



MCB FUNDS
Investments for Life

ANNUAL REPORT 2026

Funds Under Management of
MCB Investment Management Limited



Vision

“To be the most coveted Savings and Investment company,
while leading the effort to make the saving
population and industry grow”

Mission

“To be the preferred Savings and Investment Manager in Pakistan
by being best in class in customer services
and maximizing stakeholders’ value”

Core Values

HONESTY

We ensure to build trust through responsible actions and honest
relationships with our colleagues, customers and stakeholders

INTEGRITY

We work with integrity in everything we do, and embody our principles
when working with stakeholders as well as internal and external customers.
We assure to promote the integrity for the ultimate benefit for everyone

ETHICS

As a trusted custodian of customer funds, we are committed to
conforming to the highest level of ethical standards in the workplace
that involves putting customer interest first and maintaining
our stakeholders trust in the Company

PROFESSIONALISM

We value everyone and treat our external and internal
customers and our stakeholders with respect, dignity and professionalism

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MCB DCF INCOME FUND

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Muhammad Nauman Chughtai Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Ms. Sadia Muzaffar Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Ms. Sadia Muzaffar Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah Mr. Muhammad Nauman Chughtai	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Ms. Sadia Muzaffar Mr. Khawaja Khalil Shah	Member Member Member Member
IT & Digital Risk Management Committee	Ms. Mavra Adil Khan Mr. Ahmed Jahangir Mr. Khawaja Khalil Shah Mr. Syed Sohail Ahmed Mr. Shabbir Hussain Mr. Muhammad Arsalan Mr. Raheel Iqbal (CISO)	Chairman Member Member Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary & Financial Controller	Mr. Muhammad Rehan Khan	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited Faysal Bank Limited United Bank Limited Allied Bank Limited NRSP Micro Finance Bank Limited U Micro Finance Bank Limited	JS Bank Limited Zarai Taraqiat Bank Limited Habib Bank Limited HBL Micro Finance Bank Limited National Bank of Pakistan Soneri Bank Limited MCB Islamic Bank Limited
Auditors	Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-75350.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB DCF Income Fund** accounts review for the year ended June 30, 2026.

Economy Review

The country posted a current account deficit of USD 139 million in fiscal year 2026 (FY26) compared to a surplus of USD 1,838 million in the corresponding period last year. Trade Deficit increased by 25.4% YoY as exports declined by 4.6% while imports increased by 9.0%. The remittances inflows grew at a healthy rate of 8.6% to USD 41.6 billion. The country's external position remained robust as SBP's foreign exchange reserves increased to around USD 18.4 billion compared to USD 14.5 billion at the end of the last fiscal year. The local currency depicted strength against the greenback as the USD/PKR appreciated by 2.0% to 278.2 during the period.

Headline inflation, as measured by the Consumer Price Index, averaged 7.0% during FY26, compared with 4.5% in the previous year. The acceleration was primarily driven by higher global oil prices, which translated into increased domestic fuel prices and generated broader second-round inflationary pressures across transportation, energy-intensive goods, and other components of the consumer basket.

Pakistan's provisional GDP growth clocked at 3.7% in FY26 with Agricultural, Industrial and Services sectors increasing by 2.9%, 3.5% and 4.1% respectively. On the fiscal front, FBR tax collection increased by 10.7% during FY26 to PKR 13,004 billion, exceeding the twice downward-revised target by PKR 21 billion. Meanwhile, the fiscal deficit narrowed substantially to PKR 3,778 billion (3.0% of GDP) from PKR 6,168 billion (5.4% of GDP) in the previous year. This marked improvement was primarily supported by lower financing costs, stronger revenue mobilization, and continued fiscal discipline.

FUND PERFORMANCE

During the period under review, the fund generated a return of 9.11% as against its benchmark return of 10.61%. The WAM of the fund increased to 335 days.

The fund allocation remained notably in T-Bills, PIB's and GOP Ijara Sukuk at the end of the period under review. At period-end, the fund was invested 25.7% in PIB's, 4.6% in GOP Ijara Sukuk and 15.0% in T-Bills. The Net Assets of the Fund as at June 30, 2026 stood at Rs. 16,084 million as compared to Rs. 20,766 million as at June 30, 2025 registering a decrease of 22.54%.

The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs. 110.0737 as compared to opening NAV of Rs. 109.5304 per unit as at June 30, 2025 registering an increase of Rs. 0.5433 per unit.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

Economy & Market – Future Outlook

The renewed escalation in the Iran–US conflict has triggered a sharp increase in global oil prices, with Brent crude trading at around USD 100 per barrel at the time of writing amid concerns over potential supply disruptions through the Strait of Hormuz and the Bab al-Mandab Strait. This has immediate macroeconomic implications, particularly for oil-importing economies like Pakistan, as higher oil prices raise the import bill, fuel inflation, and exert pressure on the currency. However, the situation remains highly fluid, with outcomes dependent on the duration and intensity of the conflict. If tensions do not escalate further, the impact on macros is likely to remain manageable, but a prolonged conflict could keep oil prices elevated and pose additional risks to inflation, external balances, and overall economic stability.

Given the increase in global oil prices and refinery margins, we now expect Pakistan’s current account deficit to widen to approximately USD 2.5 billion, or 0.5% of GDP, in FY27, compared with USD 139 million, or 0.03% of GDP, in FY26. Elevated oil prices remain the key downside risk to the external account. Based on our estimates, every USD 10 per barrel increase above our base-case oil price assumption of USD 80 per barrel could add approximately USD 2.0 billion to the import bill and, by extension, the current account deficit. Nevertheless, the continuation of the IMF program remains an important source of external stability, as it should facilitate Pakistan’s access to multilateral, bilateral and commercial financing. Pakistan’s continued geopolitical relevance may also support additional inflows from friendly countries. In this regard, Saudi Arabia has recently provided an additional USD 3.0 billion in deposits and extended its existing USD 5.0 billion facility for a further three years. The currency outlook will remain closely linked to the trajectory of international oil prices, external financing flows and broader geopolitical conditions. Under our base case, we have assumed approximately 5.0% depreciation in the Pakistani rupee and expect the USD/PKR exchange rate to close at around 292 by June 2027.

Higher international oil prices, together with corresponding adjustments in domestic fuel prices, are also expected to keep inflationary pressures elevated in the near term. We now project average CPI inflation of approximately 8.4% in FY27, compared with 7.0% in FY26. On the growth front, GDP is expected to expand by between 3.5% and 4.0% in FY27, although any further escalation in the Middle East conflict would pose a downside risk to this forecast. On the fiscal front, we expect the fiscal deficit to normalize to 3.6% of GDP in FY27 compared to 3.0% GDP in FY26. Fiscal deficit is expected to remain contained due to IMF strict requirement to generate a primary surplus of PKR 2.8 trillion (2.0% of GDP).

The Monetary Policy Committee increased the policy rate by 100 basis points to 11.5% at its April 2026 meeting, following an extended period of monetary easing, and subsequently maintained the rate at its June 2026 meeting. Going forward, developments in the Middle East are likely to remain a key driver of macroeconomic variables and, by extension, the monetary policy outlook. We expect the central bank to maintain a data-dependent approach in shaping upcoming policy decisions.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 14.3% during FY26 to PKR 4,209 billion. Total money market funds declined by 0.9% since June 2025. Within the money market sphere, conventional funds showed a decrease of 6.5% to PKR 914 billion while Islamic funds increased by 5.0% to PKR 957 billion. In addition, the total fixed Income and Fixed Rate funds increased by about 15.9% since June 2025 to PKR 1,440 billion while Equity and related funds increased by 62.3% to PKR 797 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 44.5%, followed by Income and fixed return funds with 34.2% and Equity and Equity related funds having a share of 18.9% as at the end of June 2026.

Mutual Fund Industry Outlook

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

HOLDING COMPANY

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

CORPORATE GOVERNANCE

The Fund is committed to implement the highest standards of corporate governance. The Board comprises of eight (8) members including Chief Executive Officer (CEO) and has a diverse mix of gender and knowledge. The Board consists of 2 female and 6 male directors, categorized as follows:

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

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

The details of above are as under:

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

* HR&R stands for Human Resource and Remuneration

** IT&DRMC stands for IT & Digital Risk Management Committee

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

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

The Board of Directors is pleased to report that:

- a. The financial statements, present fairly the state of affairs, the results of operations, cash flows and changes in equity;
- b. Proper books of accounts of the fund have been maintained;
- c. Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.;
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further;
- f. There are no significant doubts upon the fund's ability to continue as going concern;
- g. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations;
- h. The outstanding taxes, statutory charges and duties, if any, have been fully disclosed in the audited financial statements;
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report;
- j. As at June 30, 2026, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 19 of the Code;
- k. The detailed pattern of shareholding as on June 30, 2026 is annexed;
- l. A formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and Committees of the Board;

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

m. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below are the details of committee meetings held during the year ended June 30, 2026:

1. Meeting of the Audit Committee.

During the year, eight (8) meetings of the Audit Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings held	Number of meetings		
		Attendance required	Attended	Leave granted
1. Sadia Muzaffar*	8	2	2	-
2. Syed Savail Meekal Hussain**	8	6	6	-
3. Mr. Ahmed Jahangir	8	8	8	-
4. Mr. Manzar Mushtaq	8	8	8	-

* Appointed on February 07, 2026

** Resigned on February 06, 2026

2. Meeting of the Human Resource and Remuneration Committee.

During the year, two (2) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

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

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

3. Meeting of the IT & Digital Risk Management Committee.

During the year, one (1) meeting of the IT & Digital Risk Management Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings held	Number of meetings		
		Attendance required	Attended	Leave granted
1. Ms. Mavra Adil Khan	1	1	1	-
2. Mr. Ahmed Jahangir	1	1	1	-
3. Mr. Khawaja Khalil Shah	1	1	1	-
4. Syed Sohail Ahmed	1	1	1	-
5. Mr. Shabbir Hussain	1	1	1	-
6. Mr. Muhammad Arsalan	1	1	1	-
7. Mr. Raheel Iqbal (CISO)*	1	1	1	-

* The Company has outsourced its Information Security function to Risk Associates. Pursuant to the outsourcing arrangement, Risk Associates has nominated Mr. Raheel Iqbal to perform the duties of the Chief Information Security Officer (CISO) on behalf of Risk Associates.

n. The following trades were carried out in the Units of the Fund during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

S.No.	Name	Designation	Investment	Redemption	Dividend Distribution
			No. of Units		
1	Haroun Rashid	Director/ Chairman	471,165.12	471,165.09	-

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2026

EXTERNAL AUDITORS

The Fund's external auditor's **M/s. Yousuf Adil Chartered Accountants** have retired after completion of audit for Financial Year ended June 30, 2026. The Audit Committee has recommended re-appointment of **M/s. Yousuf Adil Chartered Accountants** as external auditors of the Fund for financial year ending June 30, 2027 and the Board has also endorsed the recommendation of the Audit Committee. **M/s. Yousuf Adil Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

ACKNOWLEDGMENT

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

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
August 04, 2026



Manzar Mushtaq
Director
August 04, 2026

ڈائریکٹرز رپورٹ

n. دوران سال منجمنٹ کمپنی کے ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانشل آفیسر، کمپنی سیکریٹری اور چیف انٹرنل آڈیٹر اور ان کے شریک حیات اور نابالغ بچوں نے فنڈ کے یونٹس میں خرید و فروخت کی۔

نمبر شمار	نام	عہدہ	سرمایہ کاری	واپسی	ڈیویڈنڈ کی تقسیم
			یونٹس کی تعداد		
1.	ہارون رشید	ڈائریکٹر/چیئر مین	471,165.12	471,165.09	-

خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز M/s یوسف عادل چارٹرڈ اکاؤنٹنٹس 30 جون 2026ء کو ختم ہونے والے مالی سال کے آڈٹ کی تکمیل کے بعد ریٹائر ہو گئے ہیں۔ آڈٹ کمیٹی نے 30 جون 2027ء کو ختم ہونے والے مالی سال کے لیے کمپنی کے خارجی آڈیٹرز کے طور پر M/s یوسف عادل چارٹرڈ اکاؤنٹنٹس کی تقرری کی تجویز پیش کی ہے، اور بورڈ نے بھی اس تجویز کی توثیق کی ہے۔

M/s یوسف عادل چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے خارجی آڈیٹرز کے طور پر کام کرنے کے لیے رضامندی کا اظہار کیا ہے۔

اظہار تشکر

فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور فنڈ کے ٹرسٹیز کی مسلسل معاونت اور حمایت کے لیے بورڈ اُن کا شکریہ ادا کرتا ہے۔

مزید برآں، ڈائریکٹرز منجمنٹ ٹیم کی کاوشوں کو خراج تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز،

Manzar Mushtaq

منظر مشتاق

ڈائریکٹر

04 اگست 2026ء

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

04 اگست 2026ء

ڈائریکٹرز رپورٹ

2. ہیومن ریسورس اور ریمیو نریشن کمیٹی کی میٹنگز

دوران سال، ہیومن ریسورس اور ریمیو نریشن کمیٹی کی دو (2) میٹنگ ہوئیں۔ شرکاء کی حاضری مندرجہ ذیل ہے:

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

3. آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی کی میٹنگز

دوران سال آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی کی ایک (1) میٹنگ ہوئی۔ شرکاء کی حاضری مندرجہ ذیل ہے:

میٹنگز کی تعداد			منعقدہ میٹنگز کی تعداد	نام
منظور شدہ چھٹی	حاضری	مطلوبہ حاضری		
-	1	1	1	1. محترمہ ماوراء عادل خان
-	1	1	1	2. جناب احمد جہانگیر
-	1	1	1	3. جناب خواجہ خلیل شاہ
-	1	1	1	4. سید سہیل احمد
-	1	1	1	5. جناب شبیر حسین
-	1	1	1	6. جناب محمد ارسلان
-	1	1	1	7. جناب راحیل اقبال (سی آئی ایس او)*

* کمپنی نے انفارمیشن سکیورٹی (معلومات کی حفاظت) کے شعبہ کو آؤٹ سورس کر کے رسک ایسو سیٹس کو سونپ دیا ہے۔ اس انتظام کے تحت رسک ایسو سیٹس نے اپنی جانب سے جناب راحیل اقبال کو چیف انفارمیشن سکیورٹی آفیسر (سی آئی ایس او) کے طور پر نامزد کیا ہے۔

