

# First Capital Mutual Fund

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## DIRECTORS' REPORT

The Board of Directors of First Capital Investments Limited ("FCIL" or "Management Company") is pleased to present the annual report of First Capital Mutual Fund ("the Fund" or "FCMF" or "the Scheme") together with the annual audited financial statements of the Fund for the Financial year ended 30 June 2026.

## EQUITY MARKET REVIEW

The KSE-100 Index delivered a strong performance in FY26, surging by 43.5% in PKR terms and 46.4% in USD terms, to close at 180,302 points, up from 125,627 at the end of FY25.

In the first half of the outgoing fiscal year, KSE-100 registered total returns of 38.5% in PKR terms and 40.3% in USD terms, which came on the back of 3.3% growth in KSE-100 profitability for 1HFY26 and improving investor participation.

The second half of FY26 saw the benchmark index deliver a return of 3.6% in PKR terms, and 4.3% in USD terms. Overall index profitability for the quarter 3QFY26 grew by 22% YoY, however overall benchmark performance was impacted due to escalating geopolitical tensions between US and Iran, along with elevated oil prices. During the same period, Pakistan gained recognition for its role as a mediator, owing to its efforts in facilitating peace talks between the US and Iran.

The State Bank of Pakistan (SBP) maintained the policy rate at 11.0% during most of 1HFY26 before cutting it by 50bps in Dec'25 amid contained inflation and improving economic activity. However, a resurgence in inflationary pressures driven by higher oil prices prompted a 100bps hike in May'26. The policy rate was subsequently kept unchanged in Jun'26, ending FY26 at 11.5%.

During FY26, MSCI added a total of 7 Pakistani companies, and deleted 1 company from its Frontier Market Index as part of its index reviews throughout the year, taking Pakistan's estimated weight in the index to ~5.8%. In Mar'26, the IMF and Government of Pakistan reached a staff level agreement on the third review of Extended Fund Facility (EFF) and second review of the Resilience and Sustainability Facility (RSF), paving the way to disbursements amounting to ~USD 1.21bn, subject to board approval.

The country's remittance position showed resilience, as the 11MFY26 remittance position clocked in at USD 38.1bn, up by 3.8% YoY. GDP grew by 3.7% YoY in FY26, with industrial sector contributing 3.5%, services sector contributing 3.1%, and agriculture sector contributing 2.9%.

On the external account front, Pakistan recorded a narrowing current account surplus of USD 255mn in 11MFY26, compared to USD 1,618mn in same period last year. Meanwhile, the PKR appreciated by a modest 1.97% against the USD in FY26.

Inflation averaged 6.7% in 11MFY26, compared to 4.6% in SPY. A slight surge was due to the recent trend in oil prices due to escalating geopolitical tensions.

The year concluded with a budget focused on fiscal consolidation while providing targeted relief to the salaried class and mid-sized companies through the abolition of the super tax, alongside other measures.

## FUND PERFORMANCE

During the period under review, the Fund has reported net profit after taxation of Rs. 62.79 million as compared to profit of Rs. 63.50 million in the corresponding period last year. Profit after tax mainly comprises of unrealized gain on remeasurement of investments at fair value through profit or loss, and capital gain on the sale of investment. Unrealized gain on remeasurement of investments at fair value through profit or loss has recorded at Rs. 35.26 million during the period under review as compared to gain of Rs. 37.59 million in the corresponding period last year. The realized capital gain on sale of investment recorded at Rs. 25.83 million. Dividend income

# First Capital Mutual Fund

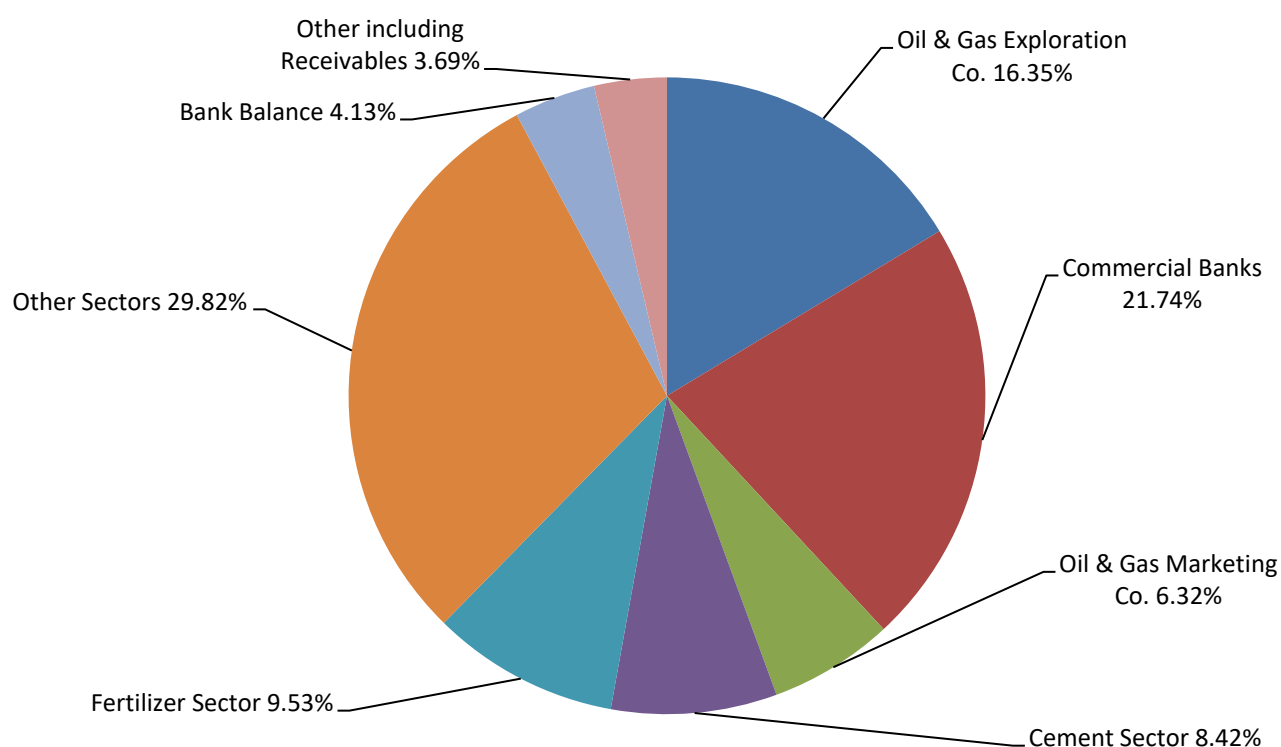
increased to Rs. 10.19 million as compared to Rs. 9.73 million in the same period last year. Total expenses of the Fund for the period under review recorded at Rs. 9.59 million during the period under review.

In terms of Net Asset Value ("NAV"), the NAV per unit of FCMF has increased from Rs. 13.4057 to Rs. 17.6418 during the period under review. The benchmark of the Fund is KSE-100 index. During the period under review, the NAV of the Fund has increased by 34.38%, as compared to its Benchmark's ("KSE-100 index") return of 43.52%, for the same period. Thus, the Fund has underperformed the Benchmark by 9.15%. The difference in weights allocated to the sectors of the Fund, as compared to the benchmark, caused a difference in return. Moreover, the investment portfolio of the Fund included certain scrips, which were not in the benchmark and there were certain high yield illiquid scrips in the portfolio of the benchmark in which a fund could not invest due to investment policy criteria.

During the period under review, the Pakistan Credit Rating Agency ("PACRA") has assigned "3 star" 1 Year performance ranking to the Fund based on performance.

The Fund size of FCMF at the end of the period stood at Rs. 242.27 million as compared to Rs. 183.08 million as of June 30, 2026.

The asset allocation of FCMF as on June 30, 2026, is as follows:



The Management Company is continuously striving for the improvement in performance of the Fund. However, the objective is to focus on outperforming the market and consistent returns in the long run but does not conceptualize upon aggressive high-risk strategies to give the best return in the short run.

## INCOME DISTRIBUTION

During the period under review, the Board of Directors of the Management Company, on June 19, 2026, approved and declared final dividend distribution of Rs. 0.3700 per unit (3.70% of the par value of Rs.10) for the year ended June 30, 2026.

# First Capital Mutual Fund

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## **TAXATION**

As the above distribution exceeds 90% of the income earned during the year, excluding realized and unrealized capital gains on investments, the Fund is not liable to tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

## **EXPENSE RATIO**

The Scheme has also maintained Total expense ratio ("TER") 4.19% (including 0.58% government levies) during the period under review, within the limit of 4.50% (excluding Government Levies) prescribed under the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

## **RISK DISCLOSURE**

A description of the principal risks and uncertainties emanating from various factors include, but are not limited to:

1. Equity Risk - Companies issue equities, or stocks, to help finance their operations and future growth. The Company's performance outlook, market activity and the larger economic picture influence the price of a stock. Usually when the economy is expanding, the outlook for many companies is good and the stock prices may rise and vice versa.
2. Government Regulation Risk - Government policies or regulations are more prevalent in some securities and financial instruments than in others. The schemes that invest in such securities may be affected due to change in these regulations or policies, which directly or indirectly affect the structure of the security and/or in extreme cases a governmental or court order could restrain payment of capital, principal or income.
3. Credit Risk - Credit Risk arises from the inability of the issuers of the instruments or counterparties, to fulfill their obligations. The risk is generally limited to principal amount and accrued interest there on, if any.
4. Price Risk - Changing value of a security or a fund can be mostly due to stock/fund price fluctuations. Price Risk is the biggest risk faced by all investors and price risk can be minimized through diversification and efficient fund management.
5. Liquidity Risk- Liquidity risk arises when a transaction cannot be conducted at prevailing market prices due to insufficient market activity.
6. Market Risk – Market risk is the risk that the change in fair value or future cash flows of the financial instruments may fluctuate as a result of changes in market prices.
7. Settlement Risk - The risk that counterparty will not deliver the security or cash for a trade it has entered into, on time.
8. Events Risk - There may be adjustments to the performance of the Scheme due to events including, but not limited to, natural calamities, market disruptions, mergers, nationalization, insolvency and changes in tax law.
9. Redemption Risk - There may be special circumstances in which the redemption of Units may be suspended, or the redemption payment may not occur within six working days of receiving a request for redemption from the investor.

## **MANAGEMENT QUALITY RATING**

During the period under review PACRA re-affirms the asset manager rating of FCIL at "AM4++" (AM Four Plus Plus). The rating reflects the Management Company's adequate capacity to manage risks inherent in the asset management business and the asset manager meets investment management industry standards and benchmarks.

# First Capital Mutual Fund

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## CHANGE IN BOARD OF DIRECTORS

The following persons, during the financial year, remained Directors of the Management Company:

| Names                  | Designation         |
|------------------------|---------------------|
| Fauzia Hussain Qureshi | Chairperson         |
| Imran Hafeez           | CEO                 |
| Shahzad Jawahar        | Director            |
| Adnan Ibrar            | Director            |
| **Jawad Saleem         | Director (Resigned) |

\*\* Mr. Jawad Saleem has resigned during the year and Mr. Adnan Ibrar was appointed as Director, subject to approval of SECP.

**Total number of Directors** **04**

|           |    |
|-----------|----|
| a) Male   | 03 |
| b) Female | 01 |

### Composition:

|                               |   |
|-------------------------------|---|
| Independent Directors         | 2 |
| Other Non-Executive Directors | 1 |
| Executive Directors           | 1 |

## COMMITTEE OF THE BOARD

### Audited committee was re-constituted as under:

|                                                             |                                                                      |
|-------------------------------------------------------------|----------------------------------------------------------------------|
| <b>Audit Committee</b>                                      | Mr. Adnan Ibrar<br>Miss Fauzia Husain Qureshi<br>Mr. Shahzad Jawahar |
| <b>Human Resource and Remuneration (HR&amp;R) Committee</b> | Miss Fauzia Husain Qureshi<br>Mr. Imran Hafeez<br>Mr. Adnan Ibrar    |

## COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE

The Board of Directors states that:

1. Financial Statements present fairly the state of affairs, the results of operations, cash flows and the changes in unit holder's Fund.
2. Proper books of accounts of the Fund have been maintained.
3. Appropriate accounting policies have been consistently applied in the preparation of the financial statements and accounting estimates are based on reasonable and prudent judgments.
4. Relevant International Accounting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 & Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the Trust Deed and directives issued by the Securities and Exchange Commission of Pakistan, have been followed in the preparation of the financial statements.
5. The Directors are responsible for ensuring that a system of sound internal control is established, which is effectively implemented, maintained and monitored at all levels within the fund.

# First Capital Mutual Fund

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6. There have been no significant doubts upon the Funds' ability to continue as going concern.
7. There has been no material departure from the best practices of corporate governance, as detailed in the Rule Book of Pakistan Stock Exchange except for non-compliances disclosed in the statement of compliance with the Code of Corporate Governance ("the Code");
8. Performance table of the Fund is Given on the last page of the Annual Report;
9. There is no statutory payments on account of taxes, duties, levies and charges outstanding other than already disclosed in the financial statements;
10. The statements as to the value of investments of Provident Fund is not applicable in the case of the Fund as employees post-employment benefits expenses are borne by the Management Company;
11. There have been no trades in the units of the Fund's carried out by the Directors, CEO, CFO, CIA and the Company Secretary and their spouse;
12. The details as required by the Code of Corporate Governance regarding the pattern of holding in Fund, is attached.

## AUDITORS

The present auditors, M/s. Haroon Ahmad & Co., Chartered Accountants, retire and offer themselves for reappointment. The Board of directors has recommended their appointment as auditors of the Fund for the year ending 30 June 2027, at a fee to be mutually agreed.

## ACKNOWLEDGMENT

We are thankful to our valued investors who have placed their confidence in us. The Board is also thankful to Securities & Exchange Commission of Pakistan, the Trustee (Central Depository Company of Pakistan Limited) and the management of Pakistan Stock Exchange Limited for their continued guidance and support. The Directors also appreciate the efforts put in by the management team.

**Shahzad Jawahar**  
Director

**For and on behalf of the Board**

**Imran Hafeez**  
Chief Executive Officer/Director

Lahore:  
**September 25, 2026**

# First Capital Mutual Fund

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## FUND MANAGER'S REPORT FOR THE YEAR ENDED JUNE 30, 2026

### First Capital Mutual Fund

First Capital Mutual Fund ("FCMF" or "the Fund") is an open-end equity fund.

