی جس کی وجوہ بلند

## REPORT OF THE PENSION FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2025

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### **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 74.46%. The sub-fund stood at 92.6% in equity exposure. Sector-wise, the sub-fund mainly held exposure in Commercial Banks and Cement.

The Net Assets of the Fund as at June 30, 2025 stood at Rs. 3200.59 million as compared to Rs. 1495.55 million as at June 30, 2024 registering an increase of 114.0%. The Net Asset Value (NAV) per unit as at June 30, 2025 was Rs. 1673.30 as compared to opening NAV of Rs. 959.13 per unit as at June 30, 2024 registering an increase of Rs. 714.17 per unit.

#### **Money Market Sub-Fund**

The money market sub-fund generated a return of 14.91% during the period. The fund's exposure in Cash was 36.2%.

The Net Assets of the Fund as at June 30, 2025 stood at Rs. 2,234.81 million as compared to Rs. 1,906.31 million as at June 30, 2024 registering an increase of 17.2%. The Net Asset Value (NAV) per unit as at June 30, 2025 was Rs. 509.78 as compared to opening NAV of Rs. 443.63 per unit as at June 30, 2024 registering an increase of Rs. 66.15 per unit.

#### **Debt Sub-Fund**

The debt sub-fund generated a return of 19.55% during the period under review. The fund's exposure in Cash stood at 18.0% while exposure in T-Bills and PIBs was 25.0% and 51.9%, respectively, towards the period end.

The Net Assets of the Fund as at June 30, 2025 stood at Rs. 2,088.52 million as compared to Rs. 1,571.18 million as at June 30, 2024 registering an increase of 32.9%. The Net Asset Value (NAV) per unit as at June 30, 2025 was Rs. 597.93 as compared to opening NAV of Rs. 500.14 per unit as at June 30, 2024 registering an increase of Rs. 97.79 per unit.

**REPORT OF THE PENSION FUND MANAGER  
FOR THE YEAR ENDED JUNE 30, 2025**

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**Asset Allocation (Equity Sub-fund) as of June 30, 2025 (% of Total Assets)**

<b>PPF-Equity (%age of Total Assets)</b>	<b>Jun-25</b>
Cash	6.2%
Commercial Banks	28.8%
Cement	12.4%
Fertilizer	8.5%
OIL & GAS EXPLORATION COMPANIES	6.2%
Textile Composite	5.6%
Other Equity Sectors	31.1%
Others including receivables	1.2%

**Asset Allocation (MM Sub-fund) as of June 30, 2025 (% of Total Assets)**

<b>PPF-Money Market (%age of Total Assets)</b>	<b>Jun-25</b>
Cash	36.2%
T-Bills	60.8%
Others including receivables	3.0%

**Asset Allocation (Debt Sub-fund) as of June 30, 2025 (% of Total Assets)**

<b>PPF-Debt (%age of Total Assets)</b>	<b>Jun-25</b>
Cash	18.0%
PIBs	51.9%
TFCs/Sukuks	1.6%
T-Bills	25.0%
Others including receivables	3.5%

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**Syed Abid Ali**  
**Fund Manager**

# TRUSTEE REPORT TO THE PARTICIPANTS

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CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED

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



## TRUSTEE REPORT TO THE 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, 2025 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.

**Badruddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: September 12, 2025



# INDEPENDENT AUDITOR'S REPORT TO THE PARTICIPANTS



Yousuf Adil  
Chartered Accountants

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

Tel: +92 (0) 21 3454 6494-7  
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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, 2025, 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 comprising 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, 2025, 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 Pension 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.

# 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 the Pension 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 Manager 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, 2025 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

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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, 2025 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 24, 2025

UDIN: AR202510057AWBEp158R

**STATEMENT OF ASSETS AND LIABILITIES  
AS AT JUNE 30, 2025**

	June 30, 2025				June 30, 2024				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund		Total
			Total	Total			Total	Total	
Note	(Rupees '000)				(Rupees '000)				
<b>Assets</b>									
4 Bank balances	206,837	381,387	811,985	1,400,209	321,962	77,767	981,400	1,381,129	
5 Investments	3,089,382	1,665,331	1,362,417	6,117,130	1,451,969	1,837,682	907,581	4,197,232	
6 Profit receivable	1,982	46,606	5,894	54,482	1,098	41,541	6,867	49,506	
7 Advances, deposits and other receivables	37,897	27,997	61,138	127,032	4,106	5,696	15,418	25,220	
<b>Total assets</b>	<b>3,338,098</b>	<b>2,121,321</b>	<b>2,241,434</b>	<b>7,698,853</b>	<b>1,779,135</b>	<b>1,982,686</b>	<b>1,911,266</b>	<b>5,653,087</b>	
<b>Liabilities</b>									
8 Payable to Pension Fund Manager	4,181	2,604	2,483	9,268	1,351	1,963	1,920	5,234	
9 Payable to Central Depository Company of Pakistan Limited - Trustee	53	37	39	129	118	167	184	469	
10 Payable to the Securities and Exchange Commission of Pakistan (SECP)	874	790	809	2,473	380	421	660	1,461	
Payable against purchase of investment	119,621	-	-	119,621	276,170	386,324	-	664,494	
Payable against redemption of units	-	22,318	-	22,318	-	-	22	22	
Accrued expenses and other liabilities	10,777	7,056	3,296	21,129	3,560	2,635	2,173	8,368	
<b>Total liabilities</b>	<b>135,506</b>	<b>32,805</b>	<b>6,627</b>	<b>174,938</b>	<b>283,579</b>	<b>391,510</b>	<b>4,959</b>	<b>680,048</b>	
<b>Net assets</b>	<b>3,200,592</b>	<b>2,088,516</b>	<b>2,234,807</b>	<b>7,523,915</b>	<b>1,495,556</b>	<b>1,571,176</b>	<b>1,906,307</b>	<b>4,973,039</b>	
Participants' sub-funds (as per Statement of Movement in Participants' sub-funds)	<b>3,200,592</b>	<b>2,088,516</b>	<b>2,234,807</b>	<b>7,523,915</b>	<b>1,495,556</b>	<b>1,571,176</b>	<b>1,906,307</b>	<b>4,973,039</b>	
	(Number of units)				(Number of units)				
<b>Number of units in issue</b>	<b>1,912,748</b>	<b>3,492,883</b>	<b>4,383,871</b>	<b>9,790,502</b>	<b>1,559,276</b>	<b>3,141,473</b>	<b>4,297,052</b>	<b>8,997,801</b>	
	(Rupees)				(Rupees)				
<b>Net assets value per unit</b>	<b>1,673,3000</b>	<b>597,9300</b>	<b>509,7800</b>	<b>772,311</b>	<b>959,1300</b>	<b>500,1400</b>	<b>443,6300</b>	<b>542,311</b>	
<b>Contingencies and commitments</b>									
14									

The annexed notes from 1 to 24 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, 2025

	June 30, 2025				June 30, 2024				
	Equity		Debt		Equity		Debt		Total
	Sub-Fund	Market	Sub-Fund	Market	Sub-Fund	Market	Sub-Fund	Market	
Note	(Rupees '000)				(Rupees '000)				
<b>Income</b>									
Profit on:									
- Bank balance	8,296	-	14,478	22,166	44,940	6,215	27,268	52,611	86,097
- Government securities	-	-	248,730	264,575	513,305	-	179,123	291,360	470,483
- Term finance certificates	-	-	10,794	-	10,794	-	14,924	-	14,924
- NCCPL Deposit against exposure margin	1	-	-	-	1	-	-	-	-
Dividend Income	140,726	-	104,411	16,816	140,726	76,434	-	12,138	76,434
Net gain on sale of investments	443,732	-	-	-	564,959	308,945	6,938	-	328,021
Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss - net	645,764	-	10,087	1,038	656,889	256,852	-537	77	256,382
Income on letter of placements	-	-	-	-	-	-	-	1,038	1,038
<b>Total Income</b>	<b>1,238,519</b>		<b>388,500</b>	<b>304,595</b>	<b>1,931,614</b>	<b>648,449</b>	<b>227,716</b>	<b>357,824</b>	<b>1,233,989</b>
<b>Expenses</b>									
Remuneration of Pension Fund Manager	32,773		25,667	23,250	81,690	14,253	12,715	13,722	40,690
Sindh Sales Tax on remuneration of Pension Fund Manager	4,916		3,850	3,488	12,254	1,853	1,653	1,784	5,290
Remuneration of Trustee	2,100		1,910	1,952	5,962	1,080	1,191	1,880	4,151
Sales Tax on remuneration of Trustee	315		287	293	895	140	155	244	539
Securities and Exchange Commission of Pakistan (SECP) fee	874		790	809	2,473	382	422	663	1,467
Auditors' remuneration	325		311	248	884	135	154	333	622
Custody and settlement charges	993		411	7	1,411	686	406	8	1,100
Securities transaction cost	8,288		414	176	8,878	5,046	548	295	5,889
Legal and professional charges	55		59	62	176	45	42	83	170
Printing and stationery	-		-	-	-	15	19	22	66
Bank charges	22		943	422	1,387	35	776	451	1,262
<b>Total expenses</b>	<b>50,661</b>		<b>34,642</b>	<b>30,707</b>	<b>116,010</b>	<b>23,670</b>	<b>18,091</b>	<b>19,485</b>	<b>61,236</b>
<b>Net income for the year before taxation</b>	<b>1,187,858</b>		<b>353,858</b>	<b>273,888</b>	<b>1,815,604</b>	<b>624,779</b>	<b>209,635</b>	<b>338,339</b>	<b>1,172,753</b>
Taxation	-		-	-	-	-	-	-	-
<b>Net income for the year after taxation</b>	<b>1,187,858</b>		<b>353,858</b>	<b>273,888</b>	<b>1,815,604</b>	<b>624,779</b>	<b>209,635</b>	<b>338,339</b>	<b>1,172,753</b>