ڈائریکٹرز رپورٹ

k. 30 جون 2026ء کو حصص یافتگی کا تفصیلی خاکہ ملحق ہے؛

l. بورڈ اور اس کے ارکان اور کمیٹیوں کی کارکردگی کی سالانہ جانچ کے لیے ایک باضابطہ اور مؤثر طریقہ کار نافذ کیا گیا ہے؛

m. بورڈ آف ڈائریکٹرز کی میٹنگ میں حاضری کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ سالِ مختتمہ 30 جون 2026 کے دوران کمیٹی میٹنگز کی تفصیلات درج ذیل ہیں:

1. آڈٹ کمیٹی کی میٹنگز

دورانِ سال، آڈٹ کمیٹی کی آٹھ (8) میٹنگ ہوئیں۔ شرکاء کی حاضری مندرجہ ذیل ہے:

میٹنگز کی تعداد			منعقدہ میٹنگز کی تعداد	نام
منظور شدہ چھٹی	حاضری	مطلوبہ حاضری		
-	2	2	8	1. محترمہ سعدیہ مظفر *
-	6	6	8	2. جناب سید ساویل میکال حسین **
-	8	8	8	3. جناب احمد جہانگیر
-	8	8	8	4. جناب منظر مشتاق

* 07 فروری 2026ء کو تقرری ہوئی

** 06 فروری 2026ء کو مستعفی ہو گئے

بورڈ آف ڈائریکٹرز کمپنی کے تمام اہم معاملات کا جائزہ لیتے ہیں۔ اس میں مندرجہ ذیل معاملات شامل ہیں، لیکن صرف ان تک محدود نہیں: کمپنی کی حکمت عملی کی سمت، سالانہ کاروباری منصوبے اور اہداف، طویل المیعاد سرمایہ کاریوں کے فیصلے۔ بورڈ آف ڈائریکٹرز کارپوریٹ گورننس کے اعلیٰ معیار برقرار رکھنے کے لیے پُر عزم ہیں۔

بورڈ آف ڈائریکٹرز کو خوشی ہے کہ وہ مندرجہ ذیل امور رپورٹ کر رہے ہیں:

a. مالیاتی گوشوارے کمپنی کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کی آمد و رفت اور اس کی ایکویٹی میں تبدیلیوں کو منصفانہ انداز میں پیش کرتے ہیں؛

b. کمپنی کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں؛

c. مالیاتی گوشواروں کی تیاری میں موزوں اکاؤنٹنگ پالیسیوں کا اطلاق کیا گیا ہے، جو مالیاتی گوشواروں سے منسلک اہم نکات میں مذکور ہیں، اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں؛

d. مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیارات (جس حد تک ان کا پاکستان میں اطلاق ہوتا ہے) نان-بینکنگ فنانس کمپنیز (اسٹیٹسمنٹ اینڈ ریگولیشنز) رولز 2003، نان-بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ اینسٹیز ریگولیشنز 2008، متعلقہ ٹرسٹ ڈیڈز کے تقاضوں اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے؛

e. انٹرئل کنٹرول کا نظام مضبوط خطوط پر استوار ہے اور اس کا موثر نفاذ اور نگرانی کی جاتی ہے، اور اسے مزید بہتر بنانے کی کوششیں جاری ہیں؛

f. کمپنی کے کاروبار جاری رکھنے کی صلاحیت میں کوئی بڑے شبہات نہیں ہیں؛

g. لسٹنگ ضوابط میں تفصیلاً بیان کردہ کارپوریٹ گورننس کی بہترین روایات سے کوئی قابل ذکر انحراف نہیں کیا گیا ہے؛

h. واجب الاداء ٹیکسز، قانونی چارہ جزی اور ڈیوٹیز، اگر کوئی ہیں تو، کو آڈٹ شدہ مالیاتی گوشواروں میں مکمل طور پر ظاہر کر دیا گیا ہے؛

i. پراویڈنٹ / گریجویٹ اور پینشن فنڈ کی سرمایہ کاریوں کی قدر کے بیان کا اطلاق فنڈ پر نہیں ہوتا لیکن مینجمنٹ کمپنی پر ہوتا ہے، چنانچہ ڈائریکٹرز رپورٹ میں اس حوالے سے کوئی بیان شامل نہیں کیا گیا ہے؛

j. 30 جون 2026ء کو کمپنی ضابطہء اخلاق کے ریگولیشن نمبر 19 میں بیان کردہ ڈائریکٹرز ٹریننگ پروگرام کے تقاضوں پر عمل پیرا ہے؛

ڈائریکٹرز رپورٹ

کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیار کے لئے پر عزم ہے۔

بورڈ آف (8) ارکان پر مشتمل ہے، بشمول چیف ایگزیکٹو آفیسر (سی ای او)۔ یہ ارکان صنف اور علم کا ایک متنوع امتزاج ہیں۔
بورڈ میں 2 خاتون اور 6 مرد ڈائریکٹرز شامل ہیں، جن کی زمرہ بندی درج ذیل ہے:

* 4 نان-ایگزیکٹو ڈائریکٹرز؛

* 3 انڈپنڈنٹ ڈائریکٹرز؛ اور

* 1 ایگزیکٹو ڈائریکٹر (سی ای او)

تفصیل درج ذیل ہے:

نمبر شمار	نام	حیثیت	دیگر بورڈ کمیٹیوں میں رکنیت
1.	جناب ہارون رشید	نان-ایگزیکٹو ڈائریکٹر	کوئی نہیں
2.	جناب محمد نعمان چغتائی	نان-ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر * کمیٹی
3.	جناب احمد جہانگیر	نان-ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر * کمیٹی، آڈٹ کمیٹی، آئی ٹی اینڈ ڈی آر ایم سی ** کمیٹی
4.	جناب منظر مشتاق	نان-ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5.	محترمہ سعدیہ مظفر	انڈپنڈنٹ ڈائریکٹر	آڈٹ کمیٹی (چیرمین)
6.	جناب فہد کمال چنائے	انڈپنڈنٹ ڈائریکٹر	ایچ آر اینڈ آر کمیٹی * (چیرمین)
7.	محترمہ ماوراء عادل خان	انڈپنڈنٹ ڈائریکٹر	ایچ آر اینڈ آر * کمیٹی، آئی ٹی اینڈ ڈی آر ایم سی ** کمیٹی (چیرمین)
8.	جناب خواجہ خلیل شاہ	ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر * کمیٹی، آئی ٹی اینڈ ڈی آر ایم سی ** کمیٹی

* ہیومن ریسورس اینڈ ریمونریشن

** آئی ٹی اینڈ ڈیجیٹل رسک مینجمنٹ کمیٹی

برائے، جون 2025 کے بعد سے فکسڈ انکم اور فکسڈ ریٹ فنڈ کے مجموعی حجم میں تقریباً 15.9 فیصد اضافہ ہوا اور یہ 1,440 بلین روپے تک پہنچ گئے، جبکہ ایکویٹی اور اس سے متعلقہ فنڈز میں 62.3 فیصد اضافہ ہوا اور ان کی مالیت 797 بلین روپے ہو گئی۔

جون 2026 کے اختتام پر مختلف زمروں میں حصص (Segment Share) کے اعتبار سے منی مارکیٹ فنڈز تقریباً 44.5 فیص حصص کے ساتھ سرفہرست رہے، اس کے بعد انکم اور فکسڈ ریٹ فنڈز کے حصص 34.2 فیصد، اور ایکویٹی اور ایکویٹی سے منسلک فنڈز کے حصص 18.9 فیصد رہے۔

میوچل فنڈز صنعت کے مستقبل کا منظر نامہ

منی مارکیٹ فنڈز کو بہتر نقدیت کا فائدہ اٹھانا چاہیے کیونکہ یہ درمیانی سے طویل مدت کے لیے اور کم رسک کے ساتھ سرمایہ کاری کرنے والوں کے لیے موزوں ترین ہوتے ہیں۔ معاشی بحالی کے تیز تر اور وسیع تر ہونے کے ساتھ ساتھ کمپیٹل مارکیٹس، خصوصاً ایکویٹیز، میں گہری دلچسپی برقرار رہے گی۔ ہمارے آپریشنز بلاؤ کاؤٹ جاری رہے، اور ڈیجیٹل رسائی اور صارفین کو اچھا تجربہ فراہم کرنے کے معاملے میں ہماری بہتر استعداد کی بدولت ہم آئن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے فائدہ اٹھانے کے لیے تیار ہیں۔

ہولڈنگ کمپنی

18 اپریل 2023ء کو ایم سی بی بینک لمیٹڈ (ایم سی بی) نے، ایم سی بی-عارف حبیب سیونگزنز اینڈ انویسٹمنٹس لمیٹڈ (ایم سی بی-اے ایچ) کی سپرنٹ (سرپرست) کمپنی کی حیثیت میں، عارف حبیب کارپوریشن لمیٹڈ (اے ایچ سی ایل) سے ایم سی بی-اے ایچ کے 21,664,167 (یعنی 30.09 فیصد) حصص خرید لیے۔ اس سودے کے ذریعے ایم سی بی بینک لمیٹڈ کی ایم سی بی-اے ایچ میں حاملیت حصص 36,956,768 (یعنی 51.33 فیصد) حصص سے بڑھ کر 58,620,935 (یعنی 81.42 فیصد) ہو گئی ہے اور اے ایچ سی ایل اب ایم سی بی-اے ایچ میں حصص کی حامل نہیں ہے۔ اس کے نتیجے میں کمپنی کا نام ایم سی بی-اے ایچ سے تبدیل کر کے ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ کر دیا گیا۔

کثیر الملکی، دو طرفہ اور تجارتی مالی معاونت تک رسائی حاصل ہونے میں سہولت ملنی چاہیے۔ پاکستان کی مسلسل جغرافیائی و سیاسی اہمیت بھی دوست ممالک سے مزید رقوم کی آمد میں معاون ثابت ہو سکتی ہے۔ اس حوالے سے سعودی عرب نے حال ہی میں مزید 3.0 بلین ڈالر کے ڈپازٹس فراہم کیے ہیں اور اپنی موجودہ 5.0 بلین ڈالر کی سہولت کی مدت میں مزید تین سال کی توسیع کی ہے۔ کرنسی کے مستقبل کے امکانات بدستور عالمی سطح پر تیل کی قیمتوں کے رجحان، بیرونی مالی معاونت کی آمد اور وسیع تر جغرافیائی و سیاسی حالات سے گہرا تعلق رکھیں گے۔ ہماری بنیادی صورتحال کے مفروضے کے تحت ہم نے روپے کی قدر میں تقریباً 5.0 فیصد کی فرض کی ہے، اور توقع ہے کہ جون 2027 تک ڈالر اور روپے کا تناسب تقریباً 292 روپے پر پہنچ جائے گا۔

عالمی سطح پر تیل کی بڑھی ہوئی قیمتیں اور ان کے مطابق ملکی سطح پر ایندھن کی قیمتوں میں کی جانے والی تبدیلیاں قلیل مدت میں مہنگائی کے دباؤ کو بلند رکھنے کا باعث بنیں گی۔ اب ہماری توقع ہے کہ مالی سال 2027 میں 'سی پی آئی' افراط زر تقریباً 8.4 فیصد رہے گی، جبکہ مالی سال 2026 میں یہ 7.0 فیصد تھی۔ شرح نمو کے حوالے سے مالی سال 2027 میں 'جی ڈی پی' میں 3.5 فیصد سے 4.0 فیصد کے درمیان اضافے کی توقع ہے۔ تاہم مشرق وسطیٰ کے تنازعے میں مزید کسی بھی اضافے سے اس شرح نمو کی پیش گوئی پر خطرہ پیدا ہو سکتا ہے۔ مالیاتی محاذ پر ہماری توقع ہے کہ مالی سال 2027 میں مالیاتی خسارہ 'جی ڈی پی' کے 3.6 فیصد تک معقول پر آجائے گا، جبکہ مالی سال 2026 میں یہ 'جی ڈی پی' کا 3.0 فیصد تھا۔ مالیاتی خسارہ محدود رہنے کی توقع ہے کیونکہ آئی ایم ایف کی جانب سے 2.8 ٹریلین روپے (جی ڈی پی کے 2.0 فیصد) کے بنیادی سرپلس کے حصول کی سخت شرط عائد ہے۔

مانیٹری پالیسی کمیٹی (ایم پی سی) نے طویل عرصے تک جاری رہنے والی مالیاتی تسہیل کے بعد اپریل 2026 کے اجلاس میں پالیسی شرح میں 100 بیس پوائنٹس کا اضافہ کرتے ہوئے اسے 11.5 فیصد کر دیا، اور بعد ازاں جون 2026 کے اجلاس میں اس شرح کو برقرار رکھا۔ مستقبل میں مشرق وسطیٰ میں ہونے والی پیش رفت مجموعی معاشی عوامل اور اس کے نتیجے میں مانیٹری پالیسی کے مستقبل کے امکانات کو متاثر کرنے والا ایک اہم عنصر رہنے کا امکان ہے۔ ہماری توقع ہے کہ مرکزی بینک آئندہ پالیسی فیصلے کرتے وقت اعداد و شمار اور معاشی صورتحال پر منحصر حکمت عملی اختیار کرے گا۔

حاملین قرض کے لیے ہمیں اُمید ہے کہ منی مارکیٹ فنڈ سال بھر پالیسی شرحوں کی بلا رُکاوٹ عکاسی جاری رکھیں گے۔

میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز کی صنعت کے net اثاثہ جات مالی سال 2026ء کے دوران تقریباً 14.3 فیصد بڑھ کر 4,209 بلین روپے ہو گئے۔ منی مارکیٹ کے کل فنڈز میں جون 2025ء کے بعد سے 0.9 فیصد کمی ہوئی۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 6.5 فیصد کم ہو کر 914 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 5.0 فیصد بڑھ کر 957 بلین روپے ہو گئے۔ مزید

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ نے 9.11 فیصد منافع بنایا، جبکہ اس کے بالمقابل بیچ مارک منافع 10.61 فیصد تھا۔
فنڈ کی پالوزن اوسط میچورٹی (WAM) بڑھ کر 335 دن ہو گئی۔

زیر جائزہ مدت کے اختتام پر فنڈ کی زیادہ تر سرمایہ کاری ٹریڈری بلز (ٹی - بلز)، پاکستان انویسٹمنٹ بانڈز (پی آئی بی) اور حکومت پاکستان کے اجارہ سٹیک میں تھی، جو بالترتیب 15.0 فیصد، 25.7 فیصد اور 4.6 فیصد تھی۔

30 جون 2026ء کو فنڈ کے net اثاثہ جات 16,084 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 20,766 ملین روپے تھے، چنانچہ 22.54 فیصد خسارہ ہوا۔

