

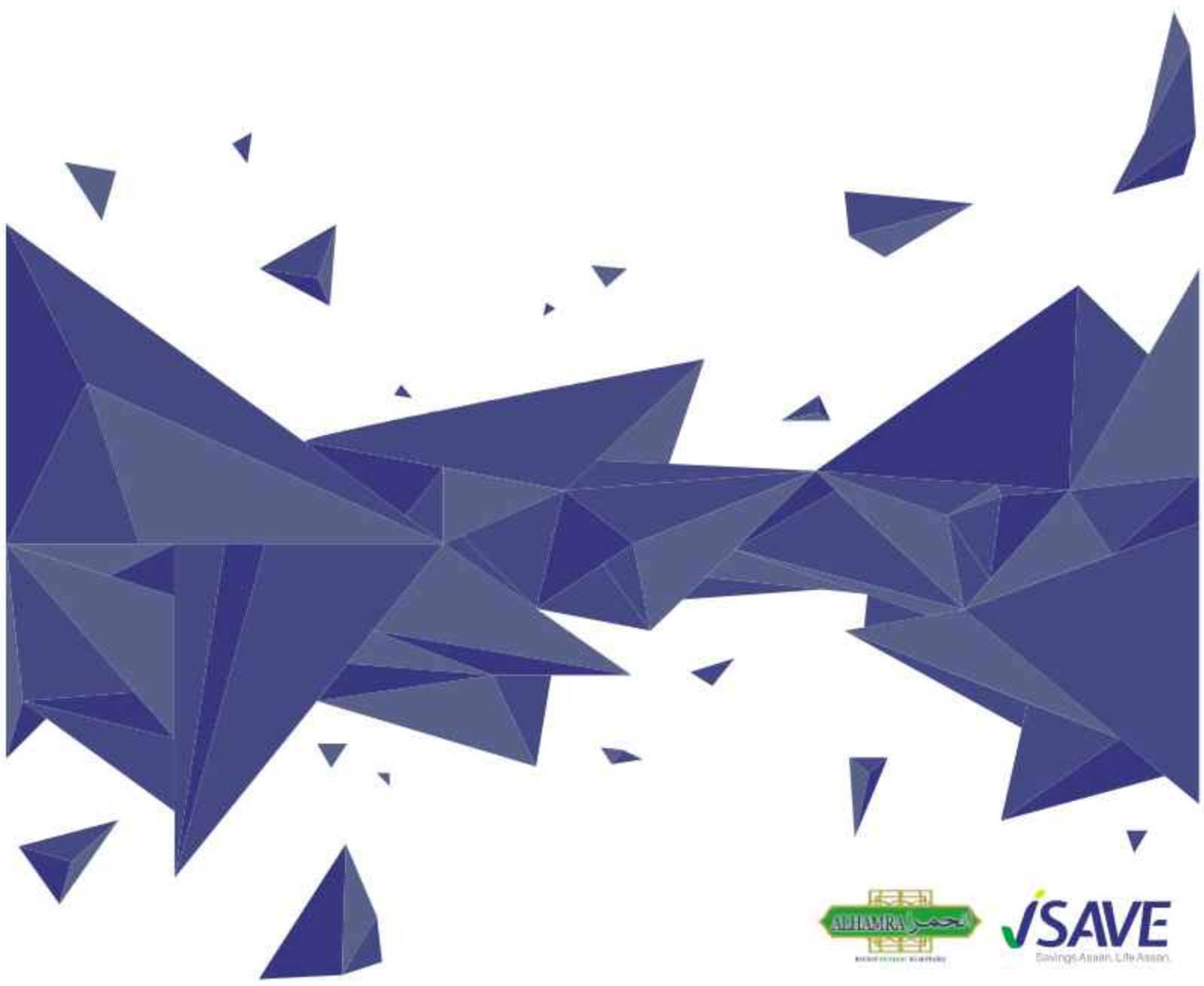


MCB FUNDS  
Investments for Life

# HALF YEARLY REPORT

DECEMBER  
**2025**  
(UNAUDITED)

Funds Under Management of  
MCB Investment Management Limited



# **ALHAMRA ISLAMIC STOCK 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> <b>Ms. Sadia Muzaffar</b> Ms. Mavra Adil Khan	Chairman <b>Director</b> Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	<b>Ms. Sadia Muzaffar</b> Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b>	Chairman Member Member
<b>Human Resource &amp; Remuneration Committee</b>	<b>Mr. Fahd Kamal Chinoy</b> Mr. Ahmed Jahangir Ms. Mavra Adil Khan <b>Mr. Khawaja Khalil Shah</b> <b>Mr. Muhammad Nauman Chughtai</b>	Chairman Member Member Member Member
<b>Credit Committee</b>	<b>Mr. Ahmed Jahangir</b> <b>Mr. Manzar Mushtaq</b> <b>Ms. Sadia Muzaffar</b> <b>Mr. Khawaja Khalil Shah</b>	<b>Member</b> <b>Member</b> <b>Member</b> <b>Member</b>
<b>IT &amp; Digital Risk Management Committee</b>	Ms. Mavra Adil Khan Mr. Ahmed Jahangir <b>Mr. Khawaja Khalil Shah</b> <b>Mr. Syed Sohail Ahmed</b> <b>Mr. Shabbir Hussain</b> <b>Mr. Muhammad Arsalan Khan</b>	Chairman Member Member Member Member Member
<b>Chief Executive Officer</b>	<b>Mr. Khawaja Khalil Shah</b>	
<b>Chief Operating &amp; Financial Officer</b>	Mr. Muhammad Asif Mehdli 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>	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Habib Bank Limited National Bank of Pakistan Standard Chartered Bank Limited MCB Islamic Bank Limited	Bank Islami Pakistan Limited Dubai Islamic Bank Limited Askari 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>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	
<b>Transfer Agent</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

## **REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

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Dear Investor

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Stock Fund** accounts review for the half year ended December 31, 2025.

### **Economy Review**

The country posted a current account deficit of USD 812 million in the first five months of the fiscal year 2026 (5MFY26) compared to a surplus of USD 503 million in the corresponding period last year. Trade Deficit increased by 30.3% YoY as exports declined by 3.2% while imports increased by 11.1%. The remittances inflows grew at a healthy rate of 9.3% to USD 16.2 billion. The country's external position remained robust as SBP's foreign exchange reserves increased to USD 15.9 billion compared to USD 14.5 billion at the end of the last fiscal year. The local currency depicted strength against the greenback as the USD/PKR appreciated by 1.3% to 280.1 during the period.

Headline inflation represented by CPI averaged 5.1% during 1HFY26 compared to 7.3% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past one year. Additionally, base effect further contributed to the lower inflation figures.

Pakistan's GDP growth clocked at 3.7% in 1QFY26 with Agricultural, Industrial and Services sectors increasing by 2.9%, 9.4% and 2.4% respectively. Industrial sector growth showed a stellar growth due to improvement in macroeconomic indicators and base effect. On the fiscal side, FBR tax collection increased by 9.6% in 1HFY26 to PKR 6,159 billion, missing the target by PKR 331 billion.

### **Equity Market Review**

The KSE-100 Index sustained its multi-year uptrend during 1HFY26, surging by 48,427 points (+38.5% FYTD) to close at an all-time high of 174,054. The rally was underpinned by notable macroeconomic improvements, including SBP foreign exchange reserves climbing to a 46-month high of USD 15.9bn and S&P Global's upgrade of Pakistan's sovereign credit rating to B-, reinforcing investor confidence in the country's external position.

Investor's sentiment was further supported by improving U.S.–Pakistan relations, reflected in softer tariffs on Pakistani exports and renewed U.S. investment interest, alongside the signing of a Strategic Mutual Defense Agreement with Saudi Arabia. Towards the end of the period, IMF approval of a USD 1.2bn disbursement under the EFF and RSF, together with SBP's 50bps policy rate cut to 10.5%, collectively underpinned market optimism. Lastly, the government's PKR 1.2tr payment under the circular debt resolution plan and robust corporate earnings across key sectors helped sustain the rally.

During 1HFY26, Foreign investors, Insurance, and Banks were major net sellers with an outflow of USD 251.2 million, USD 117.6 million, and USD 131.9 million, respectively. This selling was mainly absorbed by Mutual Funds and Individuals with inflow of USD 249.6 million and USD 221.0 million, respectively. On activity front, average trading volumes for KSE-All Index

## **REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

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increased to 1,001.7 million shares compared to about 576.9 million shares in the preceding half. While the average trading value during the period saw an increase of 51% over previous half to near USD 157 million.

