



MCB FUNDS  
Investments for Life

# ANNUAL REPORT 2025

Funds Under Management of  
MCB Investment Management Limited



# **MCB PAKISTAN ASSET ALLOCATION FUND**

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## 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 Mr. Khawaja Khalil Shah <b>Mr. Muhammad Nauman Chughtai</b>	Chairman Member Member Member Member
<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</b>	<b>Mr. Khawaja Khalil Shah</b>	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	<b>Mr. Muhammad Rehan Khan</b>	
<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>	Bank Alfalah Limited Habib Metropolitan Bank Limited MCB Bank Limited United Bank Limited Zarai Taraqiat Bank Limited NRSP Microfinance Bank Limited	U Microfinance Bank Limited HBL Microfinance Bank Limited National Bank of Pakistan Allied Bank Limited Faysal Bank Limited Soneri Bank Limited
<b>Auditors</b>	<b>A. F. Ferguson &amp; Co.</b> Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
<b>Legal Advisor</b>	<b>Bawane &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 MANAGEMENT COMPANY 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 **MCB Pakistan Asset Allocation 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

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2025

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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 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

The fund posted a return of 59.92% during the period under review against the benchmark return of 53.99%. The fund has gradually decreased exposure in equities which reached to 82.2% by the end of June 30, 2025 and at the same time it increased the exposure in cash to 15.7% by June 30, 2025.

On the equity side, the fund was mainly invested in Commercial Banks and Fertilizer. The Net Assets of the Fund as at June 30, 2025 stood at Rs. 756 million as compared to Rs. 672 million as at June 30, 2024 registering a increase of 12.5%. The Net Asset Value (NAV) per unit as at June 30, 2025 was Rs. 187.4224 as compared to opening NAV of Rs. 119.7708 per unit as at June 30, 2024 registering an increase of 67.6516 per unit.

### 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.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2025

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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.

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.

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2025

Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.

### HOLDING COMPANY

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

### CORPORATE GOVERNANCE

The Fund is committed to implement the highest standards of corporate governance. The Board comprises of eight (8) members including the Chief Executive Officer (CEO) and has a diverse mix of gender and knowledge. The Board consists of 1 female and 7 male directors, categorized as follows:

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

The details of above are as under:

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

\* HR&R stands for Human Resource and Remuneration

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

## **REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2025**

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The Board of Directors is pleased to report that:

- a. The financial statements, present fairly the state of affairs, the results of operations, cash flows and changes in equity;
- b. Proper books of accounts of the fund have been maintained;
- c. Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.;
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further;
- f. There are no significant doubts upon the fund's ability to continue as going concern;
- g. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations;
- h. The outstanding taxes, statutory charges and duties, if any, have been fully disclosed in the audited financial statements;
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report;
- j. As at June 30, 2025, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 19 of the Code; ;
- k. The detailed pattern of shareholding as on June 30, 2025 is annexed;
- l. A formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and Committees of the Board;
- m. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below are the details of committee meetings held during the year ended June 30, 2025:

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY  
FOR THE YEAR ENDED JUNE 30, 2025**

**1. Meeting of the Audit Committee.**

During the year, four (4) meetings of the Audit Committee were held. The attendance of each participant is as follows:

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

**2. Meeting of the Human Resource and Remuneration Committee.**

During the year, three (3) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

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

\* Resigned on December 21, 2024

\*\* Appointed on January 06, 2025

- n. No trades were carried out in the Units of the Fund during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

**EXTERNAL AUDITORS**

The Fund's external auditor's **M/s. A.F Ferguson & Co. Chartered Accountants** have retired after completion of audit for Financial Year ended June 30, 2025. The Audit Committee has recommended re-appointment of **M/s. A.F Ferguson & Co. Chartered Accountants** as external auditors of the Fund for financial year ending June 30, 2026 and the Board has also endorsed the

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY  
FOR THE YEAR ENDED JUNE 30, 2025**

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recommendation of the Audit Committee. **M/s. A.F Ferguson & Co. Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

**ACKNOWLEDGMENT**

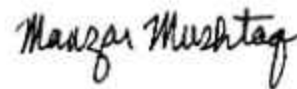
The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



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



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**Manzar Mushtaq**  
Director  
August 04, 2025

## ڈائریکٹرز رپورٹ

n. ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانشل آفیسر، کمپنی سیکرٹری، اور مینجمنٹ کمپنی کے چیف انٹرنل آڈیٹرز اور ان کی شریک حیات اور نابالغ بچوں کے ذریعہ سال کے دوران فنڈ کے یونٹس میں کوئی تجارت نہیں کی گئی۔

خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز M/s اے ایف فرگوسن اینڈ کمپنی 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 اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کی دوبارہ تقرری کی سفارش پیش کی ہے، جس کی بورڈ نے بھی توثیق کی ہے۔ M/s اے ایف فرگوسن اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے خارجی آڈیٹرز کی حیثیت سے کام کرنے کے لیے رضامندی ظاہر کی ہے۔

اظہار تشکر

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

منجانب ڈائریکٹرز،

*Mansoor Mushtaq*

منظر مشتاق

ڈائریکٹر

04 اگست 2025ء

*Mansoor Mushtaq*

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2025ء

## ڈائریکٹرز رپورٹ

### 1. آڈٹ کمیٹی کی میٹنگ

دورانِ سال، ہیومن ریسورس اور ریویو نریشن کمیٹی کی چار (4) میٹنگ ہوئیں۔ شرکاء کی حاضری مندرجہ ذیل ہے:

میٹنگز کی تعداد		میٹنگز کی تعداد		
منظور شدہ چھٹی	حاضری	مطلوبہ حاضری	میٹنگز کی تعداد	شخص کا نام
-	4	4	4	1. جناب سید ساویل میکال حسین
-	4	4	4	2. جناب احمد جہانگیر
-	4	4	4	3. جناب منظر مشتاق

### 2. ہیومن ریسورس اور ریویو نریشن کمیٹی کی میٹنگ

دورانِ سال، ہیومن ریسورس اور ریویو نریشن کمیٹی کی تین (3) میٹنگ ہوئیں۔ شرکاء کی حاضری مندرجہ ذیل ہے:

میٹنگز کی تعداد		میٹنگز کی تعداد		
منظور شدہ چھٹی	حاضری	مطلوبہ حاضری	میٹنگز کی تعداد	شخص کا نام
-	3	3	3	1. جناب فہد کمال چنائے
-	2	2	3	2. جناب شعیب ممتاز *
-	1	1	3	3. جناب محمد نعمان چغتائی **
1	2	3	3	4. جناب احمد جہانگیر
1	2	3	3	5. محترمہ ماوراء عادل خان
-	3	3	3	6. جناب خواجہ خلیل شاہ

\* 21 دسمبر 2024ء کو مستعفی ہو گئے

\*\* 06 جنوری 2025ء کو تفرری ہوئی

## ڈائریکٹرز رپورٹ

- بورڈ آف ڈائریکٹرز کو خوشی ہے کہ وہ مندرجہ ذیل امور رپورٹ کر رہے ہیں:
- a. مالیاتی گوشوارے کمپنی کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کی آمد و رفت اور اس کی ایکویٹی میں تبدیلیوں کو منصفانہ انداز میں پیش کرتے ہیں؛
- b. فنڈ کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں؛
- c. مالیاتی گوشواروں کی تیاری میں (مالیاتی گوشواروں سے منسلک اہم نکات میں مذکور) موزوں اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں؛
- d. بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، نان بینکنگ فنانس کمپنیز (اسٹیبلشمنٹ اینڈ ریگولیشنز) رولز، 2003، نان بینکنگ فنانس کمپنیز اینڈ ٹریڈ ریگولیشن 2008، متعلقہ ٹرسٹ ڈیڈ کے تقاضے اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے۔
- e. انٹرنل کنٹرول کا نظام مضبوط خطوط پر استوار ہے اور اس کا موثر نفاذ اور نگرانی کی جاتی ہے، اور اسے مزید بہتر بنانے کی کوششیں جاری ہیں؛
- f. فنڈ کے کاروبار جاری رکھنے کی صلاحیت میں کوئی شبہات نہیں ہیں؛
- g. لسٹنگ ضوابط میں تفصیلاً بیان کردہ کارپوریٹ گورننس کی بہترین روایات سے کوئی قابل ذکر انحراف نہیں کیا گیا ہے؛
- h. واجب الاداء ٹیکسز، قانونی چارجز اور ڈیوٹیز، اگر کوئی ہیں تو، کو آڈٹ شدہ مالیاتی گوشواروں میں مکمل طور پر ظاہر کر دیا گیا ہے؛
- i. پراویڈنٹ/گریجویٹی اور پنشن فنڈ کی سرمایہ کاری کی قدر کا بیان فنڈ پر لاگو نہیں ہوتا لیکن مینجمنٹ کمپنی پر لاگو ہوتا ہے۔ اس لیے ڈائریکٹرز کی رپورٹ میں کوئی انکشاف نہیں کیا گیا ہے۔
- j. 30 جون 2025ء کو کمپنی ضابطہ اخلاق کے ریگولیشن نمبر 19 میں بیان کردہ ڈائریکٹرز ٹریننگ پروگرام کے تقاضوں پر عمل پیرا ہے؛
- k. 30 جون 2025ء کو حصص یافتگی کا تفصیلی خاکہ ملحق ہے؛
- l. بورڈ اور اس کے ارکان اور کمیٹیوں کی کارکردگی کی سالانہ جانچ کے لیے ایک باضابطہ اور موثر طریقہ کار نافذ کیا گیا ہے؛
- m. بورڈ آف ڈائریکٹرز کے اجلاس میں شرکت کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ ذیل میں سال ختمہ 30 جون 2025 کے دوران منعقدہ کمیٹی کے اجلاسوں کی تفصیلات درج ہیں۔