### Investment Objective of the Fund

The objective of FCMF is to augment wealth of investors through investments geared toward securing maximum returns whilst simultaneously offsetting resulting risks through efficient diversification across sectors with low correlation amongst them. The management of the Fund is continuously striving towards achieving this objective.

### Benchmark

The Benchmark of the Fund is KSE-100 Index.

### Fund Performance Review

During the period under review, the Fund has reported net profit after taxation of Rs. 62.79 million as compared to profit of Rs. 63.50 million in the corresponding period last year. Profit after tax mainly comprises of unrealized gain on remeasurement of investments at fair value through profit or loss, and capital gain on the sale of investment. Unrealized gain on remeasurement of investments at fair value through profit or loss has recorded at Rs. 35.26 million during the period under review as compared to gain of Rs. 37.59 million in the corresponding period last year. The realized capital gain on sale of investment recorded at Rs. 25.83 million. Dividend income increased to Rs. 10.19 million as compared to Rs. 9.73 million in the same period last year. Total expenses of the Fund for the period under review recorded at Rs. 9.59 million during the period under review.

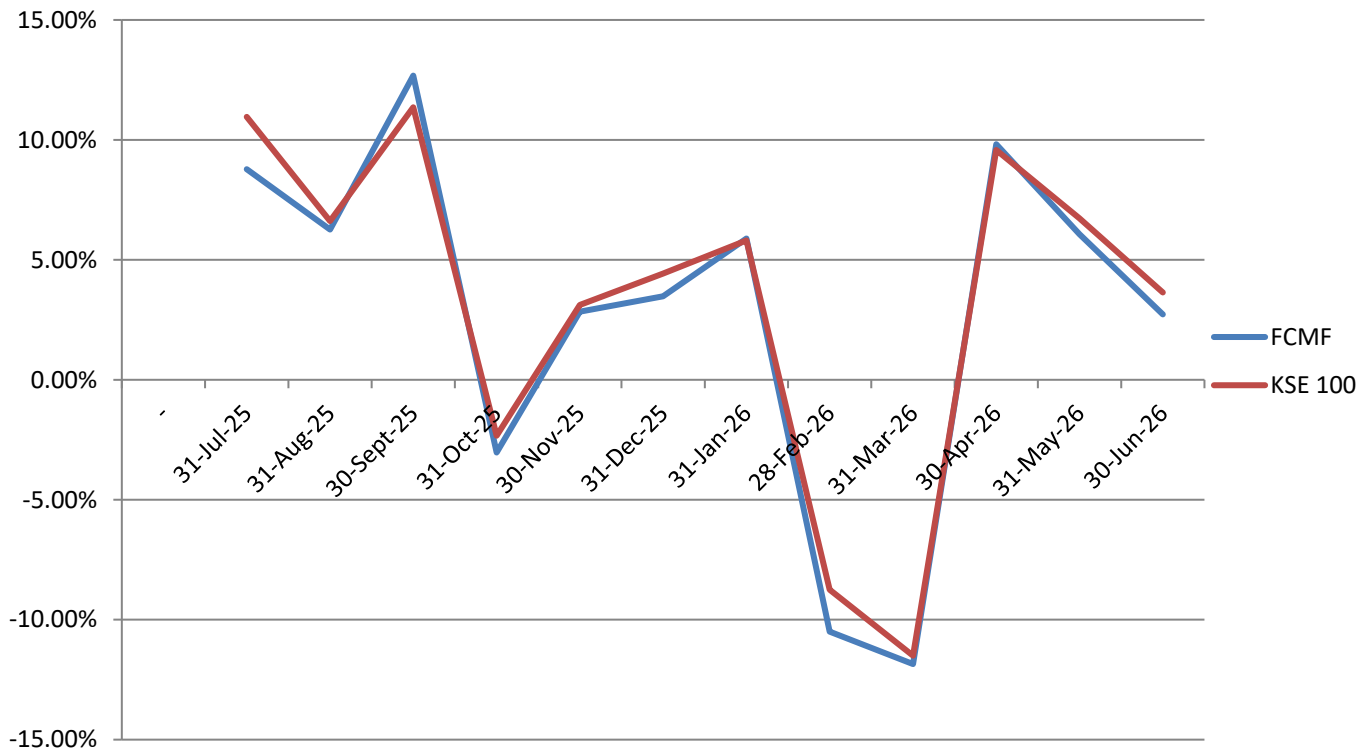
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# First Capital Mutual Fund

## FCMF Performance vs. KSE-100 Index



During the period, the Fund adjusted its exposure in equities with focus on diversification in different sectors, as per market conditions, to generate better returns.

### Stock Market Review

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Inflation averaged 6.7% in 11MFY26, compared to 4.6% in SPLY. A slight surge was due to the recent trend in oil prices due to escalating geopolitical tensions.

The year concluded with a budget focused on fiscal consolidation while providing targeted relief to the salaried class and mid-sized companies through the abolition of the super tax, alongside other measures.

## Asset Allocation of the Fund (% of total assets)

| Asset Category               | 30-June-2026   | 30-June-2025   |
|------------------------------|----------------|----------------|
| Equities                     | 92.25%         | 89.16%         |
| Bank Balance                 | 4.06%          | 6.39%          |
| Others including receivables | 3.69%          | 4.45%          |
| <b>Total</b>                 | <b>100.00%</b> | <b>100.00%</b> |

## Pattern of Unit Holders of the FCMF

The pattern of Unit Holders of the FCMF as on June 30, 2026, is attached to the annual financial statements.

## Disclosures

- There have been no significant changes in the state of affairs of the Fund during the period under review and up till the date of fund manager report, not otherwise disclosed in the financial statements.
- During the period under review, there were no circumstances that materially affected any interests of the unit holders.
- The Management Company or its delegates did not receive any soft commission (i.e., goods and services) from its broker(s)/dealers(s) by virtue of transactions conducted by the Fund.

**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](http://www.cdcpakistan.com)  
Email: [info@cdcpak.com](mailto:info@cdcpak.com)



**TRUSTEE REPORT TO THE UNIT HOLDERS**

**FIRST CAPITAL MUTUAL FUND**

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

We Central Depository Company of Pakistan Limited, being the Trustee of First Capital Mutual Fund (the Fund) are of the opinion that First Capital Investments Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2026 in accordance with the provisions of the following:

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

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

Karachi, September 17, 2026

## INDEPENDENT AUDITOR'S REPORT

To the Unit Holders of First Capital Mutual Fund  
Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of the First Capital Mutual Fund ("the Fund"), which comprise the statement of assets and liabilities as at 30 June 2026, income statement, statement of comprehensive income, cash flow statement and statement of movement in unit holders' fund for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 June 2026, and of its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

### Basis for Opinion

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

### Key audit matters

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

Following are the key audit matters:

| Sr No. | Key audit matters                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | How the matter was addressed in our audit                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|--------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | <p><b>Valuation and existence of investments</b></p> <p>Refer notes 4.1 and 6 to the financial statements for accounting policies and details of investments.</p> <p>The Fund's investment portfolio classified as 'fair value through profit or loss' represents listed equity securities amounting to Rs. 243.14 million as at 30 June 2026.</p> <p>We identified the valuation and existence of investments as key audit matter because of their significance in relation to the net asset value of the Fund.</p> | <p>Our audit procedures in respect of this matter included the following:</p> <ul style="list-style-type: none"> <li>obtaining an understanding of controls designed for the valuation and existence of investments classified as 'fair value through profit or loss.</li> <li>comparing the investments in equity securities at the year end with Central Depository Company's records.</li> <li>Comparing, on a sample basis, specific investment buying and selling transactions recorded during the year with the underlying documentation.</li> <li>assessing whether equity investments at year end were valued at fair value based on the market price quoted at the Pakistan Stock Exchange (PSX); and</li> <li>Tracing, on a sample basis, specific receipts and payments against sale and purchase of equity securities during the year from bank statements.</li> </ul> |

Head Office: 25-G, Gulberg II, Lahore - 54660 Pakistan.

Karachi Office: M 7/3, Khayaban-e-Saadi, DHA Phase VII, Karachi

Islamabad: Office No. 9 & 10, 3rd Floor Pakland Square G8 Markaz, Islamabad

0092 42 111 642 111

info@mhaglobal.org

www.mhaglobal.org

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## MALIK HAROON AHMAD & CO.

(Formerly Malik Haroon Shahid Safder & Co.)

Chartered Accountants

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### Other Information:

Management is responsible for the other information. The other information comprises the information included in the Annual Report for 2026 but does not include the financial statements and our auditors' report thereon.

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

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

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the Fund's financial reporting process.

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

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

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

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



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Islamabad: Office No. 9 & 10, 3rd Floor Pakland Square G8 Markaz, Islamabad



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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## Report on Other Legal and Regulatory Requirements

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

- a) The financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation Rules, 2003) and Non-Banking Finance Companies and Notified Entities Regulations, 2008.
- b) proper books and records have been kept by the Collective Investment Schemes and the financial statements prepared are in agreement with the books and records of the Collective Investment Schemes; and
- c) we were able to obtain all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of the audit.

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0092 42 111 642 111

info@mhaglobal.org

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**Other Matter**

The Financial statements of the fund for the year ended June 30, 2025, were audited by another auditor, who expressed an unmodified opinion on these financial statements on October 7, 2025.

The engagement partner on the audit resulting in this independent auditor's report is Malik Haroon Ahmad (FCA).

Lahore

Date: September 29, 2026

UDIN: AR202610206kPjZtrfJM



*Malik Haroon Ahmad*  
Malik Haroon Ahmad & Co.  
Chartered Accountants



Head Office: 25-G, Gulberg II, Lahore - 54660 Pakistan.



Karachi Office: M 7/3, Khayaban-e-Saadi, DHA Phase VII, Karachi



Islamabad: Office No. 9 & 10, 3rd Floor Pakland Square G8 Markaz, Islamabad

0092 42 111 642 111



[info@mhaglobal.org](mailto:info@mhaglobal.org)



[www.mhaglobal.org](http://www.mhaglobal.org)



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Accounting Legal and Business Advisors  
A Strategic Alliance  
New York Mexico

**First Capital Mutual Fund**  
**Statement of Assets and Liabilities**  
**As at June 30, 2026**

|                                                                     | Note | 2026                     | 2025               |
|---------------------------------------------------------------------|------|--------------------------|--------------------|
|                                                                     |      | ----- Rupees -----       |                    |
| <b>Assets</b>                                                       |      |                          |                    |
| Bank balances                                                       | 5    | 10,697,441               | 13,194,668         |
| Investments                                                         | 6    | 243,136,748              | 184,070,830        |
| Receivable against sale of investments                              |      | 548,422                  | -                  |
| Profit receivable                                                   | 7    | 324,208                  | 444,795            |
| Advances, deposits and other receivables                            | 8    | 8,863,174                | 8,745,184          |
| <b>Total assets</b>                                                 |      | <b>263,569,993</b>       | <b>206,455,477</b> |
| <b>Liabilities</b>                                                  |      |                          |                    |
| Payable to First Capital Investment Limited - Management Company    |      |                          |                    |
| - against remuneration                                              | 9    | 4,391,939                | 4,055,928          |
| - Other payables                                                    | 10   | -                        | 78,288             |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 11   | 44,843                   | 33,953             |
| Payable to Securities and Exchange Commission of Pakistan           | 12   | 18,447                   | 14,024             |
| Accrued and other liabilities                                       | 13   | 1,922,458                | 4,271,596          |
| Unclaimed dividend                                                  | 14   | 14,919,368               | 14,919,368         |
| <b>Total liabilities</b>                                            |      | <b>21,297,055</b>        | <b>23,373,157</b>  |
| <b>Contingencies and commitments</b>                                | 15   |                          |                    |
| <b>Net assets</b>                                                   |      | <b>242,272,938</b>       | <b>183,082,320</b> |
| <b>Unit holders' fund</b> (as per statement attached)               |      | <b>242,272,938</b>       | <b>183,082,320</b> |
|                                                                     |      | <b>(Number of Units)</b> |                    |
| <b>Number of units in issue</b>                                     | 16   | <b>13,732,875</b>        | <b>13,657,076</b>  |
|                                                                     |      | ----- Rupees -----       |                    |
| <b>Net asset value per unit</b>                                     |      | <b>17.6418</b>           | <b>13.4057</b>     |

The annexed notes, from 1 to 33 form an integral part of these financial statements.

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For First Capital Investment Limited  
(Management Company)

  
Chief Executive Officer

  
Chief Financial Officer

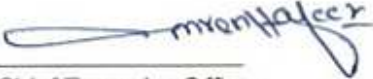
  
Director

**First Capital Mutual Fund**  
**Income Statement**  
**For the year ended June 30, 2026**

|                                                                                                  | Note | 2026               | 2025               |
|--------------------------------------------------------------------------------------------------|------|--------------------|--------------------|
|                                                                                                  |      | Rupees             |                    |
| <b>Income</b>                                                                                    |      |                    |                    |
| Net capital gain on sale of investments                                                          |      | 25,833,446         | 20,357,838         |
| Dividend income                                                                                  |      | 10,189,100         | 9,738,198          |
| Profit on bank deposits                                                                          |      | 1,028,465          | 2,026,800          |
| Net unrealised appreciation on revaluation of investments at 'fair value through profit or loss' | 6.2  | 35,262,549         | 37,589,565         |
| Other income                                                                                     |      | 78,288             | -                  |
| <b>Total income</b>                                                                              |      | <b>72,391,848</b>  | <b>69,712,401</b>  |
| <b>Expenses</b>                                                                                  |      |                    |                    |
| Remuneration of the Management Company                                                           | 24.1 | (5,943,641)        | (3,391,009)        |
| Punjab sales tax on remuneration of the Management Company                                       | 24.1 | (950,228)          | (542,561)          |
| Remuneration of the Trustee                                                                      | 24.1 | (457,340)          | (339,159)          |
| Sindh sales tax on remuneration of the Trustee                                                   | 24.1 | (68,602)           | (50,874)           |
| Annual fee of Securities and Exchange Commission of Pakistan                                     | 12.1 | (217,238)          | (161,890)          |
| Securities transaction costs                                                                     | 17   | (794,473)          | (483,086)          |
| Auditors' remuneration                                                                           | 18   | (996,000)          | (996,001)          |
| Accounting & operational charges                                                                 |      | -                  | (77,974)           |
| Annual listing fee of Pakistan Stock Exchange                                                    |      | (21,999)           | (21,999)           |
| Fund's ranking fee                                                                               |      | (142,361)          | (142,361)          |
| Bank charges                                                                                     |      | (2,772)            | (357)              |
| <b>Total expenses</b>                                                                            |      | <b>(9,594,654)</b> | <b>(6,207,271)</b> |
| <b>Net income for the year before taxation</b>                                                   |      | <b>62,797,194</b>  | <b>63,505,130</b>  |
| Taxation                                                                                         | 19   | -                  | -                  |
| <b>Net income for the year after taxation</b>                                                    |      | <b>62,797,194</b>  | <b>63,505,130</b>  |
| <b>Allocation of net income for the year</b>                                                     |      |                    |                    |
| Net income for the year                                                                          |      | 62,797,194         | 63,505,130         |
| Income already paid on units redeemed                                                            |      | (511,106)          | (9,229,425)        |
|                                                                                                  |      | <b>62,286,088</b>  | <b>54,275,705</b>  |
| <b>Accounting income available for distribution</b>                                              |      |                    |                    |
| - Relating to capital gains                                                                      |      | 61,095,995         | 54,275,705         |
| - Excluding capital gains                                                                        |      | 1,190,093          | -                  |
|                                                                                                  |      | <b>62,286,088</b>  | <b>54,275,705</b>  |

The annexed notes, from 1 to 33 form an integral part of these financial statements.

