

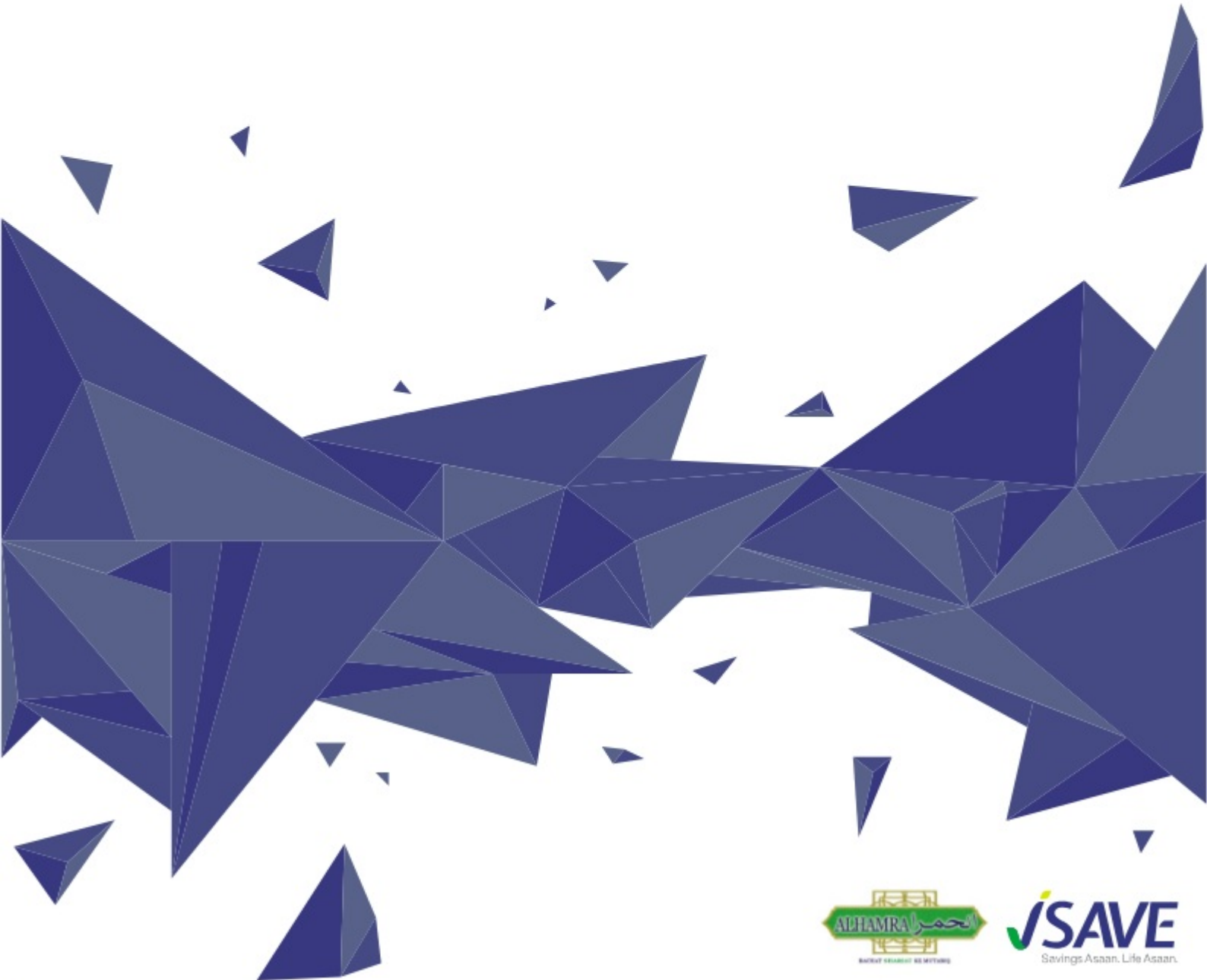


MCB FUNDS  
Investments for Life

# HALF YEARLY REPORT

DECEMBER  
**2024**  
(UNAUDITED)

Funds Under Management of  
MCB Investment Management Limited



# **MCB DCF FIXED RETURN FUND-I**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid <b>Mr. Muhammad Nauman Chughtai</b> Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b> <b>Mr. Fahd Kamal Chinoy</b> Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman <b>Director</b> Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Syed Savail Meekal Hussain Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b>	Chairman Member Member
<b>Human Resource &amp; Remuneration Committee</b>	<b>Mr. Fahd Kamal Chinoy</b> Mr. Ahmed Jahangir Ms. Mavra Adil Khan <b>Mr. Khawaja Khalil Shah</b> <b>Mr. Muhammad Nauman Chughtai</b>	Chairman Member Member Member Member
<b>Credit Committee</b>	<b>Mr. Ahmed Jahangir</b> <b>Mr. Manzar Mushtaq</b> Syed Savail Meekal Hussain <b>Mr. Khawaja Khalil Shah</b>	<b>Member</b> <b>Member</b> <b>Member</b> <b>Member</b>
<b>Chief Executive Officer</b> <b>Chief Operating Officer &amp; Chief Financial Officer</b>	<b>Mr. Khawaja Khalil Shah</b>  Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Central Depository Company of Pakistan Ltd.</b> CDC House, 99-B, Block 'B'S.M.C.H.S Main Shakra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
<b>Bankers</b>	<b>MCB Bank Limited</b>	
<b>Auditors</b>	<b>Yousuf Adil</b> Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shakra-e-Faisal, Karachi-75350.	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	
<b>Transfer Agent</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB DCF Fixed Return Plans** under *MCB DCF Fixed Return Fund* accounts review for the half-year ended December 31, 2025.