## ڈائریکٹرز رپورٹ

کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو نافذ کرنے کے لیے پرعزم ہے۔ بورڈ آف ڈائریکٹرز (8) ارکان پر مشتمل ہے، بشمول چیف ایگزیکٹو آفیسر (سی ای او)۔ یہ ارکان صنف اور علم کا ایک متنوع امتزاج ہیں۔ بورڈ میں 1 خاتون اور 7 مرد ڈائریکٹرز شامل ہیں، جن کی زمرہ بندی درج ذیل ہے:

\* 4 نان-ایگزیکٹو ڈائریکٹرز؛

\* 3 انڈپنڈنٹ ڈائریکٹرز؛ اور

\* 1 ایگزیکٹو ڈائریکٹر (سی ای او)۔

تفصیل درج ذیل ہے:

نمبر شمار	نام	حیثیت	دیگر بورڈ کمیٹیوں میں رکنیت
1.	جناب ہارون رشید	نان-ایگزیکٹو ڈائریکٹر	کوئی نہیں
2.	جناب محمد نعمان چغتائی	نان-ایگزیکٹو ڈائریکٹر	ایچ آراینڈ آر کمیٹی
3.	جناب احمد جہانگیر	نان-ایگزیکٹو ڈائریکٹر	ایچ آراینڈ آر کمیٹی، آڈٹ کمیٹی
4.	جناب منظر مشتاق	نان-ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5.	جناب سید ساویل میکان حسین	انڈپنڈنٹ ڈائریکٹر	آڈٹ کمیٹی (چیرمین)
6.	جناب فہد کمال چنائے	انڈپنڈنٹ ڈائریکٹر	ایچ آراینڈ آر کمیٹی (چیرمین)
7.	محترمہ ماوراء عادل خان	انڈپنڈنٹ ڈائریکٹر	ایچ آراینڈ آر کمیٹی
8.	جناب خواجہ خلیل شاہ	ایگزیکٹو ڈائریکٹر	ایچ آراینڈ آر کمیٹی

\* ایچ آراینڈ آر ہیومن ریسورس اینڈ ریمونڈیشن کا مخفف ہے

انتظامیہ کارپوریٹ گورننس کے ضابطہ میں متعین بہترین طریقوں کی دفعات کی تعمیل جاری رکھے ہوئے ہے۔ فنڈ پاکستان اسٹاک ایکسچینج کے لسٹنگ قوانین کے مطابق کاروبار جاری رکھنے کے لیے پرعزم ہے، جس میں بورڈ آف ڈائریکٹرز اور انتظامیہ کے کردار اور ذمہ داریوں کی واضح وضاحت کی گئی ہے۔

## ڈائریکٹرز رپورٹ

### میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز کی صنعت کے net اثا شجات مالی سال 2025ء کے دوران تقریباً 43.1 فیصد بڑھ کر 3,684 بلین روپے ہو گئے۔ منی مارکیٹ کے گل 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 براں، 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۔

### 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 رسک کے ساتھ سرمایہ کاری کرنے والوں کے لیے موزوں ترین ہوتے ہیں۔ معاشی بحالی کے تیز تر اور وسیع تر ہونے کے ساتھ ساتھ کپیٹل مارکیٹس، خصوصاً ایکویٹیز، میں گہری دلچسپی برقرار رہے گی۔ ہمارے آپریشنز بلاؤٹ 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 پیورٹ (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۔

پاکستان مال سال 2011ء کے بعد سے پہلا سالانہ سسرپلس ریکارڈ نے 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 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 سسرپلس 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 زرمبادلہ 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۔

## 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 رکھاد، 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 رکھاد 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 صورتحال بہتر ہوئی۔

### فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 59.92 فیصد منافع پوسٹ کیا، جبکہ اس کے بالمقابل بیچ مارک منافع 53.99 فیصد تھا۔ فنڈ نے ایکویٹیز میں سرمایہ کاری کو بتدریج کم کر کے 30 جون 2025ء کے اختتام تک اسے 82.2 فیصد کر دیا، اور ساتھ ساتھ نقد میں سرمایہ کاری کو بڑھا کر 30 جون 2025ء تک اسے 15.7 فیصد کر دیا۔ ایکویٹی کی جہت میں فنڈ کی زیادہ تر سرمایہ کاری کمرشل بینکوں اور رکھاد میں تھی۔ 30 جون 2025ء کو فنڈ کے net اثاثہ جات 756 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2024ء کو 672 ملین روپے تھے، چنانچہ 12.5 فیصد اضافہ ہوا۔ 30 جون 2025ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 187.4224 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2024ء کو ابتدائی این اے وی فی یونٹ 119.7708 روپے تھی، چنانچہ 67.6516 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 کثیر الجہتی 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 کثیر الجہتی 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 بانڈ جیسے ذرائع کا جائزہ لے سکے۔

## ڈائریکٹرز رپورٹ

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 کمی کی بڑی وجہ تجارت میں کمی، سست رفتار ترقی اور پست افراط زر ہیں۔

### ایکویٹی مارکیٹ کا جائزہ

ایکویٹی 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۔ گردشی 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 'فرنٹیشور 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۔

## ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی پاکستان ایسیٹ ایلوکیشن 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 ایکسٹینشنڈ 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، جسے 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 ملک کا کرنٹ اکاؤنٹ سِرپلس 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 خطیر 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۔ ملک 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 سِرپلس، 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 وجہ بلند

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

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### Fund Type and Category

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

### Fund Benchmark

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

### Investment Objective

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

### Investment Strategy

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

### Manager's Review

The fund posted a return of 59.92% during the period under review against the benchmark return of 53.99%. Equity exposure of the fund at June end was 82.2% whereas cash exposure was 15.7%.

On the equity side, the fund was mainly invested in Commercial Banks, Cements & Fertilizer.

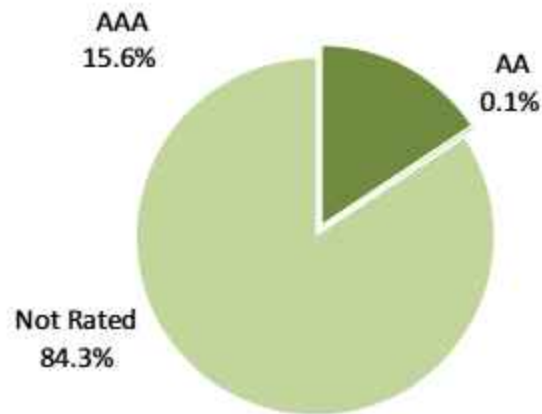
The Net Assets of the Fund as at June 30, 2025 stood at Rs. 756 million as compared to Rs. 672 million as at June 30, 2024 registering an increase of 12.5%. The Net Asset Value (NAV) per unit as at June 30, 2025 was Rs. 187.4224 as compared to opening NAV of Rs. 119.7708 per unit as at June 30, 2024 registering an increase of 67.6516 per unit.

### Asset Allocation as on June 30, 2025 (% of total assets)

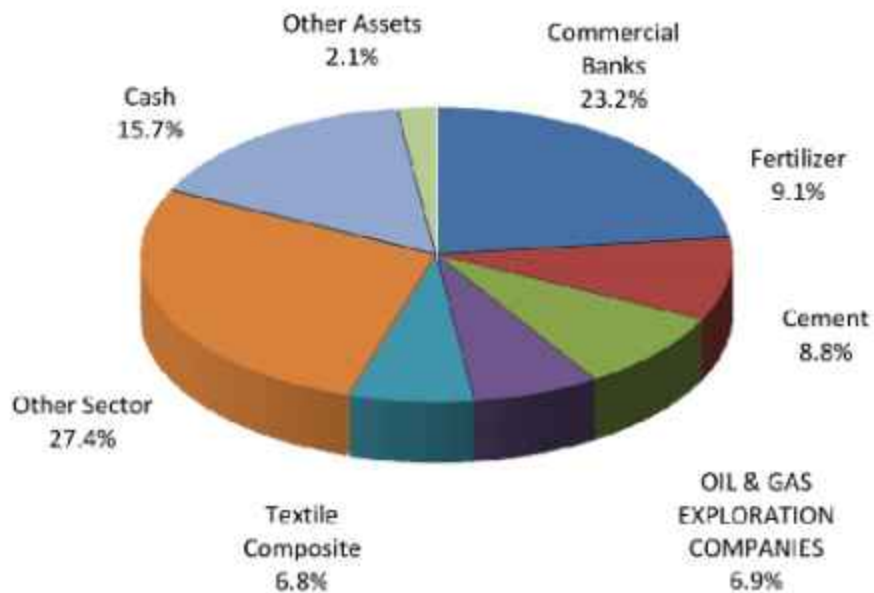
Asset Allocation (%age of Total Assets)	Jun-25
Cash	15.7%
Stocks / Equities	82.2%
Others including receivables	2.1%

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

## Asset Quality as on June 30, 2025 (% of total assets)



## Sector Allocation (%age of Total Assets)



Syed Abid Ali  
Fund Manager

# TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED

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



## TRUSTEE REPORT TO THE UNIT HOLDERS

### MCB PAKISTAN ASSET ALLOCATION FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of MCB Pakistan Asset Allocation Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the following:

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

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

Karachi: September 11, 2025



# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



A.F.FERGUSON & CO.