30 جون 2026ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 110.0737 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی فی یونٹ 109.5304 روپے تھی، چنانچہ 0.5443 روپے فی یونٹ اضافہ ہوا۔

معیشت اور مارکیٹ - مستقبل کا منظر نامہ

ایران اور امریکا کے درمیان تنازعے میں حالیہ دوبارہ پیدا ہونے والی کشیدگی نے عالمی سطح پر تیل کی قیمتوں میں نمایاں اضافہ کر دیا ہے۔ برینٹ خام تیل کی قیمت تقریباً 100 ڈالر فی بیرل کے قریب رہی، جبکہ آبنائے ہرمز اور آبنائے باب المندب کے ذریعے تیل کی ترسیل میں ممکنہ رکاوٹوں کے خدشات موجود ہیں۔ اس صورتحال کے فوری مجموعی معاشی اثرات مرتب ہوتے ہیں، خاص طور پر پاکستان جیسی تیل درآمد کرنے والی معیشتوں پر تیل کی بڑھی ہوئی قیمتیں درآمدی بل پر بوجھ، مہنگائی میں اضافے اور کرنسی پر دباؤ کا سبب بنتی ہیں۔ تاہم صورتحال ابھی تک انتہائی غیر یقینی اور تیزی سے تبدیلی کی طرف مائل ہے، اور اس کے نتائج کا انحصار تنازعے کی مدت اور شدت پر رہے گا۔ اگر کشیدگی میں مزید اضافہ نہ ہو تو مجموعی معاشی اثرات پر قابو پانا ممکن ہوگا، تاہم اگر تنازعہ طویل عرصے تک جاری رہا تو تیل کی قیمتیں بلند سطح پر برقرار رہ سکتی ہیں اور مہنگائی، بیرونی مالیاتی توازن اور مجموعی معاشی استحکام کے لیے مزید خطرات پیدا ہو سکتے ہیں۔

عالمی سطح پر تیل کی قیمتوں اور ریفرنسری کے منافعوں کے فرق میں اضافے کے پیش نظر اب ہماری توقع ہے کہ پاکستان کا کرنٹ اکاؤنٹ خسارہ مالی سال 2027 میں بڑھ کر تقریباً 2.5 بلین ڈالر (جی ڈی پی کا 0.5 فیصد) ہو جائے گا، جبکہ مالی سال 2026 میں یہ 139 ملین ڈالر (جی ڈی پی کا 0.03 فیصد) تھا۔ تیل کی بڑھی ہوئی قیمتیں بیرونی کھاتے کے لیے بدستور سب سے بڑا منفی پہلو ہے۔ ہمارے اندازوں کے مطابق اگر ہماری بنیادی مفروضہ کردہ قیمت 80 ڈالر فی بیرل سے اوپر تیل کی قیمت میں ہر 10 ڈالر فی بیرل اضافہ ہوتا ہے تو درآمدی بل میں تقریباً 2.0 بلین ڈالر کا اضافہ ہو سکتا ہے، اور اس کے نتیجے میں کرنٹ اکاؤنٹ خسارہ بھی اتنی ہی حد تک بڑھ سکتا ہے۔ اس کے باوجود آئی ایم ایف پروگرام کا جاری رہنا بیرونی معاشی استحکام کا ایک اہم ذریعہ ہے، کیونکہ اس سے پاکستان کو

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی ڈی سی ایف انکم فنڈ کے اکاؤنٹس برائے سال مختتمہ 30 جون 2026ء کا جائزہ پیش خدمت ہے۔

معیشیت کا جائزہ

ملک نے مالی سال 2026 میں 139 ملین ڈالر کا کرنٹ اکاؤنٹ خسارہ ریکارڈ کیا، جبکہ گزشتہ سال اسی مدت میں 1,838 ملین ڈالر کا سرپلس تھا۔ برآمدات میں 4.6 فیصد کمی، جبکہ درآمدات میں 9.0 فیصد اضافہ ہونے کے باعث تجارتی خسارے میں سال در سال (YoY) 25.4 فیصد اضافہ ہوا۔ ترسیلات زر میں 8.6 فیصد کمی اچھی شرح سے اضافہ ہوا اور یہ 41.6 بلین ڈالر تک پہنچ گئیں۔ ملک کی بیرونی مالیاتی صورتحال مضبوط رہی کیونکہ اسٹیٹ بینک آف پاکستان (ایس بی پی) کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے اختتام پر 14.5 بلین ڈالر کے مقابلے میں بڑھ کر تقریباً 18.4 بلین ڈالر ہو گئے۔ مقامی کرنسی نے امریکی ڈالر (گرین بیک) کے مقابلے میں استحکام کا مظاہرہ کیا اور اس عرصے کے دوران USD/PKR شرح 2.0 فیصد کی بہتری کے ساتھ 278.2 تک پہنچ گئی۔

ہیڈ لائن افراط زر، جس کی پیمائش کنزیومر پرائس انڈیکس (سی پی آئی) کے ذریعے کی جاتی ہے، مالی سال 2026 کے دوران اوسطاً 7.0 فیصد رہی، جبکہ گزشتہ سال یہ 4.5 فیصد تھی۔ مہنگائی میں یہ اضافہ بنیادی طور پر عالمی سطح پر تیل کی بڑھتی ہوئی قیمتوں کے باعث ہوا، جس کے نتیجے میں ملک میں ایندھن کی قیمتوں میں اضافہ ہوا اور ٹرانسپورٹ، زیادہ توانائی استعمال کرنے والی اشیاء اور دیگر اشیاء صرف پر بھی بالواسطہ اضافی مہنگائی کا دباؤ پیدا ہو گیا۔

پاکستان کی عارضی جی ڈی پی شرح نمو مالی سال 2026 میں 3.7 فیصد رہی، جبکہ زراعت، صنعت اور خدمات کے شعبوں میں بالترتیب 2.9 فیصد، 3.5 فیصد اور 4.1 فیصد اضافہ ہوا۔ مالیاتی محاذ پر مالی سال 2026 کے دوران ایف بی آر کی ٹیکس وصولیوں میں 10.7 فیصد اضافہ ہوا، اور یہ 13,004 بلین روپے تک پہنچ گئیں، جو دو مرتبہ کم کیے گئے نظر ثانی شدہ ہدف سے بھی 21 بلین روپے زیادہ ہے۔ دریں اثناء مالیاتی خسارہ گزشتہ سال 6,168 بلین روپے (جی ڈی پی کا 5.4 فیصد) کے مقابلے میں کم ہو کر 3,778 بلین روپے (جی ڈی پی کا 3.0 فیصد) رہ گیا۔ اس نمایاں بہتری کی بنیادی وجوہات میں کم مالیاتی اخراجات، محصولات کی بہتر وصولی اور مسلسل مالیاتی نظم و ضبط شامل تھے۔

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2026

Fund Type and Category

MCB DCF Income Fund (MCB DCFIF) is an open-end Income scheme, which falls under the category of Income Scheme.

Fund Benchmark

75% Six (6) months KIBOR + 25% Six (6) months average of the highest rates on savings account of three (3) AA rated scheduled bank as selected by MUFAP.

Investment Objective

To deliver superior fixed income returns by investing in an optimal mix of authorized debt instruments while taking into account capital security and liquidity consideration.

Investment Strategy

The Fund through active management will aim to provide optimum returns for its Unit Holders by investing in medium to long term assets. The fund may also invest a portion of the Fund in money market and short term instruments in order to provide liquidity to Unit Holders at the same time.

Manager's Review

During the period under review, the fund generated a return of 9.11% as against its benchmark return of 10.61%. The WAM of the fund decreased to 335 days. The fund allocation remained notably in PIBS and T-Bills at the end of the period under review. At period-end, the fund was 44.7% invested in Cash, 25.7% in PIBS, 15.0% in T-Bills and 8.0% in TFCs.

The Net Assets of the Fund as at June 30, 2026 stood at Rs. 16,084 million as compared to at Rs. 20,766 million as at June 30, 2025 registering a decrease of 22.5 %.

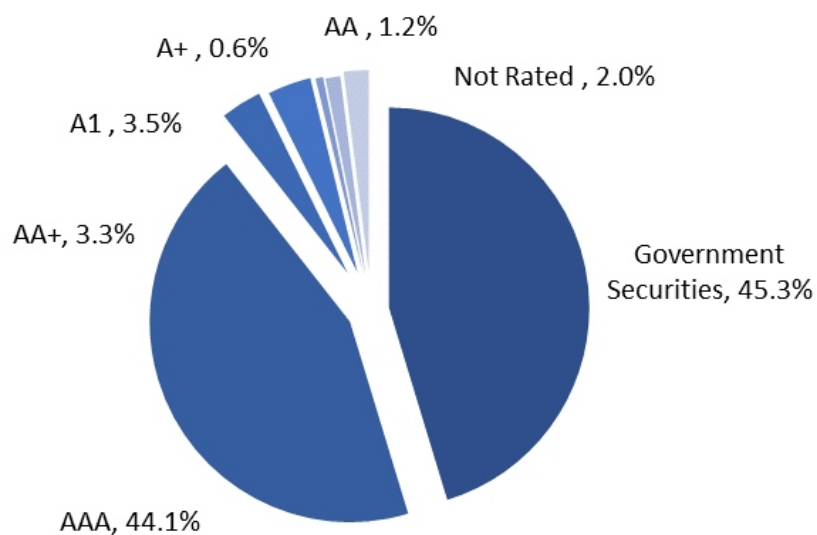
The Net Asset Value (NAV) per unit as at June 30, 2026 was Rs.110.0737 as compared to opening NAV of Rs.109.5304 per unit as at June 30, 2025 registering an increase of Rs. 0.5433 per unit.

Asset Allocation as on June 30, 2026 (% of total assets)

Asset Allocation (%age of Total Assets)	Jun-26
Cash	44.7%
TFCs/Sukuks	8.0%
Government Backed / Guaranteed Securities	2.4%
GOP Ijara Sukuk	4.6%
PIBs	25.7%
T-Bills	15.0%
Spread Transactions	0.0%
Others including receivables	2.0%
Margin Trading	0.0%

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2026

Asset Quality as of June 30, 2026 (% of total assets)



Mr. Saad Ahmed
Fund Manager

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.

Tel : (92-21) 111-111-500

Fax: (92-21) 34326021 - 23

URL: www.cdcpakistan.com

Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MCB DCF INCOME FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of MCB DCF Income Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 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: August 27, 2026



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

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INDEPENDENT AUDITOR'S REPORT To the Unit Holders of MCB DCF Income Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **MCB DCF Income Fund** (the Fund), which comprise the statement of assets and liabilities as at June 30, 2026, and the income statement, statement of comprehensive income, statement of movement in unit holders' fund and statement of cash flows for the year then ended and notes including a summary of material accounting policy information and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at June 30, 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 Fund and MCB Investment Management Limited (the Management Company) in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted by the Institute of Chartered Accountants of Pakistan together with the ethical requirements that are relevant to our audit of the financial statements in Pakistan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

Key audit matter is the matter that, in our professional judgment, was of most significance in our audit of the financial statements of the current year. This matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

S. No.	Key audit matter	How the matter was addressed in our audit
1	Valuation and existence of investments As disclosed in note 5 to the financial statements, investments held at fair value through profit or loss amounted to Rs. 8,789 million as at June 30, 2026, consisting of government securities and term finance certificate which represent a significant item on the statement of assets and liabilities of the Fund.	We performed the following procedures during our audit of investments: • tested valuations to ensure that the investments are valued as per the valuation methodology disclosed in the accounting policies; • matched the number of Term Finance Certificates, listed GOP Ijarah Sukuks, Pakistan Investment Bonds, Pakistan Investments Bonds (FRB) and Market Treasury Bills, held by the Fund with the Central Depository Company's Account Statement and check reconciliations of the differences if any;

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



YOUSUF ADIL
PACE ALIGNED ...

Yousuf Adil
Chartered Accountants

S. No.	Key audit matter	How the matter was addressed in our audit
	We have identified the existence and valuation as the significant areas during our audit of investment.	matched government securities held by the Fund with the securities appearing in the Investors' Portfolio Securities Account Statement and check reconciliations of the differences if any;

Information Other than the Financial Statements and Auditor's Report Thereon

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

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

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

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

Management Company is responsible for the preparation and fair presentation of the financial statements in accordance with accounting and reporting standards as applicable in Pakistan, and for such internal control as the Management Company 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 Company 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 Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Board of Directors of the Management Company 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 Management Company's internal control.

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



YOUSUF ADIL
PACE ALIGNED ...

Yousuf Adil
Chartered Accountants

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

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

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

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

Report on Other Legal and Regulatory Requirements

In our opinion, 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.