**For First Capital Investments Limited**  
**(Management Company)**

  
**Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**

First Capital Mutual Fund  
Statement of Comprehensive Income  
For the year ended June 30, 2026

|                                                | Note | 2026               | 2025              |
|------------------------------------------------|------|--------------------|-------------------|
|                                                |      | ----- Rupees ----- |                   |
| Net income for the year after taxation         |      | 62,797,194         | 63,505,130        |
| Other comprehensive income for the year        |      | -                  | -                 |
| <b>Total comprehensive income for the year</b> |      | <b>62,797,194</b>  | <b>63,505,130</b> |

The annexed notes from 1 to 33 form an integral part of these financial statements. *MHA & CO*

For First Capital Investments Limited  
(Management Company)

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

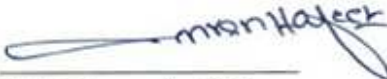
**First Capital Mutual Fund**  
**Statement of Cash Flows**  
**For the year ended June 30, 2026**

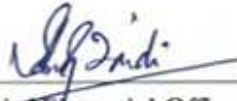
|                                                                                                  | Note | 2026               | 2025                |
|--------------------------------------------------------------------------------------------------|------|--------------------|---------------------|
|                                                                                                  |      | Rupees             |                     |
| <b>Cash flows from operating activities</b>                                                      |      |                    |                     |
| Net income for the year before taxation                                                          |      | 62,797,194         | 63,505,130          |
| <b>Adjustments for:</b>                                                                          |      |                    |                     |
| Net Unrealised appreciation on revaluation of investments at 'fair value through profit or loss' | 6.2  | (35,262,549)       | (37,589,565)        |
| Dividend income                                                                                  |      | (10,189,100)       | (9,738,198)         |
| Profit on bank deposits                                                                          |      | (1,028,465)        | (2,026,800)         |
| Write-off of payable against accounting and operational charges                                  |      | (78,288)           | -                   |
|                                                                                                  |      | 16,238,792         | 14,150,567          |
| <b>(Increase)/decrease in assets:</b>                                                            |      |                    |                     |
| Investments - net                                                                                |      | (23,803,369)       | (17,413,278)        |
| Receivable against sale of investments                                                           |      | (548,422)          | -                   |
| Advances, deposits and other receivables                                                         |      | 99,242             | 4,119,989           |
|                                                                                                  |      | (24,252,549)       | (13,293,289)        |
| <b>Increase/(decrease) in liabilities:</b>                                                       |      |                    |                     |
| Remuneration payable to the Management Company                                                   |      | 336,011            | 62,591              |
| Other payable                                                                                    |      | -                  | (43,016)            |
| Remuneration payable to Trustee                                                                  |      | 10,890             | 6,688               |
| Annual fee payable to SECP                                                                       |      | 4,423              | 2,713               |
| Accrued and other liabilities                                                                    |      | (3,280,131)        | (2,418,187)         |
|                                                                                                  |      | (2,928,807)        | (2,389,211)         |
| Dividend received                                                                                |      | 10,189,100         | 9,738,198           |
| Profit received                                                                                  |      | 1,149,052          | 2,153,177           |
| Taxes and levies paid                                                                            |      | (217,232)          | (1,738,009)         |
| <b>Net cash generated from operating activities</b>                                              |      | <b>178,356</b>     | <b>8,621,433</b>    |
| <b>Cash flows from financing activities</b>                                                      |      |                    |                     |
| Proceeds from issuance of units                                                                  |      | -                  | 35,004,155          |
| Dividend distribution                                                                            |      | (90,530)           | (4,000)             |
| Payments on redemption of units                                                                  |      | (2,585,053)        | (56,531,009)        |
| <b>Net cash used in financing activities</b>                                                     |      | <b>(2,675,583)</b> | <b>(21,530,854)</b> |
| <b>Net decrease in cash and cash equivalents during the year</b>                                 |      | <b>(2,497,227)</b> | <b>(12,909,421)</b> |
| Cash and cash equivalents at the beginning of the year                                           |      | 13,194,668         | 26,104,089          |
| <b>Cash and cash equivalents at the end of the year</b>                                          | 5    | <b>10,697,441</b>  | <b>13,194,668</b>   |

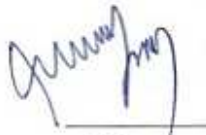
The annexed notes, from 1 to 33 form an integral part of these financial statements.

MHA & CO

**For First Capital Investments Limited**  
**(Management Company)**

  
**Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**

First Capital Mutual Fund  
Statement of Movement in Unit Holder's Fund  
For the year ended June 30, 2026

|                                                    | For the year ended 30 June |                      |             |               |                      |              |
|----------------------------------------------------|----------------------------|----------------------|-------------|---------------|----------------------|--------------|
|                                                    | 2025                       |                      |             | 2024          |                      |              |
|                                                    | Capital Value              | Undistributed Income | Total       | Capital Value | Undistributed Income | Total        |
|                                                    | Rupees                     |                      |             |               |                      |              |
| Net assets at beginning of the year                | 121,456,274                | 61,626,046           | 183,082,320 | 120,520,633   | 23,429,644           | 143,950,277  |
| - Capital value                                    | 3,040,896                  | -                    | 3,040,896   | 38,447,341    | -                    | 38,447,341   |
| - Element of Income                                | 934,817                    | -                    | 934,817     | 9,789,664     | -                    | 9,789,664    |
| Total proceeds on issuance of units                | 3,975,713                  | -                    | 3,975,713   | 48,237,005    | -                    | 48,237,005   |
| Redemption of 151,032 (2025: 4,200,915) units      |                            |                      |             |               |                      |              |
| - Capital value                                    | (2,024,687)                | -                    | (2,024,687) | (42,907,338)  | -                    | (42,907,338) |
| - Element of loss                                  | (49,260)                   | (511,106)            | (560,366)   | (4,394,240)   | (9,229,425)          | (13,623,671) |
| Total payment on redemption of units               | (2,073,947)                | (511,106)            | (2,585,053) | (47,301,584)  | (9,229,425)          | (56,531,009) |
| Dividend distribution                              | -                          | (4,997,236)          | (4,997,236) | -             | (16,079,303)         | (16,079,303) |
| Total comprehensive income for the year            | -                          | 62,797,194           | 62,797,194  | -             | 63,505,130           | 63,505,130   |
| Net assets at end of the year                      | 123,358,040                | 118,914,898          | 242,272,938 | 121,456,274   | 61,626,046           | 183,082,320  |
| Accumulated income / (loss) brought forward:       |                            |                      |             |               |                      |              |
| - Realised                                         |                            | 24,036,481           |             |               | (13,252,741)         |              |
| - Unrealised                                       |                            | 37,589,565           |             |               | 36,682,383           |              |
|                                                    |                            | 61,626,046           |             |               | 23,429,644           |              |
| Accounting income available for distribution:      |                            |                      |             |               |                      |              |
| Relating to capital gains                          | 61,095,995                 |                      |             | 54,275,705    |                      |              |
| Excluding capital gains                            | 1,190,093                  |                      |             | -             |                      |              |
|                                                    | 62,286,088                 |                      |             | 54,275,705    |                      |              |
| Distribution during the year                       |                            | (4,997,236)          |             |               | (16,079,303)         |              |
| Accumulated income carried forward                 |                            | 118,914,898          |             |               | 61,626,046           |              |
| Accumulated income carried forward represented by: |                            |                      |             |               |                      |              |
| - Realised                                         | 83,652,349                 |                      |             | 24,036,481    |                      |              |
| - Unrealised                                       | 35,262,549                 |                      |             | 37,589,565    |                      |              |
|                                                    | 118,914,898                |                      |             | 61,626,046    |                      |              |
|                                                    | (Rupees)                   |                      |             |               |                      |              |
| Net assets value per unit at beginning of the year | 13.4057                    |                      |             | 10.2138       |                      |              |
| Net assets value per unit at end of the year       | 17.6418                    |                      |             | 15.4057       |                      |              |

The annexed notes, from 1 to 33 form an integral part of these financial statements.

For First Capital Investments Limited  
(Management Company)

  
Chief Executive Officer

  
Chief Financial Officer

  
Director

MHA & CO

## 1 Reporting entity

- 1.1 First Capital Mutual Fund ("the Fund") was constituted by virtue of a scheme of arrangement for conversion of First Capital Mutual Fund Limited into an Open end scheme under a Trust Deed executed between First Capital Investment Limited ("FCIL") as Management Company and Central Depository Company of Pakistan Limited ("CDC") as Trustee. The Trust Deed was executed on 06 August 2013 after being approved by the Securities and Exchange Commission of Pakistan ("SECP") on 30 July 2013 in accordance with the provision of Non-Banking Finance Companies and Notified Entities Regulation, 2008 ("the NBFC Regulations").
- 1.2 The Management Company has been licensed by the SECP to act as an Asset Management Company under the Non Banking Finance Companies ("Establishment and Regulations") Rules, 2003 ("the NBFC Rules") through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at First Capital House 96-B/1, Lower Ground Floor, M.M. Alam Road, Gulberg III, Lahore. The Fund is an Open end equity scheme and offers units for public subscription on a continuous basis. The units are transferable and can be redeemed by submitting them into the Fund.
- 1.3 The Fund has been formed to augment the wealth of investors through investments geared towards securing maximum returns whilst simultaneously offsetting resultant risks through efficient diversification across sectors with low correlation amongst them. The Fund shall invest its assets in high quality dividend yielding stocks. While the remaining assets shall be invested in cash and / or near cash instruments.
- 1.4 Title of the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited ("CDC") as trustee of the Fund.
- 1.5 Pakistan Credit Rating Agency Limited ("PACRA") has assigned management quality rating of AM4++ to the Management Company on April 03, 2026 and has assigned '3 Star' (short term) and '3 Star' (long term) rating to the Fund on March 02, 2026.

## 2 Basis of preparation

### 2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017 along with the requirements of Part VIIIA of the repealed Companies Ordinance, 1984 and the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008, (the NBFC Regulations). Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.

### 2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention except for investments which are carried at fair value.

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**First Capital Mutual Fund**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2026**

**2.3 Critical accounting estimates and judgments**

The preparation of financial statements is in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on a continuous basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period, or in the period of the revision and future periods affected.

Judgments made by the management in the application of approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are as follows:

- Note 4.1 - Classification of investments
- Note 4.1 - Valuation of investments
- Note 4.1 - Impairment of financial assets and other assets

**2.4 Functional and presentation currency**

These financial statements are presented in Pak Rupees ("Rs."), which is the Funds' functional and presentation currency. All financial information has been rounded off to the nearest rupee, except when otherwise indicated.

**3 Standards, Interpretations And Amendments To The Approved Accounting Standards**

- 3.1** There are certain amendments and interpretations to the accounting and reporting standards which are mandatory for the Fund's annual accounting period which began on 1 July 2025. However, these do not have any significant impact on the Fund's financial statements except as disclosed in note 4 to these financial statements.
- 3.2** Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

|                                                                 | Effective date<br>(annual reporting periods<br>beginning on or after) |
|-----------------------------------------------------------------|-----------------------------------------------------------------------|
| IAS 7 Statement of Cash Flows (Amendments)                      | January 1, 2026                                                       |
| IAS 21 The effects of changes in foreign exchange rates         | January 1, 2027                                                       |
| IAS 28 Investments in Associates and Joint Ventures             | January 1, 2027                                                       |
| IFRS 7 Financial Instruments: Disclosures (Amendments)          | January 1, 2026                                                       |
| IFRS 9 Financial Instruments (Amendments)                       | January 1, 2026                                                       |
| IFRS 10 Consolidated Financial Statements (Amendments)          | January 1, 2026                                                       |
| IFRS 17 Insurance Contracts (Amendments)                        | January 1, 2027                                                       |
| IFRS 18 Presentation and Disclosure in Financial Statements     | January 1, 2027                                                       |
| IFRS 19 Subsidiaries without Public Accountability: Disclosures | January 1, 2027                                                       |

- 3.3** The management anticipates that, the adoption of the above standards, amendments and interpretations in future periods, will have no material impact on the financial statements other than in presentation / disclosures.

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**First Capital Mutual Fund**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2026**

- 3.4 Other than the aforesaid standards, interpretations and amendments, International Accounting Standards Board (IASB) has also issued the following standards and interpretation, which have not been notified locally or declared exempt by the Securities and Exchange Commission of Pakistan (SECP) as at June 30, 2026;

|          |                                                                    |
|----------|--------------------------------------------------------------------|
| IFRS 1   | First-time Adoption of International Financial Reporting Standards |
| IFRS 20  | Regulatory Assets and Regulatory Liabilities                       |
| IFRIC 12 | Service Concession Arrangement                                     |

**4 Summary of material accounting policies**

The accounting policies adopted for the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Fund for the year ended 30 June 2025.

The material accounting policies applied in the preparation of these financial statements are set out below:

**4.1 Financial assets**

**i) Classification**

On initial recognition, a financial asset is measured at: amortized cost, FVOCI or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows;
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt security is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**Business model assessment**

The Fund makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Fund's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and

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**First Capital Mutual Fund**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2026**

- the frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Fund's stated objectives for managing the financial assets are achieved and how cash flows are realized.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL because they are neither held to collect contractual cash flows nor held both to collect contractual cash flows and to sell financial assets.