## INDEPENDENT AUDITOR'S REPORT

To the Unit holders of MCB Pakistan Asset Allocation Fund

Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of MCB Pakistan Asset Allocation Fund (the Fund / Collective Investment Scheme), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, the the statement of comprehensive income, statement of movement in unit holders' fund and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

### Basis for Opinion

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

### Key Audit Matters

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

Following is the key audit matter:

S.No.	Key Audit Matter	How the matter was addressed in our audit
1	<b>Net Asset Value (NAV)</b> (Refer notes 5 and 6 to the financial statements)  Balances with banks and Investments constitute the most significant components of the net asset value. Balances with banks of the Fund as at June 30, 2025 aggregated to Rs. 124.675 million and Investments amounted to Rs. 653.603 million.  The existence of balances with banks and the existence and proper valuation of Investments for the determination of NAV of the Fund as at June 30, 2025 was considered a high risk area and therefore we considered this as a key audit matter.	Our audit procedures amongst others included the following: <ul style="list-style-type: none"><li>• Obtained independent confirmations for verifying the existence of the investment portfolio and balances with banks as at June 30, 2025 and traced them to the books and records of the Fund. Where such confirmations were not available, alternate audit procedures were performed;</li><li>• Re-performed valuation to assess that investments are carried as per the valuation methodology specified in the accounting policies; and</li><li>• Obtained bank reconciliation statements and tested reconciling items on a sample basis.</li></ul>

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

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# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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## Other Information

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

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

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

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

## Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

*Ajmal*

# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS

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

We also provide board of directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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

## Report on Other Legal and Regulatory Requirements

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

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

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

A. F. Ferguson & Co.  
Chartered Accountants  
Karachi

Dated: September 24, 2025

UDIN: AR202510611w2bpWd6x9

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

	Note	June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
<b>ASSETS</b>			
Balances with banks	5	124,675	88,809
Investments	6	653,603	611,865
Receivable against sale of investments		6,055	8,221
Advances, deposits and other receivables	7	10,824	9,677
<b>Total assets</b>		<b>795,157</b>	<b>718,572</b>
<b>LIABILITIES</b>			
Payable to MCB Investment Management Limited - Management Company	8	2,547	2,522
Payable to Central Depository Company of Pakistan Limited - Trustee	9	28	124
Payable to the Securities and Exchange Commission of Pakistan	10	56	52
Payable against redemption of units		-	31
Payable against purchase of investments		-	7,016
Accrued expenses and other liabilities	11	36,662	36,899
<b>Total liabilities</b>		<b>39,293</b>	<b>46,644</b>
<b>NET ASSETS</b>		<b>755,864</b>	<b>671,928</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>755,864</b>	<b>671,928</b>
<b>Contingencies and commitments</b>	12		
		---- (Number of units) ----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>4,032,942</b>	<b>5,610,114</b>
		----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>187.4224</b>	<b>119.7708</b>

The annexed notes from 1 to 29 form an integral part of these financial statements.

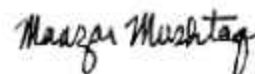
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

## INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2025

	Note	June 30, 2025	June 30, 2024
----- (Rupees in '000) -----			
<b>INCOME</b>			
Net realised gain / (loss) on sale of investments		163,181	179,170
Dividend income		54,997	50,124
Income from government securities		-	2,575
Profit on savings accounts with banks		14,904	18,315
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	109,093	158,181
Other income		151	213
<b>Total income</b>		<b>342,326</b>	<b>408,578</b>
<b>EXPENSES</b>			
Remuneration of MCB Investment Management Limited - Management Company	8.1	22,429	20,070
Sindh sales tax on remuneration of the Management Company	8.2	3,364	2,609
Allocated expenses	8.3	-	553
Selling and marketing expenses	8.4	-	1,710
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	1,376	1,287
Sindh Sales Tax on remuneration of the Trustee	9.2	206	167
Fee to the Securities and Exchange Commission of Pakistan	10.1	654	610
Auditors' remuneration	13	1,325	1,002
Brokerage and settlement charges		4,795	2,950
Fees and subscription		288	283
Legal and professional charges		204	191
Printing and related costs		-	33
Bank charges		45	55
<b>Total operating expenses</b>		<b>(34,686)</b>	<b>(31,520)</b>
<b>Net income for the year before taxation</b>		<b>307,640</b>	<b>377,058</b>
Taxation	14	-	-
<b>Net income for the year after taxation</b>		<b>307,640</b>	<b>377,058</b>
<b>Allocation of net income for the year</b>			
Net income for the year after taxation		307,640	377,058
Income already paid on units redeemed		(52,917)	(73,148)
		<b>254,723</b>	<b>303,910</b>
<b>Accounting income available for distribution</b>			
- Relating to capital gains		223,468	272,656
- Excluding capital gains		31,255	31,254
		<b>254,723</b>	<b>303,910</b>

The annexed notes from 1 to 29 form an integral part of these financial statements.

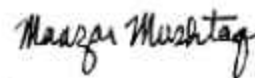
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED JUNE 30, 2025**

	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
<b>Net income for the year after taxation</b>	307,640	377,058
Other comprehensive income for the year	-	-
<b>Total comprehensive income / (loss) for the year</b>	<u>307,640</u>	<u>377,058</u>

The annexed notes from 1 to 29 form an integral part of these financial statements.

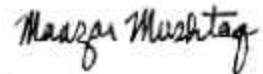
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS  
FOR THE YEAR ENDED JUNE 30, 2025**

	Year ended June 30, 2025			Year ended June 30, 2024		
	Capital value	Accumulated losses	Total	Capital value	Accumulated losses	Total
	(Rupees in '000)					
<b>Net assets at the beginning of the year</b>	1,653,021	(981,093)	671,928	1,799,783	(1,189,133)	610,650
Issuance of 6,444,069 units (2024: 1,220,476 units)						
- Capital value (at net assets value per unit at the beginning of the year)	771,812	-	771,812	93,480	-	93,480
- Element of income	299,090	-	299,090	49,603	-	49,603
<b>Total proceeds on issuance of units</b>	1,070,902	-	1,070,902	143,083	-	143,083
Redemption of 8,021,241 units (2024: 3,583,074 units)						
- Capital value (at net assets value per unit at the beginning of the year)	960,711	-	960,711	(274,437)	-	(274,437)
- Element of loss	(2,186,608)	(52,917)	(2,239,525)	(13,313)	(73,148)	(86,461)
<b>Total payments on redemption of units</b>	(1,225,897)	(52,917)	(1,278,814)	(287,750)	(73,148)	(360,898)
Total comprehensive income / (loss) for the year	-	307,641	307,641	-	377,058	377,058
Distribution for the year ended June 30, 2025 @ Rs. 4 per unit (declared on June 26, 2025)	(1,671)	(14,122)	(14,122)			
Refund of capital for the year ended June 30, 2025						
Distribution for the year ended June 30, 2024 @ Rs. 20 per unit (declared on June 26, 2024)					(95,870)	(95,870)
Refund of capital for the year ended June 30, 2024				(2,095)	-	(2,095)
<b>Net income for the year less distribution</b>	(1,671)	293,519	291,848	(2,095)	281,188	279,093
<b>Net assets at the end of the year</b>	<u>1,496,355</u>	<u>(740,491)</u>	<u>755,864</u>	<u>1,653,021</u>	<u>(981,093)</u>	<u>671,928</u>
<b>Accumulated losses brought forward</b>						
- Realised loss		(1,139,274)			(1,170,235)	
- Unrealised income / (loss)		158,181			(18,898)	
		(981,093)			(1,189,133)	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		223,468			272,656	
- Excluding capital gains		31,255			31,254	
		254,723			303,910	
Distribution made during the year		(14,122)			(95,870)	
<b>Accumulated losses carried forward</b>		<u>(740,492)</u>			<u>(981,093)</u>	
<b>Accumulated losses carried forward</b>						
- Realised loss		(849,585)			(1,139,274)	
- Unrealised gain		109,093			158,181	
		<u>(740,492)</u>			<u>(981,093)</u>	
		(Rupees)			(Rupees)	
<b>Net asset value per unit at the beginning of the year</b>		<u>119.7708</u>			<u>76.5925</u>	
<b>Net asset value per unit at the end of the year</b>		<u>187.4224</u>			<u>119.7708</u>	

The annexed notes from 1 to 29 form an integral part of these financial statements.

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	Note	June 30, 2025 ----- (Rupees in '000) -----	June 30, 2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the year before taxation		307,640	377,058
<b>Adjustments for:</b>			
Dividend income		(54,997)	(50,124)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	(109,093)	(158,181)
Profit on savings accounts with banks		(14,904)	(18,315)
		128,646	150,438
<b>Decrease in assets</b>			
Investments - net		67,355	44,038
Advances, deposits and other receivables		1,215	(197)
Receivable against sale of investments		2,166	(3,756)
		70,736	40,085
<b>Decrease in liabilities</b>			
Payable to MCB Investment Management Limited - Management Company		25	600
Payable to Central Depository Company of Pakistan Limited - Trustee		(96)	11
Payable to the Securities and Exchange Commission of Pakistan		4	(92)
Payable against purchase of investments		(7,016)	(9,727)
Accrued expenses and other liabilities		(237)	610
		(7,320)	(8,598)
Dividend received		53,237	48,656
Profit received on savings accounts with banks		14,303	18,813
<b>Net cash generated from operating activities</b>		259,602	249,394
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance and conversion of units - net of refund of capital		1,069,231	140,988
Payments against redemption and conversion of units		(1,278,845)	(360,898)
Dividend paid		(14,122)	(95,870)
<b>Net cash used in financing activities</b>		(223,736)	(315,780)
<b>Net increase / (decrease) in cash and cash equivalents during the year</b>		35,866	(66,386)
Cash and cash equivalents at the beginning of the year		88,809	155,195
<b>Cash and cash equivalents at the end of the year</b>	15	124,675	88,809

The annexed notes from 1 to 29 form an integral part of these financial statements.