### **Economy Review**

The fiscal year began on a positive note with the government securing a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately USD 7.0 billion. After Pakistan fulfilled all the required preconditions the IMF Executive Board approved the program on September 27, 2024. Subsequently, the State Bank of Pakistan (SBP) received the first tranche of USD 1.0 billion, bolstering foreign exchange reserves and lending support to the the currency as the USD/PKR parity remained stable around 278.5 during the first half of the fiscal year.

The country posted a current account Surplus of USD 1.2bn in the first six months of the fiscal year 2025 (1HFY25) compared to a deficit of USD 1.4bn in the corresponding period last year. The major contributor towards improving current account was the remittances inflows which skyrocketed by 32.8% to USD 4.4bn. Trade Deficit increased by 12.6% YoY as exports rose by 7.2% while imports increased by 9.3% from a low base. The county's external position improved with SBP's foreign exchange reserves increasing to USD 11.7bn as of Dec-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of current account surplus and flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 7.3% during 1HFY25 compared to 28.8% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past one year, which led to stable food and energy prices. Additionally, the large decline in wheat prices and base effect further contributed to the lower inflation figures.

The country's GDP grew by 0.9% in the first quarter of the financial year 2024-25 as compared to 2.3% in the corresponding period last year. Agriculture grew by 1.2%, Services sector grew by 1.4% while industrial sector witnessed a decline of 1.0%. Historic high interest rates and political uncertainty were the major culprits behind the subdued industrial output. On the fiscal side, FBR tax collection increased by 25.9% in 1HFY25 to PKR 5,623 billion, missing the target by PKR 386 billion. The shortfall is largely attributed to reduced tax collection from imports due to a slowdown in trade, sluggish growth and low inflation.

### **FUND PERFORMANCE**

MCB DCFFRP I was launched on April 25, 2024 with a promised return of 20%. The fund matured on October 31, 2024

MCB DCFFRP II was launched on May 23, 2024 with a promised return of 20%. The fund matured on October 31, 2024

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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MCB DCFFRP IV was launched on July 03, 2024 with a promised return of 19.25%. The fund matured on December 26, 2024

MCB DCFFRP V was launched on July 12, 2024 with a promised return of 18.50%. The fund matured on December 26, 2024

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

Pakistan's GDP growth is projected to inch up to 2.8% in FY25, compared to 2.5% last year. The industrial and services sectors are expected to expand by 3.1% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 2.2%, constrained by the high base effect and flood-related damage to the cotton crop.

The continuation of the IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 13.5bn by year end on the back of flows from friendly countries, IMF and multilateral agencies. Pakistan is on track to record the first annual surplus since FY11 on the back of rebound in exports and remittances along with controlled imports. We expect a current account surplus of USD 2.1bn (0.5% of GDP) in FY25 compared to deficit of USD 681mn (0.2% of GDP) in FY24. We are of the view that improvement in exports and remittances and increased comfort on the external will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close June 25 around 280.8.

The inflation reading has come down sharply mainly due to base effect and stable currency. The headline inflation number in December 2024 clocked in at 4.1% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 80 months. The core inflation also remained on a declining trajectory, clocking at 9.2% (34 months low). We anticipate CPI to average around 6.1% in FY25 compared to 23.9% in FY24. The SBP has decreased interest rates by a cumulative 900bps since June-24 as interest rates have declined to 13.0% from a high of 22.0%. We believe after an interest rate cut of further 100bps, monetary policy committee may pause the easing cycle to evaluate the monetary transmission effect of the interest rate decline. In our base case, we have assumed the interest rate may remained anchored at 12.0% in near term. We do not rule out further rate cuts with lower than expected inflation along with a strong build up in Forex Reserves.

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

### **Mutual Fund Industry Review**

The Net Assets of the open-end mutual funds industry increased by about 68.1% during 1HFY25 to PKR 4,326bn. Total money market funds grew by about 45.8% since Jun-24. Within the money market sphere, conventional funds showed a growth of 85.9% to PKR 1,170bn while Islamic funds increased by 8.7% to

## REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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PKR 738bn. In addition, the total fixed Income and Fixed Rate funds increased by about 96.5% since Jun-24 to PKR 1,889bn while Equity and related funds increased by 80.9% to PKR 462bn.