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


Chartered Accountants

Place: Karachi

Date: September 25, 2026

UDIN: AR202610057TDgk4wHOF

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STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2026

	Note	June 30, 2026 ----- (Rupees in '000) -----	June 30, 2025 -----
ASSETS			
Bank balances	4	7,369,594	3,603,847
Investments	5	8,788,561	17,125,190
Profit receivable	6	168,308	340,221
Receivable against sale of investments		4	-
Advances, deposits, prepayments and other receivables	7	163,574	46,487
Total assets		16,490,041	21,115,745
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	8	24,829	36,310
Payable to Central Depository Company of Pakistan Limited - Trustee	9	1,061	298
Payable to the Securities and Exchange Commission of Pakistan	10	923	1,183
Dividend payable		45	9
Accrued expenses and other liabilities	11	379,065	312,061
Total liabilities		405,923	349,861
NET ASSETS		16,084,118	20,765,884
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		16,084,118	20,765,884
CONTINGENCIES AND COMMITMENTS	12	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		146,121,332	189,590,068
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT	3.7	110.0737	109.5304

The annexed notes from 1 to 27 form an integral part of these financial statements

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	Note	June 30, 2026 ----- (Rupees in '000)-----	June 30, 2025
INCOME			
Profit on bank deposits		536,860	148,763
Income from government securities		1,185,198	2,656,433
Income from term finance certificates and sukuk certificates		133,817	222,960
Income from musharika		3,711	-
Income from commercial papers		13,781	-
Capital (loss) / gain on sale of investments - net		(73,259)	377,402
Income on spread transactions	5.3.1	8,100	-
Dividend income		176,036	-
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss - net	5.4	(11,795)	15,796
Other income		6,579	3,362
Total income		1,979,028	3,424,716
EXPENSES			
Remuneration of MCB Investment Management Limited - Management Company	8.1	278,482	355,169
Sindh Sales Tax on remuneration of the Management Company	8.2	41,772	53,275
Allocated expenses		-	3,398
Sindh Sales Tax on allocated expenses		-	510
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	13,924	15,028
Sindh Sales Tax on remuneration of the Trustee	9.2	2,089	2,254
Securities and Exchange Commission of Pakistan fee	10	13,924	15,028
Auditors' remuneration	13	1,372	1,096
Brokerage, settlement and bank charges		25,315	9,419
Legal and professional charges		204	204
Bank charges		534	
Fees and subscription		978	910
Total expenses		378,594	456,291
Net income for the year before taxation		1,600,434	2,968,425
Taxation	14	-	-
Net income for the year after taxation		1,600,434	2,968,425
Allocation of net income for the year			
Net income for the year after taxation		1,600,434	2,968,425
Income already paid on units redeemed		(1,094,171)	(1,891,915)
		506,263	1,076,510
Accounting income available for distribution			
- Relating to capital gains		-	132,161
- Excluding capital gains		506,263	944,349
		506,263	1,076,510
Earnings per unit	3.10		

The annexed notes from 1 to 27 form an integral part of these financial statements

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

STATEMENT OF OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
Net income for the year after taxation	1,600,434	2,968,425
Other comprehensive income	-	-
Total comprehensive income for the year	1,600,434	2,968,425

The annexed notes from 1 to 27 form an integral part of these financial statements

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026			June 30, 2025		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the year	20,177,631	588,253	20,765,884	15,771,430	540,198	16,311,628
Issuance of 169,284,802 units (2025: 252,677,088 units)						
- Capital value (at net assets value per unit at the beginning of the year)	18,541,832	-	18,541,832	27,563,356	-	27,563,356
- Element of income	378,436	-	378,436	1,224,854	-	1,224,854
	18,920,268	-	18,920,268	28,788,210	-	28,788,210
Redemption of 212,753,538 units (2025: 212,618,007 units)						
- Capital value (at net assets value per unit at the beginning of the year)	(23,302,980)	-	(23,302,980)	(23,193,499)	-	(23,193,499)
- Amount paid out of element of income	(300,324)	(1,094,171)	(1,394,495)	(1,009,560)	(1,891,915)	(2,901,475)
- Relating to 'Net income for the year after taxation'	(23,603,304)	(1,094,171)	(24,697,475)	(24,203,059)	(1,891,915)	(26,094,974)
Total comprehensive income for the year	-	1,600,434	1,600,434	-	2,968,425	2,968,425
Final distributions for the year ended June 30, 2025 (including additional units) at the rate of Rs. 17.1308 per unit (declared on June 21, 2025)	-	-	-	(178,950)	(1,028,455)	(1,207,405)
Final distributions for the year ended June 30, 2026 (including additional units) at the rate of Rs. 9.3856 per unit (declared on June 18, 2026)	(44,535)	(460,458)	(504,993)	-	-	-
	(44,535)	1,139,976	1,095,441	(178,950)	1,939,970	1,761,020
Net assets at end of the year	15,450,060	634,058	16,084,118	20,177,631	588,253	20,765,884
Undistributed income brought forward:						
- Realised	572,457			523,682		
- Unrealised	15,796			16,516		
Undistributed income brought forward	588,253			540,198		
Accounting income available for distribution:						
- Relating to capital gains	-			132,161		
- Excluding capital gains	506,263			944,349		
	506,263			1,076,510		
Distributions during the year	(460,458)			(1,028,455)		
Undistributed income carried forward	634,058			588,253		
Undistributed income carried forward:						
- Realised	645,853			572,457		
- Unrealised	(11,795)			15,796		
	634,058			588,253		
	(Rupees)			(Rupees)		
Net asset value per unit at the beginning of the year	109.5304			109.0853		
Net asset value per unit at the end of the year	110.0737			109.5304		

The annexed notes from 1 to 27 form an integral part of these financial statements

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2026

	June 30, 2026	June 30, 2025
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year before taxation	1,600,434	2,968,425
Adjustments for non cash items:		
Unrealised (loss) / gain on re-measurement of investments at fair value through profit or loss - net	11,795	(15,796)
	1,612,229	2,952,629
Increase in assets		
Investments - net	5,939,451	4,440,307
Profit receivable	171,913	127,104
Receivable against sale of investments	(4)	2,935,630
Advances, deposits, prepayments and other receivables	(117,087)	(5,392)
	5,994,273	7,497,649
Increase / (Decrease) in liabilities		
Payable to MCB Investment Management Limited - Management Company	(11,481)	(11,567)
Payable to Central Depository Company of Pakistan Limited - Trustee	763	(771)
Payable to the Securities and Exchange Commission of Pakistan	(260)	237
Payable against purchase of investments	-	(8,418,942)
Dividend payable	36	
Accrued expenses and other liabilities	67,004	(554,536)
	56,062	(8,985,579)
Net cash generated from operating activities	7,662,564	1,464,699
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	18,875,733	28,609,260
Amount paid against redemption of units	(24,697,475)	(26,094,974)
Distributions made during the year	(460,458)	(1,028,455)
Net cash (used in) / generated from financing activities	(6,282,200)	1,485,831
Net increase in cash and cash equivalents during the year	1,380,364	2,950,530
Cash and cash equivalents at beginning of the year	5,989,230	3,038,700
Cash and cash equivalents at end of the year	7,369,594	5,989,230

The annexed notes from 1 to 27 form an integral part of these financial statements

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB DCF Income Fund (the Fund) was established under a Trust Deed dated November 20, 2006 executed between Arif Habib Investments Limited (now MCB Investment Management Limited) as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) as a Collective Investment Scheme vide its letter dated on November 07, 2006 consequent to which the trust deed was executed on November 10, 2006 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules). After the promulgation of Sindh Trust Act, 2020 (the Sindh Trust Act). On August 13, 2021 the Trust Deed of the Fund had been registered under the Sindh Trust Act.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open ended mutual fund and has been categorised as "Income Scheme" and offers units for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund. The units are listed on the Pakistan Stock Exchange Limited.
- 1.4 The Fund primarily invests in money market and other instruments which includes corporate debt and government securities, repurchase agreements and spread transactions. The Fund may also invest a portion of the fund in medium term assets in order to provide higher return to the unit holders.
- 1.5 Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1 dated October 03, 2025 to the Management Company and a stability rating of 'AA-(f)' dated April 24, 2026 to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as Trustee of the Fund.

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. Such standards comprise of:

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with Part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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 and the requirements of the Trust Deed differ from the IFRSs, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulation and the requirements of the Trust Deed have been followed.

2.2 New amendments that are effective for the year ended June 30, 2026

The following amendments are effective for the year ended June 30, 2026. These amendments are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures.

- Lack of Exchangeability (Amendments to IAS 21)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

2.3 Standard and amendments to IFRS that are not yet effective

The following standards and amendments are effective for accounting periods, beginning on or after the date mentioned against each of them. These amendments and standards are either not relevant to the Fund's operations or are not expected to have significant impact on the Fund's financial statements other than certain additional disclosures except for the amendment of "IFRS 09 regarding the classification and measurement of financial instruments" when applied may impact the timing of recognition and derecognition of financial instrument and "IFRS 18 Presentation and Disclosures in Financial Statements" when applied may impact the presentation of "Income Statement" with certain additional disclosures in the financial statements. The impact of these amendment and standard is being evaluated the by Management Company.

	Effective from Accounting period beginning on or after
- Amendments IFRS 9 and IFRS 7 regarding the classification and measurement of financial instruments	January 01, 2026
- Annual Improvements to IFRS Accounting Standards (related to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7)	January 01, 2026
- Amendments to IFRS 9 and IFRS 7 regarding power purchase arrangements	January 01, 2026
- IFRS 17 – Insurance Contracts (including the June 2020 and December 2021 Amendments to IFRS 17)	January 01, 2027
- IFRS 18 Presentation and Disclosures in Financial Statements	January 01, 2027
- IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 01, 2027

Other than the aforesaid amendments, IASB has also issued the following standards which have not been adopted locally by the Securities and Exchange Commission of Pakistan:

IFRS 1 – First Time Adoption of International Financial Reporting Standards

IFRS 20 Regulatory Assets and Regulatory Liabilities

2.4 Critical accounting estimates and judgements

The preparation of the financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgements and assumptions that affect the reported amounts of assets and liabilities, income and expenses. It also requires the management to exercise judgement in the application of its accounting policies. The estimates, judgements and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and underlying assumptions are reviewed on an ongoing basis.

The areas involving a degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements are as follows:

- Classification and measurement of financial assets (notes 3.1.1.1 and 5)
- Impairment of financial assets (note 3.1.1.3)
- Taxation (notes 3.4 and 14)
- Classification and measurements of financial liabilities (note 3.1.2.1)
- Contingencies and commitments (note 12)
- Provisions (note 3.3)

The revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

2.5 Basis of measurement

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

2.6 Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the Fund operates. These financial statements are presented in Pakistan Rupees which is the Fund's functional and presentation currency. Amounts presented in the financial statements have been rounded off to the nearest thousand rupees, unless otherwise stated.

3. MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised in the Fund's statement of assets and liabilities when the Fund becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the income statement.

3.1.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

3.1.1.1 Classification and measurement of financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the entity's business model for managing them.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. For purposes of subsequent measurement, financial assets are classified in following categories:

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) rate method and are subject to impairment. Gains and losses are recognised in the income statement when the asset is derecognised, modified or impaired.

Financial assets at fair value through other comprehensive income (debt instruments)

For debt instruments at fair value through other comprehensive income (FVOCI), interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the income statement and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change recognised in other comprehensive income is reclassified to the income statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

Financial assets at fair value through profit or loss (debt instruments)

Debt instruments that do not meet the amortised cost criteria or the fair value through other comprehensive income criteria are classified as at fair value through profit or loss. In addition, debt instruments that meet either the amortised cost criteria or the fair value through other comprehensive income criteria may be designated as at fair value through profit or loss upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency (so called 'accounting mismatch') that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

3.1.1.2 Fair value measurement principles

The fair value of financial instruments is determined as follows:

Basis of valuation of government debt securities:

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV / PKFRV / PKISRV) which are based on the remaining tenure of the securities. Moreover, listed government securities traded on Pakistan Stock Exchange are valued at revaluation rates disseminated by Pakistan Stock Exchange (PSX).

Basis of valuation of debt securities:

The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP) in accordance with the criteria laid down in Circular No. 1 of 2009 and Circular No. 33 of 2012 issued by Securities and Exchange Commission of Pakistan (SECP). In the determination of the rates, MUFAP takes into account the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The aforementioned 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.

The Fund applies discretion on the effective yield as per the allowable limits in the above mentioned circulars after taking into account aspects such as Liquidity Risk, Sector Specific Risk and Issuer Class Risk.

The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/-50 bps. For unrated securities the allowable limits +50 bps.

3.1.1.3 Impairment of financial assets

Management Company assesses at each reporting date whether there is objective evidence that the Fund's financial assets or a group of financial assets are impaired. If any such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognised whenever the carrying value of an asset exceeds its recoverable amount.

SECP through its letter no. SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 has deferred the applicability of the impairment requirements of IFRS 9 for debt securities on mutual funds. Therefore, the Fund will not be subject to the impairment provisions of IFRS 9 until further instruction.

For financial assets other than debt securities measured at amortised cost, IFRS 9 requires recognition of impairment based on expected credit loss (ECL) model. Under IFRS 9, the Fund is required to measure loss allowance equal to an amount equal to lifetime ECL or 12 months ECL based on credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Fund considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Fund's historical experience and informed credit assessment and including forward-looking information.

However, majority of the assets of the Fund exposed to credit risk pertain to counter parties which have high credit rating or where credit risk has not been increased since initial recognition. Therefore, management believes that the impact of ECL would be very minimal and hence, the same has not been accounted for in these financial statements.

3.1.1.4 Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of assets and liabilities) when:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

- the rights to receive cash flows from the asset have expired; or
- the Fund has transferred its rights to receive cash flows from the asset and substantially all the risks and rewards of the asset.

3.1.2 Financial liabilities

3.1.2.1 Classification and measurement of financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest rate (EIR) method or at fair value through profit or loss.

Financial liabilities are measured at amortised cost, unless they are required to be measured at fair value through profit or loss (such as instruments held for trading or derivatives) or the Fund has opted to measure them at fair value through profit or loss.

3.1.2.2 Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

3.1.3 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3.2 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less, which are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value.

3.3 Provisions

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

3.4 Taxation

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend.

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.

3.5 Dividend distribution and appropriations

Dividend distribution and appropriations are recorded in the period in which these are approved by the Board of Directors of the Management Company. Based on Mutual Funds Association of Pakistan's (MUFAP) guidelines duly consented by the SECP, distribution for the year also includes portion of income already paid on units redeemed during the year.

Regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders.

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

3.6 Issue and redemption of units

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

Units redeemed are recorded at the redemption price, applicable to units for which redemption applications during business hours of that day received. The redemption price represents the net asset value per unit as of the close of the business day less any back-end load, any duties, taxes, and charges on redemption, if applicable.

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting period. Further, the 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 the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

3.7 Net asset value per unit

The Net Asset Value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

3.8 Revenue recognition

- Gain or loss on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / loss arising on remeasurement of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Income / profit from investments in debt securities, government securities are recognised on a time proportionate basis using effective interest rate method.
- Profit on bank balances is recognised on a time proportionate basis using bank's approved rates.

3.9 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company, Trustee fee and SECP fee are recognised in the income statement on an accrual basis.

3.10 Earnings per unit

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

		June 30, 2026	June 30, 2025
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
- In current accounts	4.1	19,630	611,719
- In savings accounts	4.2	7,349,964	2,992,128
		7,369,594	3,603,847
4.1	This includes balance of Rs. 13.035 million (2025: Rs. 9.748 million) maintained with MCB Bank Limited, a related party.		
4.2	These carry profit at the rates ranging between 7% to 13.1% (2025: 8.5% to 10.5%) per annum and include balances with related parties of Rs. 249.607 million (2025: Rs. 40.815 million) and Rs. 100.281 million (2025: Rs. 0.031 million) with MCB Islamic Bank Limited, which carries profit at the rate ranging between 7% to 11.45% (2025: 10.25% per annum).		