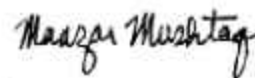
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

## 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Pakistan Asset Allocation Fund (the Fund) was established through a Trust Deed executed between MCB Investment Management Limited), as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The draft Trust Deed of the Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated January 17, 2008 consequent to which Trust Deed was executed on November 22, 2007 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules). During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to promulgation of Provisional Trust Act namely "Sindh Trusts Act, 2021" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was registered under the Sindh Trust Act on August 12, 2021.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to make investment in securities or instruments both inside and outside Pakistan. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Asset Allocation" scheme by the Board of Directors of the Asset Management Company in accordance with the requirements of Circular 7 of 2009 dated March 06, 2009 issued by the SECP.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' on October 04, 2024 (2023: 'AM1' dated October 6, 2023) to the Management Company. The rating reflects the Management Company's' experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

## 2 BASIS OF PRESENTATION

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

## 3 BASIS OF PREPARATION

### 3.1 Statement of compliance

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

- International Financial Reporting Standards (IFRS Accounting 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 Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

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

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, not been disclosed in these financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2024. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements except for:

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

### **3.4 Critical accounting estimates and judgements**

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

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

### **3.5 Accounting convention**

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

### **3.6 Functional and presentation currency**

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

## **4 MATERIAL ACCOUNTING POLICY INFORMATION**

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

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

## 4.1 Cash and cash equivalents

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

## 4.2 Financial assets

### 4.2.1 Initial recognition and measurement

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

### 4.2.2 Classification and subsequent measurement

#### 4.2.2.1 Debt instruments

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

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

based on the business model of the entity.

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

#### 4.2.2.2 Equity instruments

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

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

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

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

### 4.2.3 Impairment (other than debt securities)

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

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

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

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

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### 4.2.4 Impairment loss on debt securities

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

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

### 4.2.5 Regular way contracts

All regular way purchases and sales of financial assets are recognised on the trade date i.e. the date on which the Fund commits to purchase or sell the asset. Regular way purchases / sales of assets require delivery of securities within two days from the transaction date as per the stock exchange regulations.

### 4.2.6 Derecognition

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

### 4.3 Financial liabilities

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

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

### 4.4 Offsetting of financial assets and financial liabilities

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

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

### 4.5 Provisions

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

### 4.6 Net asset value per unit

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

### 4.7 Issuance and redemption of units

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

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

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

## 4.8 Distributions to unit holders

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

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

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

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

## 4.10 Revenue recognition

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

## 4.11 Expenses

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

## 4.12 Taxation

### Current

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

### Deferred

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

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

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

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

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

5	BALANCES WITH BANKS	Note	June 30, 2025	June 30, 2024
			----- (Rupees in '000) -----	
	- In savings accounts	5.1	124,325	83,663
	- In current accounts	5.2	350	5,146
			<u>124,675</u>	<u>88,809</u>

5.1 These carry profit at the rates ranging from 7.75% to 9.50% per annum (2024: 19.00% to 20.50% per annum) and include Rs. 3.2 million (2024: Rs. 0.012 million) maintained with MCB Bank Limited (a related party) which carries profit at the rate of 9.50% (2024: 20.50%) per annum.

5.2 These include balance of Rs. 0.34 million (2024: Rs. 5.14 million) maintained with MCB Bank Limited (a related party).

6	INVESTMENTS	Note	June 30, 2025	June 30, 2024
			----- (Rupees in '000) -----	
6.1	Investments at 'fair value through profit or loss'			
	Listed equity securities - ordinary shares	6.1.1	635,754	589,245
	Listed equity securities - preference shares	6.1.2	17,849	22,620
			<u>653,603</u>	<u>611,865</u>

### 6.1.1 Listed equity securities - ordinary shares

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

Name of the investee company	Number of shares					Balance as at June 30, 2025			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 1, 2024	Purchased during the year	Bonus / right / split issue during the year	Sold during the year	As at June 30, 2025	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the fund	
	(Number of shares)					(Rupees in '000)			(%)		
<b>Automobile assembler</b>											
Sagor Engineering Works Limited (note 6.1.1.1)	-	18,850	-	3,650	15,000	17,519	17,097	(421)	2.26	2.62	0.02
Indus Motor Company Limited	-	4,000	-	-	4,000	7,839	6,942	(897)	0.92	1.06	0.01
						<u>25,358</u>	<u>24,040</u>	<u>(1,318)</u>	<u>3.18</u>	<u>3.68</u>	<u>0.03</u>
<b>Automobile Parts and Accessories</b>											
Agriso Industries Limited**	92,625	-	-	92,625	-	-	-	-	-	-	-
Panther Tyres Limited	40,000	208,520	-	35,000	213,520	8,469	8,934	465	1.18	1.37	1.19
Exide Pakistan Limited	-	7,923	-	7,923	-	-	-	-	-	-	-
Thal Limited**	24,000	-	-	24,000	-	-	-	-	-	-	-
						<u>8,469</u>	<u>8,934</u>	<u>465</u>	<u>1.18</u>	<u>1.37</u>	<u>1.19</u>
<b>Cable and Electrical Goods</b>											
Pak Elektron Limited	260,000	1,125,000	-	1,225,000	160,000	6,796	6,554	(242)	0.87	1.00	0.02
						<u>6,796</u>	<u>6,554</u>	<u>(242)</u>	<u>0.87</u>	<u>1.00</u>	<u>0.02</u>
<b>Cement</b>											
D.G. Khan Cement Company Limited*	-	123,000	-	123,000	-	-	-	-	-	-	-
Pioneer Cement Limited	70,000	56,600	-	103,500	22,100	4,854	5,042	188	0.67	0.77	0.01
Lucky Cement Limited (note 6.1.1.1)	57,400	-	172,900	138,300	92,000	22,992	32,682	9,690	4.32	5.00	0.01
Fauji Cement Company Limited	990,000	1,306,930	-	2,296,930	-	-	-	-	-	-	-
Cherat Cement Company Limited	-	185,650	-	75,700	109,950	28,929	31,918	2,990	4.22	4.88	0.06
Gharbwal Cement limited	-	45,000	-	45,000	-	-	-	-	-	-	-
Maple Leaf Cement Factory Limited (note 6.1.1.1)	688,000	-	-	688,000	-	-	-	-	-	-	-
						<u>56,775</u>	<u>69,642</u>	<u>12,867</u>	<u>9.21</u>	<u>10.66</u>	<u>0.07</u>
<b>Balance carried forward</b>						<u>97,397</u>	<u>109,170</u>	<u>11,773</u>			

\*These represent transaction in shares of related parties.

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

\*\*\*These have a face value of Rs. 1 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