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

For MCB Investment Management Limited  
(the Pension Fund Manager)



Chief Executive Officer



Director



# CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2025

	June 30, 2025			June 30, 2024		
	Equity	Debt	Money Market	Equity	Debt	Money Market
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund
	(Rupees '000)			(Rupees '000)		
	Total	Total	Total	Total	Total	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income for the year before taxation	1,187,856	353,858	273,888	1,815,604	209,635	338,339
<b>Adjustments for non cash and other items:</b>						
Profit on bank deposits and investments	(8,296)	(274,002)	(286,741)	(569,039)	(221,315)	(343,971)
Dividend income	(140,726)	-	-	(76,434)	-	-
Unrealised (gain)/loss on re-measurement of investments at fair value through profit or loss - net:	(645,764)	(10,087)	(1,038)	(256,652)	537	(77)
	(794,786)	(284,089)	(287,779)	(1,366,654)	(220,776)	(344,048)
	393,072	69,769	(13,891)	448,950	(11,143)	(5,709)
<b>(Increase) / decrease in assets</b>						
Investments	(1,150,198)	(345,032)	(61,530)	(1,556,760)	(776,226)	(791,365)
Advance, deposits and other receivables	(33,791)	(22,301)	(45,720)	(101,812)	(4,677)	(9,016)
	(1,183,989)	(367,333)	(107,250)	(1,658,572)	(780,905)	(800,381)
<b>Increase / (decrease) in liabilities</b>						
Payable to Pension Fund Manager	2,830	641	563	4,034	1,447	870
Payable to Trustees	(65)	(130)	(145)	(340)	114	11
Payable to SECP	494	369	149	1,012	200	226
Payable against redemption of units	-	22,318	(22)	22,296	-	-
Accrued and other liabilities	7,217	4,421	1,123	12,761	(294)	(869)
	10,476	27,619	1,668	39,763	(845)	438
Dividend received	140,726	-	-	140,726	76,434	-
Profit on bank deposits and investments received	7,412	288,937	287,714	564,063	187,116	343,925
<b>Net cash (used in) / generated from operating activities</b>	(632,303)	(1,008)	166,241	(485,070)	(603,465)	(481,727)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Net receipts from issuance of units	4,212,643	3,216,445	3,912,147	11,341,235	2,801,517	2,089,031
Net payments on redemption of units	(3,695,465)	(3,052,963)	(3,857,535)	(10,605,963)	(1,732,555)	(2,118,895)
<b>Net cash generated from / (used in) financing activities</b>	517,178	163,482	54,612	735,272	868,962	(29,864)
<b>Net increase / (decrease) in cash and cash equivalents</b>	(115,125)	162,474	222,853	270,202	265,497	(491,591)
Cash and cash equivalents at beginning of the year	321,962	464,081	981,400	1,767,443	196,584	1,472,991
<b>Cash and cash equivalents at end of the year</b>	206,837	626,555	1,204,253	2,037,645	464,081	981,400

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

For MCB Investment Management Limited  
(the Pension Fund Manager)



Chief Executive Officer



Director

**STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	June 30, 2025			June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	(Rupees '000)			(Rupees '000)			
<b>Net assets at the beginning of the year</b>	1,495,556	1,571,176	1,906,307	4,973,039	769,785	492,579	1,597,832
Amount received on issuance of units	4,212,643	3,216,445	3,912,147	11,341,235	1,652,193	2,601,517	2,089,031
Amount paid on redemption of units	(3,695,465)	(3,052,963)	(3,857,535)	(10,605,963)	(1,551,201)	(1,732,555)	(2,118,895)
	517,178	163,482	54,612	735,272	100,992	868,962	(29,864)
	2,012,734	1,734,658	1,960,919	5,708,311	870,777	1,361,541	1,567,968
Net income for the year	1,187,858	353,858	273,888	1,815,604	624,779	209,635	338,339
<b>Net assets at the end of the year</b>	3,200,592	2,088,516	2,234,807	7,523,915	1,495,566	1,571,176	1,906,307

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



Chief Executive Officer

For MCB Investment Management Limited  
(the Pension Fund Manager)



Director

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

## 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 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 04, 2024 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 VIII A 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, 2025

The following amendments are effective for the year ended June 30, 2025. These amendments are either not relevant to the Funds' operations or are not expected to have significant impact on the Funds' financial statements other than certain additional disclosures.

- Amendments to IFRS 16 'Leases' - Clarification on how seller-lessee subsequently measures sale and leaseback transactions
- Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current along with Non-current liabilities with Covenants
- Amendments to IAS 7 'Statement of Cash Flows' and 'IFRS 7 'Financial instruments disclosures' - Supplier Finance Arrangements

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

### 2.3 Standard and amendments to IFRS that are not yet effective

The following standard and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments and standard 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.

	<b>Effective from accounting period beginning on or after:</b>
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Clarification on how entity accounts when there is long term lack of Exchangeability	January 01, 2025
IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2026
Amendments IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - 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 IFRS 9 'Financial Instruments' and IFRS 7 'Financial instruments disclosures' - Contracts Referencing Nature-dependent Electricity	January 01, 2026

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
- IFRS 18 – Presentation and Disclosures in Financial Statements
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

### 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, judgements and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgement in the application of its accounting policies. The estimates, judgements 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 judgement 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)
- 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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

## 2.6 Functional and presentation currency

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

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

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

### 3.1 Financial instruments

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

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

#### 3.1.1 Financial assets

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

##### 3.1.1.1 Classification and measurement of financial assets

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

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

##### **Financial assets at amortised cost (debt instruments)**

Financial assets at amortised cost are subsequently measured using the effective interest rate 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 (OCI), 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 OCI. Upon derecognition, the cumulative fair value change recognised in OCI is reclassified to the income statement.

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

Debt instruments that do not meet the amortised cost criteria or the 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.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

### **Financial assets designated at fair value through OCI (equity instruments)**

Upon initial recognition, the Fund can elect to classify irrevocably its equity investments as equity instruments designated at fair value through OCI 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 OCI are not subject to impairment assessment.

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 OCI.

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 OCI 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 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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

## 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.

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.

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

## 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.

## 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 / sukus, MTS transactions 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.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

### 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.

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
<b>4. BANK BALANCES</b>	<b>Note</b>	----- (Rupees in '000) -----			
Current accounts		508	676	-	1,184
Savings accounts	4.1	206,329	380,711	811,985	1,399,025
		<u>206,837</u>	<u>381,387</u>	<u>811,985</u>	<u>1,400,209</u>

		June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- (Rupees in '000) -----			
Savings accounts	4.1	321,962	77,767	981,400	1,381,129

- 4.1 These carry profit at the rates of ranging from 8.50% to 11.50% (2024: 19% to 21.85%) per annum. These include a balance of Rs. 6.86 million (2024: Rs.1.51 million) at the rate of 9.50% (2024: 19%) in Equity Sub-Fund, Rs. 6.21 million (2024: Rs. 3.82 million) in Debt Sub-Fund at the rate of 9.50 and Rs. 6.17 million (2024: Rs. 3.81 million) in Money Market Sub-Fund at the rate of 9.50% held with MCB Bank Limited, (a related party).

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
<b>5. INVESTMENTS</b>	<b>Note</b>	----- (Rupees in '000) -----			
<b>At fair value through profit or loss</b>					
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
		<u>3,089,382</u>	<u>1,665,331</u>	<u>1,362,417</u>	<u>6,117,130</u>

		June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- (Rupees in '000) -----			
<b>At fair value through profit or loss</b>					
Listed equity securities	5.1	1,451,969	-	-	1,451,969
Government securities	5.2	-	1,772,805	907,581	2,680,386
Term Finance Certificate / Sukuks	5.3	-	64,877	-	64,877
		<u>1,451,969</u>	<u>1,837,682</u>	<u>907,581</u>	<u>4,197,232</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

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, 2025			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, 2024	Purchased during the year	Sold during the year	As at June 30, 2025	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									
<b>Automobile Assembler</b>									
Sazgar Engineering Works Limited	-	54,500	4,000	50,500	56,240	57,561	1,321	1.80	0.08
Indus Motor Company Limited	-	13,000	-	13,000	25,469	22,562	(2,907)	0.70	0.02
					<b>81,709</b>	<b>80,123</b>	<b>(1,586)</b>		
<b>Automobile Parts &amp; Accessories</b>									
Agriauto Industries Limited**	153,265	-	153,265	-	-	-	-	-	-
Exide Pakistan Limited	-	11,011	11,011	-	-	-	-	-	-
Panther Tyres Limited	65,000	803,537	-	868,537	33,281	36,340	3,059	1.14	0.52
Atlas Battery Limited*	-	35,529	35,529	-	-	-	-	-	-
Thal Limited**	41,361	-	161	41,200	19,914	16,324	(3,590)	0.51	0.05
					<b>53,195</b>	<b>52,664</b>	<b>(531)</b>		
<b>Cable &amp; Electrical Goods</b>									
Pak Elektron Limited	1,360,000	1,075,000	775,000	1,660,000	47,399	67,994	20,595	2.12	0.18
					<b>47,399</b>	<b>67,994</b>	<b>20,595</b>		
<b>Cement</b>									
Attock Cement Pakistan Limited	95,442	-	95,442	-	-	-	-	-	-
Cherat Cement Company Limited	-	531,200	75,200	456,000	118,419	132,377	13,958	4.14	0.23
D.G. Khan Cement Company Limited*	-	215,000	65,000	150,000	18,945	24,834	5,889	0.78	0.03
Fauji Cement Company Limited	2,360,000	2,800,000	4,990,000	160,000	4,165	7,147	2,982	0.22	0.01
Lucky Cement Limited***	116,000	636,800	257,800	495,000	114,076	175,844	61,768	5.49	0.03
Maple Leaf Cement Factory Limited	1,380,000	570,000	1,570,000	380,000	23,422	32,026	8,604	1.00	0.04
Gharbwal Cement Limited	-	125,000	125,000	-	-	-	-	-	-
Pioneer Cement Limited	203,500	220,043	245,000	178,543	37,096	40,731	3,635	1.27	0.08
					<b>316,123</b>	<b>412,959</b>	<b>96,836</b>		
<b>Chemicals</b>									
Archroma Pakistan Limited	20,500	-	20,500	-	-	-	-	-	-
Itehad Chemicals Limited	264,591	119,731	67,071	317,251	15,841	24,749	8,908	0.77	0.32
Nimir Industrial Chemicals Limited	97,000	93,000	-	190,000	23,639	29,840	6,201	0.93	0.17
Nimir Resins Limited	46,658	-	46,658	-	-	-	-	-	-
Lotte Chemical Pakistan Limited	-	990,000	990,000	-	-	-	-	-	-