**Assessment of whether contractual cash flows are solely payments of principal and interest**

For the purposes of this assessment on debt securities, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Fund considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Fund considers:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- prepayment and extension terms;
- terms that limit the Fund's claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates)

**ii) Subsequent measurement**

The following accounting policies apply to the subsequent measurement of financial assets:

|                                           |                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Financial assets at FVTPL</b>          | These assets are subsequently measured at fair value. Net gains and losses, including any profit / mark-up or dividend income, are recognised in income statement.                                                                                                                                                                                              |
| <b>Financial assets at amortized cost</b> | These assets are subsequently measured at amortized cost using the effective yield method. The amortized cost is reduced by impairment losses. Interest / mark-up income, foreign exchange gains and losses and impairment are recognised in income statement.                                                                                                  |
| <b>Debt Securities at FVOCI</b>           | These assets are subsequently measured at fair value. Interest / mark-up income calculated using the effective yield method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to income statement. |
| <b>Equity investments at FVOCI</b>        | These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to income statement.                                                          |

The fair value of financial assets are determined as follows:

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**First Capital Mutual Fund**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2026**

**a) Debt securities (other than Government securities)**

Debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular No. 33 of 2012 dated 24 October 2012. In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorizes them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

**b) Government securities**

The government securities are valued on the basis of rates published by the Financial Markets Association of Pakistan.

**c) Equity Securities**

The equity securities are valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

**iii) Reclassification**

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

**iv) Impairment of financial assets at amortized cost**

Provision for financial assets is made in accordance with the criteria specified in Circular No. 33 of 2012 dated October 24, 2012 issued by SECP. Additionally, the Fund at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If such an indication exists, the recoverable amount of such asset is estimated. An impairment loss is recognised whenever the carrying amount of an asset exceeds the recoverable amount. The provisioning policy has been duly formulated and approved by the Board of Directors of the Management Company.

**4.1.1 Derecognition**

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

**4.1.2 Offsetting of financial assets and liabilities**

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

**4.2 Cash and cash equivalents**

Cash and cash equivalents comprise saving accounts maintained with banks.

**4.3 Financial liabilities**

All financial liabilities are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. They are initially recognized at fair value and subsequently stated at amortized cost.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired.

**4.4 Derivatives**

Derivative instruments are initially recognized at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognized in the income statement.

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**4.5 Provisions and contingencies**

Provisions are recognized when the Fund has a present, legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate. Where outflow of resources embodying economic benefits is not probable, a contingent liability is disclosed, unless the possibility of outflow is remote.

**4.6 Taxation**

**Current tax**

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 ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realized or unrealized, is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the year, the income distributed through bonus units shall not be taken into account.

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

**Deferred tax**

The Fund provides for deferred taxation using the balance sheet liability method on all major temporary differences between the amounts used for financial reporting purposes and amounts used for taxation purposes. In addition, the Fund also records deferred tax asset on unutilized tax losses to the extent that it is probable that the related tax benefit will be realized. However, the Fund has not recognized any amount in respect of deferred tax in these financial statements as the Fund has a past practice and intends to continue the same by availing the tax exemption in future years through distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders every year. Further, it is also mandatory as per regulation 63(1) of the NBFC regulations 2008 to distribute ninety percent of aforesaid accounting income as dividend.

**4.7 Issuance of units**

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, if applicable. The sales load is payable to the investment facilitators, distributors and the Management Company.

**4.8 Redemption of units**

Units redeemed are recorded at the redemption price, applicable to units for which the distributors / Management Company receive redemption applications during business hours of that day. The redemption price represents the Net Asset Value per unit as of the close of the business day less back-end load, any duties, taxes, charges on redemption and any provision for transaction costs, if applicable.

**4.9 Unit holders' fund**

Unit holders' fund representing the units issued by the Fund, is carried at the redemption amount representing the investors' right to a residual interest in the Fund's assets.

**4.10 Trade date accounting**

All financial assets are recognized at the time when the Fund becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of investments are recognized at trade date i.e. the date on which the Fund commits to purchase or sell the asset.

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**4.11 Element of Income**

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP) the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the year under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the year. The income already paid (Element of Income) on redemption of units during the year are taken separately in statement of movement in unitholders' fund.

**4.12 Net asset value per unit**

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

**4.13 Earnings per unit**

Earnings per unit (EPU) have not been disclosed as in the opinion of the management, determination of weighted average number of outstanding units for calculating EPU is not practicable.

**4.14 Distributions**

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognized in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP) distributions for the year is deemed to comprise the portion of amount of income already paid on units redeemed and the amount of cash distribution for the year.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital if any based on the period of investment made during the year. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

**4.15 Expenses**

All expenses including NAV based expenses (namely management fee, trustee fee and annual fee payable to the SECP) are recognized in the Income Statement on an accrual basis.

**4.16 Incomes**

- Capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Dividend income is recognized when the right to receive the same is established i.e. on the date of book closure of the investee company / institution declaring the dividend.
- Unrealized capital gains / (losses) arising, on re-measurement of investments classified as financial assets 'at fair value through profit or loss are included in the income statement in the year in which they arise.
- Profit on bank deposits is recognized on time proportionate basis.
- Income on government securities is recognized on an accrual basis.

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| Note              | 2026               | 2025              |
|-------------------|--------------------|-------------------|
|                   | ----- Rupees ----- |                   |
| 5 Bank balances   |                    |                   |
| Cash at bank      |                    |                   |
| - saving accounts | 5.1 10,697,441     | 13,194,668        |
|                   | <u>10,697,441</u>  | <u>13,194,668</u> |

5.1 The rate of return on these saving accounts is 9.0% - 10.5% (30 June 2025: 10.5% - 19.00%) per annum.

| Note                                                  | 2026               | 2025               |
|-------------------------------------------------------|--------------------|--------------------|
|                                                       | ----- Rupees ----- |                    |
| 6 Investments                                         |                    |                    |
| Financial assets at fair value through profit or loss | 6.1 243,136,748    | 184,070,830        |
|                                                       | <u>243,136,748</u> | <u>184,070,830</u> |

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| Name of Investee company                  | Number of shares    |                           |                                          |                       |                     | As at June 30, 2026 (Rupees) |              |                             | (%): Percentage in relation to |                                   |                                     |
|-------------------------------------------|---------------------|---------------------------|------------------------------------------|-----------------------|---------------------|------------------------------|--------------|-----------------------------|--------------------------------|-----------------------------------|-------------------------------------|
|                                           | As at July 01, 2025 | Purchases during the year | Bonus / Right / dividend during the year | Sales during the year | As at June 30, 2026 | Carrying value               | Market value | Appreciation / (Diminution) | Net assets of the Fund         | Market value of total investments | Paid up capital of investee company |
| <b>6.1 Listed equity securities</b>       |                     |                           |                                          |                       |                     |                              |              |                             |                                |                                   |                                     |
| Shares of listed companies                |                     |                           |                                          |                       |                     |                              |              |                             |                                |                                   |                                     |
| <b>Automobile Assembler</b>               |                     |                           |                                          |                       |                     |                              |              |                             |                                |                                   |                                     |
| Ghandhara Automobiles Limited             | -                   | 11,000                    | -                                        | 10,000                | 1,000               | 596,714                      | 562,020      | (34,694)                    | 0.23%                          | 0.23%                             | 0.002%                              |
| Ghandhara Industries Limited              | -                   | 6,500                     | -                                        | 6,500                 | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Millat Tractors Limited                   | 2,001               | -                         | -                                        | 2,001                 | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Sazgar Engineering Works Limited          | 3,000               | 4,500                     | -                                        | 2,500                 | 5,000               | 6,797,500                    | 10,317,450   | 3,519,950                   | 4.26%                          | 4.24%                             | 0.008%                              |
| <b>Automobile Parts &amp; Accessories</b> |                     |                           |                                          |                       |                     |                              |              |                             |                                |                                   |                                     |
| Atlas Battery Limited                     | 4,000               | -                         | -                                        | 4,000                 | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Exide Pakistan Limited                    | 4,000               | -                         | -                                        | 4,000                 | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Panther Tyres Limited                     | -                   | 20,000                    | -                                        | 20,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| <b>Banks</b>                              |                     |                           |                                          |                       |                     |                              |              |                             |                                |                                   |                                     |
| Askari Bank Limited                       | 40,000              | 25,000                    | -                                        | 60,000                | 5,000               | 530,499                      | 551,150      | 20,651                      | 0.23%                          | 0.23%                             | 0.000%                              |
| Bank Makramah Limited                     | -                   | 75,000                    | -                                        | 75,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Faysal Bank Limited                       | 15,000              | -                         | -                                        | 15,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Habib Bank Limited                        | 31,500              | -                         | -                                        | 11,500                | 20,000              | 3,583,800                    | 5,844,200    | 2,260,400                   | 2.41%                          | 2.40%                             | 0.001%                              |
| JS Bank Limited                           | 25,000              | -                         | -                                        | 25,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| MCB Bank Limited                          | 30,000              | -                         | -                                        | -                     | 30,000              | 8,650,200                    | 12,165,300   | 3,515,100                   | 5.02%                          | 5.00%                             | 0.003%                              |
| Meezan Bank Limited                       | 20,000              | -                         | -                                        | -                     | 20,000              | 6,641,000                    | 10,329,200   | 3,688,200                   | 4.26%                          | 4.25%                             | 0.001%                              |
| National Bank Of Pakistan                 | 20,000              | 30,000                    | -                                        | 50,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Soneri Bank Ltd.                          | -                   | 10,000                    | -                                        | 10,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| The Bank Of Khyber                        | -                   | 20,000                    | -                                        | 10,000                | 10,000              | 369,972                      | 336,600      | (33,372)                    | 0.14%                          | 0.14%                             | 0.001%                              |
| The Bank Of Punjab                        | -                   | 140,000                   | -                                        | 40,000                | 100,000             | 4,090,000                    | 3,509,000    | (581,000)                   | 1.45%                          | 1.44%                             | 0.003%                              |
| United Bank Limited                       | 46,000              | 20,500                    | -                                        | 11,500                | 55,000              | 18,075,630                   | 24,621,850   | 6,546,220                   | 10.16%                         | 10.13%                            | 0.002%                              |
| <b>Cables &amp; Electrical Goods</b>      |                     |                           |                                          |                       |                     |                              |              |                             |                                |                                   |                                     |
| Pak Elektron Limited                      | -                   | 100,000                   | -                                        | 15,000                | 85,000              | 4,986,197                    | 3,863,250    | (1,122,947)                 | 1.59%                          | 1.59%                             | 0.009%                              |
| <b>Chemicals</b>                          |                     |                           |                                          |                       |                     |                              |              |                             |                                |                                   |                                     |
| Descon Oxychem Limited                    | -                   | 25,000                    | -                                        | 25,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Ghani Chemworld Limited                   | -                   | 20,000                    | -                                        | 20,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |

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**Notes to the Financial Statements**  
**For the year ended June 30, 2026**

| Name of Investee company                  | Number of shares    |                           |                                       |                       |                     | As at June 30, 2026 (Rupees) |              |                            | ( %) Percentage in relation to |                                   |                                     |
|-------------------------------------------|---------------------|---------------------------|---------------------------------------|-----------------------|---------------------|------------------------------|--------------|----------------------------|--------------------------------|-----------------------------------|-------------------------------------|
|                                           | As at July 01, 2025 | Purchases during the year | Bonus/Right/ dividend during the year | Sales during the year | As at June 30, 2026 | Carrying value               | Market value | Appreciation/( Diminution) | Net assets of the Fund         | Market value of total investments | Paid up capital of investee company |
| <b>Cement</b>                             |                     |                           |                                       |                       |                     |                              |              |                            |                                |                                   |                                     |
| Cherat Cement Company Limited             | 5,800               | -                         | -                                     | -                     | 5,800               | 1,683,740                    | 2,006,394    | 322,654                    | 0.83%                          | 0.83%                             | 0.003%                              |
| D.G. Khan Cement Company Limited          | 10,000              | -                         | -                                     | -                     | 10,000              | 1,655,600                    | 2,232,700    | 577,100                    | 0.92%                          | 0.92%                             | 0.002%                              |
| Dandot Cement Company Limited             | -                   | 25,000                    | -                                     | 25,000                | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Fauji Cement Company Limited              | 15,000              | 10,000                    | -                                     | 5,000                 | 20,000              | 1,021,680                    | 1,151,000    | 129,320                    | 0.48%                          | 0.47%                             | 0.001%                              |
| Kohat Cement Company Limited              | 3,800               | 15,200                    | -                                     | 4,000                 | 15,000              | 1,138,080                    | 1,651,800    | 513,720                    | 0.68%                          | 0.68%                             | 0.002%                              |
| Lucky Cement Limited                      | 10,000              | 9,000                     | -                                     | -                     | 19,000              | 8,007,273                    | 8,920,880    | 913,607                    | 3.68%                          | 3.67%                             | 0.001%                              |
| Maple Leaf Cement Factory Limited         | 10,000              | 25,000                    | -                                     | 10,000                | 25,000              | 2,715,792                    | 2,672,750    | (43,042)                   | 1.10%                          | 1.10%                             | 0.002%                              |
| Pioneer Cement Limited                    | 5,000               | 31,000                    | -                                     | 28,014                | 7,986               | 2,683,099                    | 2,262,993    | (420,106)                  | 0.93%                          | 0.93%                             | 0.004%                              |
| Safe Mix Concrete Limited                 | -                   | 10,000                    | -                                     | 10,000                | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Thatta Cement Company Limited             | -                   | 50,000                    | -                                     | 30,000                | 20,000              | 1,338,422                    | 1,313,200    | (25,222)                   | 0.54%                          | 0.54%                             | 0.004%                              |
| <b>Fertilizer</b>                         |                     |                           |                                       |                       |                     |                              |              |                            |                                |                                   |                                     |
| AgriTech Limited                          | 20,000              | -                         | -                                     | 20,000                | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Engro Fertilizers Limited                 | 20,000              | 10,000                    | -                                     | 5,000                 | 25,000              | 4,738,996                    | 4,973,750    | 234,754                    | 2.05%                          | 2.05%                             | 0.002%                              |
| Fauji Fertilizer Company Limited          | 20,000              | 19,500                    | -                                     | 8,500                 | 31,000              | 14,141,738                   | 17,777,880   | 3,636,142                  | 7.34%                          | 7.31%                             | 0.002%                              |
| <b>Foods &amp; Personal Care Products</b> |                     |                           |                                       |                       |                     |                              |              |                            |                                |                                   |                                     |
| Barkat Frisian Agro Limited               | 25,000              | -                         | -                                     | 25,000                | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Bonny's Limited                           | 10,000              | 120,000                   | -                                     | 130,000               | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Colgate-Palmolive (Pakistan) Limited      | 4,000               | -                         | -                                     | 4,000                 | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Fauji Foods Limited                       | -                   | 25,000                    | -                                     | 10,000                | 15,000              | 339,743                      | 268,200      | (71,543)                   | 0.11%                          | 0.11%                             | 0.001%                              |
| The Organic Meat Company Limited          | -                   | 125,000                   | -                                     | 50,000                | 75,000              | 4,246,210                    | 3,282,000    | (964,210)                  | 1.35%                          | 1.35%                             | 0.038%                              |
| Treet Corporation Limited                 | -                   | 35,000                    | -                                     | 25,000                | 10,000              | 316,333                      | 251,100      | (65,233)                   | 0.10%                          | 0.10%                             | 0.003%                              |
| <b>Industrial Engineering</b>             |                     |                           |                                       |                       |                     |                              |              |                            |                                |                                   |                                     |
| Aisha Steel Mills Limited                 | 50,000              | -                         | -                                     | 50,000                | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Amreli Steels Limited                     | 10,000              | -                         | -                                     | 10,000                | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Crescent Steel & Allied Products Limited  | -                   | 5,000                     | -                                     | 5,000                 | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| International Steels Limited              | -                   | 10,000                    | -                                     | 10,000                | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| Mughal Iron And Steel Industries Ltd      | 5,000               | -                         | -                                     | 5,000                 | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |
| <b>Insurance</b>                          |                     |                           |                                       |                       |                     |                              |              |                            |                                |                                   |                                     |
| Adamjee Insurance Company Limited         | -                   | 10,000                    | -                                     | 10,000                | -                   | -                            | -            | -                          | 0.00%                          | 0.00%                             | 0.000%                              |