Name of the investee company	Number of shares					Balance as at June 30, 2025			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 1, 2024	Purchased during the period	Bonus / right / split issue during the year	Sold during the period	As at June 30, 2025	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the fund	
	(Number of shares)					(Rupees in '000)			(%)		
<b>Balance brought forward</b>						97,397	109,170	11,773			
<b>Chemicals</b>											
Archroma Pakistan Ltd	13,700	-	-	13,700	-	-	-	-	-	-	-
Lotte Chemical Pakistan Ltd	-	265,000	-	265,000	-	-	-	-	-	-	-
Ittehad Chemical Limited	25,500	194,216	-	143,752	75,964	4,193	5,926	1,733	0.78	0.91	0.08
Lotte Chemical Pakistan Limited	-	265,000	-	265,000	-	-	-	-	-	-	-
Lucky Core Industries Limited	6,000	-	-	6,000	-	-	-	-	-	-	-
Nimir Industrial Chemicals Limited	30,000	61,000	-	57,000	34,000	4,376	5,340	964	0.71	0.82	0.03
						<b>8,569</b>	<b>11,266</b>	<b>2,697</b>	<b>1.49</b>	<b>1.72</b>	<b>0.11</b>
<b>Commercial Banks</b>											
Meezan Bank Limited	110,500	121,280	-	231,780	-	-	-	-	-	-	-
Bank Alfalah Limited (note 6.1.1.1)	646,000	988,438	-	894,438	750,000	55,248	60,180	4,932	7.96	9.21	0.05
Habib Bank Limited	278,000	226,900	-	352,000	152,900	22,624	27,398	4,774	3.62	4.19	0.01
Habib Metropolitan Bank Limited	365,000	-	-	365,000	-	-	-	-	-	-	-
National Bank Limited (note 6.1.1.1)	268,000	493,000	-	390,000	371,000	24,046	40,324	16,278	5.33	6.17	0.02
United Bank Limited**	89,000	242,100	-	126,500	204,600	38,029	56,459	18,430	7.47	8.64	0.01
						<b>139,946</b>	<b>184,362</b>	<b>44,415</b>	<b>24.39</b>	<b>28.21</b>	<b>0.08</b>
<b>Engineering</b>											
Mughal Iron & Steel Industries Limited	-	443,000	-	351,600	91,400	7,383	6,592	(791)	0.87	1.01	0.03
						<b>7,383</b>	<b>6,592</b>	<b>(791)</b>	<b>0.87</b>	<b>1.01</b>	<b>0.03</b>
<b>Fertilizer</b>											
Engro Fertilizers Limited	-	307,000	-	143,000	164,000	31,896	30,437	(1,459)	4.03	4.66	0.01
Fauji Fertilizer Company Limited	202,778	20,000	-	202,778	20,000	7,157	7,848	691	1.04	1.20	0.00
Falima Fertilizer Company Limited	-	594,000	-	254,000	340,000	26,931	33,799	6,868	4.47	5.17	0.02
Fauji Fertilizer Bin Qasim Limited	200,000	-	-	200,000	-	-	-	-	-	-	-
						<b>65,985</b>	<b>72,084</b>	<b>6,099</b>	<b>9.54</b>	<b>11.03</b>	<b>0.03</b>
<b>Food &amp; Personal Care Products</b>											
National Foods Limited**	57,000	83,000	-	112,000	28,000	5,640	9,162	3,523	1.21	1.40	0.01
Barkat Frisian Agro Limited ****	-	505,034	-	-	505,034	9,901	20,681	10,780	2.74	3.16	0.16
						<b>15,540</b>	<b>29,844</b>	<b>14,303</b>	<b>3.95</b>	<b>4.57</b>	<b>0.17</b>
<b>Glass &amp; Ceramics</b>											
Shabir Tiles & Ceramics Limited**	520,000	-	-	520,000	-	-	-	-	-	-	-
Ghani Glass Limited	-	160,000	-	80,000	80,000	2,382	3,635	1,253	0.48	0.56	0.01
						<b>2,382</b>	<b>3,635</b>	<b>1,253</b>	<b>0.48</b>	<b>0.56</b>	<b>0.01</b>
<b>Insurance</b>											
Jubilee General Insurance Limited	-	125,000	-	59,401	65,599	3,218	3,907	689	0.52	0.60	0.03
						<b>3,218</b>	<b>3,907</b>	<b>689</b>	<b>1.00</b>	<b>1.00</b>	<b>-</b>
<b>Miscellaneous</b>											
Shifa International Hospitals Limited	-	25,000	-	15,000	10,000	2,471	4,751	2,281	0.63	0.73	0.02
Pakistan Aluminium Beverage Cans Limited	-	66,100	-	6,100	60,000	6,647	8,656	2,009	1.15	1.32	0.02
Pakistan Hotels Developers Limited	-	16,000	-	16,000	-	-	-	-	-	-	-
						<b>9,118</b>	<b>13,408</b>	<b>4,289</b>	<b>1.77</b>	<b>2.05</b>	<b>0.03</b>
<b>Oil and Gas Exploration Companies</b>											
Oil & Gas Development Company Limited (note 6.1.1.1)	-	238,000	-	109,000	129,000	23,945	28,452	4,507	3.76	4.35	0.00
Pakistan Oilfield Limited	-	21,000	-	-	21,000	11,388	12,394	1,006	1.54	1.90	0.01
Pakistan Petroleum Limited	-	199,000	-	115,000	84,000	14,117	14,294	178	1.89	2.19	0.00
						<b>49,450</b>	<b>55,140</b>	<b>5,690</b>	<b>7.29</b>	<b>8.44</b>	<b>0.01</b>
<b>Oil and Gas Marketing Companies</b>											
Pakistan State Oil Company Limited (note 6.1.1.1)	40,000	114,500	-	133,500	21,000	5,447	7,928	2,481	1.05	1.21	0.00
Attock Petroleum Limited	-	34,500	-	10,000	24,500	11,818	11,751	(67)	1.55	1.80	0.02
Sui Northern Gas Pipelines Limited	-	155,000	-	155,000	-	-	-	-	-	-	-
						<b>17,264</b>	<b>19,679</b>	<b>2,414</b>	<b>2.60</b>	<b>3.01</b>	<b>0.02</b>
<b>Paper And Board</b>											
Synthetic Products Enterprises Limited**	73,000	-	-	73,000	-	-	-	-	-	-	-
Packages Limited	29,176	7,500	-	20,876	15,800	9,015	8,762	(252)	1.16	1.34	0.02
						<b>9,015</b>	<b>8,762</b>	<b>(252)</b>	<b>1.16</b>	<b>1.34</b>	<b>0.02</b>
<b>Balance carried forward</b>						<b>425,268</b>	<b>517,848</b>	<b>92,580</b>			

\*These represent transaction in shares of related parties.

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

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

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## 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	Balance as at June 30, 2025			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 1, 2024	Purchased during the year	Bonus / right / split issue during the year	Sold during the year		Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments of the fund	
					(Rupees in '000)			(%)			
<b>Balance brought forward</b>						425,268	517,848	92,580			
<b>Pharmaceuticals</b>											
Haleon Pakistan Limited	43,450	-	-	43,450	-	-	-	-	-	-	-
Highnoon Laboratories Limited	11,000	-	-	11,000	-	-	-	-	-	-	-
ACP Limited	124,500	98,000	-	140,500	82,000	11,970	15,659	3,689	2.07	2.40	0.03
Cit Pharma Limited	385,500	-	-	385,500	-	-	-	-	-	-	-
The Searle Company Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
Abbott Laboratories (Pakistan) Limited	7,000	3,800	-	10,800	-	-	-	-	-	-	-
GlaxoSmithKline Pakistan Limited	45,000	75,050	-	120,050	-	-	-	-	-	-	-
Fercosons Laboratories Limited	26,500	30,500	-	30,000	27,000	7,714	10,520	2,806	1.39	1.61	0.06
						<b>19,684</b>	<b>26,178</b>	<b>6,495</b>	<b>3.46</b>	<b>4.01</b>	<b>0.09</b>
<b>Power Generation and Distribution</b>											
The Hub Power Company Limited (note 6.1.1.1)	133,000	115,000	-	248,000	-	-	-	-	-	-	-
Nishat Power Limited*	-	250,000	-	150,000	100,000	2,500	3,627	1,127	0.48	0.55	0.03
Lapir Power Limited	-	150,000	-	-	150,000	3,666	3,914	248	0.52	0.60	0.04
Nishat Chunian Power Limited	380,000	344,000	-	499,000	225,000	6,623	5,470	(1,153)	0.72	0.81	0.06
						<b>12,788</b>	<b>13,010</b>	<b>222</b>	<b>1.72</b>	<b>1.99</b>	<b>0.13</b>
<b>Refinery</b>											
Attock Refinery Limited	10,000	38,000	-	48,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
<b>Technology and Communication</b>											
Systems Limited*** (note 6.1.1.1)	55,500	-	157,000	68,500	144,000	15,534	15,428	(106)	2.04	2.36	0.01
Pakistan Telecommunication Company Limited	-	1,290,000	-	1,290,000	-	-	-	-	-	-	-
						<b>15,534</b>	<b>15,428</b>	<b>(106)</b>	<b>2.04</b>	<b>2.36</b>	<b>0.01</b>
<b>Textile Composite</b>											
Cul Ahmed Textile Mills Limited	460,424	995,000	-	954,901	500,523	12,417	13,749	1,333	1.82	2.10	0.07
Interloop Limited	350,962	590,000	-	680,962	260,000	16,394	17,618	1,224	2.33	2.70	0.02
Nishat Chunian Limited	565,000	818,999	-	823,999	560,000	19,348	23,027	3,679	3.05	3.52	0.23
						<b>48,158</b>	<b>54,394</b>	<b>6,236</b>	<b>7.20</b>	<b>8.32</b>	<b>0.32</b>
<b>Tobacco</b>											
Pakistan Tobacco Company Limited	15,800	4,157	-	12,957	7,000	8,113	8,896	783	1.18	1.36	0.00
						<b>8,113</b>	<b>8,896</b>	<b>783</b>	<b>1.18</b>	<b>1.36</b>	<b>0.00</b>
<b>Total as at June 30, 2025</b>						<b>529,545</b>	<b>635,754</b>	<b>106,209</b>			
<b>Total as at June 30, 2024</b>						<b>429,684</b>	<b>589,245</b>	<b>159,561</b>			

\*These represent transaction in shares of related parties.

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

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

\*\*\* The face value of these shares have been changed from Rs. 10 per share to Rs. 2 per share as result of splitting of shares

**6.1.1.1** The below investments include shares having a market value (in aggregate) amounting to Rs. 97.95 million (June 30, 2024: Rs. 51.04 million) which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in accordance with circular no. 11 dated October 23, 2007 issued by the Securities & Exchange Commission of Pakistan. The details of shares which have been pledged are as follows:

Name of security	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	(Number of shares)		(Rupees in '000)	
Lucky Cement Limited	70,000	-	24,867	-
Oil & Gas Development Company Limited	16,000	-	3,529	-
National Bank Of Pakistan	60,000	-	6,521	-
Pakistan State Oil Company Limited	21,000	-	7,928	-
Sazgar Engineering Works Limited	2,500	-	2,850	-
Bank Alfalah Limited	750,000	-	60,180	-
The Hub Power Company Limited	-	12,000	-	1,957
Maple Leaf Cement Factory Limited	-	300,000	-	11,400
Fauji Cement Company Limited	-	500,000	-	11,455
Systems Limited	-	4,500	-	1,882
United Bank Limited	-	95,000	-	24,343
	<b>898,500</b>	<b>911,500</b>	<b>97,947</b>	<b>51,037</b>

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

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

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

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

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

As at June 30, 2025, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs. 2.54 million (2024: Rs. 1.89 million).

