MCB FUNDS
Investments for Life
AM1
by PACRA

Under Sealed Cover

Form 3

2026-27/FAD/KS/19077
August 04, 2026

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

Subject: Financial results for the year ended June 30, 2026

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 **year ended June 30, 2026**, in their meeting held **at Head Office in Karachi on Tuesday, August 04, 2026, at 11:00 a.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
STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2026

	June 30, 2026	June 30, 2025
	------ (Rupees in '000) ------	
ASSETS		
Balances with banks	1,687,516	4,552,352
Investments	12,241,675	24,037,384
Profit receivables	65,381	621,039
Advances, deposits, prepayments and other receivables	111,448	50,074
Total assets	14,106,020	29,260,849
LIABILITIES		
Payable to MCB Investment Management Limited - Management Company	18,464	42,427
Payable to Central Depository Company of Pakistan Limited - Trustee	677	299
Payable to the Securities and Exchange Commission of Pakistan	803	1,577
Accrued expenses and other liabilities	204,941	403,404
Total liabilities	224,885	447,707
NET ASSETS	13,881,135	28,813,142
Unit holders' fund (as per statement attached)	13,881,135	28,813,142
Contingencies and Commitments		
	(Number of units)	
NUMBER OF UNITS IN ISSUE	250,722,947	523,550,894
	(Rupees)	
NET ASSET VALUE PER UNIT	55.36	55.0300

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MCB PAKISTAN SOVEREIGN FUND
INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026	June 30, 2025
	------ (Rupees in '000) ------	
INCOME		
Income from government securities	2,574,591	3,714,778
Profit on savings accounts with banks	231,199	201,051
Net realised gain / (loss) on sale of investments	(264,860)	1,076,037
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	(94,909)	106,821
Other income	1,994	1,427
Total income	2,448,015	5,100,114
EXPENSES		
Remuneration of MCB Investment Management Limited - Management Company	305,187	455,908
Sindh sales tax on remuneration of the Management Company	45,778	68,386
Allocated expenses	-	7,588
Sindh sales tax on allocated expenses	-	1,138
Remuneration of Central Depository Company of Pakistan Limited - Trustee	14,384	15,592
Sindh sales tax on remuneration of the Trustee	2,158	2,339
Fee to the Securities and Exchange Commission of Pakistan	19,615	21,262
Auditors' remuneration	1,499	1,155
Fees and subscription	691	622
Legal and professional charges	207	204
Brokerage and settlement charges	3,571	12,478
Bank charges	444	2,215
Total expenses	393,534	588,887
Net income for the year before taxation	2,054,481	4,511,227
Taxation	-	-
Net income for the year after taxation	2,054,481	4,511,227
Allocation of net income for the year		
Net income for the year after taxation	2,054,481	4,511,227
Income already paid on units redeemed	(1,903,633)	(4,155,439)
	150,848	355,788
Accounting income available for distribution		
- Relating to capital gains	-	113,191
- Excluding capital gains	150,848	242,597
	150,848	355,788

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MCB PAKISTAN SOVEREIGN FUND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026	June 30, 2025
	------ (Rupees in '000) ------	
Net income for the year after taxation	2,054,481	4,511,227
Other comprehensive income for the year	-	-
Total comprehensive income for the year	2,054,481	4,511,227