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Name of the Investee Company	Number of shares		As at June 30, 2025			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, 2024	Purchased during the year	Sold during the year	As at June 30, 2025	Carrying Value			Market value	Unrealised gain / (loss)
	14,921	-	-	14,921	13,869	23,713	9,844	0.74	0.02
	----- (Rupees in '000') -----							24,953	
Lucky Core Industries Limited					<b>53,349</b>	<b>78,302</b>			
<b>Commercial Banks</b>									
Bank Alfalah Limited	1,201,000	2,804,000	631,600	3,373,400	233,981	270,682	36,701	8.46	0.21
Habib Bank Limited	663,000	758,000	600,992	820,008	115,786	148,937	31,151	4.59	0.06
Habib Metropolitan Bank Limited	860,000	-	860,000	-	-	-	-	-	-
Meezan Bank Limited	253,000	519,950	571,950	201,000	48,868	66,742	17,874	2.09	0.01
National Bank of Pakistan	900,000	2,110,000	770,000	2,240,000	159,122	243,466	84,344	7.61	0.11
United Bank Limited**	123,000	860,953	140,153	843,800	161,507	232,847	71,340	7.28	0.03
BankIslami Pakistan Limited	-	435,100	435,100	-	-	-	-	-	-
					<b>719,264</b>	<b>960,674</b>	<b>241,410</b>		
<b>Engineering</b>									
Mughal Iron and Steel Industries Limited	113,000	605,267	269,456	448,811	33,987	32,368	(1,619)	1.01	0.13
					<b>33,987</b>	<b>32,368</b>	<b>(1,619)</b>		
<b>Fertilizer</b>									
Engro Fertilizer Limited	-	740,000	185,000	555,000	111,830	103,002	(8,828)	3.22	0.04
Fauji Fertilizer Company Limited	459,000	75,000	459,000	75,000	26,837	29,431	2,594	0.92	0.01
Fatima Fertilizer Company Limited	-	2,069,498	537,900	1,531,598	104,125	152,256	48,131	4.76	0.07
Fauji Fertilizer Bin Qasim Limited	645,313	-	645,313	-	-	-	-	-	-
					<b>242,792</b>	<b>284,689</b>	<b>41,897</b>		
<b>Food &amp; Personal Care Products</b>									
National Foods Limited**	75,500	157,500	47,000	186,000	33,591	60,865	27,274	1.90	0.08
Barkat Frisian Agro Limited***	-	990,034	-	990,034	22,782	40,542	17,760	1.27	0.32
					<b>56,373</b>	<b>101,407</b>	<b>45,034</b>		
<b>Glass &amp; Ceramics</b>									
Shabbir Tiles & Ceramics Limited**	938,500	-	85,526	852,974	12,368	12,018	(350)	0.38	0.36
Ghani Glass Limited	-	400,000	-	400,000	11,919	18,176	6,257	0.57	0.04
					<b>24,287</b>	<b>30,194</b>	<b>5,907</b>		
<b>Insurance</b>									
Jubilee General Insurance Limited	-	350,000	-	350,000	18,164	20,846	2,682.00	0.65	0.18
					<b>18,164</b>	<b>20,846</b>	<b>2,682</b>		
<b>Miscellaneous</b>									
Shifa International Hospitals Limited	96,560	46,000	51,345	91,215	17,710	43,339	25,629	1.35	0.14
Pakistan Aluminium Beverage Cans Limited	-	44,001	-	44,001	4,701	6,348	1,647	0.20	0.01
					<b>22,411</b>	<b>49,687</b>	<b>27,276</b>		

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Name of the Investee Company	Number of shares				As at June 30, 2025			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, 2024	Purchased during the year	Sold during the year	As at June 30, 2025	Carrying Value	Market value	Unrealised gain / (loss)		
..... (Number of shares) ..... (Rupees in '000') ..... (%) .....									
<b>Oil And Gas Exploration Companies</b>									
Oil & Gas Development Company Limited	226,000	297,000	152,400	370,600	55,916	81,740	25,824	2.55	0.01
Mari Energies Limited (formerly, Mari Petroleum Company Limited)	750	-	750	-	-	-	-	-	-
Pakistan Petroleum Limited	84,000	792,500	368,700	507,800	69,412	86,412	17,000	2.70	0.02
Pakistan Oilfields Limited	-	74,500	6,500	68,000	37,375	40,132	2,757	1.25	0.02
					<b>162,703</b>	<b>208,264</b>	<b>45,581</b>		
<b>Oil And Gas Marketing Companies</b>									
Attock Petroleum Limited	-	119,925	15,425	104,500	47,663	50,120	2,457	1.57	0.08
Pakistan State Oil Company Limited	131,000	173,000	205,000	99,000	23,437	37,375	13,938	1.17	0.02
					<b>71,100</b>	<b>87,495</b>	<b>16,395</b>		
<b>Paper And Board</b>									
Packages Limited	47,993	12,080	73	60,000	32,072	33,275	1,203	1.04	0.07
					<b>32,072</b>	<b>33,275</b>	<b>1,203</b>		
<b>Pharmaceuticals</b>									
AGP Limited	420,000	542,210	462,050	500,160	89,380	95,511	6,131	2.98	0.18
Citi Pharma Limited	920,000	-	920,000	-	-	-	-	-	-
Ferozsons Laboratories Limited	90,842	34,829	32,671	93,000	24,420	36,235	11,815	1.13	0.21
Haleon Pakistan Limited	129,000	-	129,000	-	-	-	-	-	-
Highnoon Laboratories Limited	16,000	13,000	16,000	13,000	12,545	12,843	298	0.40	0.02
Abbott Laboratories Limited	11,110	8,000	19,110	-	-	-	-	-	-
GlaxoSmithKline Pakistan Limited	156,000	165,000	323,000	-	-	-	-	-	-
The Saarle Company Limited	-	278,696	278,696	-	-	-	-	-	-
					<b>126,345</b>	<b>144,589</b>	<b>18,244</b>		
<b>Power Generation &amp; Distribution</b>									
Hub Power Company Limited	273,500	157,500	431,000	-	-	-	-	-	-
Lapir Power Limited*	885,000	-	885,000	-	-	-	-	-	-
Nishat Churnian Power Limited*	1,000,000	173,840	60,000	1,113,640	32,774	27,073	(5,701)	0.85	0.30
Nishat Power Limited*	-	760,000	93,000	667,000	17,482	24,192	6,710	0.76	0.19
					<b>50,256</b>	<b>51,265</b>	<b>1,009</b>		

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Name of the Investee Company	Number of shares				As at June 30, 2025			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, 2024	Purchased during the year	Sold during the year	As at June 30, 2025	Carrying Value	Market value	Unrealised gain / (loss)		
..... (Number of shares) ..... (Rupees in '000') ..... (%) .....									
<b>Refinery</b>									
Attock Refinery Limited	63,500	118,878	142,878	39,500	15,589	26,837	11,248	0.84	0.04
					<b>15,589</b>	<b>26,837</b>	<b>11,248</b>		
<b>Technology &amp; Communications</b>									
Pakistan Telecommunication Company Limited	-	2,489,169	1,569,169	920,000	20,332	23,405	3,073	0.73	0.02
Systems Limited***	194,500	693,525	69,000	819,025	72,459	87,750	15,291	2.74	0.06
					<b>92,791</b>	<b>111,155</b>	<b>18,364</b>		
<b>Textile Composite</b>									
Gul Ahmed Textile Mills Limited	775,000	730,000	730,000	775,000	17,109	21,289	4,180	0.67	0.10
Interloop Limited	537,706	700,534	203,240	1,035,000	69,912	70,132	220	2.19	0.07
Nishat Chunian Limited	910,419	1,683,170	286,721	2,306,868	75,678	94,857	19,179	2.96	0.96
Nishat Mills Limited*	195,000	-	195,000	-	-	-	-	-	-
					<b>162,699</b>	<b>186,278</b>	<b>23,579</b>		
<b>Tobacco</b>									
Pakistan Tobacco Company Limited	27,048	21,259	4,307	44,000	50,427	55,919	5,492	1.75	0.02
					<b>50,427</b>	<b>55,919</b>	<b>5,492</b>		
<b>Service</b>									
Service Industries Limited	-	12,000	2,000	10,000	10,583	12,378	1,795	0.39	0.02
					<b>10,583</b>	<b>12,378</b>	<b>1,795</b>		
<b>As at June 30, 2025</b>									
					<b>2,443,618</b>	<b>3,089,382</b>	<b>645,764</b>		
<b>As at June 30, 2024</b>									
					<b>1,195,117</b>	<b>1,451,969</b>	<b>256,852</b>		

\*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, 2025

- 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, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	----- (Number of shares) -----		----- (Rupees in '000) -----	
Bank Alfalah limited	546,000	-	43,811	-
Meezan Bank Limited	87,000	87,000	28,888	20,827
The Hub Power Company Limited	-	110,995	-	18,101
Pakistan State Oil Company Limited	15,000	-	5,663	-
Lucky Cement Limited	88,000	-	31,261	-
Fauji Cement Company Limited	160,000	1,100,000	7,147	25,201
Maple Leaf Cement Factory Limited	-	200,000	-	7,600
	<b>896,000</b>	<b>1,497,995</b>	<b>116,770</b>	<b>71,729</b>

- 5.1.2 As at June 30, 2025, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 0.662 million (2024: 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 during the current year. 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.