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

5. INVESTMENTS

Investments at fair value through profit or loss

	Note	June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
Government Securities	5.1	7,466,665	15,721,972
Term Finance Certificates - Debt Securities	5.2	1,321,896	1,403,218
Commercial Paper	5.1.5	-	-
Musharka Certificate	5.1.6	-	-
Listed Equity Securities	5.3	-	-
		<u>8,788,561</u>	<u>17,125,190</u>

5.1 Government securities

Market Treasury Bills	5.1.1	2,481,655	2,933,669
Pakistan Investment Bonds	5.1.2	2,634,977	1,354,589
Pakistan Investment Bonds- (FRB)	5.1.3	1,596,263	7,854,356
Government of Pakistan Ijara Sukuk - Listed	5.1.4	753,770	3,402,513
Government of Pakistan Ijara Sukuk - Unlisted	5.1.4	-	176,845
		<u>7,466,665</u>	<u>15,721,972</u>

5.1.1 Market Treasury Bills

Name of security	Date of issue	Face Value			As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying Value	Market value		
(Rupees in '000)									
Treasury Bills - 1 month	July 10, 2025	-	4,000,000	4,000,000	-	-	-	-	-
Treasury Bills - 1 month	August 21, 2025	-	3,250,000	3,250,000	-	-	-	-	-
Treasury Bills - 1 month	October 02, 2025	-	2,000,000	2,000,000	-	-	-	-	-
Treasury Bills - 3 months	May 29, 2025	1,800,000	4,500,000	6,300,000	-	-	-	-	-
Treasury Bills - 3 months	June 12, 2025	625,000	400,000	1,025,000	-	-	-	-	-
Treasury Bills - 3 months	July 10, 2025	-	500,000	500,000	-	-	-	-	-
Treasury Bills - 3 months	October 02, 2025	-	365,000	365,000	-	-	-	-	-
Treasury Bills - 3 months	January 08, 2026	-	500,000	500,000	-	-	-	-	-
Treasury Bills - 3 months	January 22, 2026	-	1,100,000	1,100,000	-	-	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

Name of security	Date of issue	Face Value				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying Value	Market value			
								Unrealised (loss) / gain		
(Rupees in '000)										
Treasury bills - 6 months	July 10, 2025	-	4,500,000	4,500,000	-	-	-	-	-	-
Treasury bills - 6 months	August 21, 2025	-	500,000	500,000	-	-	-	-	-	-
Treasury bills - 6 months	September 04, 2025	-	1,000,000	1,000,000	-	-	-	-	-	-
Treasury bills - 6 months	November 13, 2025	-	2,465,400	2,465,400	-	-	-	-	-	-
Treasury bills - 6 months	January 08, 2026	-	1,000,000	1,000,000	-	-	-	-	-	-
Treasury bills - 6 months	January 22, 2026	-	1,000,000	1,000,000	-	-	-	-	-	-
Treasury bills - 6 months	February 06, 2026	-	2,500,000	2,500,000	-	-	-	-	-	-
Treasury bills - 6 months	February 19, 2026	-	7,520,500	5,000,000	2,520,500	2,482,784	2,481,165	(1,619)	15	28.23
Treasury bills - 6 months	March 17, 2026	-	525,000	525,000	-	-	-	-	-	-
Treasury bills - 12 months	July 11, 2024	-	1,000,000	1,000,000	-	-	-	-	-	-
Treasury bills - 12 months	August 22, 2024	200	-	200	-	-	-	-	-	-
Treasury bills - 12 months	September 05, 2024	9,000	300,000	309,000	-	-	-	-	-	-
Treasury bills - 12 months	October 03, 2024	9,000	-	9,000	-	-	-	-	-	-
Treasury bills - 12 months	October 17, 2024	-	4,000,000	4,000,000	-	-	-	-	-	-
Treasury bills - 12 months	October 31, 2024	740	-	740	-	-	-	-	-	-
Treasury bills - 12 months	November 28, 2024	-	3,500,000	3,500,000	-	-	-	-	-	-
Treasury bills - 12 months	December 12, 2024	-	58,000	58,000	-	-	-	-	-	-
Treasury bills - 12 months	December 26, 2024	-	4,580,000	4,580,000	-	-	-	-	-	-
Treasury bills - 12 months	January 09, 2025	560,000	-	560,000	-	-	-	-	-	-
Treasury bills - 12 months	April 17, 2025	-	500,000	500,000	-	-	-	-	-	-
Treasury bills - 12 months	May 02, 2025	-	50,000	50,000	-	-	-	-	-	-
Treasury bills - 12 months	May 15, 2025	-	235,210	235,210	-	-	-	-	-	-
Treasury bills - 12 months	May 29, 2025	-	100,000	100,000	-	-	-	-	-	-
Treasury bills - 12 months	June 26, 2025	-	2,700,000	2,700,000	-	-	-	-	-	-
Treasury bills - 12 months	July 10, 2025	-	1,500,000	1,500,000	-	-	-	-	-	-
Treasury bills - 12 months	September 04, 2025	-	300,500	300,000	500	490	490	-	0.00	0.01
Treasury bills - 12 months	January 08, 2026	-	500,000	500,000	-	-	-	-	-	-
Treasury bills - 12 months	January 22, 2026	-	500,000	500,000	-	-	-	-	-	-
As at June 30, 2026						2,483,274	2,481,655	(1,619)		
As at June 30, 2025						2,933,275	2,933,669	394		

*These carry effective yield of ranging between 11.13% to 12.10% (2025: 12.03% to 12.48%) per annum.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

5.1.2 Pakistan Investment Bonds

Name of security	Date of issue	Face Value				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying Value	Market value	Unrealised (loss) / gain		
(Rupees in '000)										
Pakistan Investment Bond - 2 years*	January 16, 2025	1,038,800	1,250,000	-	2,288,800	2,170,157	2,151,683	(18,474)	2.1	3.8
Pakistan Investment Bond - 2 years*	January 15, 2026	-	400,000	-	400,000	333,272	337,378	4,106	13.4	24.5
Pakistan Investment Bond - 3 years	July 04, 2023	465,000	-	465,000	-	-	-	-	-	-
Pakistan Investment Bond - 3 years*	February 15, 2024	-	94,400	-	94,400	95,069	95,681	612	0.6	1.1
Pakistan Investment Bond - 3 years*	January 16, 2025	-	50,000	-	50,000	49,509	50,235	726	0.3	0.6
Pakistan Investment Bond - 3 years	May 19, 2026	-	2,500,000	2,500,000	-	-	-	-	-	-
Pakistan Investment Bond - 5 years	July 17, 2025	-	750,000	750,000	-	-	-	-	-	-
Pakistan Investment Bond - 5 years	January 16, 2025	-	300,000	300,000	-	-	-	-	-	-
Pakistan Investment Bond - 5 years	January 15, 2026	-	3,000,000	3,000,000	-	-	-	-	-	-
Pakistan Investment Bond - 5 years	May 19, 2026	-	5,000,000	5,000,000	-	-	-	-	-	-
As at June 30, 2026						2,648,007	2,634,977	(13,030)		
As at June 30, 2025						1,347,079	1,354,589	7,510		

* These carry effective yield of ranging between from 10.68% to 12.70% per annum (2025: 11.02% to 11.81%)

5.1.3 Pakistan Investment Bonds - FRB

Name of security	Date of issue	Face Value			As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying Value	Market value			Unrealised gain / (loss)
(Rupees in '000)										
Pakistan Investment Bond - 5 years*	August 10, 2023	700,000	-	-	700,000	693,301	693,980	679	4.31	7.90
Pakistan Investment Bond - 5 years*	September 21, 2023	1,000,000	-	1,000,000	-	-	-	-	-	-
Pakistan Investment Bond - 5 years*	December 14, 2023	175,000	-	-	175,000	172,960	173,828	868	1.08	1.98
Pakistan Investment Bond - 5 years*	June 27, 2024	700,000	-	-	700,000	690,137	693,210	3,073	4.31	7.89
Pakistan Investment Bond - 5 years	September 05, 2024	1,700,000	-	1,700,000	-	-	-	-	-	-
Pakistan Investment Bond - 5 years	October 03, 2024	2,200,000	-	2,200,000	-	-	-	-	-	-
Pakistan Investment Bond - 5 years	November 14, 2024	1,000,000	-	1,000,000	-	-	-	-	-	-
Pakistan Investment Bond -10 years*	August 22, 2019	35,000	-	-	35,000	34,875	35,245	370	0.22	0.40
Pakistan Investment Bond -10 years	April 17, 2025	500,000	-	500,000	-	-	-	-	-	-
Pakistan Investment Bond -10 years	July 10, 2025	-	500,000	500,000	-	-	-	-	-	-
Pakistan Investment Bond -10 years	January 08, 2026	-	250,000	250,000	-	-	-	-	-	-
As at June 30, 2026						1,591,273	1,596,263	4,990		
As at June 30, 2025						7,852,425	7,854,356	1,931		

* These carry effective yield of ranging between 11.22% to 11.85% per annum (2025: 12.00% to 13.30%)

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

5.1.4 Government of Pakistan - Ijarah Sukuk

Particulars	Issue date	Face Value				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2025	Purchased during the year	Sold / Matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)		
(Rupees in '000)										
GOP Ijarah Sukuk - Listed										
GOP Ijara - 1 year - (fixed)	August 16, 2024	5,005	-	5,005	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	September 18, 2024	990	-	990	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	October 21, 2024	905	-	905	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	November 07, 2024	1,000,000	-	1,000,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	December 04, 2024	88,990	25,000	113,990	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	January 09, 2025	187,500	-	187,500	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	May 30, 2025	600,000	-	600,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	June 26, 2025	187,500	-	187,500	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	August 21, 2025	-	1,303,070	1,303,070	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	October 15, 2025	-	450,050	450,000	50	48	48	0	0.00	0.00
GOP Ijara - 1 year - (fixed)	January 22, 2026	-	650,000	650,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	February 09, 2026	-	125,000	125,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	April 16, 2026	-	2,000,000	2,000,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	April 30, 2026	-	450,000	450,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	May 21, 2026	-	50,000	50,000	-	-	-	-	-	-
GOP Ijara - 1 year - (fixed)	June 24, 2026	-	375,000	-	375,000	336,606	336,675	69	2.09	3.83
GOP Ijara - 3 year - (fixed)	January 24, 2024	500	-	5	495	508	507	(1)	0.00	0.01
GOP Ijara - 3 year - (fixed)	June 28, 2024	5,000	-	-	5,000	5,221	5,191	(30)	0.03	0.06
GOP Ijara - 3 year - (fixed)	September 18, 2024	2,500	-	-	2,500	2,582	2,562	(20)	0.02	0.03
GOP Ijara - 3 year - (fixed)	October 21, 2024	125,000	1,000	125,005	995	1,007	997	(10)	0.01	0.01
GOP Ijara - 3 year - (fixed)	May 30, 2025	100,000	126,000	222,500	3,500	3,484	3,455	(29)	0.02	0.04
GOP Ijara - 3 year - (fixed)	January 22, 2026	-	620,005	615,000	5,005	4,688	4,805	117	0.03	0.05
GOP Ijara - 3 year - (Variable)	January 24, 2024	500	-	-	500	503	501	(2)	0.00	0.01
GOP Ijara - 3 year - (Variable)	June 28, 2024	5,000	-	5,000	-	-	-	-	-	-
GOP Ijara - 3 year - (Variable)	September 18, 2024	2,495	-	-	2,495	2,506	2,503	(3)	0.02	0.03
GOP Ijara - 3 year - (Variable)	January 09, 2025	62,495	-	62,495	-	-	-	-	-	-
GOP Ijara - 3 year - (Variable)	May 19, 2025	75,000	-	75,000	-	-	-	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

Particulars	Issue date	Face Value				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2025	Purchased during the year	Sold / Matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)		
(Rupees in '000)										
(%)										
GOP Ijara - 5 year - (fixed)	January 24, 2024	500	111,000	110,000	1,500	1,638	1,622	(16)	0.01	0.02
GOP Ijara - 5 year - (fixed)	June 28, 2024	5,000	-	-	5,000	5,495	5,432	(63)	0.03	0.06
GOP Ijara - 5 year - (fixed)	September 18, 2024	2,500	26,000	25,000	3,500	3,730	3,657	(73)	0.02	0.04
GOP Ijara - 5 year - (fixed)	October 21, 2024	-	1,000	-	1,000	1,035	1,022	(13)	0.01	0.01
GOP Ijara - 5 year - (fixed)	January 09, 2025	62,500	200,000	262,500	-	-	-	-	-	-
GOP Ijara - 5 year - (fixed)	May 30, 2025	600,000	143,025	662,500	80,525	77,833	78,641	808	0.49	0.89
GOP Ijara - 5 year - (fixed)	January 22, 2026	-	551,100	550,000	1,100	1,045	1,035	(10)	0.01	0.01
GOP Ijara - 5 year - (Variable)	January 24, 2024	500	-	-	500	510	508	(2)	0.00	0.01
GOP Ijara - 5 year - (Variable)	June 28, 2024	5,000	-	-	5,000	5,040	4,971	(69)	0.03	0.06
GOP Ijara - 5 year - (Variable)	September 18, 2024	2,500	-	500	2,000	2,028	2,000	(28)	0.01	0.02
GOP Ijara - 5 year - (Variable)	January 09, 2025	60,500	-	60,500	-	-	-	-	-	-
GOP Ijara - 5 year - (Variable)	May 30, 2025	125,000	125,000	250,000	-	-	-	-	-	-
GOP Ijara - 10 year - (Fixed)*	September 18, 2024	2,500	-	-	2,500	2,604	2,568	(37)	0.02	0.03
GOP Ijara - 10 year - (Fixed)*	January 22, 2026	-	250,000	125,000	125,000	47,831	41,788	(6,044)	0.26	0.48
GOP Ijara - 10 year - (Variable)	September 18, 2024	2,500	-	450	2,050	2,089	2,033	(56)	0.01	0.02
GOP Ijara - 10 year - (Variable)	October 21, 2024	124,000	-	124,000	-	-	-	-	-	-
GOP Ijara - 10 year - (Variable)	May 30, 2025	65,000	-	65,000	-	-	-	-	-	-
GOP Ijara - 10 year - (Variable)	January 22, 2026	-	250,000	250,000	-	-	-	-	-	-
GOP Ijara - 10 year - (Variable)	April 16, 2026	-	250,000	-	250,000	249,902	251,250	1,348	1.56	2.86
As at June 30, 2026						757,934	753,770	(4,163)		
As at June 30, 2025						3,394,248	3,402,513	8,265		
*These carry effective yield of ranging between 10.95% to 11.03% (2025: 10.95% to 11.03%) per annum .										
GOP Ijarah Sukuk - Unlisted										
GOP Ijara - 3 year - (fixed)	June 26, 2023	-	125,000	125,000	-	-	-	-	-	-
GOP Ijara - 3 year - (fixed)	December 04, 2023	75,000	-	75,000	-	-	-	-	-	-
GOP Ijara - 3 year - (Variable)	December 04, 2023	75,000	-	75,000	-	-	-	-	-	-
GOP Ijara - 5 year - (Variable)	December 04, 2023	100,000	-	100,000	-	-	-	-	-	-
GOP Ijara - 5 year - (fixed)	December 4, 2023	100,000	-	100,000	-	-	-	-	-	-
As at June 30, 2026						-	-	-		
As at June 30, 2025						175,045	176,845	1,800		
As at June 30, 2025										