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**Notes to the Financial Statements**  
**For the year ended June 30, 2026**

| Name of Investee company                       | Number of shares    |                           |                                       |                       |                     | As at June 30, 2026 (Rupees) |              |                             | (% ) Percentage in relation to |                                   |                                     |
|------------------------------------------------|---------------------|---------------------------|---------------------------------------|-----------------------|---------------------|------------------------------|--------------|-----------------------------|--------------------------------|-----------------------------------|-------------------------------------|
|                                                | As at July 01, 2025 | Purchases during the year | Bonus/Right/ dividend during the year | Sales during the year | As at June 30, 2026 | Carrying value               | Market value | Appreciation/(Disimination) | Net assets of the Fund         | Market value of total investments | Paid up capital of investee company |
| <b>Inv. Bank/Inv. Companies/Securities Co.</b> |                     |                           |                                       |                       |                     |                              |              |                             |                                |                                   |                                     |
| Engro Holdings Limited                         | 51,882              | 1,500                     | -                                     | 6,001                 | 47,381              | 8,800,532                    | 13,632,461   | 4,831,929                   | 5.63%                          | 5.61%                             | 0.004%                              |
| First Capital Equities Limited                 | 490,000             | -                         | -                                     | 490,000               | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Invest Capital Investment Bank Limited         | -                   | 100,000                   | -                                     | 100,000               | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Arif Habib Corporation Limited                 | -                   | 150,000                   | -                                     | -                     | 150,000             | 2,767,500                    | 2,398,500    | (369,000)                   | 0.99%                          | 0.99%                             | 0.004%                              |
| ISE Ventures Limited                           | -                   | 200,000                   | -                                     | 150,000               | 50,000              | 491,595                      | 556,500      | 64,905                      | 0.23%                          | 0.23%                             | 0.013%                              |
| <b>Leather &amp; Tanneries</b>                 |                     |                           |                                       |                       |                     |                              |              |                             |                                |                                   |                                     |
| Service Global Footwear Limited                | -                   | 10,000                    | -                                     | 10,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| <b>Miscellaneous</b>                           |                     |                           |                                       |                       |                     |                              |              |                             |                                |                                   |                                     |
| Ecopack Limited                                | -                   | 20,000                    | -                                     | 20,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Tri-Pack Films Limited                         | -                   | 6,000                     | -                                     | 6,000                 | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| <b>Oil &amp; Gas Exploration Companies</b>     |                     |                           |                                       |                       |                     |                              |              |                             |                                |                                   |                                     |
| Mari Energies Limited                          | 26,665              | -                         | -                                     | 1,756                 | 24,909              | 15,672,250                   | 16,795,890   | 1,123,640                   | 6.93%                          | 6.91%                             | 0.002%                              |
| Oil & Gas Development Company Limited          | 50,000              | 9,000                     | -                                     | 20,000                | 39,000              | 9,082,249                    | 13,059,930   | 3,977,681                   | 5.39%                          | 5.37%                             | 0.001%                              |
| Pakistan Oilfields Limited                     | 8,000               | 2,000                     | -                                     | 5,000                 | 5,000               | 2,997,675                    | 3,439,550    | 441,875                     | 1.42%                          | 1.41%                             | 0.002%                              |
| Pakistan Petroleum Limited                     | 30,000              | 25,500                    | -                                     | 15,000                | 40,500              | 8,010,079                    | 9,826,110    | 1,816,031                   | 4.06%                          | 4.04%                             | 0.001%                              |
| <b>Oil &amp; Gas Marketing Companies</b>       |                     |                           |                                       |                       |                     |                              |              |                             |                                |                                   |                                     |
| Haseel Petroleum Limited                       | -                   | 95,000                    | -                                     | 75,000                | 20,000              | 467,744                      | 415,400      | (52,344)                    | 0.17%                          | 0.17%                             | 0.002%                              |
| Sitara Petroleum Service Limited               | -                   | 30,000                    | -                                     | 30,000                | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| Pakistan State Oil Company Limited             | 40,000              | 7,500                     | -                                     | 13,500                | 34,000              | 13,308,744                   | 11,639,900   | (1,668,844)                 | 4.80%                          | 4.79%                             | 0.007%                              |
| Sui Northern Gas Pipelines Limited             | 25,000              | -                         | -                                     | -                     | 25,000              | 2,917,750                    | 3,023,250    | 105,500                     | 1.25%                          | 1.24%                             | 0.004%                              |
| Sui Southern Gas Company Limited               | 20,000              | 30,000                    | -                                     | -                     | 50,000              | 1,920,260                    | 1,604,000    | (316,260)                   | 0.66%                          | 0.66%                             | 0.006%                              |
| <b>Paper &amp; Board</b>                       |                     |                           |                                       |                       |                     |                              |              |                             |                                |                                   |                                     |
| Packages Limited                               | 3,250               | -                         | -                                     | 3,250                 | -                   | -                            | -            | -                           | 0.00%                          | 0.00%                             | 0.000%                              |
| <b>Pharmaceuticals</b>                         |                     |                           |                                       |                       |                     |                              |              |                             |                                |                                   |                                     |
| Citi Pharma Limited                            | 34,000              | 16,000                    | -                                     | -                     | 50,000              | 4,303,759                    | 3,893,500    | (410,259)                   | 1.61%                          | 1.60%                             | 0.022%                              |
| Glaxosmithkline Pakistan Limited               | 3,000               | 4,000                     | -                                     | -                     | 7,000               | 2,872,160                    | 2,591,750    | (280,410)                   | 1.07%                          | 1.07%                             | 0.002%                              |
| The Searle Company Limited                     | 45,556              | 10,444                    | 6,750                                 | -                     | 62,750              | 5,316,800                    | 5,932,385    | 615,585                     | 2.45%                          | 2.44%                             | 0.011%                              |

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| Name of Investee company                     | Number of shares    |                           |                                       |                       | As at June 30, 2026 (Rupees) |                    |                    |                           | (%) Percentage in relation to |                                   |                                     |
|----------------------------------------------|---------------------|---------------------------|---------------------------------------|-----------------------|------------------------------|--------------------|--------------------|---------------------------|-------------------------------|-----------------------------------|-------------------------------------|
|                                              | As at July 01, 2025 | Purchases during the year | Bonus/Right/ dividend during the year | Sales during the year | As at June 30, 2026          | Carrying value     | Market value       | Appreciation/(Diminution) | Net assets of the Fund        | Market value of total investments | Paid up capital of investee company |
| <b>Power Generation &amp; Distribution</b>   |                     |                           |                                       |                       |                              |                    |                    |                           |                               |                                   |                                     |
| K-Electric Limited                           | -                   | 50,000                    | -                                     | 50,000                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| Kot Addu Power Company Limited               | -                   | 15,000                    | -                                     | 5,000                 | 10,000                       | 303,323            | 283,200            | (20,123)                  | 0.12%                         | 0.12%                             | 0.001%                              |
| Nishat Chunian Power Limited                 | -                   | 20,000                    | -                                     | 20,000                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| Nishat Power Limited                         | -                   | 50,000                    | -                                     | 35,000                | 15,000                       | 1,307,956          | 1,102,650          | (205,306)                 | 0.46%                         | 0.45%                             | 0.004%                              |
| The Hub Power Company Limited                | 20,693              | 19,307                    | -                                     | -                     | 40,000                       | 7,119,963          | 9,338,000          | 2,218,037                 | 3.85%                         | 3.84%                             | 0.003%                              |
| <b>Refinery</b>                              |                     |                           |                                       |                       |                              |                    |                    |                           |                               |                                   |                                     |
| Attock Refinery Limited                      | 3,500               | 8,500                     | -                                     | 2,000                 | 10,000                       | 6,761,207          | 8,506,700          | 1,745,493                 | 3.51%                         | 3.50%                             | 0.009%                              |
| Cnergyco Pk Limited                          | -                   | 125,000                   | -                                     | 75,000                | 50,000                       | 424,081            | 408,500            | (15,581)                  | 0.17%                         | 0.17%                             | 0.001%                              |
| National Refinery Limited                    | 10,000              | -                         | -                                     | 5,000                 | 5,000                        | 1,216,800          | 1,812,450          | 595,650                   | 0.75%                         | 0.75%                             | 0.006%                              |
| Pakistan Refinery Limited                    | 40,000              | -                         | -                                     | 30,000                | 10,000                       | 339,300            | 356,700            | 17,400                    | 0.15%                         | 0.15%                             | 0.002%                              |
| <b>Synthetic &amp; Rayon</b>                 |                     |                           |                                       |                       |                              |                    |                    |                           |                               |                                   |                                     |
| Image Pakistan Limited                       | -                   | 20,000                    | -                                     | 20,000                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| <b>Technology &amp; Communications</b>       |                     |                           |                                       |                       |                              |                    |                    |                           |                               |                                   |                                     |
| Air Link Communication Limited               | 15,000              | 15,000                    | -                                     | 30,000                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| Avanceon Limited                             | 9,790               | 10,000                    | -                                     | 19,790                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| Netsol Technologies Limited                  | 35,000              | 7,500                     | -                                     | 30,000                | 12,500                       | 1,649,665          | 1,670,125          | 20,460                    | 0.69%                         | 0.69%                             | 0.014%                              |
| Octopus Digital Limited                      | -                   | 10,000                    | -                                     | 10,000                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| Systems Limited                              | 50,000              | 52,000                    | -                                     | 70,000                | 32,000                       | 5,067,980          | 4,706,880          | (361,100)                 | 1.94%                         | 1.94%                             | 0.002%                              |
| Telecard Limited                             | -                   | 175,000                   | -                                     | 150,000               | 25,000                       | 295,000            | 221,750            | (73,250)                  | 0.09%                         | 0.09%                             | 0.007%                              |
| TRG Pakistan Limited - Class 'A'             | -                   | 30,000                    | -                                     | 30,000                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| Worldcall Telecom Limited                    | -                   | 1,000,000                 | -                                     | -                     | 1,000,000                    | 1,928,000          | 1,250,000          | (678,000)                 | 0.52%                         | 0.51%                             | 0.020%                              |
| <b>Textile Composite</b>                     |                     |                           |                                       |                       |                              |                    |                    |                           |                               |                                   |                                     |
| Kohinoor Textile Mills Limited               | -                   | 20,000                    | -                                     | -                     | 20,000                       | 989,080            | 1,104,200          | 115,120                   | 0.46%                         | 0.45%                             | 0.001%                              |
| Nishat (Chunian) Limited                     | 15,000              | -                         | -                                     | 15,000                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| Nishat Mills Limited                         | 20,000              | 15,000                    | -                                     | 20,000                | 15,000                       | 2,882,100          | 2,367,900          | (514,200)                 | 0.98%                         | 0.97%                             | 0.004%                              |
| <b>Textile Spinning</b>                      |                     |                           |                                       |                       |                              |                    |                    |                           |                               |                                   |                                     |
| Kohinoor Spinning Mills Limited              | -                   | 100,000                   | -                                     | 100,000               | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| <b>Transport</b>                             |                     |                           |                                       |                       |                              |                    |                    |                           |                               |                                   |                                     |
| Pakistan International Bulk Terminal Limited | 150,000             | 135,000                   | -                                     | 267,500               | 17,500                       | 312,429            | 333,900            | 21,471                    | 0.14%                         | 0.14%                             | 0.001%                              |
| Secure Logistics - Trax Group Limited        | -                   | 15,000                    | -                                     | 15,000                | -                            | -                  | -                  | -                         | 0.00%                         | 0.00%                             | 0.000%                              |
| <b>Total as at June 30, 2026</b>             | <b>1,660,437</b>    | <b>3,651,451</b>          | <b>6,750</b>                          | <b>2,841,312</b>      | <b>2,477,326</b>             | <b>207,874,199</b> | <b>243,136,748</b> | <b>35,262,549</b>         |                               |                                   |                                     |
| <b>Total as at June 30, 2025</b>             |                     |                           |                                       |                       |                              | <b>146,481,265</b> | <b>184,070,830</b> | <b>37,589,565</b>         |                               |                                   |                                     |

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**6.1.1** Face value of fully paid up ordinary shares of equity securities.

| Company Name                   | Face Value per Share (Rs.) |
|--------------------------------|----------------------------|
| United Bank Limited            | 5.0                        |
| Kohat Cement Company Limited   | 2.0                        |
| Lucky Cement Limited           | 2.0                        |
| Arif Habib Corporation Limited | 1.0                        |
| LSE Ventures Limited           | 1.0                        |
| Systems Limited                | 2.0                        |
| Others                         | 10.0                       |

**6.1.2** The Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has led a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemption given to mutual funds under clause 47B and 99 of Second Schedule of Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case.