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**5.2.2 Pakistan Investment Bonds - FRB**

Tenure	Issue date	Face value			As at June 30, 2025			Market value as percentage of net assets of sub-fund	
		As at July 01, 2024	Purchased during the year	Sold during the year	As at June 30, 2025	Carrying Value	Market value		Unrealised gain / (loss)
(Rupees in '000') %									
<b>Debt Sub-Fund</b>									
Pakistan investment bond - 5 years*	April 06, 2023	-	400	-	400	391	396	5	0.02
Pakistan investment bond - 5 years*	December 14, 2023	125,000	-	-	125,000	121,393	122,950	1,557	5.89
Pakistan investment bond - 5 years	April 18, 2024	400,000	1,425,000	1,825,000	-	-	-	-	-
Pakistan investment bond - 5 years	June 27, 2024	-	500,000	500,000	-	-	-	-	-
Pakistan investment bond - 5 years	September 05, 2024	-	250,000	250,000	-	-	-	-	-
Pakistan investment bond - 5 years	October 03, 2024	-	1,000,000	1,000,000	-	-	-	-	-
Pakistan investment bond - 10 years*	May 29, 2025	-	100,000	-	100,000	95,235	95,170	(65)	4.56
<b>As at June 30, 2025</b>						<b>217,019</b>	<b>218,516</b>	<b>1,497</b>	
As at June 30, 2024						506,754	506,670	(84)	

\* These carry effective yield of ranging between from 10.5% to 14% per annum (2024: 21.50%)

**5.2.3 Market Treasury Bills**

Tenure	Issue date	Face value			As at June 30, 2025			Market value as percentage of net assets of sub-fund	
		As at July 01, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025	Carrying Value	Market value		Unrealised gain / (loss)
(Rupees in '000') %									
<b>Debt Fund Sub-Fund</b>									
Treasury bills - 1 months	April 03, 2025	-	550,000	550,000	-	-	-	-	-
Treasury bills - 1 months	April 17, 2025	-	75,000	75,000	-	-	-	-	-
Treasury bills - 3 months	May 02, 2024	-	506,000	506,000	-	-	-	-	-
Treasury bills - 3 months	May 16, 2024	-	175,000	175,000	-	-	-	-	-
Treasury bills - 3 months	May 30, 2024	-	450,000	450,000	-	-	-	-	-
Treasury bills - 3 months	June 13, 2024	400,000	1,400,000	1,800,000	-	-	-	-	-
Treasury bills - 3 months	July 11, 2024	-	250,000	250,000	-	-	-	-	-

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Tenure	Issue date	Face value				As at June 30, 2025			Market value as percentage of net assets of sub-fund
		As at July 01, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025	Carrying Value	Market value	Unrealised gain / (loss)	
		(Rupees in '000')							
Treasury bills - 3 months	July 25, 2024	-	25,000	25,000	-	-	-	-	-
Treasury bills - 3 months	August 08, 2024	-	900,000	900,000	-	-	-	-	-
Treasury bills - 3 months	August 22, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	September 05, 2024	-	550,000	550,000	-	-	-	-	-
Treasury bills - 3 months	October 17, 2024	-	770,000	770,000	-	-	-	-	-
Treasury bills - 3 months	October 31, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	November 14, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	November 28, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	December 12, 2024	-	1,540,000	1,540,000	-	-	-	-	-
Treasury bills - 3 months	December 26, 2024	-	775,000	775,000	-	-	-	-	-
Treasury bills - 3 months	January 09, 2025	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	January 23, 2025	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	March 06, 2025	-	1,010,000	1,010,000	-	-	-	-	-
Treasury bills - 3 months	May 02, 2025	-	300,000	300,000	-	-	-	-	-
Treasury bills - 3 months	May 15, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 3 months*	June 12, 2025	-	250,000	-	250,000	245,246	245,168	(78)	11.74
Treasury bills - 6 months	July 11, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	July 25, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	August 08, 2024	-	350,000	350,000	-	-	-	-	-
Treasury bills - 6 months	August 22, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	September 05, 2024	-	4,370,000	4,370,000	-	-	-	-	-
Treasury bills - 6 months	October 03, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	October 17, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	October 31, 2024	-	300,000	300,000	-	-	-	-	-
Treasury bills - 6 months	November 14, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	November 28, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	December 12, 2024	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	January 09, 2025	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	January 23, 2025	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	May 15, 2025	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	June 12, 2025	-	250,000	250,000	-	-	-	-	-

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Tenure	Issue date	Face value				As at June 30, 2025			Market value as percentage of net assets of sub-fund
		As at July 01, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025	Carrying Value	Market value	Unrealised gain / (loss)	
		(Rupees in '000')							
Treasury bills - 12 months	October 19, 2023	-	1,355,000	1,355,000	-	-	-	-	-
Treasury bills - 12 months	November 02, 2023	-	2,510,000	2,510,000	-	-	-	-	-
Treasury bills - 12 months	November 30, 2023	-	243,000	243,000	-	-	-	-	-
Treasury bills - 12 months	December 14, 2023	31,250	530,000	561,250	-	-	-	-	-
Treasury bills - 12 months	December 28, 2023	-	4,905,000	4,905,000	-	-	-	-	-
Treasury bills - 12 months	January 25, 2024	250,000	-	250,000	-	-	-	-	-
Treasury bills - 12 months	March 07, 2024	18,620	600,000	618,620	-	-	-	-	-
Treasury bills - 12 months	April 04, 2024	-	275,000	275,000	-	-	-	-	-
Treasury bills - 12 months	May 02, 2024	890	345	1,235	-	-	-	-	-
Treasury bills - 12 months	May 16, 2024	325,000	4,583,365	4,908,365	-	-	-	-	-
Treasury bills - 12 months	June 13, 2024	-	175,000	175,000	-	-	-	-	-
Treasury bills - 12 months	July 11, 2024	-	1,150,000	1,150,000	-	-	-	-	-
Treasury bills - 12 months	July 25, 2024	-	2,295,000	2,295,000	-	-	-	-	-
Treasury bills - 12 months	August 08, 2024	-	350,000	350,000	-	-	-	-	-
Treasury bills - 12 months	August 22, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 12 months	September 05, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 12 months	October 03, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 12 months	October 17, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 12 months	October 31, 2024	-	900,000	900,000	-	-	-	-	-
Treasury bills - 12 months	November 28, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 12 months*	December 12, 2024	-	2,653,995	2,595,000	58,995	56,273	56,254	(19)	2.69
Treasury bills - 12 months	January 09, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 12 months	January 23, 2025	-	700,000	700,000	-	-	-	-	-
Treasury bills - 12 months	April 17, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 12 months*	May 02, 2025	-	500,000	450,000	50,000	45,582	45,850	268	2.20
Treasury bills - 12 months*	May 15, 2025	-	250,000	200,000	50,000	45,584	45,680	96	2.19
Treasury bills - 12 months*	May 29, 2025	-	150,000	-	150,000	136,301	136,494	193	6.54
Treasury bills - 12 months	June 12, 2025	-	250,000	250,000	-	-	-	-	-
<b>As at June 30, 2025</b>					<b>528,986</b>	<b>529,446</b>	<b>460</b>		
As at June 30, 2024					934,562	935,472	910		

\*These carry effective yield of ranging between 10.95% to 11.89% (2024: 18% to 19%) per annum.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Tenure	Issue date	Face value				As at June 30, 2025			Market value as percentage of net assets of sub-fund
		As at July 01, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025	Carrying Value	Market value	Unrealised gain / (loss)	
<b>Money Market Sub-Fund</b>									
Treasury bills - 1 months	April 03, 2025	-	150,000	150,000	-	-	-	-	-
Treasury bills - 3 months	May 02, 2024	-	410	410	-	-	-	-	-
Treasury bills - 3 months	July 11, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	August 08, 2024	-	350,000	350,000	-	-	-	-	-
Treasury bills - 3 months	August 22, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	October 17, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	October 31, 2024	-	500,000	500,000	-	-	-	-	-
Treasury bills - 3 months	November 14, 2024	-	500,000	500,000	-	-	-	-	-
Treasury bills - 3 months	November 28, 2024	-	1,000,000	1,000,000	-	-	-	-	-
Treasury bills - 3 months	December 12, 2024	-	668,045	668,045	-	-	-	-	-
Treasury bills - 3 months	December 26, 2024	-	635,000	635,000	-	-	-	-	-
Treasury bills - 3 months	January 08, 2025	-	250,000	250,000	-	-	-	-	-
Treasury bills - 3 months	January 23, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 3 months	February 20, 2025	-	510,000	510,000	-	-	-	-	-
Treasury bills - 3 months	March 06, 2025	-	645,000	645,000	-	-	-	-	-
Treasury bills - 3 months	May 15, 2025	-	865,000	865,000	-	-	-	-	-
Treasury bills - 3 months*	June 12, 2025	-	500,000	100,000	400,000	392,393	392,268	(125)	0.18
Treasury bills - 6 months	May 16, 2024	-	400,000	400,000	-	-	-	-	-
Treasury bills - 6 months	June 13, 2024	-	40,000	40,000	-	-	-	-	-
Treasury bills - 6 months	July 11, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	July 25, 2024	-	250,000	250,000	-	-	-	-	-
Treasury bills - 6 months	August 08, 2024	-	350,000	350,000	-	-	-	-	-
Treasury bills - 6 months	August 22, 2024	-	3,550,000	3,550,000	-	-	-	-	-
Treasury bills - 6 months	September 05, 2024	-	680,000	680,000	-	-	-	-	-
Treasury bills - 6 months	October 03, 2024	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	October 17, 2024	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	October 31, 2024	-	525,000	525,000	-	-	-	-	-
Treasury bills - 6 months	November 14, 2024	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	November 28, 2024	-	500,000	500,000	-	-	-	-	-