In terms of the segment share, Money Market funds were the leader with a share of around 44.1%, followed by Income and fixed return funds with 43.7% and Equity and Equity related funds having a share of 10.7% as at the end of December 2024.

### Mutual Fund Industry Outlook

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

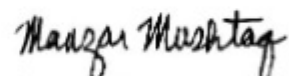
### ACKNOWLEDGEMENT

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  
February 04, 2025



**Manzar Mushtaq**  
Director  
February 04, 2025

## ڈائریکٹرز رپورٹ

اظہارِ تشکر

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور فنڈ کے ٹرسٹیز کا اُن کے مسلسل تعاون اور حمایت کے لیے شکریہ ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کی کاوشوں کو بھی خراج تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز

*Mansoor Mushtaq*

منظر مشتاق

ڈائریکٹر

کراچی،

04 فروری 2025ء



خولجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

کراچی،

04 فروری 2025ء

## ڈائریکٹرز رپورٹ

متوقع طور پر تقریباً 6.1 فیصد ہوگا، جو مالی سال 2024ء میں 23.9 فیصد کے بالمقابل ہے۔ ایس بی پی نے سود کی شرحوں میں جون 2024ء سے اب تک مجموعی طور پر 900 بی پی ایس کمی کی ہے کیونکہ سود کی شرحیں 22.0 فیصد کی بلند سطح سے کم ہو کر 13.0 فیصد ہو گئے ہیں۔ ہم سمجھتے ہیں کہ شرح سود میں مزید 100 بی پی ایس کمی کے بعد مانیٹری پالیسی کمیٹی اس کمی کی مالیاتی منتقلی کے اثر کو جانچنے کے لیے تسہیل کے چکر کو کچھ عرصے کے لیے روک سکتی ہے۔ ہمارے base کے معاملے میں ہم فرض کر رہے ہیں کہ شرح سود مستقبل قریب میں 12.0 فیصد پر چھکی رہے گی، تاہم متوقع سے کم مہنگائی اور زر مبادلہ کے ذخائر میں بھرپور بڑھوتری کے ساتھ شرح سود میں مزید کمی خارج از امکان نہیں ہے۔

حاملین قرض کے لیے ہم سمجھتے ہیں کہ منی مارکیٹ فنڈز سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔

### میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز صنعت کے نیٹ اثاثہ جات مالی سال 2025ء کے نصف اول کے دوران تقریباً 68.1 فیصد بڑھ کر 4,326 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز میں جون 2024ء کے بعد مجموعی طور پر تقریباً 45.8 فیصد ترقی ہوئی۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 85.9 فیصد بڑھ کر 1.170 بلین روپے ہو گئے جبکہ اسلامک فنڈز 8.7 فیصد بڑھ کر 738 بلین روپے ہو گئے۔ مزید براں، فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2024ء کے بعد سے مجموعی طور پر تقریباً 96.5 فیصد بڑھ کر 1,889 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 80.9 فیصد بڑھ کر 462 بلین روپے ہو گئے۔

زمرہ جاتی تقسیم کے اعتبار سے دسمبر 2024ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 44.1 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ انکم اور فیکسڈ ریٹ فنڈز 43.7 فیصد، اور ایکویٹی اور اس سے متعلقہ فنڈز 10.7 فیصد حصے کے ساتھ دوسرے اور تیسرے نمبر پر رہے۔

### میوچل فنڈ صنعت کے مستقبل کا منظر

منی مارکیٹ فنڈز کو بہتر نقدیت سے فائدہ اٹھانا چاہیے کیونکہ یہ فنڈز ایسے سرمایہ کاروں کے لیے موزوں ترین ہوتے ہیں جو مختصر مدت کے لیے اور خسارے کے کم خطرے کے ساتھ سرمایہ کاری کرنا چاہتے ہیں۔ معاشی بحالی کے مزید تیز اور وسیع ہونے کے ساتھ کپیٹل مارکیٹوں، خصوصاً ایکویٹیز، میں بھرپور دلچسپی کا سلسلہ جاری رہے گا۔ ہمارے کام کاج بلا رکاوٹ چلتے رہے، اور ڈیجیٹل رسائی اور صارفین کو آن لائن خدمات کی فراہمی میں مسابقتی فائدہ حاصل ہونے کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے فائدہ اٹھانے کے لیے کمر بستہ ہیں۔