### 6.1.2 Listed equity securities - preference shares

Name of the investee company	Number of shares				As at June 30, 2025	Balance as at June 30, 2025			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 01, 2024	Purchased during the year	Bonus / right issue during the year	Sold during the year		Carrying value	Market value appreciation	Unrealised diminution	Net assets of the Fund	Total investments of the fund	
						(Rupees in '000)			%		
Engro Polymer and Chemicals Limited	2,000,000	-	-	(676,847)	1,323,153	14,965	17,849	2,884	2.36	2.73	0.44
<b>Total as at June 30, 2025</b>						<b>14,965</b>	<b>17,849</b>	<b>2,884</b>			
<b>Total as at June 30, 2024</b>						<b>24,000</b>	<b>22,620</b>	<b>(1,380)</b>			

These shares carry dividend at the rate of 6 months KIBOR + 3.50% per annum on cumulative basis. The rate prevailing on June 30, 2025 and December 31, 2024 have been considered.

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

	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
Market value of investments	653,603	611,865
Less: Carrying value of investments	<u>(544,510)</u>	<u>(453,684)</u>
	<u>109,093</u>	<u>158,181</u>

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

7	Note	June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
<b>ADVANCES, DEPOSITS AND OTHER RECEIVABLES</b>			
Dividend receivable		4,253	2,492
Profit receivable on savings accounts		2,246	1,645
Receivable from National Clearing Company of Pakistan Limited (NCCPL)		1,134	1,134
Other receivables		52	37
Receivable against bonus shares withheld		1,056	1,056
Security deposits with:			
- National Clearing Company of Pakistan Limited (NCCPL)		1,500	2,500
- Central Depository Company of Pakistan Limited (CDC)		100	100
Advance tax	7.1	483	713
		<u>10,824</u>	<u>9,677</u>

- 7.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. However, withholding tax on profit on saving accounts with banks and dividend paid to the Fund has been deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated 12 May 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholder. The tax withheld on dividends and profit on saving accounts with banks amounted to Rs. 0.483 million (2024: Rs. 0.713 million). Pending resolution of the matter, the amount of withholding tax deducted on dividends received by the Fund and profit on savings accounts with banks has been shown as Advance tax under 'Advances, deposits and other receivables' as at June 30, 2025 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC.

8	Note	June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
<b>PAYABLE TO MCB INVESTMENT LIMITED - MANAGEMENT COMPANY</b>			
Management remuneration payable	8.1	2,055	1,722
Sindh Sales Tax payable on remuneration of the Management Company	8.2	308	224
Allocated expenses payable	8.3	-	44
Selling and marketing expenses payable	8.4	-	532
Sales load payable		184	-
		<u>2,547</u>	<u>2,522</u>

- 8.1** As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable limit, the Management Company has charged its remuneration at the rates ranging from 3.48% to 3.1% per annum (2024: 2.95% to 3.35% per annum) of the average daily net assets of the Fund during the year. The remuneration is payable to the Management Company monthly in arrears.

During the year ended June 30, 2025, the SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, revised the management fee cap to 3% to be calculated on a per annum basis of the average daily net assets, applicable to an "Equity Scheme". This revision is effective from July 01, 2025. As at June 30, 2025 the Fund is not subject to a management fee cap.

- 8.2** During the year, an amount of Rs. 3.36 million (2024: Rs. 2.61 million) was charged on account of sales tax on management fee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 15% (2024: 13%) and an amount of Rs. 3.28 million (2024: Rs. 2.60 million) has been paid on account of sales tax on management to the Management Company which acts as a collecting agent.

- 8.3** In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS). The Management Company has discontinued to charge the above mentioned expense with effect from July 01, 2024.

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

The SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to registrar services, accounting, operation and valuation services has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly stated.

The Management Company, based on its own discretion, has charged such expenses at the rate of 0% (2024: 0.08% to 0.10% ) per annum of the average annual net assets of the Fund for the year ended June 30, 2024.

- 8.4** The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) subject to the condition that the expenses charged remains within the Fund's total expense ratio limit as defined under NBFC Regulations and not being higher than the actual expenses. The Management Company has discontinued to charge the above mentioned expense with effect from July 01,2024.

The SECP, vide S.R.O.600(I)/2025 dated April 10, 2025, has issued amendments in respect of expenses chargeable to CISs as prescribed in Schedule XX of the NBFC Regulations, from which the chargeability of expenses related to selling and marketing has been excluded. This amendment was effective immediately upon its release on April 10, 2025, except where a later date was explicitly stated.

	Note	June 30, 2025	June 30, 2024
		—— (Rupees in '000) ——	
<b>9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration payable	9.1	25	110
Sindh sales tax payable on trustee remuneration	9.2	3	14
		28	124

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

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

- 9.2** During the year, an amount of Rs. 0.04 million (2024: Rs 0.16 million) was charged on account of sales tax on remuneration of the Trustee levied through the Sindh Sales Tax on Services Act, 2011 at the rate of 15% (2024: 13%) and an amount of Rs. 0.217 million (2024: Rs. 0.16 million) was paid on account of sales tax on remuneration of trustee was paid to the Trustee which acts as a collecting agent.

	Note	June 30, 2025	June 30, 2024
		—— (Rupees in '000) ——	
<b>10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Fee payable	10.1	56	52

- 10.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.095% (2024: 0.095%) per annum of the daily net assets during the year.

Further, the Fund is required to pay SECP fee within fifteen days of the close of every calendar month. Previously, the Fund was required to pay SECP fee within three months of the close of accounting year.

	Note	June 30, 2025	June 30, 2024
		—— (Rupees in '000) ——	
<b>11 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Provision for federal excise duty on:			
- Remuneration of the Management Company		19,027	19,027
- Sales load	11.1	16,173	16,173
Auditors' remuneration payable		760	760
Withholding tax payable		609	603
Brokerage payable		54	152
Legal and professional charges payable		39	39
Printing charges payable		-	42
Other liabilities		-	103
		36,662	36,899

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

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

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

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 01, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 35.20 million is being retained in these financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at June 30, 2025 would have been higher by Rs. 8.73 (2024: Rs. 6.27) per unit.

### 12 CONTINGENCIES AND COMMITMENTS

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

### 13 AUDITORS' REMUNERATION

	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
Annual audit fee	648	525
Half year review fees	335	262
Fee for other certifications	125	115
Out of pocket expenses	119	26
	1,227	928
Sindh Sales Tax	98	74
	1,325	1,002

### 14 TAXATION

The Fund's income is exempt from income tax as per clause 99 of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90 percent of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company has distributed the required minimum percentage of income earned by the Fund for the year ended June 30, 2025 to the unit holders in a manner as explained above, no provision for taxation has been made in these financial statements during the year.

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

	Note	June 30, 2025	June 30, 2024
		----- (Rupees in '000) -----	
15 CASH AND CASH EQUIVALENTS			
Balances with banks	5	124,675	88,809
		124,675	88,809

### 16 TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund as at June 30, 2025 is 4.53% (2024: 4.90%) which includes 0.51% (2024: 0.58%) representing government levies on the Fund such as sales taxes, fee to the SECP, etc. The prescribed limit for the ratio is 4.50% (2024: 4.50%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as "Asset Allocation" scheme.

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

During the year ended June 30, 2025, the SECP, vide S.R.O 600(I)/2025 dated April 10, 2025, has removed the Total Expense Ratio Caps (TER) with effect from July 01, 2025. The TER limit, applicable previously, has been replaced with the management fee cap which has been disclosed in note 8.1 to the financial statements.

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

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

#### Transactions during the year:

	For the year ended	
	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
<b>MCB Investment Management Limited - Management Company</b>		
Remuneration (including indirect taxes)	25,793	22,680
Allocated expenses	-	553
Selling and marketing expenses	-	1,710
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration (including indirect taxes)	1,582	1,453
Central Depository Service (CDS) settlement charges	149	92
<b>Group / Associated Companies</b>		
<b>MCB Bank Limited</b>		
Profit on savings accounts with banks	88	2
Bank charges	16	5
<b>Nishat Mills Limited</b>		
Purchase of Nil (June 30, 2024: 178,000) shares	-	11,832
Sale of Nil (June 30, 2024: 178,000) shares	-	12,070
<b>D.G. Khan Cement Company Limited</b>		
Purchase of shares 123,000 (June 30, 2024: 164,500) shares	12,342	9,258
Sale of shares 123,000 (June 30, 2024: 597,500) shares	13,319	33,159
<b>International Steels Limited</b>		
Purchase of Nil (June 30, 2024: 182,782) shares	-	9,095
Sale of Nil (June 30, 2024: 182,782) shares	-	13,806
Dividend Income	-	429

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

### Transactions during the year:

	For the year ended	
	June 30, 2025	June 30, 2024
	----- (Rupees in '000) -----	
<b>Lalpir power limited</b>		
Purchase of 150,000 (June 30, 2024: 60,000) shares	3,666	914
Sale of Nil (June 30, 2024: 60,000) shares	-	1,664
<b>Nishat Power Limited</b>		
Purchase of 250,000 (June 30, 2024: Nil) shares	6,250	-
Sale of 150,000 (June 30, 2024: Nil) shares	5,469	-