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

Tenure	Issue date	Face value				As at June 30, 2025			Market value as percentage of net assets of sub-fund
		As at July 01, 2024	Purchased during the year	Sold / matured during the year	As at June 30, 2025	Carrying Value	Market value	Unrealised gain / (loss)	
									..... % .....
Treasury bills - 6 months	December 12, 2024	-	515,000	515,000	-	-	-	-	-
Treasury bills - 6 months	January 09, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months	January 23, 2025	-	1,556,000	1,556,000	-	-	-	-	-
Treasury bills - 6 months*	April 17, 2025	-	250,000	-	250,000	241,736	242,199	463	10.84
Treasury bills - 6 months*	May 02, 2025	-	500,000	200,000	300,000	289,069	289,474	405	12.95
Treasury bills - 6 months	May 15, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 6 months*	May 28, 2025	-	100,000	-	100,000	95,702	95,728	26	4.28
Treasury bills - 6 months	June 12, 2025	-	500,000	500,000	-	-	-	-	-
Treasury bills - 12 months	October 19, 2023	-	105,000	105,000	-	-	-	-	-
Treasury bills - 12 months	November 02, 2023	750,000	2,034,000	2,784,000	-	-	-	-	-
Treasury bills - 12 months	November 30, 2023	222,000	1,263,000	1,485,000	-	-	-	-	-
Treasury bills - 12 months	December 14, 2023	-	575,000	575,000	-	-	-	-	-
Treasury bills - 12 months	December 28, 2023	-	2,400,000	2,400,000	-	-	-	-	-
Treasury bills - 12 months	January 11, 2024	-	42,000	42,000	-	-	-	-	-
Treasury bills - 12 months	March 07, 2024	-	193,620	193,620	-	-	-	-	-
Treasury bills - 12 months	April 04, 2024	-	100,000	100,000	-	-	-	-	-
Treasury bills - 12 months	April 18, 2024	-	286,000	286,000	-	-	-	-	-
Treasury bills - 12 months	May 16, 2024	-	50,000	50,000	-	-	-	-	-
Treasury bills - 12 months	July 25, 2024	-	259,825	259,825	-	-	-	-	-
Treasury bills - 12 months*	August 22, 2024	-	40,000	-	40,000	39,360	39,388	28	1.76
Treasury bills - 12 months*	September 05, 2024	-	97,610	-	97,610	95,628	95,723	95	4.28
Treasury bills - 12 months*	November 28, 2024	-	730,000	538,000	192,000	183,662	183,798	136	8.22
Treasury bills - 12 months*	December 12, 2024	-	25,000	-	25,000	23,829	23,839	10	1.07
<b>As at June 30, 2025</b>						<b>1,361,379</b>	<b>1,362,417</b>	<b>1,038</b>	
As at June 30, 2024						907,504	907,581	77	

\* These carry effective yield of ranging between from 10.95% to 11.95% per annum (June 2024: 18% to 19%)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**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, 2025			Market value as percentage of net assets of sub-fund
		As at July 01, 2024	Purchased during the year	Sold during the year	As at June 30, 2025	Carrying Value	Market value	
..... (Number of certificates) ..... (Rupees in '000') ..... % .....								
<b>Term finance certificates</b>								
Bank Al Habib Limited*	September 30, 2021	5,000	-	-	5,000	24,590	24,590	1.177
<b>Sukuks</b>								
Meezan Bank Limited - 2nd	June 30, 2020	30	-	30	-	-	-	-
Meezan Bank Limited*	December 16, 2021	10	-	-	10	9,984	9,840	(144)
<b>As at June 30, 2025</b>						<b>34,574</b>	<b>34,430</b>	<b>(144)</b>
As at June 30, 2024						64,777	64,877	100

\*These carry effective yield of ranging between from 11.91% to 13.23% per annum (2024: 20.46% to 23.04%)

**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)				
<b>Un-listed</b>							
Bank Al Habib Limited	5,000	4,995	24,975	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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

		June 30, 2025				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note		(Rupees in '000)				
<b>5.4</b>	<b>Unrealised gain / (loss) on re-measurement of investments at fair value through profit or loss - net</b>					
	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
	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
			<u>645,764</u>	<u>10,087</u>	<u>1,038</u>	<u>656,889</u>

		June 30, 2024				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note		(Rupees in '000)				
	Market value of investments	5.1, 5.2.1, 5.2.2, 5.2.3 & 5.3	1,451,969	1,837,682	907,581	4,197,232
	Carrying value of investments	5.1, 5.2.1, 5.2.2, 5.2.3 & 5.3	1,195,117	1,838,219	907,504	3,940,840
			<u>256,852</u>	<u>(537)</u>	<u>77</u>	<u>256,392</u>

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees in '000')			
<b>6.</b>	<b>PROFIT RECEIVABLE</b>				
	Profit on:				
	- Pakistan investment bonds	-	43,324	-	43,324
	- Term finance certificates	-	914	-	914
	- Bank deposits	1,982	2,368	5,894	10,244
		<u>1,982</u>	<u>46,606</u>	<u>5,894</u>	<u>54,482</u>

		June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees in '000')			
	Profit on:				
	- Pakistan investment bonds	-	36,828	-	36,828
	- Term finance certificates	-	1,625	-	1,625
	- Bank deposits	1,098	3,088	6,867	11,053
		<u>1,098</u>	<u>41,541</u>	<u>6,867</u>	<u>49,506</u>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

		June 30, 2025				
		Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Total	
		(Rupees in '000)				
<b>7.</b>	<b>ADVANCES, DEPOSITS, AND OTHER RECEIVABLES</b>	<b>Note</b>				
	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	5.1.2 & 5.1.3	662	-	-	662
	Advance tax		340	198	146	684
	Others		35	18	17	70
			<b>37,897</b>	<b>27,997</b>	<b>61,138</b>	<b>127,032</b>

		June 30, 2024				
		Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Total	
		(Rupees in '000)				
	Receivable against:					
	- National Clearing Company of Pakistan Limited		2,500	-	-	2,500
	- Central Depository Company of Pakistan Limited		200	200	200	600
	Advance tax		332	196	83	611
	Receivable against bonus shares withheld		662	-	-	662
	Receivable against collection account		377	5,284	15,118	20,779
	Others		35	16	17	68
			<b>4,106</b>	<b>5,696</b>	<b>15,418</b>	<b>25,220</b>

		June 30, 2025				
		Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Total	
		(Rupees in '000)				
<b>8.</b>	<b>PAYABLE TO PENSION FUND MANAGER</b>	<b>Note</b>				
	Remuneration payable to 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
			<b>4,181</b>	<b>2,604</b>	<b>2,483</b>	<b>9,268</b>

		June 30, 2024				
		Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Total	
		(Rupees in '000)				
	Remuneration payable to the Pension Fund Manager	8.1	1,196	1,737	1,699	4,632
	Sindh Sales Tax payable on remuneration of Pension Fund Manager	8.2	155	226	221	602
			<b>1,351</b>	<b>1,963</b>	<b>1,920</b>	<b>5,234</b>

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

- 8.1 This represents remuneration of the Pension Fund Manager at the rate up to 1.50% for equity sub fund (2024: 1.50%), 1.30% for debt sub fund (2024: 1.50%) and 1.15% for money market sub fund (2024: 1.50%) 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 Sales Tax on management remuneration has been charged at the rate of 15% (2024: 13%).

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000')			
<b>9.</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>	<b>Note</b>			
	Remuneration payable	9.1	46	32	34
	Sindh Sales Tax on remuneration payable	9.2	7	5	5
			<b>53</b>	<b>37</b>	<b>39</b>
			<b>129</b>		

		June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000')			
		<b>Note</b>			
	Remuneration payable	9.1	104	148	163
	Sindh Sales Tax on remuneration payable	9.2	14	19	21
			<b>118</b>	<b>167</b>	<b>184</b>
			<b>469</b>		

- 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 Sales Tax on trustee remuneration has been charged at the rate of 15% (2024: 13%).

### 10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000')			
		<b>Note</b>			
	SECP Fee payable	10.1	874	790	809
			<b>2,473</b>		
		June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		(Rupees in '000')			
		<b>Note</b>			
	SECP Fee payable	10.1	380	421	660
			<b>1,461</b>		

- 10.1 This represents Securities and Exchange Commission of Pakistan fee at the rate of one twenty-fifth of one percent (2024: 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.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

		June 30, 2025				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
		(Rupees in '000')				
<b>11.</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>					
	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	
		<b>10,777</b>	<b>7,056</b>	<b>3,296</b>	<b>21,129</b>	

		June 30, 2024				
		Equity Sub-Fund	Debt Sub-Fund	Money Market 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	1,020	44	25	1,089	
	Auditors' remuneration	109	107	205	421	
	Withholding tax payable	-	4	680	684	
	Printing charges payable	11	14	15	40	
	Others	-	61	97	158	
		<b>3,560</b>	<b>2,635</b>	<b>2,173</b>	<b>8,368</b>	

**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 (2024: Rs. 2.42 million), Rs. 2.40 million (2024: Rs. 2.40 million) and Rs. 1.15 million (2024: 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, 2025 would have been higher by Rs. 1.27 per unit (2024: Rs. 1.55 per unit), Re. 0.69 per unit (2024: Re. 0.77 per unit) and Re. 0.26 per unit (2024: Re. 0.27 per unit) respectively.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

	June 30, 2025		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	(Units)		
<b>12. NUMBER OF UNITS IN ISSUE</b>			
Total units outstanding at beginning of the year	1,559,278	3,141,473	4,297,052
Add: Units issued during the year	3,127,750	5,842,116	8,000,341
Less: Units redeemed during the year	(2,774,280)	(5,490,706)	(7,913,522)
<b>Total units in issue at the end of the year</b>	<b>1,912,748</b>	<b>3,492,883</b>	<b>4,383,871</b>