## ڈائریکٹرز رپورٹ

### فنڈ کی کارکردگی

- ایم سی بی ڈی سی ایف ایف آر پی I کا آغاز 25 اپریل 2024ء کو 20 فیصد منافع کے وعدے کے ساتھ کیا گیا۔  
 فنڈ کی مدت 31 اکتوبر 2024ء کو مکمل ہو گئی تھی۔
- ایم سی بی ڈی سی ایف ایف آر پی II کا آغاز 23 مئی 2024ء کو 20 فیصد منافع کے وعدے کے ساتھ کیا گیا۔  
 فنڈ کی مدت 31 اکتوبر 2024ء کو مکمل ہو گئی تھی۔
- ایم سی بی ڈی سی ایف ایف آر پی IV کا آغاز 03 جولائی 2024ء کو 19.25 فیصد منافع کے وعدے کے ساتھ کیا گیا۔  
 فنڈ کی مدت 26 دسمبر 2024ء کو مکمل ہو گئی تھی۔
- ایم سی بی ڈی سی ایف ایف آر پی V کا آغاز 12 جولائی 2024ء کو 18.50 فیصد منافع کے وعدے کے ساتھ کیا گیا۔  
 فنڈ کی مدت 26 دسمبر 2024ء کو مکمل ہو گئی تھی۔

### معیشت اور مارکیٹ - مستقبل کا منظر

پاکستان کی 'جی ڈی پی' میں مالی سال 2025ء میں 2.8 فیصد اضافے کا امکان ہے، جو گزشتہ سال کی سطح 2.5 فیصد کے بالمقابل ہے۔ صنعتی شعبے میں 3.1 فیصد اور خدمات کے شعبے میں 3.0 فیصد ترقی متوقع ہے جس کی وجہ مانگ اور بنیادی اثر کی بتدریج بحالی ہے۔ تاہم زراعتی ترقی کا 2.2 فیصد کے درمیانے درجے پر رہنے کا امکان ہے جس کے عوامل اعلیٰ بنیادی اثر کا محدود ہونا اور کپاس کی فصل کو سیلاب کے باعث نقصان ہیں۔

آئی ایم ایف پروگرام کا تسلسل کلیدی مثبت پہلو ہے کیونکہ اس کی بدولت ہم دو طرفہ اور کثیرالجہتی ذرائع سے رقم حاصل کر سکیں گے۔ 'ایس بی پی' کے ذخائر کا دوست ممالک، آئی ایم ایف اور کثیرالجہتی ایجنسیوں سے آمدات کی بنیاد پر سال کے اختتام پر بڑھ کر 13.5 بلین ڈالر تک پہنچ جانے کا امکان ہے۔ پاکستان مالی سال 2011ء کے بعد پہلا سالانہ منافع ریکارڈ کرنے کی سمت میں رواں ہے، جس کے عوامل برآمدات اور ترسیلات میں بحالی بشمول درآمدات پر قابو ہیں۔ کرنٹ اکاؤنٹ میں مالی سال 2025ء میں 2.1 بلین ڈالر (جی ڈی پی کا 0.5 فیصد) منافع متوقع ہے، جو مالی سال 2024ء میں 681 ملین ڈالر (جی ڈی پی کا 0.2 فیصد) خسارے کے بالمقابل ہے۔ ہم سمجھتے ہیں کہ برآمدات اور ترسیلات میں بہتری اور خارجی جہت میں بڑھتے ہوئے اطمینان کی بدولت روپیہ مستقبل قریب میں مستحکم رہے گا۔ سال رواں میں روپے کی قدر میں معمولی کمی متوقع ہے اور ڈالر اور روپے کا تناسب جون 2025ء کے اختتام پر تقریباً 280.8 ہوگا۔

مہنگائی کی سطح میں تیزی سے کمی آئی ہے جس کے اہم ترین عوامل بنیادی اثر اور روپے میں استحکام ہیں۔ ہیڈلائن مہنگائی دسمبر 2024ء میں 4.1 فیصد تک پہنچ گئی تھی، جو مئی 2023ء میں 38.0 فیصد کی بلند سطح کے بالمقابل ہے۔ یہ گزشتہ 80 ماہ کی کم ترین سطح ہے۔ بنیادی مہنگائی میں بھی کمی کا رجحان رہا جو 9.2 فیصد (34 ماہ کی کم ترین سطح) تک پہنچ گئی۔ 'سی پی آئی' کا اوسط مالی سال 2025ء میں

## ڈائریکٹرز رپورٹ

عزیز سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی ڈی سی ایف فکسڈ ریٹرن فنڈ کے تحت ایم سی بی ڈی سی ایف فکسڈ ریٹرن پلانز کے اکاؤنٹس کا جائزہ برائے نصف سال مختتمہ 31 دسمبر 2024ء پیش خدمت ہے۔

### معیشت کا جائزہ

مالی سال کا آغاز مثبت انداز میں ہوا کیونکہ حکومت نے آئی ایم ایف سے 37 ماہ پر مبنی ایکسٹینڈڈ فنڈ فسیلٹی (ای ایف ایف) کے لیے اسٹاف۔ لیول معاہدہ کر لیا جس کی مالیت تقریباً 7.0 بلین ڈالر ہے۔ پاکستان کے تمام مطلوبہ شرائط پوری کرنے کے بعد آئی ایم ایف ایگزیکٹو بورڈ نے 27 ستمبر 2024ء کو پروگرام کی منظوری دی۔ بعد ازاں، اسٹیٹ بینک آف پاکستان (ایس بی پی) کو 1.0 بلین ڈالر کی پہلی قسط موصول ہوئی جس کی بدولت غیر ملکی زرمبادلہ کے ذخائر پر واپس چڑھے اور روپے کو سہارا ملا، جیسا کہ مالی سال کے نصف اول کے دوران روپے اور ڈالر کے مابین تناسب سے ظاہر ہے جو تقریباً 278.5 روپے کی سطح پر مستحکم رہا۔