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2026**

5.1.5 Commercial Paper

Name of Investee Company	Rating Of Investee Company	Issue Date	Profit Rate	Face value			As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investment
				As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026	Carrying value	Market value		

(Rupees in '000) (%)

Pakistan Microfinance Investment Company Limited	AA	September 12, 2025	11.83%	-	250,000	250,000	-	-	-	-	-
As at June 30, 2026											
As at June 30, 2025											

5.1.6 Musharika Certificates

Name of Investee Company	Rating Of Investee Company	Issue Date	Profit Rate	Face value			As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investment
				As at July 01, 2025	Purchased during the year	Matured during the year	As at June 30, 2026	Carrying value	Market value		

(Rupees in 000) (%)

Meezan Bank Limited	AA+	January 30, 2026	9.75%	-	1,200,000	1,200,000	-	-	-	-	-
Meezan Bank Limited	AA+	May 22, 2026	11.20%	-	1,500,000	1,500,000	-	-	-	-	-
Meezan Bank Limited	AA+	June 05, 2026	11.10%	-	1,500,000	1,500,000	-	-	-	-	-
As at June 30, 2026											
As at June 30, 2025											

5.2 Term Finance Certificates - Debt Securities

Name of investee company	Issue date	Number of certificates				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investment
		As at July 1, 2025	Purchased during the year	Sold / matured during the year		As at June 30, 2026	Carrying value	Market value		

(Rupees in '000) (%)

Commercial banks

Askari Bank Limited VII - TFC *	March 17, 2020	50	-	50	-	-	-	-	-	-
Samba Bank Limited - TFC 1 *	March 01, 2021	850	-	850	-	-	-	-	-	-
Meezan Bank Limited Sukuk *	December 16, 2021	145	-	-	145	142,679	142,634	(45)	0.89	1.62
Bank Al Habib Limited - TFC II*	September 30, 2021	82,000	-	-	82,000	403,123	404,955	1,832	2.52	4.61
The Bank of Punjab - TFC *	April 17, 2023	500	-	-	500	49,066	49,307	241	0.31	0.56
Faysal Bank Limited Sukuk	May 25, 2026	-	150	-	150	150,000	150,000	-	0.93	1.71

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

Name of investee company	Issue date	Number of certificates				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investment \$
		As at July 1, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)		
----- (Rupees in '000) ----- (%) -----										
Energy										
Pakistan energy sukuk II*	May 21, 2020	100,000	-	100,000	-	-	-	-	-	-
Sugar & Allied Industries										
RYK Mills Limited - Short Term Sukuk	April 03, 2026	-	375	-	375	375,000	375,000	-	2.33	4.27
Cable and Electrical goods										
Pakistan Cables Limited - Short Term Sukuk	May 06, 2026	-	200	-	200	200,000	200,000	-	1.24	2.28
Textile										
Masood Spinning Textile Mills*	April 22, 2025	175	-	175	-	-	-	-	-	-
As at June 30, 2026										
						1,319,868	1,321,896	2,028		
As at June 30, 2025										
						1,407,322	1,403,218	(4,104)		

*These carry effective yield of ranging between 11.03% to 12.81% per annum (2025: 11.48% to 13.23%)

5.2.1 Significant terms and conditions of term finance certificates outstanding as at June 30, 2026 are as follows:

Name of the issuer	Issue date	Maturity date	Mark-up rate (per annum)	Face value	Secured / unsecured	Rating
Commercial Banks						
Meezan Bank Limited Sukuk*	December 16, 2021	December 16, 2031	6 months KIBOR + 0.35%	1,000,000	Unsecured	AAA
Bank Al Habib Limited - TFC II*	September 30, 2021	September 30, 2031	6 months KIBOR + 0.75%	5,000	Unsecured	AAA
The Bank of Punjab - TFC*	April 17, 2023	April 17, 2033	6 months KIBOR + 1.25%	1,000,000	Unsecured	AA
Faysal Bank Limited Sukuk	May 25, 2026	May 25, 2036	6 months KIBOR - 0.10%	1,000,000	Unsecured	AA
Sugar & Allied Industries						
RYK Mills Limited - Short Term Sukuk	April 03, 2026	October 05, 2026	3 months KIBOR + 1.4%	1,000,000	Unsecured	A1
Cables & Conductors						
Pakistan Cables Limited	May 06, 2026	November 06, 2026	6 months KIBOR - 0.95%	1,000,000	Unsecured	A1

*The rating of the term finance certificates have been obtained from Pakistan Credit Rating Agency (PACRA) and VIS Credit Rating Company Limited as of June 30, 2026.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

5.2.2 Provided Debt securities - Term Finance certificates

Carrying value as at June 30

Less: Provision as at July 01

- Saudi Pak Leasing Company Limited - TFC - listed
- New Allied Electronics Industries (Private) Limited - TFC - unlisted
- New Allied Electronics Industries (Private) Limited - Sukuk - unlisted

Note	June 30, 2026	June 30, 2025
----- (Rupees in '000) -----		
5.2.3	56,984	84,532
	-	(27,548)
	(21,983)	(21,983)
	(35,001)	(35,001)
	(56,984)	(84,532)
	-	-

5.2.3 Status of non compliance as per Circular 16 of 2010 issued by the Securities and Exchange Commission of Pakistan

The Securities and Exchange Commission of Pakistan (SECP), vide its Circular no. 16 dated July 7, 2010 has prescribed certain disclosures for non-compliances, either with the minimum investment criteria specified for the category assigned to the collective investment schemes or with the investment requirements of their constitutive documents.

Certificates have a face value of Rs 5,000 each unless stated otherwise

Name of investee company	Issue date	Number of certificates				As at June 30, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at July 01, 2025	Purchased during the year	Sold / matured during the year	As at June 30, 2026	Carrying value	Market value	Unrealised gain / (loss)			
Financial Services											
Saudi Pak Leasing Company Limited	March 13, 2010	10,000	-	10,000	-	-	-	-	-	-	
Household goods											
New Allied Electronics Industries (Private) Limited	May 15, 2007	10,400	-	-	10,400	21,983	(21,983)	-	-	-	
New Allied Electronics Industries (Private) Limited	July 27, 2007	112,000	-	-	112,000	35,001	(35,001)	-	-	-	
As at June 30, 2026						56,984	(56,984)	-			
As at June 30, 2025						84,532	(84,532)	-			

Owing to continuous default on repayment of coupon by the issuer, the Fund had classified the said investment as non performing. The Fund has recognised full provision against outstanding principal in accordance with applicable provisioning circular issued by the Securities and Exchange Commission of Pakistan and provisioning policy of the Fund duly approved by the Board of Directors of the Management Company. The Fund has suspended further accrual of profit there against.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

5.3 Listed equity securities - 'at fair value through profit or loss - held-for-trading'

Name of investee company	Number of shares			Balance as at June 30, 2026			Market value as a percentage of		Percentage in relation to paid-up capital of the investee company
	As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Unrealised (loss) / gain	Net assets	Total investments
(Rupees in '000)									
Automobile Assembler									
Sazgar Engineering Works	-	75,000	75,000	-	-	-	-	-	-
Cable & electrical goods									
Pak Elektron Limited**	-	10,378,000	10,378,000	-	-	-	-	-	-
Cement									
D.G. Khan Cement Company Limited*	-	3,418,000	3,418,000	-	-	-	-	-	-
Fauji Cement Company Limited	-	16,188,500	16,188,500	-	-	-	-	-	-
Lucky Cement Limited*	-	174,000	174,000	-	-	-	-	-	-
Maple Leaf Cement Factory Limited	-	2,810,500	2,810,500	-	-	-	-	-	-
Pioneer Cement Limited	-	211,500	211,500	-	-	-	-	-	-
Chemicals									
Lotte Chemical Pakistan Limited	-	1,321,000	1,321,000	-	-	-	-	-	-
Nimir Resins Limited**	-	-	-	-	-	-	-	-	-
Commercial Banks									
Bank Al Habib Limited	-	3,525,000	3,525,000	-	-	-	-	-	-
Habib Bank Limited	-	873,500	873,500	-	-	-	-	-	-
Meezan Bank Limited	-	100,000	100,000	-	-	-	-	-	-
National Bank Of Pakistan	-	20,939,000	20,939,000	-	-	-	-	-	-
Engineering									
Mughal Iron & Steel Industries Limited	-	2,098,500	2,098,500	-	-	-	-	-	-
Fertilizer									
Fauji Fertilizer Company Limited	-	66,500	66,500	-	-	-	-	-	-
Oil & Gas Exploration Companies									
Oil & Gas Development Company Limited	-	12,226,500	12,226,500	-	-	-	-	-	-
Pakistan Petroleum Limited	-	7,215,500	7,215,500	-	-	-	-	-	-
Oil And gas marketing companies									
Pakistan State Oil Company Limited	-	6,333,000	6,333,000	-	-	-	-	-	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

Name of investee company	Number of shares			Balance as at June 30, 2026			Market value as a percentage of		Percentage in relation to paid-up capital of the investee company
	As at July 01, 2025	Purchased during the year	Sold during the year	As at June 30, 2026	Carrying value	Market value	Net assets	Total investments	
									%
Power generation & distribution									
Hub Power Company Limited	-	4,379,000	4,379,000	-	-	-	-	-	-
K-Electric Limited**	-	43,574,500	43,574,500	-	-	-	-	-	-
Nishat Chunian Power Limited*	-	388,000	388,000	-	-	-	-	-	-
Nishat Power Limited*	-	381,500	381,500	-	-	-	-	-	-
Refinery									
Attock Refinery Limited	-	38,500	38,500	-	-	-	-	-	-
Technology & Communications									
Pakistan Telecommunication Company Limited	-	690,000	690,000	-	-	-	-	-	-
As at June 30, 2026									
As at June 30, 2025									
* These transactions relating to shares of related parties									
** These have a face value of Rs.3.5 per share									
The movement in equity securities represents spread transactions entered into by the Fund. The Fund purchases equity securities in ready settlement market and sells the securities in future settlement market on the same day, resulting in spread income / (loss) due to difference in ready and future stock prices.									
5.3.1									
5.4									
Unrealised gain on re-measurement of investments at fair value through profit or loss - net									
Market value of investments									
less: Carrying value of investments									
6.									
PROFIT RECEIVABLE									
Pakistan Investment Bonds									
GOP Ijara Sukuk									
Term Finance Certificates									
Bank deposits									
6.1									
These include balance of Rs. 7.155 million (2025: Rs. 0.834 million) held with MCB Islamic Bank Limited and balance of Rs. 2.397 million (2025: 1.217 million) held with MCB Bank Limited, both are related parties.									

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
7. ADVANCES, DEPOSITS AND PREPAYMENTS AND OTHER RECEIVABLES	Note		
Security deposits / margin with:			
- National Clearing Company of Pakistan Limited (NCCPL)	7.1	2,750	17,750
- Central Depository Company of Pakistan Limited (CDC)		200	200
Exposure deposit with the National Clearing Company Pakistan Limited against spread transactions		132,737	21,931
Prepayments		365	332
Advance tax		27,300	4,800
Other receivables		222	1,474
		163,574	46,487

- 7.1** This includes advance tax amounting to Rs: 18.83 million deducted under Section 151A of the Income Tax Ordinance, 2001 introduced through Finance Act, 2025 by withholding agents on capital gains arising from the disposal of debt securities during the year. The Fund had applied for the requisite exemption certificate; however, pending its receipt, the tax was deducted by the withholding agents. Management is of the view that the amount deducted is refundable and, accordingly, has been recognised as advance tax in these financial statements

		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
8. PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note		
Management remuneration payable	8.1	18,458	27,148
Sindh Sales Tax payable on remuneration of the Management Company	8.2	2,769	4,072
Sales and back end load payable		3,602	5,090
		24,829	36,310

- 8.1** Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the management fee for a Scheme is capped at 1.50% per annum, calculated on the basis of the average daily net assets, effective from July 01, 2025. Prior to this amendment the management fee was allowed to charge at the rate of up to 2% per annum of the net assets of the Scheme. The management fee is payable to the Management Company on a monthly basis in arrears

- 8.2** Sindh Sales Tax on remuneration of the Management Company has been charged at the rate of 15%. (2025: 15%)

		June 30, 2026	June 30, 2025
		----- (Rupees in '000) -----	
9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note		
Trustee remuneration payable	9.1	923	259
Sindh Sales Tax payable on Trustee remuneration	9.2	138	39
		1,061	298

- 9.1** The Trustee remuneration consists of reimbursement of actual custodial expenses / charges plus 0.075% per annum of the net assets to be paid monthly in arrears.

- 9.2** Sindh Sales Tax at 15% is charged on Trustee fee. (2025: 15%)

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

		June 30, 2026	June 30, 2025
	Note	----- (Rupees in '000) -----	
10. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Payable to the SECP	10.1	923	1,183

10.1 The Fund has charged SECP Fee at the rate of 0.075% of the average daily net assets of the Fund which is payable on monthly basis in arrears.

		June 30, 2026	June 30, 2025
	Note	----- (Rupees in '000) -----	
11. ACCRUED EXPENSES AND OTHER LIABILITIES			
Withholding tax on capital gains		125,229	183,695
Provision for Federal Excise Duty payable on remuneration of the Management Company	11.1	99,060	99,060
Federal Excise Duty payable on sales load	11.1	27,933	27,933
Auditors' remuneration		956	745
Brokerage payable		326	293
Withholding tax on dividend		125,225	335
Other Payable		336	-
		379,065	312,061

11.1 Federal Excise Duty Payable

The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) with effect from June 13, 2013. As the asset management services rendered by the Management Company of the Fund were already subject to provincial sales tax on services levied by the Sindh Revenue Board, which is being charged to the Fund, the Management Company was of the view that further levy of FED was not justified.

On September 4, 2013, a Constitutional Petition was filed in the Sindh High Court (SHC) jointly by various asset management companies, together with their representative Collective Investment Schemes through their trustees, challenging the levy of FED.

On July 16, 2016, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

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

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company and sales load with effect from July 1, 2016. However, the provision for FED made prior to this period has been maintained by the Fund which at June 30, 2026 aggregates to Rs. 126.99 million (2025: Rs. 126.99 million). Had the provision for FED not been recorded in the financial statements of the Fund, the net assets value of the Fund as at June 30, 2026 would have been higher by Re. 0.87 (2025: Re. 0.67) per unit.