Banks, Cements, and E&P sector were the major contributors to the index rally adding 18,399/7,968/4,526 points, respectively. Attractive dividend yield and valuations garner investors interest in Banking & Cement sector. While E&P sector also remained in the limelight due to one-off PKR 1.2trn disbursement by GoP under circular debt clearance plan.

### **FUND PERFORMANCE**

During the period, ALHISF delivered a return of 26.94% as compared to benchmark return of 34.43%. Overall equity exposure of the fund stood at 92.1% at the end of the period. The fund changed its investment strategy several times during the quarter to cope with various sector and company level fundamental developments. During the period, the fund had exposures majorly in, Cements, Oil & Gas Exploration Companies, Fertilizers and Commercial Banks.

The Net Assets of the Fund as at December 31, 2025 stood at Rs. 9,886 million as compared to Rs. 6,435 million as at June 30, 2025 registering an increase of 53.63%.

The Net Asset Value (NAV) per unit as at December 31, 2025 was Rs. 30.49 as compared to opening NAV of Rs. 24.02 per unit as at June 30, 2025 registering an increase of Rs. 6.47 per unit.

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

Going forward we expect GDP growth to clock at 3.5% in FY26. The lagged impact of interest rate decline would benefit industrial and services sector going forward which are expected to expand by 4.1% and 3.6% respectively. The continuation of the IMF program is a key positive as it will allow us to tap funding from different sources. We expect SBP reserves to increase to USD 17.9 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 Panda bonds in this fiscal year.

Pakistan recorded its first annual current account surplus in FY25 after a gap of 14 years, supported by a rebound in exports and remittances coupled with restrained imports. For FY26, we anticipate a modest current account deficit of around USD 1.6 billion (0.4% of GDP). As import demand gradually recovers amid monetary easing, we expect a measured depreciation in the currency, with the USD/PKR likely to close around 290 by June 2026.

Headline inflation is expected to remain in single digits, aided by currency stability and improved supply conditions. A temporary uptick may occur toward the end of FY26 due to the base effect, keeping average inflation around 6.7% for the year. Core inflation continues to trend lower, reflecting stable exchange rates and subdued domestic demand. We expect it to decline further, reaching low single digits by the close of the fiscal year.

## **REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

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On the fiscal side we expect the fiscal deficit to clock in at 3.9% 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 debt servicing from 7.7% of GDP in FY24 to 6.2% of GDP in FY26 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 1,150bps since June-24 as interest rates have declined to 10.5% from a high of 22.0%. Enhanced external stability, coupled with easing inflationary pressures, created room for this monetary easing. Going forward, we expect the central bank to maintain a data-dependent approach in shaping upcoming monetary policies. We believe there remains room for an additional 50 basis point reduction in the policy rate during the current fiscal year.

From the capital market perspective particularly equities, the market is still trading at attractive valuations. Market cap to GDP ratio is at 15.9%, a discount of 13% 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 8.5x, while offering a dividend yield of 5.9%.

### **Mutual Fund Industry Review**

The Net Assets of the open-end mutual funds industry increased by about 19.0% during 1HFY26 to PKR 4,384 billion. Total money market funds inched up by 1.1% since June 2025. Within the money market sphere, conventional funds showed a decline of 0.1% to PKR 976 billion while Islamic funds increased by 2.4% to PKR 934 billion. In addition, the total fixed Income and Fixed Rate funds increased by about 35.2% since June 2025 to PKR 1,679 billion while Equity and related funds increased by 47.2% to PKR 723 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 43.6%, followed by Income and fixed return funds with 38.3% and Equity and Equity related funds having a share of 16.5% as at the end of December 2025.

### **Mutual Fund Industry Outlook**

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

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

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**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  
February 2, 2026



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**Manzar Mushtaq**  
Director  
February 2, 2026

## ڈائریکٹرز رپورٹ

میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز کی صنعت کے net اثاثہ جات مالی سال 2026ء کے نصف اول کے دوران تقریباً 19.0 فیصد بڑھ کر 4,384 بلین روپے ہو گئے۔ منی مارکیٹ کے گل فنڈز میں جون 2025ء کے بعد سے 1.1 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 0.1 فیصد کم ہو کر 976 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 2.4 سے بڑھ کر 934 بلین روپے ہو گئے۔ مزید برآں، گل فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2025ء کے بعد سے تقریباً 35.2 فیصد سے بڑھ کر 1,679 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 47.2 فیصد سے بڑھ کر 723 بلین روپے ہو گئے۔

شعبہ جاتی حصے کے اعتبار سے دسمبر 2025ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 43.6 فیصد حصے کے ساتھ سب سے آگے تھے، اور ان کے بعد انکم اور

میوچل فنڈ 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 کیپیٹل مارکیٹس، خصوصاً ایکویٹیز، میں گہری دلچسپی برقرار رہے گی۔ ہمارے آپریشنز بلا زکاوٹ 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۔

اظہار تشکر

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

منجانب ڈائریکٹرز،

*Mansoor Mushtaq*

منظر مشاق

ڈائریکٹر

02 فروری 2026ء

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

02 فروری 2026ء

## ڈائریکٹرز رپورٹ

مالیاتی جہت میں ہمیں اُمید ہے کہ مالی سال 2026ء میں مالیاتی خسارہ 3.9 فیصد کی سطح تک پہنچے گا، جو مالی سال 2006ء سے اب تک کی کم ترین سطح ہوگی۔ یہ بجٹ خسارے میں مالی سال 2022ء کی بلند ترین سطح 7.9 فیصد سے کمی کا چوتھا متواتر سال ہوگا۔ اس کمی کی ایک اہم وجہ یہ ہوگی کہ قرض کی ادائیگی کے انتظام (ڈیٹ سروسنگ) کو مالی سال 2026ء میں جی ڈی پی کا 6.2 فیصد کر دیا جائے گا، جو مالی سال 2024ء میں جی ڈی پی کا 7.7 فیصد تھا۔ آئی ایم ایف کا پرائمری سروسنگ سے متعلق سخت ہدف بھی مالیاتی نظم و ضبط برقرار رکھنے میں کردار ادا کرے گا۔

ایس بی پی نے سود کی شرحوں میں جون 2024ء سے مجموعی طور پر 1,150 بی پی ایس کی کمی کی ہے، اور یہ 22.0 فیصد کی بلند سطح سے کم ہو کر 10.5 فیصد پر آگئی ہیں۔ یہ مالیاتی تسہیل بہتر خارجی استحکام کے ساتھ ساتھ افراط زر کے دباؤ میں کمی کی وجہ سے ممکن ہوئی۔ مستقبل میں ہمیں اُمید ہے کہ مرکزی بینک آئندہ مالیاتی پالیسیوں کو تشکیل دینے میں اعداد و شمار پر منحصر لائحہ عمل جاری رکھے گا۔ ہم سمجھتے ہیں کہ موجودہ مالی سال کے دوران پالیسی شرح میں مزید 50 بیسیس پوائنٹس کمی کی گنجائش ہے۔

کپیٹل مارکیٹ، خاص طور پر ایکویٹیز، کے زاویے سے مارکیٹ میں اب بھی سستی ویلیو نیشنز پر تجارت ہو رہی ہے۔ مارکیٹ کیپ کا جی ڈی پی کے ساتھ تناسب 15.9 فیصد ہے، جو اس کے تاریخی اوسط 18.4 فیصد کے مقابلے میں 13 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 8.5 گنا ہے، جبکہ ڈیویڈنڈ سے حاصل ہونے والا منافع 5.9 فیصد ہے۔ حاملین قرض کے لیے ہمیں اُمید ہے کہ منی مارکیٹ فنڈز سال بھر پالیسی شرحوں کی بلاؤ کاؤٹ عکاسی جاری رکھیں گے۔

### فنڈ کی کارکردگی

دورانِ مدت فنڈ نے 26.94 فیصد منافع کمایا، جبکہ اس کے بالمقابل بیچ مارک منافع 34.43 فیصد تھا۔ اختتامِ مدت پر فنڈ کی ایکویٹی میں مجموعی سرمایہ کاری 92.1 فیصد تھی۔ دورانِ مدت ماہی فنڈ نے متعدد ہار سرمایہ کاری کے لائحہ عمل میں ترمیم کی تاکہ سیکٹرز اور کمپنی کی سطح پر ہونے والی مختلف بنیادی تبدیلیوں کے ساتھ ہم آہنگ ہو جاسکے۔ دورانِ مدت فنڈ کی زیادہ تر سرمایہ کاری سیمنٹ، تیل اور گیس کی دریافت کی کمپنیوں، کھاد اور کمرشل بینکوں میں تھی۔