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

Further, the Finance Act, 2018 effective from 1 July 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. However, with the introduction of the Finance Act, 2023 Section 236Z has been incorporated in the Income Tax ordinance, 2001, effective from the July 1, 2023. As per the aforementioned section, every company quoted on the stock exchange issuing bonus shares to the shareholders of the company, is required to withhold 10% of the bonus shares to be issued, determined on the basis of the day-end price of the first day of closure of the books of issuing company and such tax shall be treated as final tax.

Moreover, the total market value of shares that are withheld amounting to Rs. 2.34 million (June 30, 2025: 2.062 million) which are not deposited in CDC account of fund.

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|                                                                  | Note | 2026              | 2025              |
|------------------------------------------------------------------|------|-------------------|-------------------|
|                                                                  |      | Rupees            |                   |
| <b>6.2 Unrealised appreciation in value of investments - net</b> |      |                   |                   |
| Market value of investments                                      |      | 243,136,748       | 184,070,830       |
| Less : carrying value of investments                             |      | (207,874,199)     | (146,481,265)     |
|                                                                  |      | <u>35,262,549</u> | <u>37,589,565</u> |

**7 Profit receivable**

|                                    |  |                |                |
|------------------------------------|--|----------------|----------------|
| Profit receivable on bank deposits |  | 324,208        | 444,795        |
|                                    |  | <u>324,208</u> | <u>444,795</u> |

**8 Advances, deposits and other receivables**

|                            | Note | 2026             | 2025             |
|----------------------------|------|------------------|------------------|
|                            |      | Rupees           |                  |
| Advance tax deducted       | 8.1  | 7,949,297        | 7,732,065        |
| Other receivables          | 8.2  | 676,377          | 775,619          |
| Security deposits with CDC | 8.3  | 237,500          | 237,500          |
|                            |      | <u>8,863,174</u> | <u>8,745,184</u> |

8.1 The income of the Fund is exempt from tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 (ITO 2001). Further, the Fund is exempt under clause 47(B) of Part IV of Second Schedule to the ITO 2001 from withholding of tax under section 150, 151 and 233 of ITO 2001. The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated 12 May 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). Prior to receiving tax exemption certificate(s) from CIR various withholding agents have deducted advance tax under section 150, and 151 of ITO 2001. The management is confident that the same shall be adjustable against the future tax liabilities, if any.

8.2 This reflects receivable from related party First Capital Investments Limited which includes balance Rs. 675,622 (2025: 775,619). The maximum aggregate amount at any time during the year was Rs. 775,619 (2025: 775,619).

8.3 The maximum aggregate amount outstanding at any time during the year was Rs.237,500 (2025: 237,500).

**9 Remuneration payable to First Capital Investment Limited - Management Company**

|                                                               | Note | 2026             | 2025             |
|---------------------------------------------------------------|------|------------------|------------------|
|                                                               |      | Rupees           |                  |
| Remuneration of the Management Company                        | 9.1  | 584,906          | 295,241          |
| Punjab sales tax on remuneration of the Management Company    | 9.2  | 93,585           | 47,239           |
| Federal Excise Duty on remuneration of the Management Company | 9.3  | 3,713,448        | 3,713,448        |
|                                                               |      | <u>4,391,939</u> | <u>4,055,928</u> |

9.1 During the year ended June 30, 2026, pursuant to S.R.O. 600(I)/2025 dated April 10, 2025, the SECP revised the management fee cap for Equity Schemes to 3.00% per annum of average daily net assets effective July 1, 2025, subsequent to which First Capital Investments Limited (FCIL) obtained formal approval via the 7th Supplemental Offering Document of First Capital Mutual Fund dated October 20, 2025, to adopt this revised fee structure effective December 1, 2025; consequently, in compliance with these regulatory limits and approvals, the Management Company has charged remuneration at 2.00% per annum till November 30, 2025 and at 3.00% per annum onwards till year end.

9.2 The Provincial Government of Punjab levied Punjab Sales Tax at the rate of 16% on the remuneration of the Management Company through the Punjab Sales Tax on Services Act, 2012 effective from 01 July 2012.

9.3 As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company was applied effective June 13, 2013. The Management Company is of the view that since the remuneration is already subject to provincial sales tax, a further levy of FED results in double taxation, which is contrary to the spirit of the law. Accordingly, a constitutional petition was collectively filed by the Mutual Fund Association of Pakistan (MUFAP) in the Honorable Sindh High Court (SHC) on September 4, 2013.

The Honorable SHC, through its order dated June 2, 2016, in CP D-3184 of 2014 (and connected petitions) filed by various taxpayers, inter alia, declared that the levy of FED under the Federal Excise Act, 2005 on services (other than shipping agents and related services) is ultra vires to the Constitution of Pakistan effective July 1, 2011. However, the declaration made by the Court will have effect in the manner prescribed in the judgment. Subsequently, through its order dated July 16, 2016, regarding the constitutional petition filed by management companies of mutual funds, the SHC maintained its earlier decision.

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|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Note | 2026   | 2025 |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|--------|------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      | Rupees |      |
| <p>The Federal Board of Revenue (FBR) has preferred an appeal before the Honorable Supreme Court of Pakistan against the SHC decision dated June 2, 2016, which remains pending for adjudication. Following the exclusion of mutual funds from the FED statute effective July 1, 2016, the Fund has discontinued recording further provisions in this respect.</p> <p>Since the appeal is pending before the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained the provision for FED on management remuneration aggregating to Rs. 3.713 million (June 30, 2025: Rs. 3.713 million). Had the provision not been maintained, the Net Asset Value (NAV) per unit of the Fund would have been higher by Rs. 0.2704 (June 30, 2025: Rs. 0.2719).</p> |      |        |      |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Note | 2026   | 2025   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|--------|--------|
|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |      | Rupees |        |
| <b>10 Other payable to First Capital Investment Limited - Management Company</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |      |        |        |
| Accounting & operational charges                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 10.1 | -      | 78,288 |
| <p>10.1 The Securities and Exchange Commission of Pakistan (SECP), through S.R.O. 639(I)/2019 dated 20 June 2019, amended Regulation 60(3)(s) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and removed the maximum cap of 0.1% of average annual net assets previously applicable to fees and expenses relating to registrar services, accounting, operations and valuation services of a Collective Investment Scheme (CIS). Accordingly, the Management Company may charge such expenses to the Fund based on its discretion, subject to the applicable regulatory requirements, including the prescribed Total Expense Ratio (TER) limits. During the year, the Fund was not charged with such expenses.</p> |      |        |        |

|                                                                                                                                                                                                                                                                                        | Note                                                                                                | 2026          | 2025          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|---------------|---------------|
|                                                                                                                                                                                                                                                                                        |                                                                                                     | Rupees        |               |
| <b>11 Payable to Central Depository Company of Pakistan Limited - Trustee</b>                                                                                                                                                                                                          |                                                                                                     |               |               |
| Remuneration of the Trustee                                                                                                                                                                                                                                                            | 11.1                                                                                                | 38,994        | 29,524        |
| Sindh sales tax on remuneration of the Trustee                                                                                                                                                                                                                                         | 11.2                                                                                                | 5,849         | 4,429         |
|                                                                                                                                                                                                                                                                                        |                                                                                                     | <u>44,843</u> | <u>33,953</u> |
| <b>11.1</b> 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 daily Net Assets Value of the Fund. The fee is paid to the Trustee monthly in arrears.        |                                                                                                     |               |               |
| Based on the Trust Deed and the revised fee notification by Central Depository Company of Pakistan Limited, the tariff structure applicable to the Fund as at 30 June 2026 is as follows:                                                                                              |                                                                                                     |               |               |
| <b>Net Assets Value</b>                                                                                                                                                                                                                                                                | <b>Tariff per annum</b>                                                                             |               |               |
| Upto Rs 1,000 million                                                                                                                                                                                                                                                                  | 0.20% per annum of net assets of the Fund                                                           |               |               |
| Exceeding Rs 1,000 million                                                                                                                                                                                                                                                             | Rs 2.0 million plus 0.10% per annum of net assets of the Fund, on amount exceeding Rs 1,000 million |               |               |
| <b>11.2</b> The Sindh Provincial Government levied Sindh Sales Tax on the remuneration of the Trustee through Sindh Sales Tax on services Act, 2011, effective from 01 July 2015. During the year, Sindh Sales Tax at the rate of 15% (2025: 15%) was charged on trustee remuneration. |                                                                                                     |               |               |

|                                                                                                                                                                                                                                                                  | Note | 2026   | 2025   |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|--------|--------|
|                                                                                                                                                                                                                                                                  |      | Rupees |        |
| <b>12 Payable to Securities and Exchange Commission of Pakistan</b>                                                                                                                                                                                              |      |        |        |
| Annual fee                                                                                                                                                                                                                                                       | 12.1 | 18,447 | 14,024 |
| <p>12.1 Under the provisions of the NBFC Regulations a CIS categorized as an equity scheme is required to pay annual fee to SECP, an amount equal to 0.095% (2025: 0.095%) of the average annual net assets of the Fund. The fee is paid monthly in arrears.</p> |      |        |        |

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|                                         | Note | 2026               | 2025             |
|-----------------------------------------|------|--------------------|------------------|
|                                         |      | ----- Rupees ----- |                  |
|                                         |      | 2026               | 2025             |
|                                         |      | ----- Rupees ----- |                  |
| <b>13 Accrued and other liabilities</b> |      |                    |                  |
| Auditors' remuneration                  |      | 757,648            | 757,647          |
| Listing fees payable                    |      | 68,943             | 140,694          |
| Fund's ranking fee                      |      | 13,783             | 13,494           |
| Withholding & capital gain tax payable  |      | 1,003,132          | 2,500,647        |
| Payable against purchase of investment  |      | -                  | 808,768          |
| Zakat Payable                           |      | 78,952             | 50,346           |
|                                         |      | <b>1,922,458</b>   | <b>4,271,596</b> |

**14 Unclaimed dividend**

This mainly includes an amount of Rs. 10.33 million (2025: Rs. 10.33 million) not paid to Salman Taseer (Late) due to pending adjudication for issuance of succession certificate before the Honorable Lahore High Court. Until the Honorable Court reaches a verdict in relation to his succession, the dividend can not be claimed by any party and the transmission of units can not be performed.

**15 Contingencies and commitments**

15.1 Contingencies as explained in notes 6.1.2 and 9.3.

15.2 There are no known commitments as at June 30, 2026 (2025: Nil).

**16 Number of units in issue**

Total units in issue at the beginning of the year  
Add: units issued during the year  
Less: units redeemed during the year  
Total units in issue at the end of the year

|  | 2026                        | 2025              |
|--|-----------------------------|-------------------|
|  | ----- Number of units ----- |                   |
|  | 2026                        | 2025              |
|  | ----- Number of units ----- |                   |
|  | 13,657,076                  | 14,093,720        |
|  | 226,831                     | 3,764,271         |
|  | (151,032)                   | (4,200,915)       |
|  | <b>13,732,875</b>           | <b>13,657,076</b> |

**17 Securities transaction costs**

Securities transaction costs

17.1 794,473 483,086

17.1 This represents brokerage commission, Sindh Sales Tax, CDS charges and settlement charges relating to sale and purchase of equity securities.

**18 Auditors' remuneration**

Annual audit fee  
Half yearly review fee  
Punjab Sales Tax  
Out of pocket expenses

|  | 2026               | 2025           |
|--|--------------------|----------------|
|  | ----- Rupees ----- |                |
|  | 2026               | 2025           |
|  | ----- Rupees ----- |                |
|  | 550,000            | 550,000        |
|  | 330,000            | 330,000        |
|  | 70,400             | 44,000         |
|  | 45,600             | 72,001         |
|  | <b>996,000</b>     | <b>996,001</b> |

**19 Taxation**

The Fund's income is exempt from Income Tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains whether realised or unrealised is distributed amongst the unit holders as cash dividend. Provided that for the purpose of determining distribution of at least 90% of accounting income, the income distributed through bonus shares, units or certificates as the case may be, shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders.

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

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20 Reconciliation of liabilities arising out of financing activities

|                                      | Receivable<br>against sale of<br>units | Payable against<br>redemption of<br>units | Total       |
|--------------------------------------|----------------------------------------|-------------------------------------------|-------------|
|                                      | ----- Rupees -----                     |                                           |             |
| Opening balance as at 01 July 2025   | -                                      | -                                         | -           |
| Receivable against issuance of units | -                                      | -                                         | -           |
| Payable against redemption of units  | -                                      | (2,585,053)                               | (2,585,053) |
|                                      | -                                      | (2,585,053)                               | (2,585,053) |
| Amount received on issuance of units | -                                      | -                                         | -           |
| Amount paid on redemption of units   | -                                      | 2,585,053                                 | 2,585,053   |
|                                      | -                                      | 2,585,053                                 | 2,585,053   |
| Closing balance as at 30 June 2026   | -                                      | -                                         | -           |

|                                      | Receivable<br>against sale of<br>units | Payable against<br>redemption of<br>units | Total        |
|--------------------------------------|----------------------------------------|-------------------------------------------|--------------|
|                                      | ----- Rupees -----                     |                                           |              |
| Opening balance as at 01 July 2024   | -                                      | -                                         | -            |
| Receivable against issuance of units | 35,004,155                             | -                                         | 35,004,155   |
| Payable against redemption of units  | -                                      | (56,531,009)                              | (56,531,009) |
|                                      | 35,004,155                             | (56,531,009)                              | (21,526,854) |
| Amount received on issuance of units | (35,004,155)                           | -                                         | (35,004,155) |
| Amount paid on redemption of units   | -                                      | 56,531,009                                | 56,531,009   |
|                                      | (35,004,155)                           | 56,531,009                                | 21,526,854   |
| Closing balance as at 30 June 2025   | -                                      | -                                         | -            |

21 Financial instruments by category

| As at 30 June 2026                       | At amortised<br>cost | At fair value<br>through profit or<br>loss | Total       |
|------------------------------------------|----------------------|--------------------------------------------|-------------|
|                                          | ----- Rupees -----   |                                            |             |
| <b>Assets</b>                            |                      |                                            |             |
| Bank balances                            | 10,697,441           | -                                          | 10,697,441  |
| Investments                              | -                    | 243,136,748                                | 243,136,748 |
| Receivable against sale of investments   | 548,422              | -                                          | 548,422     |
| Profit receivable                        | 324,208              | -                                          | 324,208     |
| Advances, deposits and other receivables | 913,877              | -                                          | 913,877     |
|                                          | 12,483,948           | 243,136,748                                | 255,620,696 |

