



MCB FUNDS
Investments for Life
AM1
by PACRA

Under Sealed Cover

Form 7

2025-26/FAD/KS/15657
February 03, 2026

The General Manager
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi.

Subject: Financial results for the half-year ended December 31, 2025

Dear Sir,

We have to inform you that the Board of Directors of **MCB Investment Management Limited**, the management company of **MCB Pakistan Sovereign Fund**, approved the financial results of **MCB Pakistan Sovereign Fund** for the half-year ended December 31, 2025, in their meeting held at **Head Office in Karachi on Monday, February 02, 2026 at 03:00 p.m.**

Please find attached the following for your reference:

- Statement of Assets and Liabilities.
- Statement of Profit and Loss.
- Statement of Other Comprehensive Statement.
- Statement of Movement in Unit Holders' Fund.
- Statement of Cash Flows.

Earnings per unit (EPU) is not disclosed as the management is of the opinion that calculation of weighted average number of units is impracticable.

We will be sending you the requisite number of copies of printed accounts for distribution amongst the members of exchange.

Muhammad Rehan Khan
Company Secretary

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**MCB PAKISTAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2025**

December 31, 2025
(Un-audited)
----- (Rupees in '000) -----

June 30, 2025
(Audited)
----- (Rupees in '000) -----

ASSETS

Balances with banks
Investments
Profit receivables
Advances, deposits, prepayments and other receivables
Total assets

888,865	4,552,352
23,094,923	24,037,384
405,545	621,039
101,999	50,074
24,491,332	29,260,849

LIABILITIES

Payable to MCB Investment Management Limited - Management Company
Payable to Central Depository Company of Pakistan Limited - Trustee
Payable to the Securities and Exchange Commission of Pakistan
Accrued expenses and other liabilities
Total liabilities

35,804	42,427
1,311	299
1,554	1,577
65,319	403,404
103,988	447,707

NET ASSETS

Unit holders' fund (as per statement attached)

24,387,344	28,813,142
24,387,344	28,813,142

Contingencies and commitments

----- (Number of units) -----

420,417,282	523,550,894
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NUMBER OF UNITS IN ISSUE

----- (Rupees) -----

58.01	55.03
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NET ASSET VALUE PER UNIT

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MCB PAKISTAN SOVEREIGN FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025

	Half year ended		Quarter ended	
	2025	2024	2025	2024
(Rupees in '000)				
INCOME				
Income from government securities	1,653,781	2,039,171	713,802	1,332,209
Profit on savings accounts with banks	135,168	109,061	56,998	41,771
Net realised (loss) / gain on sale of investments	(27,631)	655,120	(7,137)	394,437
Net unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	111,404	343,784	127,443	(314,159)
Other income	993	-	-	-
Total income	1,873,715	3,147,136	891,106	1,454,258
EXPENSES				
Remuneration of MCB Investment Management Limited - Management Company	186,159	247,807	76,841	179,013
Sindh sales tax on remuneration of the Management Company	27,924	37,171	11,526	26,852
Allocated expenses	-	7,587	-	6,371
Sindh sales tax on allocated expenses	-	1,138	-	956
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9,072	7,689	3,961	5,239
Sindh sales tax on remuneration of the Trustee	1,361	1,153	594	785
Fee to the Securities and Exchange Commission of Pakistan	12,371	10,485	5,402	7,144
Auditor's remuneration	811	518	517	260
Fees and subscription	332	296	166	148
Legal and professional charges	99	102	16	89
Brokerage and settlement charges	2,243	6,424	652	3,655
Bank charges	299	1,191	74	792
Printing and related costs	-	33	-	7
	240,671	321,594	99,749	231,311
Net income for the period before taxation	1,633,044	2,825,542	791,357	1,222,947
Taxation	-	-	-	-
Net income for the period after taxation	1,633,044	2,825,542	791,357	1,222,947
Allocation of net income for the period				
Net income for the period after taxation	1,633,044	2,825,542		
Income already paid on units redeemed	(515,290)	(1,250,552)		
	1,117,754	1,574,990		
Accounting income available for distribution				
- Relating to capital gains	83,773	538,268		
- Excluding capital gains	1,033,981	1,036,722		
	1,117,754	1,574,990		



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

	Half year ended December 31,		Quarter ended December 31,	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
Net income for the period after taxation	1,633,044	2,825,542	791,357	1,222,947
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>1,633,044</u>	<u>2,825,542</u>	<u>791,357</u>	<u>1,222,947</u>