31 دسمبر 2025ء کو فنڈ کے net اثاثہ جات 9,886 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 6,435 ملین روپے تھے، یعنی 53.63 فیصد اضافہ ہوا۔

31 دسمبر 2025ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 30.49 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی 24.02 روپے فی یونٹ تھی، یعنی 6.47 فیصد اضافہ ہوا۔

## ڈائریکٹرز رپورٹ

فیصد تک لے آنے سے مجموعی طور پر مارکیٹ میں اُمید افزا فضا پیدا ہوئی۔ آخر میں، گردش قرض کے حل کے منصوبے کے تحت حکومت کی طرف سے 1.2 ٹریلین روپے کی ادائیگی، اور کلیدی شعبوں میں بھرپور کارپوریٹ آمدنی، بڑھوتری کے رجحان کو برقرار رکھنے میں معاون ثابت ہوئیں۔

مالی سال 2026ء کے نصف اول کے دوران غیر ملکی سرمایہ کار، بیمہ کمپنیاں اور بینک اہم ترین net فروخت کنندگان تھے جن کے ذریعے بالترتیب 251.2 ملین ڈالر، 117.6 ملین ڈالر، اور 131.9 ملین ڈالر کا اخراج ہوا۔ اس فروخت کے زیادہ تر خریدار میوچل فنڈز اور دیگر افراد تھے جن کے ذریعے بالترتیب 249.6 ملین ڈالر اور 221.0 ملین ڈالر کی آمد ہوئی۔ سرگرمیوں کے محاذ پر، ایس ای کے تمام انڈیکس بڑھ کر 1,001.7 ملین حصص ہو گئے، جو گزشتہ نصف سال میں 576.9 ملین حصص کے بالمقابل ہیں۔ اوسط تجارتی حجم دوران مدت گزشتہ نصف سال کے مقابلے میں 51 فیصد بڑھ کر تقریباً 157 ملین ڈالر ہو گئی۔

انڈیکس کی بڑھوتری میں اہم ترین کردار بینکوں، سینٹ اور ای اینڈ پی کے شعبوں نے ادا کیا جنہوں نے بالترتیب 18,399، 7,968 اور 4,526 پوائنٹس کا اضافہ کیا۔ پُرجوش ڈیویڈنڈ آمدنی اور ویلیو نیشنز سے بینکاری اور سینٹ کے شعبے کی طرف سرمایہ کاروں کی دلچسپی مائل ہوتی ہے۔ ای اینڈ پی شعبہ بھی مرکز توجہ رہا کیونکہ گردش قرض کے حل کے منصوبے کے تحت حکومت پاکستان نے 1.2 ٹریلین روپے کی ادائیگی کی۔

### معیشت اور مارکیٹ - مستقبل کا منظر نامہ

جی ڈی پی کا مالی سال 2026ء میں 3.5 فیصد کی سطح پر آجانے کا امکان ہے۔ سود کی شرح میں کمی کے تاخیری اثر سے مستقبل میں صنعت اور خدمات کے شعبے کو فائدہ ہوگا جن میں بالترتیب 4.1 فیصد اور 3.6 فیصد ترقی متوقع ہے۔

آئی ایم ایف پروگرام کا تسلسل ایک اہم مثبت پہلو ہے جس سے مختلف ذرائع سے رقم کے حصول میں مدد ملے گی۔ ہمیں اُمید ہے کہ سال کے اختتام تک ایس بی پی کے ذخائر بڑھ کر 17.9 بلین ڈالر ہو جائیں گے، اور اس کے عوامل بروقت دو طرفہ توسیع، اور آئی ایم ایف اور کثیر الجہتی ایجنسیوں کی طرف سے آمدات ہیں۔ موجودہ مالی سال میں ہماری خارجی صورتحال میں بہتری آئی ہے جس کی بدولت پاکستان بین الاقوامی کیپیٹل مارکیٹس میں دوبارہ داخل ہونے پر غور کر سکتا ہے تاکہ پانڈا بانڈز جیسے موقعوں کو آزما جاسکے۔

پاکستان نے مالی سال 2025ء میں 14 برسوں کے بعد اپنا پہلا سالانہ کرنٹ اکاؤنٹ سروس پلس ریکارڈ کیا، جو برآمدات اور ترسیلات میں بحالی اور درآمدات پر قابو کے سبب ممکن ہوا۔ مالی سال 2026ء کے لیے ہمیں کرنٹ اکاؤنٹ میں درمیانے درجے کے خسارے - تقریباً 1.6 بلین ڈالر (جی ڈی پی کا 0.4 فیصد) کی توقع ہے۔ مالیاتی تسہیل کے پس منظر میں درآمدات کی مانگ میں مستحکم بحالی ہوئی، اور روپے کی قدر میں پیمائش شدہ کمی متوقع ہے، یعنی جون 2026ء تک ایک ڈالر تقریباً 290 روپے کا ہوگا۔

مجموعی افراط زر کا واحد عدد میں رہنے کا امکان ہے، جس کے عوامل روپے کی قدر میں استحکام اور فراہمی کے حالات میں بہتری ہیں۔ مالی سال 2026ء کے اختتام پر base کے اثر کی وجہ سے عارضی طور پر اضافہ ہو سکتا ہے، جس کے باعث سال کی اوسط افراط زر 6.7 فیصد ہو جائے گی۔ بنیادی افراط زر میں بدستور کمی کا رجحان برقرار رہے گا جس سے زرمبادلہ کی شرحوں میں استحکام اور مقامی طلب کے کم ہونے کی عکاسی ہوتی ہے۔ ہمیں اُمید ہے کہ اس میں مزید کمی ہوگی اور مالی سال کے اختتام تک یہ واحد عدد کی کم سطح پر پہنچ جائے گی۔

## ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے الحمد اسلامک اسٹاک فنڈ برائے مدت محترمہ 31 دسمبر 2025ء پیش خدمت ہے۔

معیشت کا جائزہ

مالی سال 2026ء کے پہلے پانچ ماہ میں ملک نے 812 ملین ڈالر کا کرنٹ اکاؤنٹ خسارہ پوسٹ کیا، جبکہ اس کے بالمقابل گزشتہ سال ممالک مدت میں 503 ملین ڈالر فاضل (سرسپلس) تھا۔ تجارتی خسارے میں 30.3 فیصد سال در سال (YoY) اضافہ ہوا کیونکہ برآمدات میں 3.2 فیصد کمی ہوئی جبکہ درآمدات میں 11.1 فیصد اضافہ ہوا۔ ترسیلات 9.3 فیصد بڑھ کر 16.2 بلین ڈالر ہو گئیں۔ ملک کی بیرونی صورتحال مستحکم رہی کیونکہ ایس بی پی کے غیر ملکی زرمبادلہ کے ذخائر بڑھ کر 15.9 بلین ڈالر ہو گئے، جبکہ اس کے بالمقابل گزشتہ مالی سال کے اختتام پر 14.5 بلین ڈالر تھے۔ مقامی کرنسی نے گرین بیک (امریکی ڈالر) کے بالمقابل استحکام کا مظاہرہ کیا اور دوران مدت پاکستانی روپے کی قدر 1.3 فیصد بڑھ کر 280.1 ہو گئی۔

مجموعی افراط زر، جس کی ترجمانی سی پی آئی سے ہوتی ہے، کا اوسط مالی سال 2026ء کے نصف اول کے دوران 5.1 فیصد رہا، جو گزشتہ سال ممالک مدت میں 7.3 فیصد کے بالمقابل ہے۔ اس تیزی سے ہونے والی کمی کی وجہ گزشتہ ایک سال کے دوران کرنسی کا استحکام ہے۔ مزید برآں، base کے اٹرنے افراط زر کے اعداد و کم کرنے میں مزید کردار ادا کیا۔

پاکستان کی جی ڈی پی میں مالی سال کی پہلی سہ ماہی میں 3.7 فیصد ترقی ہوئی۔ زراعت کے شعبے میں 2.9 فیصد، صنعتی شعبے میں 9.4 فیصد، اور خدمات کے شعبے میں 2.4 فیصد ترقی ہوئی۔ صنعتی شعبے میں شاندار ترقی کی وجہ مجموعی معاشی علامات اور base کی اثر میں بہتری ہے۔ مالیاتی جہت میں ایف بی آر ٹیکس وصولی مالی سال 2026ء کے نصف اول میں 9.6 فیصد بڑھ کر 6,159 بلین روپے ہو گئی، لیکن ہدف سے 331 بلین روپے کم رہی۔