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| As at 30 June 2026 |                                      |       |
|--------------------|--------------------------------------|-------|
| At amortised cost  | At fair value through profit or loss | Total |
| ----- Rupees ----- |                                      |       |

**Liabilities**

|                                                                      |                   |          |                   |
|----------------------------------------------------------------------|-------------------|----------|-------------------|
| Payable to First Capital Investment Limited -                        | 4,391,939         | -        | 4,391,939         |
| Payable to Central Depository Company of Pakistan Limited - Trustee  | 44,843            | -        | 44,843            |
| Annual fee payable to Securities and Exchange Commission of Pakistan | 18,447            | -        | 18,447            |
| Accrued expenses and other liabilities                               | 1,922,458         | -        | 1,922,458         |
| Unclaimed dividend                                                   | 14,919,368        | -        | 14,919,368        |
|                                                                      | <b>21,297,055</b> | <b>-</b> | <b>21,297,055</b> |

| As at 30 June 2025 |                                      |       |
|--------------------|--------------------------------------|-------|
| At amortised cost  | At fair value through profit or loss | Total |
| ----- Rupees ----- |                                      |       |

**Assets**

|                                          |                   |                    |                    |
|------------------------------------------|-------------------|--------------------|--------------------|
| Bank balances                            | 13,194,668        | -                  | 13,194,668         |
| Investments                              | -                 | 184,070,830        | 184,070,830        |
| Profit receivable                        | 444,795           | -                  | 444,795            |
| Advances, deposits and other receivables | 1,013,119         | -                  | 1,013,119          |
|                                          | <b>14,652,582</b> | <b>184,070,830</b> | <b>198,723,412</b> |

| As at 30 June 2025 |                                      |       |
|--------------------|--------------------------------------|-------|
| At amortised cost  | At fair value through profit or loss | Total |
| ----- Rupees ----- |                                      |       |

**Liabilities**

|                                                                      |                   |          |                   |
|----------------------------------------------------------------------|-------------------|----------|-------------------|
| Payable to First Capital Investment Limited -                        | 4,134,216         | -        | 4,134,216         |
| Payable to Central Depository Company of Pakistan Limited - Trustee  | 33,953            | -        | 33,953            |
| Annual fee payable to Securities and Exchange Commission of Pakistan | 14,024            | -        | 14,024            |
| Accrued expenses and other liabilities                               | 4,271,596         | -        | 4,271,596         |
| Unclaimed dividend                                                   | 14,919,368        | -        | 14,919,368        |
|                                                                      | <b>23,373,157</b> | <b>-</b> | <b>23,373,157</b> |

**22 Earnings per unit**

Earnings per unit (EPU) have not been disclosed as in the opinion of the management, determination of weighted average number of outstanding units for calculating EPU is not practicable.

**23 Total Expense Ratio**

The Total Expense Ratio (TER) of the Fund as at June 30, 2026, is 4.19% (2025: 3.65%) which includes 0.58% (2025: 0.47%) representing government levies on the Fund such as sales taxes, annual fees to SECP, etc. The TER excluding government levies is 3.61% (2025: 3.18%) which is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an equity scheme.

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**24 Transactions with connected persons / related parties**

Connected persons include First Capital Investment Limited being the Management Company, Central Depository Company of Pakistan Limited (CDC) being the Trustee of the Fund, all Group Companies, any person or company beneficially owning ten percent or more of the capital of the Management Company or net assets of the Fund and unit holders holding 10 percent or more units of the Fund and Directors and Key Management Personnel of the Management Company as at 30 June 2026.

Remuneration to the Management Company and the Trustee of the Fund is determined in accordance with the provisions of the NBFC Regulations and Trust Deed respectively as disclosed in note 9 and 11 to these financial statements.

**24.1 Transactions for the year**

**The Management Company**

|                                                                 | 2026               | 2025       |
|-----------------------------------------------------------------|--------------------|------------|
|                                                                 | ----- Rupees ----- |            |
| Remuneration charged for the year                               | 5,943,641          | 3,391,009  |
| Accounting and operational charges for the year                 | -                  | 77,974     |
| PST on remuneration of Management Company*                      | 950,228            | 542,561    |
| Remuneration paid                                               | 6,557,858          | 3,870,979  |
| Accounting and operational charges paid                         | -                  | 120,990    |
| Dividend reinvested                                             | 2,981,322          | 10,903,764 |
| Issuance of units-Nil (2025: 1,939,784 units)                   | -                  | 24,370,208 |
| Other receivables                                               | 99,242             | 564,343    |
| Write-off of payable against accounting and operational charges | 78,288             | -          |
| Redemption of 113,222 units (2025:1,688,236 units)              | 2,000,000          | 22,000,000 |

\* Punjab Sales Tax is paid to the Management Company for onwards payment to the Government.

**Trustee**

|                                                | 2026               | 2025    |
|------------------------------------------------|--------------------|---------|
|                                                | ----- Rupees ----- |         |
| Remuneration charged for the year              | 457,340            | 339,159 |
| Remuneration paid                              | 515,052            | 383,345 |
| Sindh Sales Tax on remuneration of the Trustee | 68,602             | 50,874  |

**First Capital Equities Limited - Group Company**

|                     |     |       |
|---------------------|-----|-------|
| Dividend reinvested | 724 | 1,237 |
|---------------------|-----|-------|

**First Capital Securities Corporation Limited**

**- Group Company**

|                                            |   |            |
|--------------------------------------------|---|------------|
| Dividend reinvested                        | - | 487,846    |
| Redemption of units in 2025: 977,210 units | - | 13,511,303 |

**Evergreen Water Valley (Pvt.) Limited**

**- Group Company**

|                                               |   |            |
|-----------------------------------------------|---|------------|
| Issuance of 0 units (2025: 1,484,028 units)   | - | 20,000,000 |
| Redemption of 0 units (2025: 1,484,028 units) | - | 20,519,069 |

**Key management personnel of the Management Company**

|                     |     |       |
|---------------------|-----|-------|
| Dividend reinvested | 995 | 3,077 |
|---------------------|-----|-------|

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24.2 Outstanding balances as at year end

**The Management Company**

|                                                     |             |             |
|-----------------------------------------------------|-------------|-------------|
| Remuneration payable inclusive of taxes thereon     | 4,391,939   | 4,055,928   |
| Other payables                                      | -           | 78,288      |
| Other receivables                                   | 676,377     | 775,619     |
| Units held: 9,649,663 units (2025: 9,592,784 units) | 170,237,419 | 128,597,985 |

**Trustee**

|                                                 |         |         |
|-------------------------------------------------|---------|---------|
| Remuneration payable inclusive of taxes thereon | 44,843  | 33,953  |
| Security deposit                                | 237,500 | 237,500 |

**First Capital Equities Limited - Group Company**

|                                             |        |        |
|---------------------------------------------|--------|--------|
| Units held: 1,991 units (2025: 1,956 units) | 35,130 | 26,225 |
|---------------------------------------------|--------|--------|

**Mr. Salman Taseer (late) - Holder of more than 10%**

|                                                     |            |            |
|-----------------------------------------------------|------------|------------|
| Units held: 2,285,850 units (2025: 2,252,581 units) | 40,326,509 | 30,197,430 |
| Dividend payable                                    | 10,331,275 | 10,331,275 |

**Key management personnel of the Management Company**

|                                             |        |        |
|---------------------------------------------|--------|--------|
| Units held: 2,739 units (2025: 2,691 units) | 48,318 | 36,069 |
|---------------------------------------------|--------|--------|

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**First Capital Mutual Fund**  
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**25 Details of pattern of unit holding**

| Category                 | 2026                   |                      |                   |            |
|--------------------------|------------------------|----------------------|-------------------|------------|
|                          | Number of unit holders | Number of Units held | Investment amount | Percentage |
| Individuals              | 1,919                  | 3,988,703            | 70,367,995        | 29.04%     |
| Associated companies     | 2                      | 9,651,654            | 170,272,762       | 70.28%     |
| Banks and DFIs           | 10                     | 56,951               | 1,004,722         | 0.41%      |
| Retirement Funds         | 2                      | 17,331               | 305,744           | 0.13%      |
| Public limited companies | 12                     | 3,440                | 60,690            | 0.03%      |
| Others                   | 1                      | 14,796               | 261,025           | 0.11%      |
|                          | 1,946                  | 13,732,875           | 242,272,938       | 100%       |

| Category                 | 2025                   |                      |                   |            |
|--------------------------|------------------------|----------------------|-------------------|------------|
|                          | Number of unit holders | Number of Units held | Investment amount | Percentage |
| Individuals              | 1,921                  | 3,971,081            | 53,235,020        | 29.08%     |
| Associated companies     | 2                      | 9,594,740            | 128,623,965       | 70.25%     |
| Banks and DFIs           | 10                     | 56,212               | 753,559           | 0.41%      |
| Retirement Funds         | 2                      | 17,078               | 228,946           | 0.13%      |
| Public limited companies | 12                     | 3,385                | 45,371            | 0.02%      |
| Others                   | 1                      | 14,580               | 195,459           | 0.11%      |
|                          | 1,948                  | 13,657,076           | 183,082,320       | 100%       |

**26 Particulars of the Investment Committee and Fund Manager**

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

| Sr. No. | Name                       | Designation                                | Qualification                                  | Experience in years |
|---------|----------------------------|--------------------------------------------|------------------------------------------------|---------------------|
| 1       | Imran Hafeez               | Chief Executive Officer                    | Affiliate of ICAP<br>Associate member of PIPFA | 23 Years            |
| 2       | Syed Asad Abbas Zaidi      | Chief Financial Officer                    | Master of Business Administration              | 20 Years            |
| 3       | Syed Ghazanfar Ali Bukhari | Chief Investment Officer<br>/ Fund Manager | Master of Economics                            | 25 Years            |

26.1 No other fund is being managed by Mr. Syed Ghazanfar Ali Bukhari.

**27 Top ten brokers by percentage of commission paid**

List of brokers by percentage of commission paid during the year ended 30 June 2026:

| S. No | Broker's Name                         | 2026           | 2025           |
|-------|---------------------------------------|----------------|----------------|
|       |                                       | Percentage (%) | Percentage (%) |
| 1     | Anif Habib Limited                    | 12.95%         | 13.37%         |
| 2     | JS Global Capital Limited             | 11.57%         | 0.00%          |
| 3     | AKD Securities Limited                | 10.77%         | 18.05%         |
| 4     | Ismail Iqbal Securities (Pvt) Limited | 10.45%         | 20.08%         |
| 5     | Fortune Securities Limited            | 9.98%          | 11.57%         |
| 6     | Next Capital Limited                  | 9.81%          | 10.37%         |
| 7     | Topline Securities (Private) Limited  | 9.16%          | 13.38%         |
| 8     | Intermarket Securities Limited        | 9.06%          | 0.00%          |
| 9     | Pearl Securities Limited              | 8.98%          | 0.00%          |
| 10    | BMA Capital Management Limited        | 7.26%          | 13.17%         |

27.1 During the current period, the fund has only operated through 10 brokers (2025: 07) brokers.

**28 Attendance at meetings of Board of Directors of Management Company**

The board meetings were held on 19 September 2025, 7 October 2025, 23 October 2025, 26 February 2026, 29 April 2026, 19 June 2026. Information in respect of attendance by the directors in the meeting is given below:

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| Name of persons attending the meetings | Number of meetings                     |          |               | Meetings not attended |
|----------------------------------------|----------------------------------------|----------|---------------|-----------------------|
|                                        | Held during the tenure of directorship | Attended | Leave granted |                       |
| Miss. Fauzia Husain Qureshi            | 6                                      | 6        | -             | -                     |
| Mr. Imran Hafeez                       | 6                                      | 6        | -             | -                     |
| Mr. Jawad Saleem*                      | 4                                      | 4        | -             | -                     |
| Mr. Shahzad Jawahar                    | 6                                      | 6        | -             | -                     |
| Syed Asad Abbas Zaidi                  | 6                                      | 5        | 1             | -                     |
| Mr. Sajjad Ahmad                       | 6                                      | 6        | -             | -                     |

\* Mr. Jawad Saleem resigned from the Board on April 27, 2026, and no appointment was made to fill the casual vacancy till year end.

## 29 Financial Risk Management

The Fund's objective in managing risk is the creation and protection of unit holder's value. Risk is inherent in the activities of the Fund, but it is managed through monitoring and controlling activities which are primarily set up to be performed based on limits established by the Management Company, Fund's constitutive documents and the regulations and directives of the SECP. The policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits.

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies. The audit committee oversees how management monitors compliance with the Fund's risk management policies and procedures, and reviews adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

The management of these risks is also carried out by the Investment Committee (IC) under policies approved by the Board of Directors of the Management Company. The IC is constituted and approved by the Board of Directors of the Management Company. IC is responsible to devise the investment strategy and manage the investment portfolio of the Fund in accordance with limits prescribed in the NBFC Regulations, Offering document of the Fund in addition to Fund's internal risk management policies.

The Fund primarily invests in a portfolio of listed equity securities. Such investments are subject to varying degrees of risk. These risks emanate from various factors that include, but are not limited to market risk, credit risk and liquidity risk.

The Fund has exposure to the following risks from its use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

### 29.1 Credit risk

Credit risk represents the risk of a loss that would be recognized at the reporting date if counterparties to a financial instrument fails to meet its contractual obligations. Credit risk arises from deposits with banks, credit exposure arising as a result of dividends receivable on equity securities, receivable against sale of investments, deposits and other receivables and accrued income on bank deposits. For banks and financial institutions, only reputed parties are accepted. Credit risk on dividend receivable is minimal due to statutory protection.

#### 29.1.1 Management of credit risk

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. The Fund does not expect to incur material credit losses on its financial assets.

Credit rating is managed and controlled by the Management Company of the Fund in the following manner:

- Investment transactions are carried out with a large number of brokers, whose credit worthiness is taken into account so as to minimize the risk of default and transactions are settled or paid for upon delivery.
- Cash is held only with reputable banks with high quality external credit enhancements.