### 17.7 Balances outstanding at year end:

	2025	2024
	----- (Rupees in '000) -----	
<b>MCB Investment Management Limited - Management Company</b>		
Management remuneration payable	2,055	1,722
Sindh Sales Tax payable on remuneration of the Management Company	308	224
Allocated expenses payable	-	44
Selling and marketing expenses payable	-	532
Sales load payable	184	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Trustee remuneration payable	25	110
Sindh sales tax payable on trustee remuneration	3	14
Security deposit	100	100
<b>MCB Bank Limited</b>		
Balances with banks	3,632	5,155
<b>Nishat Power Limited</b>		
100,000 (2024: Nil) shares held	3,627	-
<b>Lalpir Power Limited</b>		
150,000 (2024: Nil) shares held	3,914	-

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

	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 in '000)				
<b>Group / associated companies</b>								
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	2,862,876	22,288	1,846,597	1,038,567	342,889	4,065	250,000	194,651
<b>Key Management Personnel</b>	-	3	3	-	-	0	0	-
<b>Mandate under discretionary portfolio services*</b>	281,079	5,021	52,126	233,974	33,665	916	7,700	43,852

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

	June 30, 2024							
	As at July 01, 2023	Issued for cash / Bonus	Redeemed	As at June 30, 2024	As at July 01, 2023	Issued for cash / Bonus	Redeemed	As at June 30, 2024
	Units			(Rupees in '000)				
<b>Group / associated companies</b>								
D.G Khan Cement Company Limited - Employees' Provident Fund Trust	35,727	-	35,727	-	2,702	-	3,039	-
Adamjee Life Assurance Company Limited - Investment Multiplier Fund	3,878,277	413,678	1,429,079	2,862,876	297,047	48,984	150,000	342,889
<b>Mandate under discretionary portfolio services*</b>	287,748	-	10,738	277,010	22,039	-	1,120	33,178
<b>Unitholders 10% or more</b>	951,285	-	951,285	-	72,861	-	72,861	-

\* This reflects the position of related party / connected person status as at June 30, 2024.

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

### 18 FINANCIAL INSTRUMENTS BY CATEGORY

	June 30, 2025		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
<b>Financial assets</b>			
Balances with banks	124,675	-	124,675
Investments	-	653,603	653,603
Deposits and other receivables	10,341	-	10,341
Receivable against sale of investments	6,055	-	6,055
	<u>141,071</u>	<u>653,603</u>	<u>794,674</u>
<b>Financial liabilities</b>			
Payable to MCB Investment Management Limited - Management Company	2,547	-	2,547
Payable to Central Depository Company of Pakistan Limited - Trustee	28	-	28
Payable against purchase of investments	-	-	-
Payable against redemption of units	-	-	-
Accrued expenses and other liabilities	853	-	853
	<u>3,428</u>	<u>-</u>	<u>3,428</u>

	June 30, 2024		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
<b>Financial assets</b>			
Balances with banks	88,809	-	88,809
Investments	-	611,865	611,865
Deposits and other receivables	8,964	-	8,964
Receivable against sale of investments	8,221	-	8,221
	<u>105,994</u>	<u>611,865</u>	<u>717,859</u>
<b>Financial liabilities</b>			
Payable to MCB Investment Management Limited - Management Company	2,522	-	2,522
Payable to Central Depository Company of Pakistan Limited - Trustee	124	-	124
Payable against purchase of investments	7,016	-	7,016
Payable against redemption of units	31	-	31
Accrued expenses and other liabilities	1,096	-	1,096
	<u>10,789</u>	<u>-</u>	<u>10,789</u>

### 19 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

#### 19.1 Market risk

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

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

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

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

### (i) Currency risk

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

### (ii) Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market yield / interest rates. As at June 30, 2025, the Fund is exposed to such risk on its balances held with bank. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

#### a) Sensitivity analysis of variable rate instruments

As at June 30, 2025, the Fund is exposed to cash flow yield / interest rate risk on savings accounts with banks and on listed equity securities (preference shares). In case of 100 basis points increase / decrease as on June 30, 2025, with all other variables held constant, the net assets value of the Fund and the net income for the year would have been lower / higher by Rs. 1.442 million (2043: Rs.1.06 million).

The composition of the Fund's investment portfolio and profit rates are expected to change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2025 is not necessarily indicative of the impact on the Fund's net assets of future movements in profit rate.

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

The Fund's yield / interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2025 and June 30, 2024, can be determined as follows:

Effective yield / interest rate (%)	June 30, 2025				Total	
	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk		
	Up to three months	More than three months and upto one year	More than one year			
(Rupees in '000)						
<b>On-balance sheet financial instruments</b>						
<b>Financial assets</b>						
Balances with banks	8.25% - 9.50%	124,325	-	-	350	124,675
Investments	24.99%	-	17,849	-	635,754	653,603
Deposits and other receivables		-	-	-	10,341	10,341
Receivable against sale of investments		-	-	-	6,055	6,055
		124,325	17,849	-	652,500	794,675
<b>Financial liabilities</b>						
Payable to MCB Investment Management Limited - Management Company		-	-	-	2,547	2,547
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	28	28
Payable against purchase of investments		-	-	-	-	-
Payable against redemption of units		-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	853	853
		-	-	-	3,428	3,428
<b>On-balance sheet gap (a)</b>		124,325	17,849	-	649,072	791,247
<b>Off-balance sheet financial instruments</b>		-	-	-	-	-
<b>Off-balance sheet gap (b)</b>		-	-	-	-	-
<b>Total interest rate sensitivity gap (a+b)</b>		124,325	17,849	-		
<b>Cumulative interest rate sensitivity gap</b>		124,325	142,174	142,174		

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

Effective yield / interest rate (%)	June 30, 2024			Not exposed to yield / interest rate risk	Total
	Exposed to yield / interest rate risk				
	Up to three months	More than three months and upto one year	More than one year		
(Rupees in '000)					

### On-balance sheet financial instruments

#### Financial assets

Balances with banks	19.00% - 20.50%	83,663	-	-	5,146	88,809
Investments	24.99%	-	22,620	-	589,245	611,865
Deposits and other receivables		-	-	-	8,964	8,964
Receivable against sale of investments		-	-	-	8,221	8,221
		83,663	22,620	-	611,576	717,859

#### Financial liabilities

Payable to MCB Investment Management Limited - Management Company		-	-	-	2,522	2,522
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	124	124
Payable against purchase of investments		-	-	-	7,016	7,016
Payable against redemption of units		-	-	-	31	31
Accrued expenses and other liabilities		-	-	-	1,096	1,096
		-	-	-	10,789	10,789

### On-balance sheet gap (a)

	83,663	22,620	-	600,787	707,070
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### Off-balance sheet financial instruments

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

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

	83,663	22,620	-		
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### Cumulative interest rate sensitivity gap

	83,663	106,283	106,283		
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### (iii) Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from yield / interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market.

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

In case of 1% increase / decrease in KSE-100 index on June 30, 2025, with all other variables held constant, the total net income of the Fund for the year would increase / decrease by Rs. 6.54 million (2024: Rs. 6.12 million) and the net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified as financial assets at fair value through profit or loss.

The analysis is based on the assumption that equity index had increased / decreased by 1% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in the KSE-100 Index, having regard to the historical volatility of the index. The composition of the Fund's investment portfolio and the correlation thereof to the KSE-100 Index, is expected to change over time. Accordingly, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KSE-100 Index.

## 19.2 Credit risk

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

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

	-----2025-----		-----2024-----	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	-----Rupees in '000-----			
Balances with banks	124,675	124,675	88,809	88,809
Investments	653,603	-	611,865	-
Deposits and other receivables	10,341	10,341	8,964	8,964
Receivable against sale of investments	6,055	6,055	8,221	8,221
	<u>794,674</u>	<u>141,071</u>	<u>717,859</u>	<u>105,994</u>

Difference in the balance as per the statement of assets and liabilities and maximum exposure is due to the fact that investments in equity securities of Rs. 653.60 million (2024: Rs. 611.87 million) is not exposed to credit risk.