	June 30, 2024		
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	(Units)		
Total units outstanding at beginning of the year	1,564,588	1,210,971	4,420,430
Add: Units issued during the year	2,159,764	5,639,333	5,235,883
Less: Units redeemed during the year	(2,165,074)	(3,708,831)	(5,359,261)
<b>Total units in issue at the end of the year</b>	<b>1,559,278</b>	<b>3,141,473</b>	<b>4,297,052</b>

**13. CONTRIBUTION TABLE**

	June 30, 2025						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	(Rupees'000)	Units	(Rupees'000)	Units	(Rupees'000)	(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)
<b>Closing balance</b>	<b>1,912,748</b>	<b>1,382,668</b>	<b>3,492,883</b>	<b>1,276,229</b>	<b>4,383,871</b>	<b>1,308,723</b>	<b>3,967,620</b>

	June 30, 2024						
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total
	Units	(Rupees'000)	Units	(Rupees'000)	Units	(Rupees'000)	(Rupees'000)
Opening balance	1,564,588	764,498	1,210,971	243,786	4,420,430	1,283,975	2,292,259
Issue of units	2,159,764	1,652,193	5,639,333	2,601,517	5,235,883	2,089,031	6,342,741
Redemption of units	(2,165,074)	(1,551,201)	(3,708,831)	(1,732,555)	(5,359,261)	(2,118,895)	(5,402,651)
<b>Closing balance</b>	<b>1,559,278</b>	<b>865,490</b>	<b>3,141,473</b>	<b>1,112,748</b>	<b>4,297,052</b>	<b>1,254,111</b>	<b>3,232,349</b>

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

### 14. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2025 and June 30, 2024.

### 15. AUDITORS' REMUNERATION

	June 30, 2025			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	(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
	<u>301</u>	<u>288</u>	<u>230</u>	<u>819</u>
Sales tax	24	23	18	65
	<u>325</u>	<u>311</u>	<u>248</u>	<u>884</u>

	June 30, 2024			Total
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
	(Rupees in '000)			
Annual audit fee	66	75	199	340
Half yearly review fee	33	37	69	139
Out of pocket expenses	26	31	40	97
	<u>125</u>	<u>143</u>	<u>308</u>	<u>576</u>
Sales tax	10	11	25	46
	<u>135</u>	<u>154</u>	<u>333</u>	<u>622</u>

### 16. TAXATION

No provision for taxation for the year ended June 30, 2025 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.

### 17. CASH AND CASH EQUIVALENTS

		June 30, 2025			Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
		(Rupees in '000)			
Bank balances	5	206,837	381,387	811,985	1,400,209
Market Treasury Bills	6	-	245,168	392,268	637,436
		<u>206,837</u>	<u>626,555</u>	<u>1,204,253</u>	<u>2,037,645</u>

		June 30, 2024			Total
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	
		(Rupees in '000)			
Bank balances		321,962	77,767	981,400	1,381,129
Market Treasury Bills		-	386,314	-	386,314
		<u>321,962</u>	<u>464,081</u>	<u>981,400</u>	<u>1,767,443</u>

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

### 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 owning 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, 2025			
		Equity	Debt	Money	
		Sub-Fund	Sub-Fund	Market	Total
		(Rupees in '000)			
18.1	<b>Details of transactions other than units of the Fund with with related parties / connected persons during the year</b>				
	<b>MCB Investment Management Limited - Pension Fund Manager</b>				
	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
	<b>Central Depository Company of Pakistan Limited - Trustee</b>				
	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
	<b>Group / Associated companies</b>				
	<b>MCB Bank Limited</b>				
	Profit earned	342	456	467	1,265
	Bank charges	12	7	36	55
	<b>Atlas Battery Limited</b>				
	Purchase of 35,529 (2024: nil) shares	11,765	-	-	11,765
	Sale of 35,529 (2024: nil) shares	11,228	-	-	11,228
	Dividend Income	511	-	-	511
	<b>Lalpir Power Limited</b>				
	Sale of 885,000 (2024: 225,000) shares	16,223	-	-	16,223
	Dividend Income	1770	-	-	1,770

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

	June 30, 2025			
	Equity	Debt	Money	Total
	Sub-Fund	Sub-Fund	Market Sub-Fund	
(Rupees in '000)				
<b>Nishat Power Limited</b>				
Purchase of 760,000 (2024: nil) shares	19,920	-	-	19,920
Sale of 93,000 (2024: nil) shares	2,818	-	-	2,818
Dividend Income	1,520	-	-	1,520
<b>Nishat Mills Limited</b>				
Purchase of nil (2024: 393,000) shares	-	-	-	-
Sale of 195,000 (2024: 198,000) shares	12,115	-	-	12,115
<b>D.G. Khan Cement Company Limited</b>				
Purchase of 215,000 (2024: 242,500) shares	24,925	-	-	24,925
Sale of 65,000 (2024: 752,500) shares	6,634	-	-	6,634
June 30, 2024				
	Equity	Debt	Money	
	Sub-Fund	Sub-Fund	Market Sub-Fund	Total
(Rupees in '000)				
<b>MCB Investment Management Limited - Pension Fund Manager</b>				
Remuneration of Pension Fund Manager	14,253	12,715	13,722	40,690
Sindh Sales Tax on remuneration of Pension Fund Manager	1,853	1,653	1,784	5,290
<b>Central Depository Company of Pakistan Limited - Trustee</b>				
Remuneration of Trustee	1,080	1,191	1,880	4,151
Sindh sales tax on remuneration of Trustee	140	155	244	539
Settlement charges	122	8	8	138
<b>Group / Associated companies</b>				
<b>MCB Bank Limited</b>				
Profit earned	456	427	453	1,336
Bank charges	9	7	19	35
<b>Lalpir Power Limited</b>				
Purchase of 1,110,000 (2023: NIL) shares	21,167	-	-	21,167
Sale 225,000 (2023: NIL) shares	5,092	-	-	5,092
Dividend Income	970	-	-	970
<b>International Steels Limited</b>				
Purchase of 293,000 (2023: NIL) shares	14,552	-	-	14,552
Sale 293,000 (2023: NIL) shares	21,770	-	-	21,770
Dividend Income	1,098	-	-	1,098
<b>Nishat Mills Limited</b>				
Purchase of 393,000 (2023: 80,000) shares	29,309	-	-	29,309
Sale 198,000 (2023: 179,259) shares	14,035	-	-	14,035
<b>D.G. Khan Cement Company Limited</b>				
Purchase of 242,500 (2023: 930,000) shares	13,452	-	-	13,452
Sale 752,500 (2023: 559,000) shares	45,003	-	-	45,003

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

		June 30, 2025			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- (Rupees in '000) -----			
<b>18.2</b>	<b>Details of balances with related parties / connected persons persons as at year end</b>				
	<b>MCB Investment Management Limited - Pension Fund Manager</b>				
	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
	<b>Central Depository Company of Pakistan Limited - Trustee</b>				
	Remuneration payable	46	32	34	112
	Sindh Sales Tax payable on remuneration	7	5	5	17
	Security deposit	200	200	200	600
	<b>Group / Associated companies</b>				
	<b>MCB Bank Limited</b>				
	Bank balance	6,861	6,212	6,168	19,241
	<b>D.G. Khan Cement Company Limited</b>				
	150,000 shares (2024: nil)	24,834	-	-	24,834
	<b>Nishat Power Limited</b>				
	667,000 shares (2024: nil)	24,192	-	-	24,192
		June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		----- (Rupees in '000) -----			
	<b>MCB Investment Management Limited - Pension Fund Manager</b>				
	Remuneration payable	1,196	1,737	1,699	4,632
	Sindh Sales Tax payable on remuneration	155	226	221	602
	Other receivable against collection account	377	5,284	15,118	20,779
	<b>Central Depository Company of Pakistan Limited - Trustee</b>				
	Remuneration payable	104	148	163	415
	Sindh Sales Tax payable on remuneration	14	19	21	54
	Security deposit	200	200	200	600
	<b>Group / Associated companies</b>				
	<b>MCB Bank Limited</b>				
	Bank balance	1,514	3,820	3,809	9,143
	<b>Nishat Mills Limited</b>				
	195,000 Shares (2023: NIL)	13,816	-	-	13,816
	<b>D.G. Khan Cement Company Limited</b>				
	NIL Shares (2023: 510,000)	-	-	-	-
	<b>Lalpir Power Limited</b>				
	885,000 Shares (2023: NIL)	22,497	-	-	22,497

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**18.3 Participant Fund**

	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)		
<b>MCB Investment Management Limited - Pension Fund Manager</b>									
- 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	
<b>Key management personnel</b>									
- Pakistan Pension Fund - Equity	6,158	56,739	32,475	30,422	5,907	76,124	44,426	50,905	
- Pakistan Pension Fund - Debt	12,622	60,804	69,554	3,872	6,313	33,614	39,152	2,315	
- Pakistan Pension Fund - Money Market	14,837	79,368	93,575	630	6,582	38,014	44,984	321	
<b>MCB Investment Management Limited - Pension Fund Manager</b>									
- Pakistan Pension Fund - Equity	252,196	-	108,752	143,444	124,080	-	98,500	137,581	
- Pakistan Pension Fund - Debt	253,109	-	-	253,109	102,955	-	-	126,590	
- Pakistan Pension Fund - Money Market	300,000	-	-	300,000	108,441	-	-	133,089	
<b>Key management personnel</b>									
- Pakistan Pension Fund - Equity	1,213	29,885	24,940	6,158	597	24,242	21,466	5,907	
- Pakistan Pension Fund - Debt	1,679	30,772	19,829	12,622	683	13,848	9,542	6,313	
- Pakistan Pension Fund - Money Market	753	71,826	57,742	14,837	272	27,859	24,727	6,582	

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**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 discloses 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 recognized at fair value, analyzed between those whose fair value is based on:

Levels	Description	Valuation approach and input used
<b>Level 1:</b>	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.
<b>Level 2:</b>	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 fair value of debt securities (other than government securities) is based on the value determined and announced by MUFAP 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.
<b>Level 3:</b>	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, 2025