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**First Capital Mutual Fund**  
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**29.1.2 Exposure to credit risk**

The Fund identifies concentrations of credit risk by reference to type of counter party. Maximum exposure to credit risk by type of counterparty is as follows:

| Note                                     | 2026                               |                   | 2025                               |                   |
|------------------------------------------|------------------------------------|-------------------|------------------------------------|-------------------|
|                                          | Carrying value of Financial Assets | Maximum exposure  | Carrying value of Financial Assets | Maximum exposure  |
| ----- Rupees -----                       |                                    |                   |                                    |                   |
| Bank balances                            | 5                                  | 10,697,441        | 10,697,441                         | 13,194,668        |
| Profit receivable                        | 7                                  | 324,208           | 324,208                            | 444,795           |
| Receivable against sale of investments   |                                    | 548,422           | 548,422                            | -                 |
| Advances, deposits and other receivables | 8                                  | 913,877           | 913,877                            | 1,013,119         |
|                                          |                                    | <u>12,483,948</u> | <u>12,483,948</u>                  | <u>14,652,582</u> |

Investments in equity securities of Rs. 243.14 million (2025: Rs.184.07 million) are not exposed to credit risk.

**29.1.3 Concentration of credit risk**

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

Details of Fund's concentration of credit risk of financial instruments by industrial distribution is as follows:

|                   | 2026              |             | 2025              |             |
|-------------------|-------------------|-------------|-------------------|-------------|
|                   | Rupees            | Percentage  | Rupees            | Percentage  |
| Banking company   | 11,021,649        | 88.29%      | 13,639,463        | 93.09%      |
| Connected persons | 913,877           | 7.32%       | 1,013,119         | 6.91%       |
| Others            | 548,422           | 4.39%       | -                 | 0.00%       |
|                   | <u>12,483,948</u> | <u>100%</u> | <u>14,652,582</u> | <u>100%</u> |

**Settlement risk**

The Fund's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honor its obligations to deliver cash, securities or other assets as contractually agreed.

For the vast majority of transactions the Fund mitigates its risk by conducting settlements through a broker to ensure that a trade is settled only when both parties have fulfilled their contractual settlement obligations.

**29.1.3(a) Counterparties with external credit ratings**

These include banking companies and financial institutions, which are counterparties to cash deposits. These are neither past due nor impaired. Credit risk is considered minimal since the counterparties have reasonably high credit ratings as determined by various credit rating agencies. Due to long standing business relationships with these counterparties and considering their strong financial standing, management does not expect non-performance by these counterparties on their obligations to the Fund. Following are the credit ratings of counterparties with external credit ratings:

**Banks and financial institutions**

| Bank                            | Rating    |            | Rating agency | 2026       | 2025       |
|---------------------------------|-----------|------------|---------------|------------|------------|
|                                 | Long term | Short term |               | Rupees     | Rupees     |
| Habib Metropolitan Bank Limited | AAA       | A1+        | PACRA         | 11,021,649 | 13,639,463 |

**29.2 Liquidity risk**

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its financial obligations as they fall due. Liquidity risk arises because of the possibility that the Fund could be required to pay its liabilities earlier than expected or difficulty in raising funds to meet commitments associated with financial liabilities as they fall due.

The Fund is exposed to cash redemption of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by SECP.

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#### Management of liquidity risk

The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its investments in marketable securities, which under normal circumstances are readily convertible into cash. As a result may be able to liquidate its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. The present settlement is a T+1 system, which means proceeds from sales (to pay of redemptions) of holdings will be received on the next working day after the sale, while redemptions have to be paid within a period of six working days from the date of redemption request.

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

#### Maturity analysis for financial liabilities

The table below indicates the contractual maturities of the Fund's financial liabilities at the reporting date. The amounts in the table are the contractual undiscounted cash flows as on :

|                                                                     |    | 2026                  |                    |                                           |            |
|---------------------------------------------------------------------|----|-----------------------|--------------------|-------------------------------------------|------------|
| Note                                                                |    | Financial liabilities | Up to three months | More than three months and up to one year | Total      |
|                                                                     |    | ----- Rupees -----    |                    |                                           |            |
| <b>Non-derivative financial liabilities</b>                         |    |                       |                    |                                           |            |
| Payable to First Capital Investment Limited - Management Company    | 9  | 4,391,939             | 4,391,939          | -                                         | 4,391,939  |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 11 | 44,843                | 44,843             | -                                         | 44,843     |
| Annual fee payable to SECP                                          | 12 | 18,447                | 18,447             | -                                         | 18,447     |
| Unclaimed dividend                                                  | 14 | 14,919,368            | -                  | 14,919,368                                | 14,919,368 |
| Accrued expenses and other liabilities                              | 13 | 1,922,458             | 1,922,458          | -                                         | 1,922,458  |
|                                                                     |    | 21,297,055            | 6,377,687          | 14,919,368                                | 21,297,055 |

| Note                                                                | 2025                  |                    |                                           |            |            |
|---------------------------------------------------------------------|-----------------------|--------------------|-------------------------------------------|------------|------------|
|                                                                     | Financial liabilities | Up to three months | More than three months and up to one year | Total      |            |
|                                                                     | Rupees                |                    |                                           |            |            |
| Non-derivative financial liabilities                                |                       |                    |                                           |            |            |
| Payable to First Capital Investment Limited - Management Company    | 9                     | 4,134,216          | 4,134,216                                 | -          | 4,134,216  |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 11                    | 33,953             | 33,953                                    | -          | 33,953     |
| Annual fee payable to SECP                                          | 12                    | 14,024             | 14,024                                    | -          | 14,024     |
| Unclaimed dividend                                                  | 14                    | 14,919,368         | -                                         | 14,919,368 | 14,919,368 |
| Accrued expenses and other liabilities                              | 13                    | 4,271,596          | 4,271,596                                 | -          | 4,271,596  |
|                                                                     |                       | 23,373,157         | 8,453,789                                 | 14,919,368 | 23,373,157 |

#### 29.3 Market risk

Market risk is the risk that the change in fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing return.

##### 29.3.1 Management of market risk

The Management Company manages the market risk through diversification of the investment portfolio by exposures and by following the internal guidelines established by the investment committee and regulations laid down by the SECP.

Market risk comprises three types of risks: currency risk, interest rate risk and other price risk.

##### 29.3.2 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present, is not exposed to currency risk as all transactions are carried out in Pak Rupees.

**29.3.3 Interest rate risk**

Interest rate risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

**a) Sensitivity analysis for variable rate instruments**

Presently, the Fund holds balances with banks which expose the Fund's cash flows to interest rate risk. In case of 100 basis points increase/decrease in market rates as at 30 June 2026 with all other variables held constant, the net income for the year and net assets would have been higher/lower by Rs. 0.107 million (2025: Rs. 0.1319 million).

**b) Fair value sensitivity analysis for fixed rate instruments**

Presently, the Fund holds no fixed rate instruments.

**29.3.4 Other price risk**

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

The Fund is exposed to equity price risk because of investments held by the Fund in listed equity securities classified on the Statement of Assets and Liabilities as 'at fair value through profit or loss'. To manage its price risk arising from investments in equity securities, the Fund diversifies its portfolio within eligible stocks. The Fund's constitutive document / the NBFC Regulations also limit individual equity securities to no more than 10% of net assets of the Fund, or issued capital of the investee company and sector exposure limit to 30% of net assets.

**29.3.5 Fair value sensitive analysis**

In case of 7.5% increase / decrease in the KSE 100 index, net income for the year ended 30 June 2026 would increase / decrease by Rs. 18.24 million (2025: Rs. 13.81 million) and net assets of the Fund would increase / decrease by the same amount as a result of gains / losses on equity securities classified at fair value through profit or loss.

The analysis is based on the assumption that the equity index had increased / decreased by 7.5% with all other variables held constant and all the Fund's equity instruments moved according to the historical correlation with the index. This represents management's best estimate of a reasonable possible shift in KSE 100 Index having regard to historical volatility of the index. The composition of the Fund's investment portfolio and the correlation, thereof, to the KSE 100 Index is expected to change over time. Accordingly, the sensitivity analysis prepared as of 30 June 2026 is not necessarily indicative of the effect on the Fund's net assets of future movements in the level of the KSE 100 index.

**30 Unit holder's fund risk management**

The Fund's capital is represented by the net assets attributable to unit holders / redeemable units. The unit holders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unit holder's fund. The Fund has no restrictions or specific funding requirements on the subscription and redemption of units.

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

In accordance with the risk management policies, the Fund endeavors to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests. Such liquidity being augmented by disposal of investments where necessary.

As required under the NBFC Regulations, every open end scheme shall maintain minimum fund size (i.e. net assets of the Fund) of Rs. 100 million at all times during the life of scheme. The Fund has maintained and complied with the requirements of minimum fund size during the year.

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**First Capital Mutual Fund**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2026**

**31 Fair value measurement 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.

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.

Fair value of underlying financial assets are determined based on requirement of regulation 66(a) of Non-Banking Finance Companies and Notified Entities Regulations, 2008 and directives if any issued by SECP. The fair value of financial assets traded in active market i.e. listed securities are based on quoted market price at stock exchange as determined in accordance with its regulations.

IFRS 13 'Fair Value Measurement' requires the Fund to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

The Fund measures fair value using the fair value hierarchy that reflects the significance of the inputs used in making the measurements:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- 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) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

| Note | Carrying amount                      |                   |                                                  |       | Fair value |         |         |       |
|------|--------------------------------------|-------------------|--------------------------------------------------|-------|------------|---------|---------|-------|
|      | At Fair value through profit or loss | At amortised cost | At fair value through other comprehensive income | Total | Level 1    | Level 2 | Level 3 | Total |

As at 30 June 2026

**Financial assets - measured at fair value**

Investments

|                            |   |             |   |   |             |             |   |   |             |
|----------------------------|---|-------------|---|---|-------------|-------------|---|---|-------------|
| - listed equity securities | 6 | 243,136,748 | - | - | 243,136,748 | 243,136,748 | - | - | 243,136,748 |
|----------------------------|---|-------------|---|---|-------------|-------------|---|---|-------------|

**Financial assets - not measured at fair value**

|                                          |   |             |            |   |             |             |   |   |             |
|------------------------------------------|---|-------------|------------|---|-------------|-------------|---|---|-------------|
| Bank balances                            | 5 | -           | 10,697,441 | - | 10,697,441  | -           | - | - | -           |
| Profit receivable                        | 7 | -           | 324,208    | - | 324,208     | -           | - | - | -           |
| Receivable against sale of investments   |   | -           | 548,422    | - | 548,422     | -           | - | - | -           |
| Advances, deposits and other receivables | 8 | -           | 913,877    | - | 913,877     | -           | - | - | -           |
|                                          |   | 243,136,748 | 12,483,948 | - | 255,620,696 | 243,136,748 | - | - | 243,136,748 |

**Financial liabilities - not measured at fair value**

|                                               |      |   |            |   |            |   |   |   |   |
|-----------------------------------------------|------|---|------------|---|------------|---|---|---|---|
| Remuneration payable to Management Company    | 9.1  | - | 4,391,939  | - | 4,391,939  | - | - | - | - |
| Remuneration payable to Trustee               | 11.1 | - | 44,843     | - | 44,843     | - | - | - | - |
| Annual fee payable to Securities and Exchange |      | - | -          | - | -          | - | - | - | - |
| Commission of Pakistan                        | 12   | - | 18,447     | - | 18,447     | - | - | - | - |
| Accrued and other liabilities                 | 13   | - | 1,922,458  | - | 1,922,458  | - | - | - | - |
| Unclaimed dividend                            | 14   | - | 14,919,368 | - | 14,919,368 | - | - | - | - |
|                                               |      | - | 21,297,055 | - | 21,297,055 | - | - | - | - |

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Notes to the Financial Statements  
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| Note                                                                 | Carrying amount                      |                   |                                                  |             | Fair value  |         |         |             |
|----------------------------------------------------------------------|--------------------------------------|-------------------|--------------------------------------------------|-------------|-------------|---------|---------|-------------|
|                                                                      | At Fair value through profit or loss | At amortized cost | At fair value through Other comprehensive income | Total       | Level 1     | Level 2 | Level 3 | Total       |
| Rupees                                                               |                                      |                   |                                                  |             |             |         |         |             |
| As at 30 June 2025                                                   |                                      |                   |                                                  |             |             |         |         |             |
| Financial assets - measured at fair value                            |                                      |                   |                                                  |             |             |         |         |             |
| Investments                                                          |                                      |                   |                                                  |             |             |         |         |             |
| - listed equity securities                                           | 7.1                                  | 184,070,830       | -                                                | 184,070,830 | 184,070,830 | -       | -       | 184,070,830 |
| Financial assets - not measured at fair value                        |                                      |                   |                                                  |             |             |         |         |             |
| Bank balances                                                        | 6                                    | -                 | 13,194,668                                       | 13,194,668  | -           | -       | -       | -           |
| Profit receivable                                                    | 8                                    | -                 | 444,795                                          | 444,795     | -           | -       | -       | -           |
| Advances, deposits and other receivables                             | 9                                    | -                 | 1,013,119                                        | 1,013,119   | -           | -       | -       | -           |
|                                                                      |                                      | 184,070,830       | 14,652,582                                       | 198,723,412 | 184,070,830 | -       | -       | 184,070,830 |
| Financial liabilities - not measured at fair value                   |                                      |                   |                                                  |             |             |         |         |             |
| Remuneration payable to Management Company                           | 10.1                                 | -                 | 4,134,216                                        | 4,134,216   | -           | -       | -       | -           |
| Remuneration payable to Trustee                                      | 12.1                                 | -                 | 33,953                                           | 33,953      | -           | -       | -       | -           |
| Annual fee payable to Securities and Exchange Commission of Pakistan | 13                                   | -                 | 14,024                                           | 14,024      | -           | -       | -       | -           |
| Accrued and other liabilities                                        | 14                                   | -                 | 4,271,596                                        | 4,271,596   | -           | -       | -       | -           |
| Unclaimed dividend                                                   | 15                                   | -                 | 14,919,368                                       | 14,919,368  | -           | -       | -       | -           |
|                                                                      |                                      | -                 | 23,373,157                                       | 23,373,157  | -           | -       | -       | -           |

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**First Capital Mutual Fund**  
**Notes to the Financial Statements**  
**For the year ended June 30, 2026**

**32 Date of authorization for issue**

These financial statements were authorized for issue on September 25, 2026 by the Board of Directors of the Management Company.

**33 General**

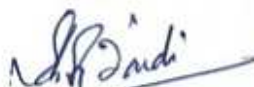
- Figures have been rounded off to the nearest rupee.
- Corresponding figures have been re-arranged/reclassified, where ever considered necessary, for the purpose of better presentation of the financial statements. However, there is no material rearrangement/reclassification during financial year 2026.

*MIA & CO*

For First Capital Investments Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director