ایکویٹی مارکیٹ کا جائزہ

کے ایس ای-100 انڈیکس میں گزشتہ کئی برسوں سے ہونے والی بڑھوتری کا رجحان مالی سال 2026ء کے نصف اول کے دوران بھی جاری رہا، اور 48,427 پوائنٹس (مالی سال میں تاحال +38.5 فیصد) بڑھ کر اختتام سال پر اب تک کی بلند ترین سطح 174,054 پوائنٹس پر پہنچ گیا۔ اس ترقی میں قابل ذکر مجموعی معاشی بہتری کا دخل تھا، بشمول ایس بی پی کے غیر ملکی زرمبادلہ کے ذخائر کا گزشتہ 46 ماہ کی بلند ترین سطح یعنی 15.9 بلین روپے تک پہنچ جانا، اور ایس اینڈ پی کا پاکستان کی خود مختار کریڈٹ درجہ بندی کو بڑھا کر B- کر دینا، جس سے ملک کی خارجی صورتحال کے حوالے سے سرمایہ کاروں کے اعتماد کو تقویت حاصل ہوئی۔

سرمایہ کاروں کی مزید حوصلہ افزائی دو اسباب سے ہوئی: پاک-امریکا تعلقات میں بہتری، جس کی عکاسی پاکستانی برآمدات پر ہلکے ٹیکس اور امریکی سرمایہ کاری میں دلچسپی کی تجدید سے ہوتی ہے؛ اور سعودی عرب کے ساتھ اسٹریٹیجک باہمی دفاعی معاہدے پر دستخط۔ اختتام مدت کے قریب آئی ایم ایف کی ای ایف اور آری ایف کے تحت 1.2 بلین ڈالر کے اجراء کی منظوری، بمع ایس بی پی کا پالیسی شرح کو 50 بیسیس پوائنٹس کم کر کے 10.5

# 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 Shahra-e-Faisal  
Karachi - 74400, Pakistan.  
Tel: (92-21) 111-111-500  
Fax: (92-21) 34326021 - 23  
URL: www.cdcpakistan.com  
Email: info@cdcpak.com



## TRUSTEE REPORT TO THE UNIT HOLDERS

### ALHAMRA ISLAMIC STOCK FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of Alhamra Islamic Stock 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 six months period ended December 31, 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: February 18, 2026



# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



A.F. FERGUSON & CO.

## INDEPENDENT AUDITOR'S REVIEW REPORT

To the unitholders of Alhamra Islamic Stock Fund

Report on review of Interim Financial Statements

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Alhamra Islamic Stock Fund** as at December 31, 2025 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movements in unit holders' fund, and condensed interim cash flow statement, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). The Management Company (MCB Investment Management Limited) is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarter ended December 31, 2025 have not been subjected to the review, as our engagement was limited to the review of the cumulative figures for the half year ended December 31, 2025.

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

A.F. Ferguson & Co.  
Chartered Accountants  
Karachi  
Date: February 27, 2026  
UDIN: RR202510611rLnp4AkPo

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

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES  
AS AT DECEMBER 31, 2025**

	Note	December 31, 2025 (Un-audited) ----- (Rupees in '000) -----	June 30, 2025 (Audited)
<b>ASSETS</b>			
Balances with banks	5	600,041	282,100
Receivable against sale of investments		176,514	14,419
Receivable against conversion of units		-	658,725
Investments	6	9,209,390	5,924,421
Profit receivable		3,219	3,871
Advances, deposits and other receivables	7	13,558	12,538
<b>Total assets</b>		<b>10,002,722</b>	<b>6,896,074</b>
<b>LIABILITIES</b>			
Payable against purchase of investments		49,564	279,669
Payable against conversion of units		-	105,204
Payable to MCB Investment Management Limited - Management Company	8	30,216	20,420
Payable to Central Depository Company of Pakistan Limited - Trustee	9	1,044	131
Payable to the Securities and Exchange Commission of Pakistan	10	782	467
Accrued expenses and other liabilities	11	34,951	55,158
<b>Total liabilities</b>		<b>116,557</b>	<b>461,049</b>
<b>NET ASSETS</b>		<b>9,886,165</b>	<b>6,435,025</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>9,886,165</b>	<b>6,435,025</b>
<b>Contingencies and commitments</b>	12		
		---- (Number of units) ----	
<b>NUMBER OF UNITS IN ISSUE</b>		<b>324,245,639</b>	<b>267,867,506</b>
		----- (Rupees) -----	
<b>NET ASSET VALUE PER UNIT</b>		<b>30.49</b>	<b>24.02</b>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

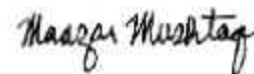
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

	Note	Half year ended		Quarter ended	
		December 31,		December 31,	
		2025	2024	2025	2024
----- (Rupees in '000) -----					
<b>INCOME</b>					
Profit on savings accounts with banks		31,685	15,989	15,530	8,683
Dividend income		164,406	158,445	95,974	109,362
Net realised gain on sale of investments		569,920	927,001	502,068	896,873
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	1,452,174	1,131,404	(481,534)	1,031,925
<b>Total income</b>		<b>2,218,185</b>	<b>2,232,839</b>	<b>132,038</b>	<b>2,046,843</b>
<b>EXPENSES</b>					
Remuneration of MCB Investment Management Limited - Management Company	8.1	148,012	84,378	79,333	49,843
Sindh sales tax on remuneration of the Management Company	8.2	22,202	12,657	11,900	7,477
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	5,438	3,002	2,896	1,757
Sindh sales tax on remuneration of the Trustee	9.2	816	450	435	263
Fees to the Securities and Exchange Commission of Pakistan	10	4,687	2,372	2,512	1,429
Auditors' remuneration		896	586	568	293
Brokerage, settlement and bank charges		17,888	18,187	9,284	14,666
Legal and professional charges		99	174	15	87
Shariah advisory fee		190	182	94	96
Printing and related costs		-	35	-	10
Charity expense		4,836	4,782	4,293	2,995
<b>Total expenses</b>		<b>205,064</b>	<b>126,805</b>	<b>111,330</b>	<b>78,916</b>
<b>Net income for the period before taxation</b>		<b>2,013,121</b>	<b>2,106,034</b>	<b>20,708</b>	<b>1,967,927</b>
Taxation	13	-	-	-	-
<b>Net income for the period after taxation</b>		<b>2,013,121</b>	<b>2,106,034</b>	<b>20,708</b>	<b>1,967,927</b>
<b>Allocation of net income for the period after taxation</b>					
- Net income for the period after taxation		2,013,121	2,106,034		
- Income already paid on units redeemed		(581,062)	(859,093)		
		<u>1,432,059</u>	<u>1,246,941</u>		
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		1,432,059	1,233,320		
- Excluding capital gains		-	13,621		
		<u>1,432,059</u>	<u>1,246,941</u>		

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

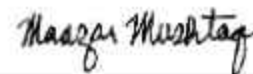
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

	Half year ended		Quarter ended	
	December 31,		December 31,	
	2025	2024	2025	2024
	(Rupees in '000)			
<b>Net income for the period</b>	2,013,121	2,106,034	20,708	1,967,927
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<u>2,013,121</u>	<u>2,106,034</u>	<u>20,708</u>	<u>1,967,927</u>