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

As at June 30, 2025

	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----							
<b>Financial assets not measured at fair value</b>							
<b>Equity Sub-Fund</b>							
Bank Balances	-	206,837	206,837				
Profit receivable	-	1,982	1,982				
Deposits and other receivables	-	37,557	37,557				
<b>Debt Sub-Fund</b>							
Bank Balances	-	381,387	381,387				
Profit receivable	-	46,606	46,606				
Deposits and other receivables	-	27,799	27,799				
<b>Money Market Sub-Fund</b>							
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				
<b>Financial liabilities not measured at fair value</b>							
<b>Equity Sub-Fund</b>							
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				
<b>Debt Sub-Fund</b>							
Payable to Pension Fund Manager	-	2,264	2,264				
Payable to Trustee	-	32	32				
Payable against redemption of units	-	22,318	22,318				
Accrued expenses and other liabilities	-	4,413	4,413				
<b>Money Market Sub-Fund</b>							
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				

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

As at June 30, 2024							
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)						
<b>Equity Sub-Fund</b>							
Listed equity securities	1,451,969	-	1,451,969	1,451,969	-	-	1,451,969
<b>Debt Sub-Fund</b>							
Pakistan investment bond	330,663	-	330,663	-	330,663	-	330,663
Pakistan investment bond - FRB	506,670	-	506,670	-	506,670	-	506,670
Market treasury bills	935,472	-	935,472	-	935,472	-	935,472
Term finance certificates and sukuk	64,877	-	64,877	64,977	9,900	-	64,877
<b>Money Market Sub-Fund</b>							
Market treasury bills	907,581	-	907,581	-	907,581	-	907,581
	<b>4,197,232</b>	<b>-</b>	<b>4,197,232</b>	<b>1,506,946</b>	<b>2,690,286</b>	<b>-</b>	<b>4,197,232</b>
<b>Financial assets not measured at fair value</b>							
<b>Equity Sub-Fund</b>							
Bank Balances	-	321,962	321,962				
Profit receivable	-	1,098	1,098				
Deposits and other receivables	-	3,112	3,112				
<b>Debt Sub-Fund</b>							
Bank Balances	-	77,767	77,767				
Profit receivable	-	41,541	41,541				
Deposits and other receivables	-	5,500	5,500				
<b>Money Market Sub-Fund</b>							
Bank Balances	-	981,400	981,400				
Profit receivable	-	6,867	6,867				
Deposits and other receivables	-	15,335	15,335				
	<b>-</b>	<b>1,454,582</b>	<b>1,454,582</b>				

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

As at June 30, 2024							
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
<b>Financial liabilities not measured at fair value</b>							
<b>Equity Sub-Fund</b>							
Payable to pension Fund Manager	-	1,196	1,196				
Payable to Trustee	-	104	104				
Payable against purchase of investments	-	278,170	278,170				
Accrued expenses and other liabilities	-	1,121	1,121				
<b>Debt Sub-Fund</b>							
Payable to pension Fund Manager	-	1,737	1,737				
Payable to Trustee	-	148	148				
Payable against purchase of investments	-	386,324	386,324				
Accrued expenses and other liabilities	-	218	218				
<b>Money Market Sub-Fund</b>							
Payable to pension Fund Manager	-	1,699	1,699				
Payable to Trustee	-	163	163				
Payable against redemption of units	-	22	22				
Accrued expenses and other liabilities	-	327	327				
	-	671,229	671,229				

During the year ended June 30, 2025 and June 30, 2024 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.

**FINANCIAL RISK MANAGEMENT**

20.

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, 2025

### 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, 2025			June 30, 2024		
	Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund
	(Rupees in '000)					
<b>Variable rate instruments (financial asset)</b>						
Bank balances	206,329	380,711	811,985	321,962	77,767	981,400
Pakistan investment bonds - floating rate	-	218,516	-	-	506,670	-
Term Finance Certificate / Sukuks	-	34,430	-	-	64,877	-
	<b>206,329</b>	<b>633,657</b>	<b>811,985</b>	<b>321,962</b>	<b>649,314</b>	<b>981,400</b>
<b>Fixed rate instrument (financial asset)</b>						
Pakistan investment bonds	-	882,939	-	-	330,663	-
Market treasury bills	-	529,446	1,362,417	-	935,472	907,581
	<b>-</b>	<b>1,412,385</b>	<b>1,362,417</b>	<b>-</b>	<b>1,266,135</b>	<b>907,581</b>

#### 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, 2025 and net income for the year then ended would have been higher / lower by Rs. 2.53 million (2024: Rs. 5.72 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, 2025 and net income for the year then ended would have been higher / lower by Rs. 13.99 million (2024: Rs. 13.81 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, 2025, 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. 14.12 million (2024: Rs. 12.66 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, 2025, 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. 13.62 million (2024: Rs. 9.08 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, 2025 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, 2025**

Yield / effective interest rate (%)	June 30, 2025															
	Equity Sub-Fund					Debt Sub-Fund					Money Market Sub-Fund					
	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk		Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk		Exposed to yield / interest rate risk			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	More than three months and up to one year	More than one year	Upto three months	More than three months and up to one year	More than three months and up to one year	More than one year	Upto three months	More than three months and up to one year	More than three months and up to one year	More than one year	Upto three months	More than three months and up to one year	More than one year
Total	206,837	-	-	3,083,382	-	351,387	-	-	-	811,985	-	-	-	-	-	-
8.50 to 11.50	1,400,209	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10.5 to 14	6,117,130	-	-	3,083,382	-	245,108	-	-	-	392,268	-	-	-	-	-	-
Investments	54,482	-	-	1,982	-	-	-	-	-	46,008	-	-	-	-	-	5,894
Profit receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other receivables	126,348	-	-	37,557	-	-	-	-	-	27,799	-	-	-	-	-	60,992
	7,898,169	206,837	-	3,120,921	626,595	318,708	1,101,455	74,405	1,204,253	970,149	-	-	-	-	-	66,986
<b>Financial liabilities</b>																
Payable to the Pension Fund Manager	9,059	-	-	3,636	-	-	-	-	2,264	-	-	-	-	-	-	2,159
Payable to the Trustee	112	-	-	48	-	-	-	-	32	-	-	-	-	-	-	34
Payable against purchase of investments	119,621	-	-	119,621	-	-	-	-	-	-	-	-	-	-	-	-
Payable against redemption of Units	22,318	-	-	-	-	-	-	-	22,318	-	-	-	-	-	-	-
Accrued expenses and other liabilities	12,888	-	-	8,259	-	-	-	-	4,413	-	-	-	-	-	-	214
	182,996	-	-	131,562	-	-	-	-	29,027	-	-	-	-	-	-	2,407
<b>On-balance sheet gap</b>	7,535,173	206,837	-	2,989,359	626,595	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.

Yield / effective interest rate (%)	June 30, 2024															
	Equity Sub-Fund					Debt Sub-Fund					Money Market Sub-Fund					
	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk		Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk		Exposed to yield / interest rate risk			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	More than three months and up to one year	More than one year	Upto three months	More than three months and up to one year	More than three months and up to one year	More than one year	Upto three months	More than three months and up to one year	More than three months and up to one year	More than one year	Upto three months	More than three months and up to one year	More than one year
Total	321,962	-	-	1,451,989	-	77,767	-	-	-	991,400	-	-	-	-	-	-
19 to 21.85	1,381,128	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18 to 23.04	4,197,232	-	-	1,451,989	-	388,314	-	-	902,210	-	-	-	-	-	-	-
Investments	49,508	-	-	1,086	-	-	-	-	41,841	-	-	-	-	-	-	6,667
Profit receivable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Receivable against sale of investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits and other receivables	23,947	-	-	3,112	-	-	-	-	5,500	-	-	-	-	-	-	15,335
	5,851,814	321,962	-	1,456,179	484,081	549,158	902,210	47,041	991,400	907,581	-	-	-	-	-	22,202
<b>Financial liabilities</b>																
Payable to the Pension Fund Manager	4,832	-	-	1,196	-	-	-	-	1,737	-	-	-	-	-	-	1,698
Payable to the Trustee	415	-	-	104	-	-	-	-	148	-	-	-	-	-	-	163
Payable against purchase of investments	664,494	-	-	276,170	-	-	-	-	388,324	-	-	-	-	-	-	-
Payable against redemption of Units	22	-	-	-	-	-	-	-	22	-	-	-	-	-	-	-
Accrued expenses and other liabilities	1,677	-	-	1,132	-	-	-	-	218	-	-	-	-	-	-	327
	871,240	-	-	260,602	-	-	-	-	388,427	22	-	-	-	-	-	2,189
<b>On-balance sheet gap</b>	4,980,574	321,962	-	1,175,577	484,081	549,158	902,210	(341,366)	991,376	907,581	-	-	-	-	-	20,013

There is no off-balance sheet financial instrument that exist as at year ended June 30, 2024.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

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### 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, 2025, the net assets relating to the Equity Sub-Fund and total net assets of the Fund would increase / decrease by Rs. 154.47 million (2024: Rs. 72.60 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, 2025 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.

## NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

The Fund's maximum exposure to credit risk related to receivables at June 30, 2025 and June 30, 2024 is the carrying amounts of following financial assets.

	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	1,607,046
Investments	3,089,382	-	1,665,331	34,430	1,362,417	-
Profit receivable	1,982	1,982	46,606	3,282	5,894	5,894
Deposits and other receivables	37,897	36,895	27,997	27,799	60,992	60,992
	<b>3,336,098</b>	<b>245,714</b>	<b>2,121,321</b>	<b>65,511</b>	<b>2,241,288</b>	<b>1,673,932</b>

	June 30, 2024					
	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	321,962	321,962	77,767	-	981,400	1,703,091
Investments	1,451,969	1,451,969	1,837,682	64,877	907,581	-
Profit receivable	1,098	1,098	41,541	4,713	6,867	6,867
Receivable against sale of investments	-	-	-	-	-	-
Deposits and other receivables	4,106	3,112	5,696	5,500	15,335	15,335
	<b>1,779,135</b>	<b>1,778,141</b>	<b>1,962,686</b>	<b>75,090</b>	<b>1,911,183</b>	<b>1,725,293</b>

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 summarizes the credit rating quality of the Fund's financial assets as at June 30, 2025 and June 30, 2024.