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MCB PAKISTAN SOVEREIGN FUND
CONDENSED INTERIM STATEMENT OF MOVEMENTS IN UNIT HOLDERS' FUND
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)					
Net assets at the beginning of the period (audited)	29,364,332	(551,190)	28,813,142	11,746,432	(664,703)	11,081,729
Issuance of 350,220,715 units (2024: 1,009,462,517 units):						
- Capital value (at ex-net asset value per unit at the beginning of the period)	19,272,646	-	19,272,646	54,571,544	-	54,571,544
- Element of income	245,503	-	245,503	3,861,886	-	3,861,886
Total proceeds on issuance of units	19,518,149	-	19,518,149	58,433,430	-	58,433,430
Redemption of 453,354,327 units (2024: 755,240,524 units):						
- Capital value (at ex-net asset value per unit at the beginning of the period)	(24,948,089)	-	(24,948,089)	(40,828,303)	-	(40,828,303)
- Element of loss	(113,612)	(515,290)	(628,902)	(2,567,554)	(1,250,552)	(3,818,106)
Total payments on redemption of units	(25,061,701)	(515,290)	(25,576,991)	(43,395,857)	(1,250,552)	(44,646,409)
Total comprehensive income for the period	-	1,633,044	1,633,044	-	2,825,542	2,825,542
Distribution for the period ended December 31, 2024 @ 0.06 per unit on July 1, 2024	-	-	-	-	(12,300)	(12,300)
Net income for the period less distribution	-	1,633,044	1,633,044	-	2,813,242	2,813,242
Net assets as at the end of the period (un-audited)	<u>23,820,780</u>	<u>566,564</u>	<u>24,387,344</u>	<u>26,784,005</u>	<u>897,987</u>	<u>27,681,992</u>
Accumulated losses brought forward						
- Realised loss		(658,011)			(697,867)	
- Unrealised income		106,821			33,164	
		(551,190)			(664,703)	
Accounting income available for distribution						
- Relating to capital gains		83,773			538,268	
- Excluding capital gains		1,033,981			1,036,722	
		1,117,754			1,574,990	
Distributions made during the period		-			(12,300)	
Accumulated income carried forward		<u>566,564</u>			<u>897,987</u>	
Accumulated income carried forward						
- Realised income		455,160			554,203	
- Unrealised income		111,404			343,784	
		<u>566,564</u>			<u>897,987</u>	
		(Rupees)			(Rupees)	
Net assets value per unit at the beginning of the period		<u>55.03</u>			<u>54.06</u>	
Net assets value per unit at the end of the period		<u>58.01</u>			<u>60.28</u>	

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MCB PAKISTAN SOVEREIGN FUND
CONDENSED INTERIM CASHFLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	<u>Half year ended December 31,</u>	
	<u>2025</u>	<u>2024</u>
	<u>----- (Rupees in '000) -----</u>	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	1,633,044	2,825,542
Adjustment for:		
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(111,404)	(343,784)
Profit on savings accounts with banks and debt securities	(935,228)	(1,412,326)
	<u>586,412</u>	<u>1,069,432</u>
Increase in assets		
Investments - net	(716,583)	(16,917,311)
Receivable against sale of investments	-	1,271,877
Advances, deposits, prepayments and other receivables	(51,925)	(33,137)
	<u>(768,508)</u>	<u>(15,678,571)</u>
Decrease in liabilities		
Payable to MCB Investment Management Limited - Management Company	(6,623)	42,553
Payable to Central Depository Company of Pakistan Limited - Trustee	1,012	1,214
Payable to the Securities and Exchange Commission of Pakistan	(23)	1,427
Payable against purchase of investments	-	(280,767)
Accrued expenses and other liabilities	(338,085)	22,984
	<u>(343,719)</u>	<u>(212,589)</u>
Profit received on savings accounts with banks and debt securities	<u>1,150,722</u>	<u>1,133,198</u>
Net cash generated / (used in) operating activities	<u>624,907</u>	<u>(13,688,530)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	19,518,149	58,433,430
Payments against redemption and conversion of units	(25,576,991)	(44,646,409)
Dividend paid	-	(12,300)
Net cash (used in) / generated from financing activities	<u>(6,058,842)</u>	<u>13,774,721</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(5,433,935)</u>	<u>86,191</u>
Cash and cash equivalents at the beginning of the period	6,322,800	2,847,931
Cash and cash equivalents at the end of the period	<u>888,865</u>	<u>2,934,122</u>

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