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

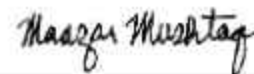
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Half year ended December 31, 2025			Half year ended December 31, 2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
<b>Net assets at the beginning of the period (audited)</b>	4,766,741	1,668,284	6,435,025	3,559,863	519,794	4,079,657
Issuance of 507,663,409 (2024: 404,337,301) units:						
- Capital value (at net asset value per unit at the beginning of the period)	12,194,074	-	12,194,074	6,117,623	-	6,117,623
- Element of income	2,023,828	-	2,023,828	1,362,052	-	1,362,052
<b>Total proceeds on issuance of units</b>	14,217,902	-	14,217,902	7,479,675	-	7,479,675
Redemption of 451,285,276 (2024: 394,187,256) units:						
- Capital value (at net asset value per unit at the beginning of the period)	(10,839,872)	-	(10,839,872)	(5,964,053)	-	(5,964,053)
- Element of loss	(1,358,949)	(581,062)	(1,940,011)	(705,716)	(859,093)	(1,564,809)
<b>Total payments on redemption of units</b>	(12,198,821)	(581,062)	(12,779,883)	(6,669,769)	(859,093)	(7,528,862)
Total comprehensive income for the period	-	2,013,121	2,013,121	-	2,106,034	2,106,034
<b>Net assets at the end of the period (unaudited)</b>	6,785,822	3,100,343	9,886,165	4,369,769	1,766,735	6,136,504
<b>Undistributed income brought forward</b>						
- Realised gain / (loss)		547,755			(581,427)	
- Unrealised income		1,120,529			1,101,221	
		1,668,284			519,794	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		1,432,059			1,233,320	
- Excluding capital gains		-			13,621	
		1,432,059			1,246,941	
Undistributed income carried forward		3,100,343			1,766,735	
<b>Undistributed income carried forward</b>						
- Realised income		1,648,169			635,331	
- Unrealised income		1,452,174			1,131,404	
		3,100,343			1,766,735	
		<b>(Rupees)</b>			<b>(Rupees)</b>	
Net asset value per unit at the beginning of the period	24.02			15.13		
Net asset value per unit at the end of the period	30.49			21.93		

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

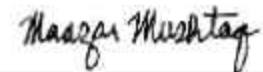
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Note	Half year ended	
		December 31,	
		2025	2024
		----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period before taxation		2,013,121	2,106,034
<b>Adjustments for:</b>			
Dividend income		(164,406)	(158,445)
Profit on savings accounts with banks	7	(31,685)	(15,989)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.2	(1,452,174)	(1,131,404)
		364,856	800,196
<b>Increase in assets</b>			
Investments - net		(1,832,795)	(775,182)
Receivable against sale of investments		(162,095)	31,284
Advances, deposits and other receivable		(1,020)	(10,020)
		(1,995,910)	(753,918)
<b>(Decrease) / increase in liabilities</b>			
Payable to MCB Investment Management Limited - Management Company		9,796	5,228
Payable to Central Depository Company of Pakistan Limited - Trustee		913	265
Payable to the Securities and Exchange Commission of Pakistan		315	209
Payable against purchase of investments		(230,105)	30,832
Accrued expenses and other liabilities		(20,207)	29,992
		(239,288)	66,526
Dividend received		164,406	158,445
Profit received on savings accounts with banks		32,337	15,203
<b>Net cash (used in) / generated from operating activities</b>		(1,673,599)	286,452
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance and conversion of units		14,876,627	7,479,675
Payments against redemption and conversion of units		(12,885,087)	(7,528,862)
<b>Net cash generated from / (used in) financing activities</b>		1,991,540	(49,187)
<b>Net increase in cash and cash equivalents during the period</b>		317,941	237,265
Cash and cash equivalents at the beginning of the period		282,100	204,974
<b>Cash and cash equivalents at the end of the period</b>	15	600,041	442,239

The annexed notes 1 to 21 form an integral part of these condensed interim financial statements.

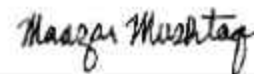
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

## 1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Stock Fund (the Fund) was established through a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited (now MCB Investment Management Limited), as 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 May 13, 2004 consequent to which Trust Deed was executed on May 26, 2004 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 provide a high absolute return by investing in equity securities. Units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Shariah Compliant Equity Scheme" by the Board of Directors of the Management Company in accordance with the requirements of Circular 7 of 2009 dated March 6, 2009 issued by SECP.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' on October 03, 2025 (June 30, 2025: 'AM1' dated October 4, 2024) to the Management Company. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

## 2 BASIS OF PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred 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 condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of, directives and notifications issued under the Companies Act 2017 along with part VIIIA of the repealed Companies ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of, directives and notifications issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IAS 34 'Interim Financial Reporting', the provisions of, directives and notifications issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed have been followed.

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

The disclosures made in these condensed interim financial statements are limited, based on the requirements of IAS 34 'Interim Financial Reporting'. These condensed interim financial statements does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. These condensed interim financial statements also include the condensed interim income statement and the condensed interim statement of comprehensive income for the three months period ended December 31, 2025 which are not subjected to auditor's review. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at and for the six months period ended December 31, 2025.

#### 4 MATERIAL ACCOUNTING POLICY INFORMATION, SIGNIFICANT ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The material accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2025.

4.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the reported amounts of assets, liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that were applied in the audited annual financial statements of the Fund as at and for the year ended June 30, 2025.

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2025.

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

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025 and have not been disclosed in the condensed interim financial statements. However, these are considered either not to be relevant or do not have any material impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

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

- The new standard - IFRS 18 'Presentation and Disclosure in the Financial statements' (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' and IFRS 7 'Financial Instruments: Disclosures' clarify the timing of recognition and derecognition of certain financial instruments including settlement of liabilities through banking instruments and channels including electronic transfers. Further, guidance on the SPPI assessment, and disclosure requirements for instruments with cash flow modifying features and equity instruments designated at FVOCI has also been amended. These amendments are effective from January 1, 2026. The amendment when applied may impact the accounting and presentation of the financial instruments.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
----- (Rupees in '000) -----			
<b>5 BALANCES WITH BANKS</b>			
- In current accounts	5.1	33,842	30,370
- In savings accounts	5.2	566,199	251,730
		600,041	282,100

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

- 5.1 These include a balance of Rs. 17.37 million (June 30, 2025: Rs. 13.40 million) maintained with MCB Bank Limited, a related party.
- 5.2 These carry profit at the rates ranging from 9.50% to 10.10% (June 30, 2025: 10.00% to 10.25%) per annum. These include a balance of Rs. 412.69 million (June 30, 2025: Rs. 203.42 million) maintained with MCB Islamic Bank Limited, a related party.

	Note	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
		———— (Rupees in '000) ————	
<b>6 INVESTMENTS</b>			
<b>Investments at fair value through profit or loss</b>			
Listed equity securities	6.1	9,209,390	5,924,421

### 6.1 Listed Equity Securities

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

Name of the investor company	Number of shares					Balance as at December 31, 2025			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investor company	
	As at July 01, 2025	Purchased / transferred during the period	Bonus / right issue / split of shares during the period	Sold / transferred during the period	As at December 31, 2025	Carrying value	Market value	Unrealized appreciation / (diminution)	net assets of the Fund	total market value of investments		
						———— (Rupees in '000) ————			———— % ————			
<b>AUTOMOBILE ASSEMBLER</b>												
Suzgar Engineering Works Limited	150,480	35,387	-	105,867	80,000	93,797	136,152	42,355	-	1.38	1.48	0.13
Honda/Alfa Cars (Pakistan) Limited	-	270,000	-	270,000	-	-	-	-	-	-	-	-
						<b>93,797</b>	<b>136,152</b>	<b>42,355</b>				
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>												
Parther Tyres Limited	2,077,078	1,509,723	-	-	3,586,801	164,198	203,407	39,209	-	2.08	2.21	2.14
						<b>164,198</b>	<b>203,407</b>	<b>39,209</b>				
<b>CABLE AND ELECTRICAL GOODS</b>												
Pak Elektron Limited	3,257,611	1,430,000	-	2,262,611	2,425,000	102,417	139,050	36,633	-	1.41	1.51	0.26
						<b>102,417</b>	<b>139,050</b>	<b>36,633</b>				
<b>CEMENT</b>												
Cheral Cement Company Limited	1,101,249	634,945	-	162,023	1,574,171	472,753	525,018	52,265	-	5.31	5.70	0.81
D.G. Khan Cement Company Limited **	365,000	1,145,000	-	1,510,000	-	-	-	-	-	-	-	-
Lucky Cement Limited **** & 6.1.1	1,818,000	815,386	-	540,000	2,093,386	788,436	994,275	205,839	-	10.06	10.80	0.14
Maple Leaf Cement Factory Limited	1,110,000	1,590,000	-	2,000,000	700,000	60,341	82,201	21,860	-	0.83	0.89	0.07
Pioneer Cement Limited	748,777	27,500	-	541,277	235,000	54,250	91,048	36,798	-	0.92	0.99	0.10
						<b>1,375,780</b>	<b>1,692,542</b>	<b>316,762</b>				
<b>COMMERCIAL BANKS</b>												
Faysal Bank Limited	2,686,000	669,000	-	1,845,000	1,510,000	109,038	140,083	31,045	-	1.42	1.52	0.10
Meezan Bank Limited	1,685,000	1,190,000	-	690,000	2,185,000	795,621	970,970	175,349	-	9.82	10.54	0.12
						<b>904,659</b>	<b>1,111,053</b>	<b>206,394</b>				
<b>ENGINEERING</b>												
International Industries Limited **	-	417,124	-	56,642	360,482	83,083	67,107	(15,976)	-	0.68	0.73	0.08
International Steels Limited **	184,695	665,305	-	365,000	485,000	45,729	51,100	5,371	-	0.52	0.55	0.14
Mughal Iron & Steel Industries Limited	530,000	1,268,827	-	918,827	880,000	78,214	90,710	12,496	-	0.92	0.98	0.26
						<b>207,026</b>	<b>208,917</b>	<b>1,891</b>				
<b>Chemicals</b>												
Illehad Chemicals Limited	185,465	-	-	185,465	-	-	-	-	-	-	-	-
Lucky Core Industries Limited **** & 6.1.3	18,228	-	72,912	91,140	-	-	-	-	-	-	-	-
Sikara Chemical Industries	50,000	-	-	50,000	-	-	-	-	-	-	-	-
						-	-	-				
<b>FERTILIZER</b>												
Engro Fertilizer Limited	1,376,000	603,000	-	544,000	1,435,000	278,571	324,612	46,241	-	3.29	3.53	0.11
Fafima Fertilizer Company Limited	3,709,255	1,975,617	-	1,684,872	4,000,000	435,844	606,440	170,596	-	6.13	6.59	0.19
Fauji Fertilizer Company Limited	230,769	465,000	-	230,769	465,000	266,309	274,680	8,371	-	2.78	2.98	0.03
						<b>980,724</b>	<b>1,205,932</b>	<b>225,208</b>				