	June 30, 2025	June 30, 2024
	(%)	
<b>Bank balances by rating category</b>		
AA+/A1+	36.22	30.90
AAA/A1+	63.78	69.10
<b>Term Finance Certificates by rating category</b>		
AAA	100.00	100.00

The maximum exposure to credit risk before any credit enhancement as at June 30, 2025 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.



**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

June 30, 2024												
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)											
<b>Financial assets</b>												
Bank balances	1,361,129	321,662	-	-	77,767	-	-	-	981,400	-	-	-
Investments	4,197,232	1,451,669	-	-	-	386,314	1,451,368	-	-	-	907,561	-
Profit receivable	49,506	1,098	-	-	41,541	-	-	-	6,867	-	-	-
Deposits and other receivables	23,947	3,112	-	-	5,500	-	-	-	15,335	-	-	-
Sub total	5,651,814	1,778,141	-	-	124,808	386,314	1,451,368	-	1,003,602	-	907,561	-
<b>Financial Liabilities</b>												
Payable to the Pension Fund Manager	4,632	1,196	-	-	1,737	-	-	-	1,699	-	-	-
Payable to the Trustee	415	104	-	-	148	-	-	-	163	-	-	-
Payable against purchase of investments	664,494	278,170	-	-	386,324	-	-	-	-	-	-	-
Payable against redemption of units	22	-	-	-	-	-	-	-	22	-	-	-
Accrued and other liabilities	1,677	1,132	-	-	218	-	-	-	327	-	-	-
Sub total	671,240	280,602	-	-	388,427	-	-	-	2,211	-	-	-
On-balance sheet gap	1,497,539	-	-	-	(263,619)	386,314	1,451,368	-	1,001,391	-	907,561	-
Cumulative liquidity sensitivity gap	1,497,539	1,497,539	1,497,539	1,497,539	(263,619)	122,695	1,574,063	1,574,063	1,001,391	1,001,391	1,908,972	1,908,972

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

20.4 Financial instruments by category

	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
<b>Total</b>									
<b>Financial Assets</b>									
Bank balances	-	206,837	206,837	-	381,387	381,387	-	811,985	811,985
Investments	3,089,382	-	3,089,382	1,665,331	-	1,665,331	1,362,417	-	1,362,417
Profit receivable	-	1,982	1,982	-	46,606	46,606	-	5,894	5,894
Deposits and other receivables	-	37,557	37,557	-	27,799	27,799	-	60,992	60,992
	<b>7,698,169</b>	<b>3,089,382</b>	<b>3,335,758</b>	<b>1,665,331</b>	<b>455,792</b>	<b>2,121,123</b>	<b>1,362,417</b>	<b>878,871</b>	<b>2,241,288</b>

	June 30, 2024								
	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
<b>Total</b>									
<b>Financial Liabilities</b>									
Payable to Pension Fund Manager	-	3,636	3,636	-	2,264	2,264	-	2,159	2,159
Payable to Trustee	-	46	46	-	32	32	-	34	34
Payable against purchase of investments	-	119,621	119,621	-	-	-	-	-	-
Payable against redemption of units	-	-	-	-	22,318	22,318	-	22	22
Accrued expense and other liabilities	-	8,259	8,259	-	4,413	4,413	-	214	214
	<b>163,018</b>	<b>131,562</b>	<b>131,562</b>	<b>-</b>	<b>29,027</b>	<b>29,027</b>	<b>-</b>	<b>2,429</b>	<b>2,429</b>

	June 30, 2024								
	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
<b>Total</b>									
<b>Financial Assets</b>									
Bank balances	-	321,962	321,962	-	77,767	77,767	-	981,400	981,400
Investments	1,451,969	-	1,451,969	1,837,682	-	1,837,682	907,581	-	907,581
Profit receivable	-	1,098	1,098	-	41,541	41,541	-	6,867	6,867
Deposits and other receivables	-	3,112	3,112	-	5,500	5,500	-	15,335	15,335
	<b>5,651,814</b>	<b>326,172</b>	<b>1,778,141</b>	<b>1,837,682</b>	<b>124,808</b>	<b>1,962,490</b>	<b>907,581</b>	<b>1,003,802</b>	<b>1,911,183</b>

	June 30, 2024								
	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
<b>Total</b>									
<b>Financial Liabilities</b>									
Payable to Pension Fund Manager	-	1,196	1,196	-	1,737	1,737	-	1,689	1,689
Payable to Trustee	-	104	104	-	148	148	-	163	163
Payable against purchase of investments	-	278,170	278,170	-	388,324	388,324	-	-	-
Payable against redemption of units	-	-	-	-	-	-	-	22	22
Accrued expense and other liabilities	-	1,132	1,132	-	218	218	-	327	327
	<b>671,240</b>	<b>280,602</b>	<b>280,602</b>	<b>-</b>	<b>388,427</b>	<b>388,427</b>	<b>-</b>	<b>2,211</b>	<b>2,211</b>

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2025**

**21. PERFORMANCE TABLE AND TOTAL EXPENSE RATIO**

21.1 Performance Information	Equity Sub-Fund				
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
	(Rupees in '000)				
Net income / (loss) after taxation	1,187,858	624,779	5,292	(171,202)	223,324
Realised capital gains / (losses)	443,732	308,945	(13,513)	(59,110)	101,773
Unrealised (losses) / gains	645,764	256,852	(42,833)	(156,534)	103,122
Dividend income and profit income	149,022	82,652	79,060	56,650	42,165
Net assets value per unit	1,673.30	959.13	492.00	486.14	585.07
Transactions in securities					
- Purchases	2,675,343	1,553,561	598,523	697,837	807,551
- Sales	2,127,427	1,386,573	621,733	571,194	835,365
Total contribution received	4,212,643	1,652,193	525,090	371,605	236,260
	Debt Sub-Fund				
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
	(Rupees in '000)				
Net income after taxation	353,858	209,635	87,273	47,050	29,582
Realised capital gains / (losses)	104,411	6,938	6,112	(2,324)	(2,328)
Unrealised gains / (losses)	10,087	(537)	(5,087)	154	1,009
Profit income	274,002	221,315	95,213	54,509	7,968
Net assets value per unit	597.93	500.14	406.76	347.06	317.31
Transactions in securities					
- Purchases	65,596,205	45,381,068	15,606,454	12,586,185	5,863,961
- Sales	65,839,470	43,099,467	35,897,132	12,447,476	6,313,844
Total contribution received	3,216,445	2,601,517	342,323	244,745	145,600
	Money Market Sub-Fund				
	June 30, 2025	June 30, 2024	June 30, 2023	June 30, 2022	June 30, 2021
	(Rupees in '000)				
Net income after taxation	273,888	338,339	182,739	55,991	28,067
Realised capital gains / (losses)	16,816	12,138	1,247	(785)	(871)
Unrealised gains / (losses)	1,038	77	(2,010)	-	-
Profit income	286,741	343,971	190,530	62,692	12,984
Net assets value per unit	509.78	443.63	361.47	307.40	280.02
Transactions in securities					
- Purchases	28,490,510	41,308,604	22,759,601	10,180,807	4,547,004
- Sales	28,057,900	36,139,835	18,091,481	9,997,902	3,798,557
Total contribution received	3,912,147	2,089,031	1,214,135	375,554	243,126

**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)					
942.53	1,673.30	500.35	597.93	443.85	509.78

# NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2025

## 21.2 TOTAL EXPENSE RATIO

### Equity Sub Fund

The annualised Total Expense Ratio (TER) of the Equity Sub Fund as at June 30, 2025 is 2.32% (June 30, 2024: 2.49%) which includes 0.33% (June 30, 2024: 0.31%) representing government levies on the Equity Sub Fund such as sales taxes, annual fee to the SECP, etc. The prescribed limit for the total expense ratio of pension fund under equity sub fund (excluding government levies) is 4.5%.

### Debt Sub Fund

The annualised Total Expense Ratio (TER) of the Debt Sub Fund as at June 30, 2025 is 1.75% (June 30, 2024: 1.71 %) which includes 0.25% (June 30, 2024: 0.21 %) representing government levies on the Debt Sub Fund such as sales taxes, annual fee to the SECP, etc. The prescribed limit for the total expense ratio of pension fund under debt sub fund (excluding government levies) is 2.5%.

### Money Market Sub Fund

The annualised Total Expense Ratio (TER) of the Money Market Sub Fund as at June 30, 2025 is 1.52% (June 30, 2024: 1.18%) which includes 0.23% (June 30, 2024: 0.17%) representing government levies on the Money Market Sub Fund such as provision sales taxes, annual fee to the SECP, etc. The prescribed limit for the total expense ratio of pension fund under money market sub fund (excluding government levies) is 2% .

## 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.

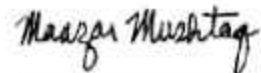
## 24. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 04, 2025 by the Board of Directors of the Pension Fund Manager.

For MCB Investment Management Limited  
(the Pension Fund Manager)



Chief Executive Officer



Director

**PROXY ISSUED BY FUND  
FOR THE YEAR ENDED JUNE 30, 2025**

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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](http://www.mcbfunds.com)).

During the financial year ended June 30, 2025, the Management Company on behalf of PPF participated in twenty-three (23) 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:

	<b>Resolutions</b>	<b>For</b>	<b>Against</b>	<b>Abstain</b>	<b>Reason for Abstaining</b>
Number	121	121	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 Participants.

**MCB INVESTMENT MANAGEMENT LIMITED**

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