مالی سال 2025ء کے نصف اول (ابتدائی چھ ماہ) میں ملک کا کرنٹ اکاؤنٹ 1.2 بلین روپے منافع میں رہا، جو گزشتہ سال مماثل مدت میں 1.4 بلین ڈالر خسارے کے بالمقابل ہے۔ کرنٹ اکاؤنٹ کی بہتری میں سب سے بڑا حصہ ترسیلات کا ہے جو تیزی سے 32.8 فیصد بڑھ کر 4.4 بلین ڈالر تک پہنچ گئیں۔ تجارتی خسارہ 12.6 فیصد سال در سال (YoY) بڑھ گیا کیونکہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ درآمدات گزشتہ پست سطح سے 9.3 فیصد بڑھ گئیں۔ ملک کی خارجی صورتحال میں بہتری آئی کیونکہ ایس بی پی کے زرمبادلہ کے ذخائر بڑھ کر دسمبر 2024ء کے اختتام تک 11.7 بلین ڈالر تک پہنچ گئے، جو گزشتہ مالی سال کے اختتام پر 9.4 بلین ڈالر کے بالمقابل تھے، جس کے عوامل کرنٹ اکاؤنٹ میں منافع اور آئی ایم ایف اور کثیرالجہتی ذرائع سے آمدات ہیں۔

ہیڈ لائن مہنگائی، جس کی ترجمانی 'سی پی آئی' سے ہوتی ہے، کا اوسط مالی سال 2025ء کے نصف اول میں 7.3 فیصد تھا، جو گزشتہ سال مماثل مدت میں 28.8 کے بالمقابل ہے۔ تیزی سے ہونے والی اس کمی کی وجہ گزشتہ ایک سال کے دوران روپے میں استحکام ہے جس کے نتیجے میں اشیائے خورد و نوش اور توانائی کی قیمتیں مستحکم ہوئیں۔ مزید برآں، گندم کی قیمتوں اور سال گزشتہ کی سطح کے سال رواں پر اثر میں بھرپور کمی نے مہنگائی کم کرنے میں مزید کردار ادا کیا۔

ملک کے 'جی ڈی پی' میں مالی سال 2024-25ء کی پہلی سہ ماہی میں 0.9 فیصد ترقی ہوئی، جو گزشتہ سال مماثل مدت میں 2.3 فیصد کے بالمقابل ہے۔ زراعت میں 1.2 فیصد ترقی اور خدمات کے شعبے میں 1.4 فیصد ترقی ہوئی، جبکہ صنعتی شعبے میں 1.0 فیصد ترقی ہوئی۔ صنعتی پیداوار میں کمی کے سب سے بڑے عوامل سود کی اب تک کی بلند ترین شرحیں اور سیاسی عدم یقینی تھے۔ مالیاتی جہت میں ایف بی آر کی ٹیکس وصولی مالی سال 2025ء کے نصف اول میں 25.9 فیصد بڑھ کر 5,623 بلین روپے ہو گئی، جو ہدف سے 386 بلین روپے کم ہے۔ اس کمی کے بڑے عوامل درآمدات سے حاصل ہونے والے ٹیکس میں کمی بوجہ سست رفتار تجارت، ترقی کی سست روی اور مہنگائی میں کمی ہیں۔

## 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 Shakra-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 FIXED RETURN FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of MCB DCF Fixed Return Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2024 in accordance with the provisions of the following:

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

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

Karachi: February 21, 2025



# AUDITOR'S REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS



**Yousuf Adil**  
Chartered Accountants

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

Tel: +92 (0) 21 3454 6494-7  
Fax: +92 (0) 21- 3454 1314  
www.yousufadil.com

## INDEPENDENT AUDITOR'S REVIEW REPORT To the Unit Holders of MCB DCF Fixed Return Fund

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **MCB DCF Fixed Return Fund** (the "Fund") as at December 31, 2024, and the related condensed interim income statement, the condensed interim statement of other comprehensive income, the condensed interim statement of movement in unit holders' fund, and the condensed interim statement of cash flow for the half year ended December 31, 2024 (the period) and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the period then ended. The Management of MCB Investment Management Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2024 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other Matter

The figures of the condensed interim income statement and the condensed interim statement of other comprehensive income for the quarter ended December 31, 2024 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2024.