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

### 19.2.1 Credit quality of financial assets

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

Rating category	2025	2024
	----- % -----	
AAA	99.76	98.67
AA+	0.14	1.04
AA	0.06	0.23
AA-	0.01	0.01
A+	0.04	0.02
A-	0.00	-
A	-	-
BB+	0.00	0.03
	<u>100.00</u>	<u>100.00</u>

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

### Concentration of credit risk

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

### Settlement risk

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

### 19.3 Liquidity risk

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

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

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

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

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

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

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

### Financial liabilities

Payable to MCB Investment Management Limited - Management Company  
Payable to Central Depository Company of Pakistan Limited - Trustee  
Payable against purchase of investments  
Payable against redemption of units  
Accrued expenses and other liabilities

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

Rupees in '000

June 30, 2024						
Within one month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than five years	Financial liabilities with no fixed maturity	Total

### Financial liabilities

Payable to MCB Investment Management Limited - Management Company  
Payable to Central Depository Company of Pakistan Limited - Trustee  
Payable against purchase of investments  
Payable against redemption of units  
Accrued expenses and other liabilities

2,522	-	-	-	-	-	2,522
124	-	-	-	-	-	124
7,016	-	-	-	-	-	7,016
31	-	-	-	-	-	31
336	760	-	-	-	-	1,096
10,029	760	-	-	-	-	10,789

Rupees in '000

## 20 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

### 20.1 Fair value hierarchy

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

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

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

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

As at June 30, 2025 and June 30, 2024, the Fund held the following financial instruments measured at fair values:

----- June 30, 2025 -----				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
<b>Financial assets 'at fair value through profit or loss'</b>				
Listed equity securities - ordinary shares	653,603	-	-	653,603
Listed equity securities - preference shares	17,849	-	-	17,849
	<u>671,452</u>	<u>-</u>	<u>-</u>	<u>671,452</u>
----- June 30, 2024 -----				
	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----				
<b>Financial assets 'at fair value through profit or loss'</b>				
Listed equity securities - ordinary shares	635,754	-	-	635,754
Listed equity securities - preference shares	17,849	-	-	17,849
	<u>653,603</u>	<u>-</u>	<u>-</u>	<u>653,603</u>

### 20.2 Valuation techniques used in determination of fair values

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

20.3 There were no transfers between levels during the year.

### 21 UNIT HOLDERS' FUND RISK MANAGEMENT

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

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

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

In accordance with the risk management policies as stated in note 18, the Fund endeavours to invest the subscriptions received in appropriate investment avenues while maintaining sufficient liquidity to meet redemptions, such liquidity being augmented by disposal of investments or short-term borrowings, where necessary.

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

**22 PATTERN OF UNITHOLDING**

**Details of pattern of unitholding**

	As at June 30, 2025			
	Number of unit holders	Number of units held	Investment amount (Rupees in '000)	Percentage investment %
Individuals	1,179	2,346,805	439,844	58.19
Associated company	1	1,038,567	194,651	25.75
Retirement funds	4	613,210	114,929	15.21
Others	5	34,360	6,440	0.85
	<u>1,189</u>	<u>4,032,942</u>	<u>755,864</u>	<u>100</u>

	As at June 30, 2024			
	Number of unit holders	Number of units held	Investment amount (Rupees in '000)	Percentage investment %
Individuals	980	2,027,498	242,835	36.14
Retirement funds	1	2,862,876	342,889	51.03
Associated companies	4	686,019	82,165	12.23
Others	5	33,721	4,039	0.60
	<u>990</u>	<u>5,610,114</u>	<u>671,928</u>	<u>100</u>

**23 TOP TEN BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID**

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

	<b>2025</b> <b>(Percentage)</b>
1 BMA Capital Management Limited	9.03%
2 Foundation Securities (Private) Limited	8.44%
3 JS Global Capital Limited	7.35%
4 Khadim Ali Shah Bukhari Securities Limited	7.28%
5 Taurus Securities Limited	7.22%
6 Al Habib Capital Markets (Private) Limited	6.65%
7 Arif Habib Limited	6.54%
8 Ismail Iqbal Securities (Private) Limited	5.84%
9 Topline Securities (Private) Limited	5.82%
10 IGI Finex Securities (Private) Limited	5.47%
	<b>2024</b> <b>(Percentage)</b>
1 Foundation Securities Limited	9.65%
2 Alfa Adhi Securities (Private) Limited	8.42%
3 Alfalah CLSA Securities (Private) Limited	7.83%
4 AL Habib Capital Markets (Private) Limited	7.69%
5 EFG Hermes Pakistan Limited	7.67%
6 BMA Capital Management Limited	7.50%
7 Topline Securities Limited	6.47%
8 KTrade Securities Limited (formerly: Khadim Ali Shah Bukhari Securities Limited)	6.15%
9 Insight Securities Limited	5.84%
10 JS Global Capital Limited	4.84%

**24 ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS**

The 197th, 198th, 199th, 200th, 201st, 202nd, 203rd, 204th and 205th meeting of the Board of Directors were held on July 24, 2024, July 25, 2024, September 25, 2024, October 16, 2024, October 21, 2024, January 31, 2025, February 04, 2025, April 17, 2025 and April 21, 2025 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

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

Name of directors	Designation	Number of meetings held	Number of meetings			Meetings not attended
			Attendance required	Attended	Leave granted	
Mr. Haroon Rashid	Chairman	9	9	8	1	199th
Mr. Ahmed Jahangir	Director	9	9	8	1	197th
Syed Savail Meekal Hussain	Director	9	9	8	1	201st
Ms. Mavra Adil Khan	Director	9	9	4	5	197th, 198th, 201st, 202nd, 203rd
Mr. Shoaib Mumtaz	Director	9	5	4	1	201st
Mr. Fahd Kamal Chinoy	Director	9	9	8	1	202nd
Mr. Manzar Mushtaq	Director	9	9	9	-	-
*Mr. Muhammad Nauman Chughtai	Director	9	4	3	1	204th
*Mr. Khawaja Khalil Shah	Chief Executive Officer	9	9	9	-	-

\* Mr. Shoaib Mumtaz resigned from the Board with effect from December 21, 2024.

\* Mr. Muhammad Nauman Chughtai has been appointed on the Board with effect from January 6, 2025.

**25 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER**

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

S.No.	Name	Designation	Qualification	Experience in years
1	Mr. Khawaja Khalil Shah	Chief Executive Officer	MBA	33
2	Mr. Muhammad Asim	Chief Investment Officer	MBA, CFA	22
3	Mr. Awais Abdul Sattar	Portfolio Manager Equities	MBA, CFA	14
4	Mr. Saad Ahmed	Head of Fixed Income	MBA	19
5	Syed Abid Ali	Head of Equities	MBA	17
6	Mr. Usama Iqbal	Fund Manager - Fixed Income Funds	Graduate	21
7	Mr. Raza Inam	Head Of Research	BSc, CFA	11

Mr. Syed Abid Ali is the Manager of the Fund as at year end. Other funds being managed by him are as follows:

- Alhamra Islamic Stock Fund;
- Alhamra Islamic Pension Fund;
- Alhamra Islamic Asset Allocation Fund;
- Alhamra Opportunity Fund - Dividend Strategy Plan
- MCB Alhamra KPK Govt Employees Pension Fund- Money Market Sub Fund;
- MCB Pakistan Asset Allocation Fund;
- MCB Pakistan Dividend Yield Plan;
- Pakistan Capital Market Fund;
- Pakistan Pension Fund; and
- MCB KPK Govt Employees Pension Fund- Money Market Sub Fund.

**26 CORRESPONDING FIGURES**

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

**27 NON ADJUSTING EVENTS AFTER THE REPORTING DATE**

The Board of Directors of the Management Company on July 01, 2025 approved a final distribution of Rs. 5 per unit amounting to Rs. 20.1647 million. The financial statements of the Fund for the year ended June 30, 2025 do not include effect of this distribution which will be accounted for in the financial statements of the Fund for the year ending June 30, 2026.

**28 GENERAL**

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

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

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**29 DATE OF AUTHORISATION FOR ISSUE**

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

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**PATTERN OF UNITS HOLDING BY SIZE  
FOR THE YEAR ENDED JUNE 30, 2025**

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No. of Unit Holders	Unit holdings	Total units held
320	A. 001-10,000	3,774
635	B. 10,001 – 100,000	119,951
160	C. 100,001 – 1000,000	260,387
74	D. 1000,001 & Above	3,648,830
<u>1,189</u>		<u>4,032,943</u>

**PERFORMANCE TABLE  
FOR THE YEAR ENDED JUNE 30, 2025**

Performance Information	2025	2024	2023	2022	2021
Total Net Assets Value – Rs. in million	755.8636	671.928	610.6500	837.9825	912.0630
Net Assets value per unit – Rupees	187.4224	119.7708	76.5925	76.1026	86.6497
Closing Offer Price	193.8885	123.831	79.1890	78.6825	89.5871
Highest offer price per unit	193.8885	145.3054	82.6547	91.8276	92.5623
Lowest offer price per unit	121.8481	79.1922	70.7022	76.9827	71.6108
Highest Redemption price per unit	187.4224	140.5411	79.9446	88.8167	89.5273
Lowest Redemption price per unit	117.7845	76.5956	68.3840	74.4586	69.2628
Distribution per unit – Rs. *					
Interim	4	20	-	-	-
Final	-	-	-	-	0.60
<b>Average Annual Return - %</b>					
One year	59.92	82.79	0.64	-11.56	26.16
Two year	71.36	41.72	-5.46	7.30	11.29
Three year	47.78	23.96	5.08	3.67	4.26
Net Income / (loss) for the period – Rs. in million	307.6409	377.058	-2.7232	-125.15	324.7000
Distribution made during the year – Rs. in million*	87.2035	169.0180	-	6.3160	-
Accumulated Capital Growth – Rs. in million	220.4375	208.0404	(2.7232)	(131.4634)	324.7000

\* Date of Distribution

2025	
Date	Rate
25-Jun-25	4

2024	
Date	Rate
26-Jun-24	20

2023	
Date	Rate
NIL	

2022	
Date	Rate
NIL	

2021	
Date	Rate
30-Jun-21	0.6

**Disclaimer**

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

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

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

During the financial year ended June 30, 2025, the Management Company on behalf of MCB-PAAF participated in nineteen (19) 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	109	109	0	0	-
(%ages)	100	100	0	0	-

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

**MCB INVESTMENT MANAGEMENT LIMITED**

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

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

**URL:** [www.mcbfunds.com](http://www.mcbfunds.com), **Email:** [info@mcbfunds.com](mailto:info@mcbfunds.com)

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