\* These represent nil figures due to rounding off

\*\* These represent transactions in shares of related parties

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

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

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

\*\*\*\*\* These have a face value of Re. 3.5 per share

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

Name of the investee company	Number of shares					Balance as at December 31, 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, 2025	Purchased / transferred during the period	Bonus / right issue / split of shares during the period	Sold / transferred during the period	As at December 31, 2025	Carrying value	Market value	Unrealised appreciation / (diminution)	net assets of the Fund	total market value of investments	
						(Rupees in '000)			%		
<b>FOOD AND PERSONAL CARE PRODUCTS</b>											
Barkat Frisian Agro Limited ****	2,766,000	-	-	616,000	2,150,000	88,043	92,579	4,536	0.94	1.01	0.69
National Foods Limited *** & 6.1.1	343,000	70,000	-	91,000	322,000	108,813	127,580	18,767	1.29	1.39	0.14
						<b>196,856</b>	<b>220,159</b>	<b>23,303</b>			
<b>GLASS AND CERAMICS</b>											
Ghani Glass Limited	500,000	-	-	-	500,000	22,720	17,925	(4,795)	0.18	0.19	0.15
Shabbir Tiles & Ceramics Limited ***	3,061,395	-	-	3,061,395	-	-	-	-	-	-	-
Tariq Glass Industries	200,807	184,193	-	193,145	191,855	48,595	40,925	(5,580)	0.41	0.44	0.11
						<b>69,225</b>	<b>58,850</b>	<b>(16,375)</b>			
<b>INV.BANKS/INV.COM./SECURITIES COS.</b>											
Engro Holding Limited	-	3,410,000	-	1,685,000	1,725,000	375,951	409,291	33,340	4.14	4.44	0.14
						<b>375,951</b>	<b>409,291</b>	<b>33,340</b>			
<b>OIL AND GAS EXPLORATION COMPANIES</b>											
Mari Energies Limited * & 6.1.2	14,080	-	-	-	14,080	8,827	10,080	1,253	0.10	0.11	-
Oil & Gas Development Company Limited 6.1.1	1,490,000	1,370,000	-	325,009	2,534,991	610,702	712,581	101,859	7.21	7.74	0.06
Pakistan Petroleum Limited	1,865,000	1,550,000	-	425,000	2,990,000	530,135	704,295	174,160	7.12	7.85	0.11
						<b>1,149,664</b>	<b>1,426,936</b>	<b>277,272</b>			
<b>OIL AND GAS MARKETING COMPANIES</b>											
Attock Petroleum Limited	260,786	-	-	-	260,786	125,069	142,263	17,194	1.44	1.54	0.21
H-Tech Lubricants Limited	-	2,415,250	-	84,899	2,330,351	117,485	134,671	17,186	1.36	1.46	1.67
Pakistan State Oil Company Limited	417,500	45,000	-	67,500	395,000	149,474	167,293	37,819	1.89	2.03	0.08
						<b>392,028</b>	<b>464,227</b>	<b>72,199</b>			
<b>PAPER AND BOARD</b>											
Century Paper & Board Mills Limited	-	2,100,000	-	-	2,100,000	57,862	75,348	17,486	0.76	0.82	0.52
Packages Limited	120,440	19,909	-	-	140,349	78,916	107,353	28,437	1.09	1.17	0.16
						<b>136,778</b>	<b>182,701</b>	<b>45,923</b>			
<b>PHARMACEUTICALS</b>											
Abbott Laboratories (Pakistan) Limited	-	145,352	-	11,952	133,400	151,802	140,089	(11,513)	1.42	1.52	0.14
AGP Limited	1,032,834	858,366	-	228,200	1,665,000	325,628	338,245	12,617	3.42	3.67	0.58
Hightnoon Laboratories Limited	58,000	76,212	-	-	134,212	-	-	-	-	-	-
Ferrous Laboratories Limited	228,816	51,184	-	84,100	195,900	77,149	73,607	(3,542)	0.74	0.80	0.45
GlaucSmithKline Pakistan Limited	-	586,931	-	216,931	370,000	154,202	144,219	(9,983)	1.46	1.57	0.12
						<b>788,581</b>	<b>696,160</b>	<b>(12,421)</b>			
<b>POWER GENERATION AND DISTRIBUTION</b>											
K Electric Limited *****	8,700,000	-	-	8,700,000	-	-	-	-	-	-	-
Lalpur Power Limited **	1,684,958	-	-	-	1,684,958	-	-	-	-	-	-
Nisbat Churrian Power Limited ** & 6.1.1	4,899,500	-	-	-	4,899,500	-	-	-	-	-	-
Nisbat Power Limited ** 6.1.1	1,825,000	-	-	1,825,000	-	-	-	-	-	-	-
						<b>-</b>	<b>-</b>	<b>-</b>			
<b>REFINERY</b>											
Attock Refinery Limited	87,000	-	-	-	87,000	59,110	59,458	348	0.60	0.65	0.08
						<b>59,110</b>	<b>59,458</b>	<b>348</b>			
<b>TECHNOLOGY AND COMMUNICATION</b>											
Systems Limited ****	1,984,722	1,079,001	-	403,723	2,660,000	309,536	454,541	145,005	4.60	4.94	0.18
						<b>309,536</b>	<b>454,541</b>	<b>145,005</b>			
<b>TEXTILE COMPOSITE</b>											
Gul Ahmed Textile Mills Limited	2,087,661	3,974,673	-	712,334	5,350,000	173,914	150,175	(23,739)	1.52	1.63	0.72
Interloop Limited	2,683,265	1,376,225	-	339,490	3,720,000	261,237	286,738	25,501	2.90	3.11	0.27
						<b>435,151</b>	<b>436,913</b>	<b>1,762</b>			
<b>MISCELLANEOUS</b>											
Shifa International Hospitals Limited	251,492	-	-	50,000	201,492	95,735	103,101	7,366	1.04	1.12	0.32
Pakistan Aluminium Beverage Cans Limited	464,153	-	-	464,153	-	-	-	-	-	-	-
						<b>95,735</b>	<b>103,101</b>	<b>7,366</b>			
<b>Total as at December 31, 2025 (unaudited)</b>						<b>7,757,218</b>	<b>9,209,390</b>	<b>1,452,174</b>			
<b>Total as at June 30, 2025 (audited)</b>						<b>4,803,892</b>	<b>5,924,421</b>	<b>1,120,529</b>			

\* These represent nil figures due to rounding off

\*\* These represent transactions in shares of related parties

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

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

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

\*\*\*\*\* These have a face value of Rs. 3.5 per share

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
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**6.1.1** The below investments include shares having a market value (in aggregate) amounting to Rs. 379.52 (June 30, 2025: 294.39) 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	December 31, 2025	June 30, 2025	December 31, 2025	June 30, 2025
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	— (Number of shares) —		— (Rupees in '000) —	
Oil and Gas Development Company Limited	950,000	950,000	267,026	209,532
Lucky Cement Limited	70,000	-	33,247	-
Nishat Chunian Power Limited	-	500,000	-	12,155
Nishat Power Limited	-	200,000	-	7,254
National Foods Limited	200,000	200,000	79,242	65,446
	<u>1,220,000</u>	<u>1,850,000</u>	<u>379,515</u>	<u>294,387</u>

**6.1.2** The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to 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% 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.