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

  
Chartered Accountants

Place: Karachi

Date: February 21, 2025

UDIN: RR202410057Pcu2dVinl

ISO 27001 Certified Since 2017  
Karachi|Islamabad|Lahore|Multan

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2024

		December 31, 2024 (Un-audited)				June 30, 2024			
Note	MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan III	Total	MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan III	Total	
(Rupees in '000)									
<b>ASSETS</b>									
Bank balances	4	-	-	-	7,098	12,049	1,460	20,607	
Investments	5	-	-	-	1,255,134	1,409,684	2,004,696	4,669,514	
Profit receivable		-	-	-	112	210	1,045	1,367	
<b>Total assets</b>		-	-	-	1,262,344	1,421,943	2,007,201	4,691,488	
<b>LIABILITIES</b>									
Payable to the MCB Investment Management Limited - Management Company	6	-	-	-	2,236	1,329	-	3,565	
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	63	73	20	156	
Payable to the Securities and Exchange Commission of Pakistan	7	-	-	-	77	89	25	191	
Dividend payable		-	-	-	6,286	-	-	6,286	
Accrued expenses and other liabilities	8	-	-	-	-	12	10	22	
<b>Total liabilities</b>		-	-	-	8,662	1,503	55	10,220	
<b>NET ASSETS</b>		-	-	-	1,253,682	1,420,440	2,007,146	4,681,268	
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		-	-	-	1,253,682	1,420,440	2,007,146	4,681,268	
<b>CONTINGENCIES AND COMMITMENTS</b>									
	9	(Number of units)			(Number of units)				
<b>NUMBER OF UNITS IN ISSUE</b>		-	-	-	12,510,615	14,174,263	20,037,978		
		Rupees			Rupees				
<b>NET ASSET VALUE PER UNIT</b>		-	-	-	100.2094	100.2126	100.1671		

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

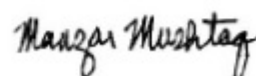
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

For the period from July 01, 2024 to October 31, 2024	For the period from July 01, 2024 to October 31, 2024	For the period from July 01, 2024 to July 11, 2024	For the period from July 03, 2024 to December 26, 2024	For the period from July 12, 2024 to December 26, 2024	Total
MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan III	MCB DCF FRF Plan IV	MCB DCF FRF Plan V	

Note (Rupees in '000)

**INCOME**

Investments at fair value through profit or loss:

- Net capital gain on sale of investments

- Income from government securities

Profit on bank deposits

Other Income

**Total income**

2	90	-	-	-	92
84,721	94,051	11,304	589,616	88,511	868,203
540	1,378	1,148	11,192	4,157	18,415
-	29	200	-	2	231
85,263	95,548	12,652	600,808	92,670	886,941

**EXPENSES**

Remuneration of MCB Investment Management Limited - Management Company

Sindh sales tax on remuneration of the Management Company

Remuneration of Central Depository Company of Pakistan Limited - Trustee

Sindh sales tax on remuneration of the Trustee

Securities and Exchange Commission of Pakistan fee

Bank charges

**Total operating expenses**

**Net income from operating activities before taxation**

Taxation

**Net income for the period after taxation**

**Allocation of net income for the period:**

Net income for the period

Income already paid on units redeemed

**Accounting income available for distribution**

- Relating to capital gains

- Excluding capital gains

**Earnings per unit**

6.1	3,671	3,773	12	8,884	4,030	20,370
6.2	551	566	2	1,332	604	3,055
	238	267	33	1,750	270	2,558
	36	40	5	263	40	384
7	325	364	45	2,387	367	3,488
	10	10	1	5	8	34
	4,831	5,020	98	14,621	5,319	29,889
	80,432	90,528	12,554	586,187	87,351	857,052
10	-	-	-	-	-	-
	80,432	90,528	12,554	586,187	87,351	857,052
	80,432	90,528	12,554	586,187	87,351	857,052
	(79,893)	(70,781)	-	(83,923)	(81,287)	(315,884)
	539	19,747	12,554	502,264	6,064	541,168
	-	-	-	-	-	-
	539	19,747	12,554	502,264	6,064	541,168
	539	19,747	12,554	502,264	6,064	541,168

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The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

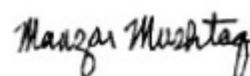
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

For the period from July 01, 2024 to October 31, 2024	For the period from July 01, 2024 to October 31, 2024	For the period from July 01, 2024 to July 11, 2024	For the period from July 03, 2024 to December 26, 2024	For the period from July 12, 2024 to December 26, 2024	Total
MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan III	MCB DCF FRF Plan IV	MCB DCF FRF Plan V	

(Rupees in '000)

Net income for the period after taxation	80,432	90,528	12,554	586,187	87,351	857,052
Other comprehensive income for the period	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>80,432</b>	<b>90,528</b>	<b>12,554</b>	<b>586,187</b>	<b>87,351</b>	<b>857,052</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

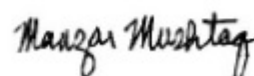
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

For the period from October 01, 2024 to October 31, 2024	For the period from October 01, 2024 to October 31, 2024	For the period from October 01, 2024 to December 26, 2024	For the period from October 01, 2024 to December 26, 2024	Total
MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan IV	MCB DCF FRF Plan V	