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

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MCB PAKISTAN SOVEREIGN FUND
STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND
FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026			June 30, 2025		
	Capital Value	Accumulated losses	Total	Capital Value	Accumulated losses	Total
	(Rupees in '000)					
Net assets at the beginning of the year	29,364,332	(551,190)	28,813,142	11,746,432	(664,703)	11,081,729
Issuance of 749,659,944 units (2025:1,912,854,934 units)						
- Capital value (at net asset value per unit at the beginning of the year)	41,253,787	-	41,253,787	103,408,938	-	103,408,938
- Element of income	1,284,560	-	1,284,560	7,429,557	-	7,429,557
Total proceeds on issuance of units	42,538,347	-	42,538,347	110,838,495	-	110,838,495
Redemption of 1,022,487,890 units (2025: 1,594,300,066 units)						
- Capital value (at net asset value per unit at the beginning of the year)	(56,267,509)	-	(56,267,509)	(86,187,862)	-	(86,187,862)
- Element of loss	(761,399)	(1,903,633)	(2,665,032)	(6,816,626)	(4,155,439)	(10,972,065)
Total payments on redemption of units	(57,028,908)	(1,903,633)	(58,932,541)	(93,004,488)	(4,155,439)	(97,159,927)
Total comprehensive income for the year	-	2,054,481	2,054,481	-	4,511,227	4,511,227
Distribution for the year ended June 30, 2025 @ 0.06 per unit on July 1, 2024	-	-	-		(12,300)	(12,300)
Distribution for the year ended June 30, 2025 @ Rs. 8.91 per unit on June 21, 2025	-	-	-	-	(229,975)	(229,975)
Refund of capital for the year ended June 30, 2025	-	-	-	(216,107)	-	(216,107)
Distribution for the year ended June 30, 2026 @ Rs. 4.16 per unit on June 17, 2026	-	(87,063)	(87,063)	-	-	-
Refund of capital for the year ended June 30, 2026	(505,231)	-	(505,231)	-	-	-
Net income for the year less distribution	(505,231)	1,967,418	1,462,187	(216,107)	4,268,952	4,052,845
Net assets at the end of the year	14,368,540	(487,405)	13,881,135	29,364,332	(551,190)	28,813,142
Accumulated loss brought forward						
- Realised loss		(658,011)			(697,867)	
- Unrealised loss		106,821			33,164	
		(551,190)			(664,703)	
Accounting income available for distribution						
- Relating to capital gains		-			113,191	
- Excluding capital gains		150,848			242,597	
		150,848			355,788	
Distributions made during the year		(87,063)			(242,275)	
Accumulated losses carried forward		(487,405)			(551,190)	
Accumulated losses carried forward						
- Realised loss		(392,496)			(658,011)	
- Unrealised (loss)/income		(94,909)			106,821	
		(487,405)			(551,190)	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the year		55.0300			54.0600	
Net asset value per unit at the end of the year		55.3600			55.0300	

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MCB PAKISTAN SOVEREIGN FUND
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026	June 30, 2025
	------ (Rupees in '000) ------	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	2,054,481	4,511,227
Adjustments for:		
Net unrealised (diminution) / appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	94,909	(106,821)
Profit on savings accounts with banks and debt securities	(1,325,526)	(2,423,309)
	823,864	1,981,097
Increase / (decrease) in assets		
Investments - net	9,930,352	(12,586,638)
Receivable against sale of investments	-	1,541,304
Advances, deposits, prepayments and other receivables	(61,374)	(44,203)
	9,868,978	(11,089,537)
Decrease in liabilities		
Payable to MCB Investment Management Limited - Management Company	(23,963)	23,503
Payable to Central Depository Company of Pakistan Limited - Trustee	378	(217)
Payable to the Securities and Exchange Commission of Pakistan	(774)	954
Payable against purchase of investments	-	(3,225,183)
Accrued expenses and other liabilities	(198,463)	331,290
	(222,822)	(2,869,653)
Profit received on savings accounts with banks and debt securities	1,880,959	2,232,776
Net cash generated from / (used in) operating activities	12,350,979	(9,745,317)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units - net of refund of capital	42,033,116	110,622,388
Payments against redemption and conversion of units	(58,932,541)	(97,159,927)
Dividend paid	(87,063)	(242,275)
Net cash (used in) / generated from financing activities	(16,986,488)	13,220,186
Net (decrease) / increase in cash and cash equivalents during the year	(4,635,509)	3,474,869
Cash and cash equivalents at the beginning of the year	6,322,800	2,847,931
Cash and cash equivalents at the end of the year	1,687,291	6,322,800