The Finance Act, 2023 has introduced section 236Z of the Income Tax Ordinance, 2001 (ITO) effective from July 1, 2023. As per the aforementioned section, every company quoted on stock exchange issuing bonus shares to the shareholders of the company, is required to withhold tax at the rate of ten percent of the bonus shares to be issued, determined on the basis of day-end price on the first day of closure of books of the issuing company and such tax shall be treated as final tax which has been classified under "Advances, Deposits and Other Receivables" in these condensed interim financial statements. At December 31, 2025, the market value of these shares amounted to Rs. 10.14 million (June 30, 2025: 8.83 million).

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.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
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As at December 31, 2025, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs.10.14 million (June 30, 2025: Rs. 8.86 million).

Name of investee company	Number of shares withheld	Market value per share	Market value
		(Un-audited)	
			(Rupees in '000)
Hascol Petroleum Limited	1,910	15.84	30
The Searle Company Limited	212	119.97	25
Mari Energies Limited	14,080	715.89	10,080
Total as at December 31, 2025			<u>10,135</u>
Total as at June 30, 2025			<u>8,863</u>

6.1.3 During the period, Lucky Core Industries (LCI), pursuant to a resolution passed by its shareholders in the Extraordinary General Meeting held on June 20, 2025, approved the subdivision of the face value of its ordinary shares from Rs. 10 to Rs. 2 per share.

6.2 Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	Note	December 31, 2025	December 31, 2024
		(Un-audited)	(Un-audited)
		----- (Rupees in '000) -----	
Market value of investments	6.1	9,209,390	5,794,810
Less: Carrying value of investments	6.1	<u>(7,757,216)</u>	<u>(4,663,406)</u>
		<u>1,452,174</u>	<u>1,131,404</u>

7 ADVANCES, DEPOSITS AND OTHER RECEIVABLES	Note	December 31, 2025	June 30, 2025
		(Un-audited)	(Audited)
		----- (Rupees in '000) -----	
Advance tax	7.1	6,792	7,086
Security deposit with:			
- National Clearing Company of Pakistan Limited (NCCPL)		2,500	2,500
- Central Depository Company of Pakistan Limited (CDC)		300	300
Other receivables		136	2,652
Receivable against collection account		<u>3,830</u>	<u>-</u>
		<u>13,558</u>	<u>12,538</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 payment of dividend and profit on savings accounts with banks 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 savings accounts with banks was amounted to Rs 6.79 million (June 30, 2025: Rs 7.09 million). Pending resolution of the matter, the amount of withholding tax deducted on dividends and profit on savings accounts with banks has been shown as Advance tax under 'Advances, deposits and other receivables' as at December 31, 2025 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

8 PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	December 31, 2025	June 30, 2025
		(Un-audited)	(Audited)
		----- (Rupees in '000) -----	
Management remuneration payable	8.1	24,701	17,094
Sindh sales tax payable on remuneration of the Management Company	8.2	3,705	2,564
Sales load payable		1,777	731
Shariah advisory fee payable		33	31
		<u>30,216</u>	<u>20,420</u>

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8.1 In accordance with the NBFC Regulations, 2008, as amended by the SECP vide SRO No. 600(I)/2025 dated April 10, 2025, the Fund may charge a management fee up to 3.00% per annum on average daily net assets of the Fund, applicable to 'Shariah Compliant Equity Scheme', with effect from July 01, 2025. Previously, the Management Company was entitled to a remuneration equal to an amount not exceeding the maximum rate of management fee as disclosed in the offering document subject to the total expense ratio limit. Accordingly, the Fund has charged management fee at the rate of 3.00% (December 31, 2024: 3.48%) of average daily net assets of the Fund during the current period. The remuneration is payable to the Management Company monthly in arrears.

8.2 Sindh sales tax on remuneration of the Management Company has been charged at the rate of 15% (June 30, 2025: 15%).

	<b>Note</b>	<b>December 31, 2025 (Un-audited)</b>	<b>June 30, 2025 (Audited)</b>
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration payable	9.1	908	114
Sindh sales tax payable on trustee remuneration	9.2	136	17
		<u>1,044</u>	<u>131</u>

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

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

9.2 Sindh sales tax on trustee fee has been charged at the rate of 15% (June 30, 2025: 15%).

	<b>Note</b>	<b>December 31, 2025 (Un-audited)</b>	<b>June 30, 2025 (Audited)</b>
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Fee payable	10.1	782	467

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) at the rate of 0.095% per annum of the daily net assets of the Fund, applicable to a "Shariah compliant Equity Scheme". Accordingly, the Fund has charged SECP fee at the rate of 0.095% (June 30, 2025: 0.095%) per annum of the daily net assets during the period. The fee is paid to the commission on monthly basis in arrears.

The Fund is required to pay SECP fee within 15 days of the close of every calendar month.

	<b>Note</b>	<b>December 31, 2025 (Un-audited)</b>	<b>June 30, 2025 (Audited)</b>
		----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>11 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Unclaimed dividends		12,236	12,236
Charity payable	11.1	4,836	10,546
Provision for Federal Excise Duty and related tax payable on:			
- Remuneration of the Management Company	11.2	5,689	5,689
- Sales load		125	125
Auditors' remuneration payable		786	895
Brokerage payable		2,089	3,281
Withholding tax payable		9,141	22,347
Payable to legal advisor		49	39
		<u>34,951</u>	<u>55,158</u>

11.1 According to the instruction of Shariah Advisor, any income earned by the Fund from investments whereby portion of the investment of investee company has been made in Shariah non-compliant avenues, such proportion of income of the Fund from these investments should be given away for charitable purpose directly by the Fund.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
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- 11.2** 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% 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 and sales load were 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, sales load and related taxes with effect from July 1, 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 5.81 million is being retained in these condensed interim 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 December 31, 2025 would have been higher by Re 0.02 per unit (June 30, 2025: Re 0.02 per unit).

**12 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at December 31, 2025 and June 30, 2025.

**13 TAXATION**

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% 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% 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 intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2026 to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these condensed interim financial statements.

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

**14 TOTAL EXPENSE RATIO**

The annualised total expense ratio (TER) of the Fund based on the current period results is 4.16% (December 31, 2024: 5.08%) which includes 0.61% (December 31, 2024: 0.71%) representing Government Levy, SECP Fee, etc.

The SECP vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the TER limit 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 these condensed interim financial statements.

	Note	December 31, 2025 (Un-audited)	December 31, 2024 (Audited)
		----- (Rupees in '000) -----	
<b>15 CASH AND CASH EQUIVALENTS</b>			
Balances with banks	5	600,041	442,239

**16 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES**

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, MCB Islamic Bank Limited (being 100% subsidiary of the Holding 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.

## NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

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

Remuneration payable to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and constitutive documents of the Fund respectively.

Remuneration of the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

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

16.1 Details of transactions with the related parties / connected persons are as follows:	December 31, 2025	December 31, 2024
	——(Un-audited)——	
	—— (Rupees in '000) ——	
<b>MCB Investment Management Limited - Management Company</b>		
Remuneration of the Management Company including indirect taxes	170,214	97,035
Shariah advisory fee	190	182
Units issued to the unitholder on behalf of the Management Company*	-	19,702
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee including indirect taxes	6,254	3,452
Central Depository Service charges	447	354
<b>Group / associated companies</b>		
<b>MCB Bank Limited - Parent of the Management Company</b>		
Bank charges	84	22
<b>MCB Islamic Bank Limited - Subsidiary of parent of the Management Company</b>		
Profit on balances with bank	18,723	10,445
<b>D.G. Khan Cement Company Limited</b>		
Purchase 1,145,000 (December 31, 2024: 180,000) shares	216,158	16,580
Sales of 1,510,000 (December 31, 2024: 180,000) shares	344,758	18,591
Dividend income	3,020	-
<b>Nishat Mills Limited</b>		
Purchase Nil (December 31, 2024: 80,000) shares	-	5,177
Sales of Nil (December 31, 2024: 1,340,354) shares	-	89,004
<b>International Steels Limited</b>		
Purchase 665,305 (December 31, 2024: 967,500) shares	63,023	72,643
Sales of 365,000 (December 31, 2024: 253,500) shares	37,282	22,464
Dividend Income	1,750	-
<b>Nishat Power Limited</b>		
Purchase Nil (December 31, 2024: 3,338,358) shares	-	92,858
Sales of 1,825,000 (December 31, 2024: 1,913,358) shares	78,712	69,700
Dividend Income	-	6,277
<b>Nishat Chunian Power Limited</b>		
Purchase Nil (December 31, 2024: 1,689,500) shares	-	49,490
Sales of 4,699,500 (December 31, 2024: Nil) shares	166,141	-
<b>Lalpir Power Limited</b>		
Sales of 1,684,958 (December 31, 2024: 400,000) shares	40,587	6,993
Dividend Income	-	800
<b>International Industries Limited</b>		
Purchase 417,124 (December 31, 2024: Nil) shares	96,138	-
Sales of 56,642 (December 31, 2024: Nil) shares	103,041	-

\* This represents amount reimbursed by the Management Company in the form of dividend to identified unit holders of the Fund in relation to reversal of excess amount charged against reimbursement of selling and marketing expenses as per the direction of Securities and Exchange Commission of Pakistan.