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

On December 01, 2021, DCF Income Fund (DCFIF) received a notice of tax demand for the Tax Year 2017 from the Additional Commissioner (Inland) Revenue (ACIR), whereby ACIR raised objections on claiming of "provision against debt securities" amounting to Rs. 7.943 million and adjustment of the "Element of loss and capital losses" amounting to Rs. 151.140 million while arriving at the declared accounting income of the Fund and has challenged the distribution of 90% of income and the Fund's eligibility for exemption from tax. The ACIR raised a tax demand of Rs 138.821 million. The Management Company on behalf of the Fund filed Appeal and Stay Application in front of Commissioner Appeals (CIRA).

On March 31, 2022, a favorable Appellate Order was passed by Commissioner Appeals whereby it was directed that the benefit of Element of Loss should be allowed to the Company.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

On June 14, 2022, FBR being aggrieved with said Order filed Appeal with Appellate Tribunal Inland Revenue. Management Company, in consultation with its advisor, anticipates a favorable outcome of the case.

- 12.2 There were no other material contingencies and commitments outstanding as at June 30, 2026 and June 30, 2025.

	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
13. AUDITORS' REMUNERATION		
Annual audit fee	700	550
Half yearly review fee	350	300
Other certifications	105	80
Out of pocket expenses	116	85
	<u>1,271</u>	<u>1,015</u>
Sales tax	102	81
	<u>1,373</u>	<u>1,096</u>

14. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the NBFC Regulations, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. 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.

Since the management distributed the income available for distribution by the Fund to the unit holders in cash in the manner as explained above accordingly, no provision for taxation has been made in these financial statements

	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
15. CASH AND CASH EQUIVALENTS		
Bank balances	7,369,594	3,603,847
Markey Treasury Bills	-	2,385,383
	<u>7,369,594</u>	<u>5,989,230</u>

16. TOTAL EXPENSE RATIO

The Total Expense Ratio (TER) of the Fund based on the current year results is 2.04% (June 30, 2025: 2.277%) which includes 0.33% (June 30, 2025: 0.35%) representing Government Levies, SECP fee and other related expenses. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025

17. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / RELATED PARTIES

Related parties / connected persons of the Fund include MCB Investment Management Limited (being the Management Company) and its related entities, the Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other collective investment schemes and pension schemes managed by the Management Company, any entity in which the Management Company, its CISs or their connected persons have material interest, any person or trust beneficially owning (directly or indirectly) ten percent or more of the capital of the Management Company or the net assets of the Fund and directors and their close family members, key management personnel and officers of the Management Company.

Transactions with related parties / connected persons are in the normal course of business, and are executed on an arm's length and fair basis.

Remuneration of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed respectively.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the year end are as follows:

	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
17.1 Details of transactions other than units of the Fund with related parties / connected persons during the year		
MCB Investment Management Limited - Management Company		
Remuneration (including indirect taxes)	320,254	408,444
Selling and marketing expenses	-	-
Allocated expenses (including indirect taxes)	-	3,908
Amount received against issuance to unitholders *	-	4,625
Central Depository Company of Pakistan Limited - Trustee		
Remuneration (including indirect taxes)	16,013	17,282
Settlement charges	1,177	204
Group / associated companies		
MCB Bank Limited		
Profit on deposit accounts	5,965	1,500
Bank charges	174	74
Sale of Government Securities - Face Value:nil (2025: Rs.207,560,000)	-	209,241
MCB Islamic Bank Limited		
Profit on deposit accounts	96,230	8,169
D.G. Khan Cement Company Limited		
Purchase of 3,418,000 (2025: Nil) shares	797,036	-
Sale of 3,418,000 (2025: Nil) shares	804,822	-
Dividend Income	834	-
Nishat Chunian Power Limited		
Purchase of 388,000 (2025: Nil) shares	30,224	-
Sale of 388,000 (2025: Nil) shares	30,555	-
Nishat Power Limited		
Purchase of 381,500 (2025: Nil) shares	35,110	-
Sale of 381,500 (2025: Nil) shares	35,512	-
Pakistan Cables Limited		
Purchase of short term sukuk (2025: Nil)	200,000	-
* This represents amount reimbursed by the Management Company in the form of dividend to identified unit holders of the Fund in relation to reversal of excess amount charged against reimbursement of selling and marketing expenses as per the direction of Securities and Exchange Commission of Pakistan.		
	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
17.2 Details of balances with related parties / connected persons persons as at year end		
MCB Investment Management Limited - Management Company		
Management remuneration payable	18,458	27,148
Sindh Sales Tax payable on remuneration of the management company	2,769	4,072
Sales load payable	643	1,380
Back end load payable	2,959	3,710
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable to trustee	923	259
Sindh Sales Tax payable on trustee remuneration	138	39
Security deposit	200	200
Group / associated companies		
MCB Bank Limited		
Bank balances	262,642	50,563
MCB Islamic Bank Limited		
Bank balances	100,281	31
Pakistan Cables Limited		
Short term sukuk held (2025: Nil)	200,000	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

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

For the year ended June 30, 2026

	As at July 01, 2025	Issued for cash	Redeemed	As at June 30, 2026	As at July 01, 2025	Issued for cash	Redeemed	As at June 30, 2026
	Units (Rupees in '000)							
Group / associated companies	49,872	-	49,872	-	5,463	-	5,491	-
Laipir Staff Gratuity Fund Trust	2,876,427	246,479	-	3,122,906	315,056	26,997	-	343,750
MCB Employees Provident Fund	2,876,427	246,479	-	3,122,906	315,056	26,997	-	343,750
MCB Employees Pension Fund	7	1	-	8	1	-	-	1
D.G. Khan Cement company Limited Employees Provident Fund Trust	29,956	1,078	-	31,034	3,281	118	-	3,416
KAPCO Staff Welfare Fund Trust	788	67	-	855	86	7	-	94
KAPCO Employees Pension Fund	987	1	983	5	108	-	109	1
Key Management Personnel*								

*This reflects the position of related party / connected person status as at June 30, 2026.

For the year ended June 30, 2025

	As at July 01, 2024	Issued for cash	Redeemed	As at June 30, 2025	As at July 01, 2024	Issued for cash	Redeemed	As at June 30, 2025
	Units (Rupees in '000)							
Group / associated companies	43,067	6,805	-	49,872	4,698	765	-	5,463
Laipir Staff Gratuity Fund Trust	2,483,911	392,516	-	2,876,427	270,958	44,098	-	315,056
MCB Employees Provident Fund	2,483,911	392,516	-	2,876,427	270,958	44,098	-	315,056
MCB Employees Pension Fund	-	7	-	7	-	1	-	1
D.G. Khan Cement company Limited Employees Provident Fund Trust	-	29,955	-	29,956	-	3,281	-	3,281
KAPCO Staff Welfare Fund Trust	-	788	-	788	-	86	-	86
KAPCO Employees Pension Fund	2	4	5	1	1	-	-	-
Key Management Personnel*								

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

18. FAIR VALUE OF FINANCIAL INSTRUMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e. period end date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

The following table shows financial instruments recognised at fair value, based on:

Levels	Description	Valuation approach and input used
Level 1:	Quoted prices in active markets for identical assets or liabilities;	Listed government securities traded on Pakistan Stock Exchange are valued at revaluation rates disseminated by Pakistan Stock Exchange (PSX). The fair value of debt securities (other than government securities) is based on the value determined and announced by Mutual Funds Association of Pakistan (MUFAP).
Level 2:	Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and	The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV / PKISRV / PKISRV) which are based on the remaining tenure of the securities.
Level 3:	Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	For Debt securities for which MUFAP valuation is not available are valued at face value of the securities. The Fund applies discretion on the effective yield as per the allowable limits after taking into account aspects such as Liquidity Risk, Sector Specific Risk and Issuer Class Risk. The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/50 bps. For unrated securities the allowable limits +50 bps.

		As at June 30, 2026						
		Carrying amount		Fair Value				
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in 000)								
Financial assets measured at fair value through profit or loss								
	Market Treasury Bills	2,481,655	-	2,481,655	-	2,481,655	-	2,481,655
	Pakistan Investment Bonds	2,634,977	-	2,634,977	-	2,634,977	-	2,634,977
	Pakistan Investment Bonds - FRB	1,596,263	-	1,596,263	-	1,596,263	-	1,596,263
	Term Finance Certificates	1,321,896	-	1,321,896	454,262	-	867,634	1,321,896
	Government of Pakistan Ijara Sukuk	753,770	-	753,770	753,770	-	-	753,770
		8,788,561	-	8,788,561	1,208,032	6,712,895	867,634	8,788,561
Financial assets not measured at fair value								
	Bank balances	-	7,369,594	7,369,594				
	Profit receivable	-	168,308	168,308				
	Deposits and other receivables	-	135,909	135,909				
		-	7,673,815	7,673,815				
Financial liabilities not measured at fair value								
	Payable to the Management Company	-	22,060	22,060				
	Payable to the Trustee	-	923	923				
	Dividend payable	-	45	45				
	Accrued expenses and other liabilities	-	1,547	1,547				
		-	24,575	24,575				

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

As at June 30, 2025

As at 30th June 2020						
Carrying amount			Fair Value			
Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in 000)						
2,933,669	-	2,933,669	-	2,933,669	-	2,933,669
1,354,589	-	1,354,589	-	1,354,589	-	1,354,589
7,854,356	-	7,854,356	-	7,854,356	-	7,854,356
1,403,218	-	1,403,218	452,370	175,000	775,848	1,403,218
3,579,358	-	3,579,358	3,402,513	176,845	-	3,579,358
17,125,190	-	17,125,190	3,854,883	12,494,459	775,848	17,125,190

Financial assets not measured at fair value

Bank balances	-	3,603,847	3,603,847
Profit receivable	-	340,221	340,221
Deposits and other receivables	-	41,355	41,355
	-	3,985,423	3,985,423

Financial liabilities not measured at fair value

Payable to the Management Company	-	32,238	32,238
Payable to the Trustee	-	259	259
Dividend payable	-	9	9
Accrued expenses and other liabilities	-	1,318	1,318
	-	33,824	33,824

During the year ended June 30, 2026 and June 30, 2025 there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

19.

FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate and other price risk), credit risk and liquidity risk. Risks of the Fund are being managed by the Management Company in accordance with the approved policies of the investment committee which provide broad guidelines for management of above mentioned risks. The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

19.1 Market risk

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

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board of Directors of Management Company and the regulations laid down by the SECP, the NBFC Regulations and the NBFC Rules.

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

19.1.1 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 Pakistan Rupees.

19.1.2 Yield / interest rate risk

Yield / interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates. As of June 30, 2026, the Fund is exposed to such risk on bank balances, Pakistan Investment Bonds, Government of Pakistan Ijara Sukuk, Market Treasury Bills, Terms Finance Certificates and Short term Sukuk. 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.

As of June 30, 2026 details of Fund's interest bearing financial instruments were as follows:

	June 30, 2026	June 30, 2025
	----- (Rupees in '000) -----	
Variable rate instrument (financial asset)		
Bank balances	7,349,964	2,992,128
Pakistan Investment Bonds - FRB	1,596,263	7,854,356
Government of Pakistan Ijara sukuk	263,766	709,403
Term finance certificates - unlisted	1,321,896	1,403,218
	10,531,889	12,959,105
Fixed rate instrument (financial asset)		
Government of Pakistan Ijara Sukuk	490,005	2,869,955
Pakistan Investment Bonds	2,634,977	1,354,589
Market Treasury Bills	2,481,655	2,933,669
	5,606,637	7,158,213

a) Sensitivity analysis for variable rate instruments

As at June 30, 2026, the Fund holds KIBOR based bank balances, Term Finance and Certificates, GoP Ijara sukuks and Pakistan Investment Bonds (FRB) which expose the Fund to cash flow interest rate risk. In case of 100 basis points increase / decrease in applicable rates on the last repricing date with all other variables held constant, the net assets value of the Fund and the net income for the year would have been higher / lower by Rs 105.32 million (2025: Rs. 129.59 million).

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2026, the Fund holds GoP Ijara Sukuks, Pakistan Investment Bonds and Market Treasury Bills which are fixed rate instruments exposing the Fund to fair value interest rate risk. In case of 100 basis points increase / decrease in rates announced by the Financial Market Association of Pakistan (FMAP) on June 30, 2026, the net income for the year and net assets would be lower / higher by Rs. 56.07 million (2025: Rs. 71.58 million).

Yield / interest rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date. The composition of the Fund investment may change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2026 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

The Fund's interest rate sensitivity related to financial assets and financial liabilities as at June 30, 2026 can be determined as follows:

As at June 30, 2026					
Yield / effective interest rate	Exposed to yield / interest risk				Total
	Up to three months	More than three months and up to one year	More than one year	Not exposed to yield / interest risk	
----- % ----- (Rupees in '000) -----					

On-balance sheet financial instruments

Financial Assets

Bank balances	7 to 13.1	7,349,964	-	-	19,630	7,369,594
Investments						
- Market Treasury Bills	11.13 to 12.10	2,481,655	-	-	-	2,481,655
- Pakistan Investment Bonds	10.68 to 12.70	-	2,247,364	387,613	-	2,634,977
- Pakistan Investment Bonds - FRB	11.2 to 11.85	-	-	1,596,263	-	1,596,263
- Government of Pakistan Ijara Sukuk	10.95 to 11.03	-	342,921	410,848	-	753,770
- Term Finance and Certificate	11.03 to 12.81	-	575,000	746,897	-	1,321,897
Profit receivable		-	-	-	168,308	168,308
Deposits and other receivables		-	-	-	135,909	135,909
		9,831,619	3,165,285	3,141,621	323,847	16,462,372

Financial Liabilities

Payable to Management Company		-	-	-	22,060	22,060
Payable to Trustee		-	-	-	923	923
Dividend payable		-	-	-	45	45
Accrued expenses and other liabilities		-	-	-	1,547	1,547
		-	-	-	24,575	24,575

As at June 30, 2025					
Yield / effective interest rate	Exposed to yield / interest risk				Total
	Up to three months	More than three months and up to one year	More than one year	Not exposed to yield / interest risk	
----- (%) ----- (Rupees in 000) -----					

On-balance sheet financial instruments

Financial Assets

Bank balances	8.5 to 10.5	2,992,128	-	-	611,719	3,603,847
Investments						
	12.03 to 12.48	2,394,406	539,263	-	-	2,933,669
	11.02 to 11.81	-	-	1,354,589	-	1,354,589
- Pakistan Investment Bonds - FRB	12 to 13.3	3,380,056	4,474,300	-	-	7,854,356
- Government of Pakistan Ijara Sukuk	10.57 to 11.03	388,560	3,190,798	-	-	3,579,358
- Term Finance and Certificate	11.48 to 13.23	536,453	866,765	-	-	1,403,218
Profit receivable		-	-	-	340,221	340,221
Deposits and other receivables		-	-	-	41,355	41,355
		9,691,603	9,071,126	1,354,589	993,295	21,110,613

Financial liabilities

Payable to Management Company		-	-	-	32,238	32,238
Payable to Trustee		-	-	-	259	259
Dividend payable		-	-	-	9	9
Accrued expenses and other liabilities		-	-	-	1,318	1,318
		-	-	-	33,824	33,824

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

19.1.3 Price risk

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 profit 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.