Note ----- (Rupees in '000) -----

**INCOME**

**Investments at fair value through profit or loss:**

- Net capital gain on sale of investments	2	90	-	-	92
- Income from government securities	20,960	22,553	289,754	46,414	379,681
Unrealised loss in fair value of investments classified as at fair value through profit or loss' - net	(2,319)	(2,826)	(48,279)	(7,763)	(61,187)
Profit on bank deposits	424	803	4,849	1,317	7,393
Other Income	-	29	-	-	29
<b>Total income</b>	<b>19,067</b>	<b>20,649</b>	<b>246,324</b>	<b>39,968</b>	<b>326,008</b>

**EXPENSES**

Remuneration of MCB Investment Management Limited - Management Company	6.1	819	945	3,987	1,900	7,651
Sindh sales tax on remuneration of the Management Company	6.2	123	142	597	284	1,146
Remuneration of Central Depository Company of Pakistan Limited - Trustee		60	65	884	142	1,151
Sindh sales tax on remuneration of the Trustee		9	10	133	21	173
Securities and Exchange Commission of Pakistan fee	7	82	89	1,206	193	1,570
Bank charges		6	7	3	3	19
<b>Total operating expenses</b>		<b>1,099</b>	<b>1,258</b>	<b>6,810</b>	<b>2,543</b>	<b>11,710</b>
<b>Net income from operating activities before taxation</b>		<b>17,968</b>	<b>19,391</b>	<b>239,514</b>	<b>37,425</b>	<b>314,298</b>
Taxation	10	-	-	-	-	-
<b>Net income for the period after taxation</b>		<b>17,968</b>	<b>19,391</b>	<b>239,514</b>	<b>37,425</b>	<b>314,298</b>

**Earnings per unit** 11

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

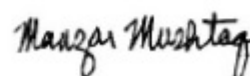
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	For the period from October 01, 2024 to October 31, 2024	For the period from October 01, 2024 to October 31, 2024	For the period from October 01, 2024 to December 26, 2024	For the period from October 01, 2024 to December 26, 2024	Total
	MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan IV	MCB DCF FRF Plan V	
	(Rupees in '000)				
<b>Net income for the period after taxation</b>	17,968	19,391	239,514	37,425	314,298
Other comprehensive income for the period	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>17,968</b>	<b>19,391</b>	<b>239,514</b>	<b>37,425</b>	<b>314,298</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For MCB Investment Management Limited  
(Management Company)

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Chief Financial Officer

  
\_\_\_\_\_  
Director

# CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	For the period from July 01, 2024 to October 31, 2024			For the period from July 01, 2024 to October 31, 2024			For the period from July 01, 2024 to July 11, 2024		
	MCB DCF FRF Plan I			MCB DCF FRF Plan II			MCB DCF FRF Plan III		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
<b>Net assets at the beginning of the period</b>	1,251,062	2,620	1,253,682	1,417,427	3,013	1,420,440	2,003,798	3,348	2,007,146
Issuance of nil units in MCB DCF FRF Plan I, nil units in MCB DCF FRF Plan II, 25,113 units in MCB DCF FRF Plan III.									
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-	2,511	-	2,511
- Element of income	-	-	-	-	-	-	-	-	-
Redemption of 12,459,124 units in MCB DCF FRF Plan I, 11,171,901 units in MCB DCF FRF Plan II and nil units in MCB DCF FRF Plan III.									
- Capital value (at net asset value per unit at the beginning of the period)	(1,248,521)	-	(1,248,521)	(1,119,565)	-	(1,119,565)	-	-	-
- Element of income - net	-	(79,893)	(79,893)	-	(70,781)	(70,781)	-	-	-
Total comprehensive income for the period	-	80,432	80,432	-	90,528	90,528	-	12,554	12,554
Interim dividend distribution during the period	-	(539)	(539)	-	(19,747)	(19,747)	-	(12,554)	(12,554)
Net assets at the maturity of the plan	2,541	2,620	5,161	297,862	3,013	300,875	2,006,309	3,348	2,009,657
Paid to unit holders on maturity	(2,541)	(2,620)	(5,161)	(297,862)	(3,013)	(300,875)	(2,006,309)	(3,348)	(2,009,657)
Net assets at end of the period	-	-	-	-	-	-	-	-	-
<b>Undistributed income brought forward comprising of:</b>									
- Realised income		2,036			1,469			3,327	
- Unrealised income		584			1,544			21	
Accounting income available for distribution		2,620			3,013			3,348	
- Relating to capital gains	-			-			-		
- Excluding capital gains	539			19,747			12,554		
Distribution paid during the period	(539)			(19,747)			(12,554)		
Amount paid on maturity	(2,620)			(3,013)			(3,348)		
Undistributed income carried forward	-			-			-		
	(Rupees)			(Rupees)			(Rupees)		
Net assets value per unit at beginning of the period	100.2094			100.2126			100.1671		
Net asset value per unit at the end of the period	-			-			-		