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	December 31, 2025 (Un-audited)	June 30, 2025 (Audited)
	----- (Rupees in '000) -----	
<b>16.2 Balances outstanding as at period end / year end</b>		
<b>MCB Investment Management Limited - Management Company</b>		
Remuneration payable	24,701	17,094
Sindh sales tax payable on remuneration of the Management Company	3,705	2,564
Sales load payable including related taxes	1,777	731
Shariah advisory fee payable	33	31
Receivable against collection account	3,830	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	908	114
Sindh sales tax payable on remuneration	136	17
Security deposit	300	300
<b>Group / associated companies</b>		
<b>MCB Bank Limited</b>		
Balance with bank	17,377	13,398
<b>MCB Islamic Bank Limited</b>		
Balance with bank	412,688	203,423
<b>D.G. Khan Cement Company Limited</b>		
Nil shares (June 30, 2025: 365,000 shares)	-	60,429
<b>International Steels Limited</b>		
485,000 shares (June 30, 2025: 184,695 shares)	51,100	17,121
<b>Nishat Power Limited</b>		
Nil shares (June 30, 2025: 1,825,000 shares)	-	66,193
<b>Nishat Chunian Power Limited</b>		
Nil shares (June 30, 2025: 4,699,500 shares)	-	114,245
<b>Lalpir Power Limited</b>		
Nil shares (June 30, 2025: 1,684,958 shares)	-	43,961
<b>International Industries Limited</b>		
360,482 shares (June 30, 2025: Nil shares)	67,107	-

**16.3 Transactions during the period with related parties / connected persons in units of the Fund:**

	Half year ended December 31, 2025 (Un-audited)							
	As at July 01, 2025	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at December 31, 2025	As at July 01, 2025	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at December 31, 2025
	(Number of units)				(Rupees in '000)			
<b>Group / associated companies / undertakings</b>								
D.G. Khan Cement Company Limited Employees Provident Fund Trust	1,563	-	-	1,563	38	-	-	48
Adanjee Life Assurance Company Limited Conventional Business *	246,294	-	1	246,293	5,916	-	-	7,509
Adanjee Life Assurance Company Limited (IMF)	41,976,854	-	41,976,854	-	1,008,284	-	1,172,656	-
Kapco Employees Pension Fund	232	-	-	232	6	-	-	7
Adanjee Life Assurance Company Limited Amanat Fund	4,606,516	-	1,584,257	3,022,259	110,624	-	44,500	92,118
Adanjee Life Assurance Company Limited - Mazsar	17,581,367	-	722,282	16,859,084	422,304	-	20,000	514,033
Hyundai Nishat Motor Private Limited Employees Provident Fund	1,821,196	-	464,929	1,356,267	43,745	-	12,800	41,353
MCBFSL Trustee Alhamra Smart Portfolio	2,226,484	1,568,854	1,370,587	2,414,751	53,480	42,317	39,098	73,626
Adanjee Life Assurance Company Limited Managed Growth Fund	145,981	-	-	145,981	3,506	-	-	4,451
Adanjee Life Assurance Company Limited - SHFS *	1,182,642	1	-	1,182,643	28,407	-	-	36,059
Adanjee Life Assurance Company Limited - GFT PTF	610,404	809,644	-	1,420,048	14,662	23,000	-	43,297
Adanjee Life Assurance Company Limited - OSF	3,885,683	524,843	657,246	3,753,280	93,334	15,000	20,000	114,438
<b>Directors And Key Management Personnel</b>	675,906	5,491,856	4,096,029	2,071,732	16,236	8,681,471	130,087	63,167
<b>Mandate under discretionary portfolio services</b>	19,982,106	15,881,329	27,335,409	8,528,026	479,970	402,908	779,103	260,020

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Half year ended December 31, 2024 (Un-audited)								
As at July 01, 2024	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at December 31, 2024	As at July 01, 2024	Issued for cash / conversion in / transferred in	Redeemed / conversion out / transfer out	As at December 31, 2024	
(Number of units)				(Rupees in '000)				
<b>MCB Investment Management Limited - Management Company</b>	-	4,703	-	4,703	-	100	-	103
<b>Group / associated companies / undertakings</b>								
Nishat Mills Limited	1,249,100	3,154	-	1,252,254	18,899	67	-	27,462
D.G. Khan Cement Company Limited Employees Provident Fund Trust	-	1,530	-	1,530	-	32	-	34
Adamjee Life Assurance Company Limited - IMF	120,941,615	309,604	84,755,196	36,496,023	1,829,847	6,570	1,715,000	800,358
Adamjee Life Assurance Company Limited Amanat Fund	6,553,173	53,971	1,767,540	4,839,603	99,150	1,145	34,500	106,133
Adamjee Life Assurance Company Limited - Mazaf	22,619,314	116,062	9,220,173	13,515,203	342,230	2,463	190,000	295,388
Hyundai Nishat Motor (Private) Limited Employees Provident Fund	1,584,808	446,060	473,396	1,557,472	23,978	6,697	8,900	34,155
MCBFSL Trustee Alhamra Smart Portfolio	2,291,164	627,236	891,874	2,026,526	34,665	12,352	17,325	44,442
Adamjee Life Assurance Company Limited Managed Growth Fund	188,323	40,803	86,207	142,919	2,849	610	1,300	3,134
Adamjee Life Assurance Company Limited Conventional Business	-	12,179,102	10,780,135	1,398,967	-	241,146	224,000	30,679
Adamjee Life Assurance Company Limited - NUIL Fund	-	9,475	-	9,475	-	201	-	208
Adamjee Life Assurance Company Limited	-	17,710,807	15,664,918	2,045,889	-	289,819	311,746	44,866
Kapco Employees Pension Fund	-	9,439	9,211	228	-	144	142	5
<b>Directors And Key Management Personnel</b>	797,930	9,162,245	8,262,625	1,697,560	10,911	172,998	162,013	37,227
<b>Mandate under discretionary portfolio services</b>	12,935,492	1,173,585	5,381,606	8,727,471	155,409	293,083	179,567	191,383
<b>Unit holders holding 10% or more units</b>	30,667,981	107,828	-	30,775,809	464,007	2,288	-	674,913

\* Nil figures due to rounding off

## 17 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 tradeable in an open market are revalued at 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.

### 17.1 Fair value hierarchy

International Financial Reporting Standard IFRS 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 assets or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2025 and June 30, 2025, the Fund held the following financial instruments measured at fair value.

ASSETS	December 31, 2025			
	Un-audited			
	Level 1	Level 2	Level 3	Total
<b>Financial assets 'at fair value through profit or loss'</b>				
Listed Equity Securities	9,209,390	-	-	9,209,390

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

ASSETS	June 30, 2025			
	Audited			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Financial assets 'at fair value through profit or loss'				
Listed Equity Securities	5,924,421	-	-	5,924,421

**18 Valuation techniques used in determination of fair values**

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

There were no transfers amongst levels during the period.

**19 CORRESPONDING FIGURES**

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

**20 GENERAL**

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

**21 DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements were authorised for issue on February 02, 2026 by the Board of Directors of the Management Company.

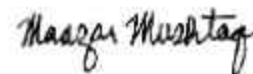
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**MCB INVESTMENT MANAGEMENT LIMITED**

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

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