19.2 Credit risk

Credit risk represents the risk of loss if counterparties fail to perform as contracted. The Fund is exposed to counterparty credit risks on investments in Term Finance Certificates and Sukuk certificates, bank balances and other financial assets at amortised cost. The credit risk on the Fund is limited because the counterparties are financial institutions with reasonably high credit ratings.

The Fund has adopted a policy of only dealing with creditworthy counterparties as a means of mitigating the risk of financial loss from defaults. This information is supplied by independent rating agencies, where available, and if not available, the Fund uses other publicly available financial information and its own trading records to rate its major counterparties. The Fund's exposure and the credit ratings of its counterparties are continuously monitored and the aggregate value of transactions concluded is spread amongst approved counterparties.

Credit risk from bank balances and investment in term finance certificates (Note 5.2.1) is managed in accordance with the Fund's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparties credit limits are approved by the Board of Directors. The limits are set to minimise the concentration of risk and therefore mitigate financial loss through potential counterparty failure.

The Fund's maximum exposure to credit risk is the carrying amounts of following financial assets.

	June 30, 2026		June 30, 2025	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
----- (Rupees in '000) -----				
Bank balances	7,349,964	7,349,964	3,603,847	3,603,847
Government securities	7,466,665	-	15,721,972	-
Term finance and sukuk certificate	1,321,896	1,321,896	1,403,218	1,403,218
Profit receivable	168,308	121,663	340,221	64,981
Deposits and other receivables	135,909	135,909	41,355	41,355
	16,442,742	8,929,432	21,110,613	5,113,401

The analysis below summaries the credit rating quality of the Fund's financial assets with banks as at June 30, 2026 and June 30, 2025:

Bank balances by rating category	June 30, 2026		June 30, 2025	
	Rupees in '000	%	Rupees in '000	%
AAA	403,532	5.48	90,960	2.52
AA+	10	0.00	109,871	3.05
AA	100,321	1.36	3,402,902	94.42
AA-	13,035	0.18	22	0.00
A+	6,852,672	92.99	73	0.00
A-	24	0.00	19	0.00
	7,369,594	100	3,603,847	100

Above ratings are on the basis of available ratings assigned by Pakistan Credit Rating Agency (PACRA) and VIS Credit Rating Company Limited as of June 30, 2026 and June 30, 2025.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

Investments in government securities do not expose the Fund to credit risk as the counter party to the investment is the Government of Pakistan and Management does not expect to incur any credit loss on such investment.

Deposits are placed with National Clearing Company of Pakistan Limited (NCCPL) and Central Depository Company of Pakistan Limited (CDC) for the purpose of effecting transaction and settlement of listed securities. It is expected that all deposits with NCCPL and CDC will be clearly identified as being assets of the Fund, hence management believes that the Fund does not expect to incur credit losses with respect to these deposits.

Concentration of credit risk

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

Settlement risk

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

19.3 Liquidity risk

Liquidity risk is the risk that the Fund will encounter difficulty in meeting its obligations arising from its financial liabilities that are settled by delivering cash or other financial assets or that such obligations will have to be settled in a manner disadvantageous to the Funds. Liquidity risk also arises because of the possibility that the Fund could be required to pay its liabilities earlier than expected. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's applicable redemption price calculated in accordance with the Fund's constitutive documents and guidelines laid down by the SECP.

Units of the Fund are redeemable on demand at the unit holder's option, however, the Fund does not anticipate significant redemption of units.

The table below analyses the Fund's financial assets and financial liabilities into relevant maturity groupings based on the remaining period at the statement of assets and liabilities date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

June 30, 2026						
Within 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 5 years	More than 5 years	Total	
----- (Rupees in '000) -----						
Financial assets						
Bank balances	7,369,594	-	-	-	7,369,594	
Investments	-	2,481,654	3,165,286	2,644,673	496,946	8,788,561
Profit receivable	121,663	-	-	-	-	121,663
Deposits and other receivables	135,909	-	-	-	-	135,909
Sub total	7,627,170	2,481,654	3,165,286	2,644,673	496,946	16,415,727
Financial liabilities						
Payable to Management Company	22,060	-	-	-	-	22,060
Payable to Trustee	923	-	-	-	-	923
Dividend payable	45	-	-	-	-	45
Accrued expenses and other liabilities	1,547	-	-	-	-	1,547
Sub total	24,575	-	-	-	-	24,575
On-balance sheet gap	7,602,595	2,481,654	3,165,286	2,644,673	496,946	16,391,152
Cumulative liquidity sensitivity gap	7,602,595	10,084,249	13,249,535	15,894,209	16,391,155	

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

June 30, 2025					
Within 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 5 years	More than 5 years	Total
----- (Rupees in '000) -----					
Financial assets					
Bank balances	3,603,847	-	-	-	3,603,847
Investments	-	2,400,322	2,490,252	10,157,860	17,125,190
Profit receivable	64,981	-	-	-	64,981
Deposits and other receivables	41,355	-	-	-	41,355
Sub total	3,710,183	2,400,322	2,490,252	10,157,860	20,835,373
Financial liabilities					
Payable to Management Company	32,238	-	-	-	32,238
Payable to Trustee	259	-	-	-	259
Dividend payable	9	-	-	-	9
Accrued expenses and other liabilities	1,318	-	-	-	1,318
Sub total	33,824	-	-	-	33,824
On-balance sheet gap	3,676,359	2,400,322	2,490,252	10,157,860	20,801,549
Cumulative liquidity sensitivity gap	3,676,359	6,076,681	8,566,933	18,724,793	20,801,549

20. UNIT HOLDERS' FUND RISK MANAGEMENT

The Fund's capital is represented by redeemable units. The Fund is required by the NBFC Regulations, to maintain a minimum fund size of Rs.100 million, to be maintained all the time during the life of the scheme. The units issued by the Fund provides an investor with the right to require redemption for cash at a value proportionate to the unit holder's share in the Fund's net assets at the redemption date.

The Fund's objective in managing the unit holders' fund is to ensure a stable base to maximise returns to all investors and to manage liquidity risk arising from redemption. 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, such liquidity being augmented by disposal of investments.

21. PATTERN OF UNIT HOLDING

As at June 30, 2026				
	Number of unit holders	Number of units	Investment Amount	Percentage investments
	(Rupees in '000)		-----(%)-----	
Individuals	5,152	127,754,802	14,062,446	87.43
Bank/DFIs	5	6,277,711	691,011	4.30
Retirement Funds	1	166,714	18,351	0.11
Public Limited Co.	18	1,175,462	129,387	0.80
Others	4	858,388	94,486	0.59
	54	9,888,255	1,088,437	6.77
	5,234	146,121,332	16,084,118	100

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

As at June 30, 2025				
	Number of unit holders	Number of units held	Investment Amount	Percentage of total investments
			(Rupees in '000)	%
Individuals	5,654	172,940,418	18,942,241	91.22
Associated Companies	6	5,833,478	638,943	3.08
Insurance Companies	2	190,239	20,837	0.10
Bank / DFI	1	175,551	19,228	0.09
Retirement funds	20	7,846,135	859,391	4.14
Public Limited Companies	3	200,711	21,984	0.11
Others	53	2,403,536	263,260	1.26
	5,739	189,590,068	20,765,884	100.00

22. TOP BROKERS / DEALERS BY PERCENTAGE OF COMMISSION PAID

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

		June 30, 2026 (%)
1	Top Line Securities	12.91
2	Taurus Securities Limited	12.55
3	Ismail Iqbal Securities	11.64
4	Js Global Capital Limited	11.16
5	K trade Securities	10.38
6	Arif Habib Limited	9.40
7	Growth Securities	8.74
8	Foundation Securities	8.13
9	Growth Securities	7.82
10	JS Global Capital Limited	7.26
		June 30, 2025 (%)
1	JS Global Capital Limited	30.96
2	Arif Habib Limited	11.97
3	C&M Management (Private) Limited	9.13
4	Invest One Market Limited	8.32
5	Continental Exchange (Private) Limited	7.60
6	Alfalsh Securities (Private) Limited	7.10
7	Vector Capital (Private) Limited	6.79
8	Currency Market Associate Limited	3.89
9	BMA Capital Management Limited	2.18
10	Optimus Markets Private Limited	1.98

23. ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS

The 206th, 207th, 208th, 209th, 210th, 211th, 212th, 213th, 214th and 215th meeting of the Board of Directors were held on July 29, 2025, August 04, 2025, August 20, 2025, September 10, 2025, October 10, 2025, October 15, 2025, January 28, 2026, February 02, 2026 and April 16, 2026 and April 21, 2026 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

Name of persons attending the meetings	Designation	Number of meetings held	Number of meetings			Meetings Not Attended
			Attendance required	Attended	Leave granted	
Mr. Haroon Rashid	Chairman	10	10	9	1	211th
Mr. Ahmed Jahangir	Director	10	10	10	-	-
Syed Savail Meekal Hussain*	Director	10	8	8	-	-
Ms. Sadia Muzaffar**	Director	10	2	2	-	-
Ms. Mavra Adil Khan	Director	10	10	10	-	-
Muhammad Noman Chughtai	Director	10	10	7	3	208th, 210th and 212th
Mr. Fahd Kamal Chinoy	Director	10	10	8	2	210th and 211th
Mr. Manzar Mushtaq	Director	10	10	10	-	-
Mr. Khawaja Khalil Shah	Chief Executive Officer	10	10	10	-	-

* Resigned on Feb 06, 2026

** Appointed on Feb 07, 2026

24. PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

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

S. No.	Name	Designation	Qualification	Experience in years
1	Khawaja Khalil Shah	Chief Executive Officer	MBA	34
2	Muhammad Asim	Chief Investment Officer	MBA, CFA	23
3	Awais Abdul Sattar	Portfolio Manager Equities	MBA, CFA	15
4	Saad Ahmed	Head of Fixed Income	MBA	20
6	Usama Iqbal	Fund Manager - Fixed Income Fund	Graduate	22
7	Raza Inam	Head of Research	BSC, CFA	12

24.1 Mr. Saad Ahmed is the Fund Manager. Details of the other funds being managed by him are as follows:

- MCB Cash Management Optimizer
- Pakistan Income Enhancement Fund
- Pakistan Cash Management Fund
- MCB Pakistan Sovereign Fund
- Alhamra Government Securities Plan I
- MCB Investment Savings Plan I
- MCB Government Securities Plan I
- MCB Punjab Pension Fund - Money Market Sub Fund
- Alhamra Daily Dividend Fund
- Alhamra Islamic Investment Savings Fund
- Alhamra Cash Management Optimizer
- Alhamra Islamic Punjab Pension Fund - Money Market Sub Fund

25. CORRESPONDING FIGURES

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2026

26. GENERAL

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

27. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 04 August, 2026 by the Board of Directors of the Management Company.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**PATTERN OF UNITS HOLDING BY SIZE
FOR THE YEAR ENDED JUNE 30, 2026**

No. of Unit Holders	Unit holdings	Total units held
3985	A. 001-10,000	3,893,780
993	B. 10,001 – 100,000	33,414,915
236	C. 100,001 – 1000,000	61,079,623
20	D. 1000,001 & Above	47,733,013
5,234		146,121,332

PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2026

Performance Information	2026	2025	2024	2023	2022
Total Net Assets Value – Rs. in million	16,084.1179	20,765.8836	16311.6284	7706.4694	4,617.3150
Net Assets value per unit – Rupees	110.0737	109.5304	109.0853	108.0027	107.3596
Closing Offer Price	111.9725	111.4198	110.9343	109.8333	109.1793
Highest offer price per unit	120.9673	128.5216	131.0007	125.3632	118.5362
Lowest offer price per unit	111.4465	111.0053	109.8894	109.2204	108.8858
Highest Redemption price per unit	118.9160	126.3422	128.8172	123.2737	116.5605
Lowest Redemption price per unit	109.5566	109.1229	108.0578	107.4000	107.0709
Distribution per unit – Rs. *					
Interim	9.3856	17.1308	20.2957	15.8624	9.3394
Final	-	-	-	-	-
Average Annual Return - %					
One year	9.11	16.18	19.9	15.46	9.02
Two year	12.65	18.04	17.68	12.24	7.84
Three year	15.06	17.18	14.79	10.38	9.12
Net Income for the year – Rs. in million	1,600.4339	2,968.4253	2279.8950	892.9053	382.3485
Distribution made during the year – Rs. in million	1,554.6290	2,920.3705	2191.5310	861.1570	373.6420
Accumulated Capital Growth – Rs. in million	45.8049	48.0547	88.3640	31.7483	8.7065
Weighted average Portfolio Duration (years)	0.9	2.5	2.6	2	3.7

* Date of Distribution

2026	
Date	Rate
June 18, 2026	9.3856

2025	
Date	Rate
June 20, 2025	17.1308

2024	
Date	Rate
June 21, 2024	20.2957

2023	
Date	Rate
June 17, 2023	15.8624

2022	
Date	Rate
June 24, 2022	9.3394

Disclaimer

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

**PROXY ISSUED BY FUND
FOR THE YEAR ENDED JUNE 30, 2026**

The Board of Directors of MCB Investment Management Limited (the Management Company of MCB DCF Income Fund – MCB-DCFIF) has an overall responsibility for the implementation of Proxy Voting Policy and Procedures which is available on the Management Company's website (www.mcbfunds.com).

During the financial year ended June 30, 2026, the Management Company on behalf of MCB-DCFIF participated in one (01) shareholders' meetings. The Management Company did not participate in shareholders' meetings in the cases which did not meet the criteria reported in Paragraph No. 8 and 9 of the Proxy Voting Policy and Procedures. Summary of actual proxies voted during the financial year are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	4	4	0	0	-
(%ages)	100	100	0	0	-

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

MCB INVESTMENT MANAGEMENT LIMITED

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