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

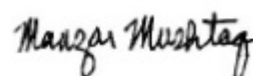
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

# CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	For the period from July 03, 2024 to December 26, 2024			For the period from July 12, 2024 to December 26, 2024			Total		
	MCB DCF FRF Plan IV			MCB DCF FRF Plan V			Total		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
<b>Net assets at the beginning of the period</b>	-	-	-	-	-	-	4,672,287	8,981	4,681,268
Issue of 62,896,693 units in MCB DCF FRF Plan IV and 10,385,878 units in Plan V.									
- Capital value (at net asset value per unit at the beginning of the period)	6,289,669	-	6,289,669	1,038,588	-	1,038,588	7,330,768	-	7,330,768
- Element of income - net	-	-	-	-	-	-	-	-	-
	<b>6,289,669</b>	<b>-</b>	<b>6,289,669</b>	<b>1,038,588</b>	<b>-</b>	<b>1,038,588</b>	<b>7,330,768</b>	<b>-</b>	<b>7,330,768</b>
Redemption of 9,092,843 units in Plan IV and 9,749,008 units in Plan V.									
- Capital value (at net asset value per unit at the beginning of the period)	(909,284)	-	(909,284)	(974,901)	-	(974,901)	(4,252,271)	-	(4,252,271)
- Element of income - net	-	(83,923)	(83,923)	-	(81,287)	(81,287)	-	(315,884)	(315,884)
	<b>(909,284)</b>	<b>(83,923)</b>	<b>(993,207)</b>	<b>(974,901)</b>	<b>(81,287)</b>	<b>(1,056,188)</b>	<b>(4,252,271)</b>	<b>(315,884)</b>	<b>(4,568,155)</b>
Total comprehensive income for the period	-	586,187	586,187	-	87,351	87,351	-	857,052	857,052
Interim dividend distribution during the period	-	(502,264)	(502,264)	-	(6,064)	(6,064)	-	(541,168)	(541,168)
	<b>-</b>	<b>83,923</b>	<b>83,923</b>	<b>-</b>	<b>81,287</b>	<b>81,287</b>	<b>-</b>	<b>315,884</b>	<b>315,884</b>
<b>Net assets at the maturity of the plan</b>	<b>5,380,385</b>	<b>-</b>	<b>5,380,385</b>	<b>63,687</b>	<b>-</b>	<b>63,687</b>	<b>7,750,784</b>	<b>8,981</b>	<b>7,759,765</b>
<b>Paid to unit holders on maturity</b>	<b>(5,380,385)</b>	<b>-</b>	<b>(5,380,385)</b>	<b>(63,687)</b>	<b>-</b>	<b>(63,687)</b>	<b>(7,750,784)</b>	<b>(8,981)</b>	<b>(7,759,765)</b>
<b>Net assets at end of the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Undistributed income brought forward comprising of:</b>									
- Realised income	-	-	-	-	-	-	6,832	-	6,832
- Unrealised income	-	-	-	-	-	-	2,149	-	2,149
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,981</b>	<b>-</b>	<b>8,981</b>
<b>Accounting income available for distribution</b>									
- Relating to capital gains	-	-	-	-	-	-	-	-	-
- Excluding capital gains	502,264	-	502,264	6,064	-	6,064	541,168	-	541,168
	<b>502,264</b>	<b>-</b>	<b>502,264</b>	<b>6,064</b>	<b>-</b>	<b>6,064</b>	<b>541,168</b>	<b>-</b>	<b>541,168</b>
Distribution paid during the period	-	(502,264)	(502,264)	-	(6,064)	(6,064)	-	(541,168)	(541,168)
Amount paid on maturity	-	-	-	-	-	-	-	(8,981)	(8,981)
<b>Undistributed income carried forward</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>(Rupees)</b>		<b>(Rupees)</b>						
Net asset value per unit at the end of the period	-	-	-	-	-	-	-	-	-

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

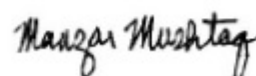
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	For the period from July 01, 2024 to October 31, 2024	For the period from July 01, 2024 to October 31, 2024	For the period from July 01, 2024 to July 11, 2024	For the period from July 03, 2024 to December 26, 2024	For the period from July 12, 2024 to December 26, 2024	Total
	MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan III	MCB DCF FRF Plan IV	MCB DCF FRF Plan V	
Note (Rupees in '000)						
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Net income for the period before taxation	80,432	90,528	12,554	586,187	87,351	857,052
<b>Adjustments for non cash and other items:</b>						
<b>Decrease in assets</b>						
Investments - net	1,255,134	1,409,684	2,004,696	-	-	4,669,514
Profit receivable	112	210	1,045	-	-	1,367
	1,255,246	1,409,894	2,005,741	-	-	4,670,881
<b>Decrease in liabilities</b>						
Payable to MCB Investment Management Limited - Management Company	(2,236)	(1,329)	-	-	-	(3,565)
Payable to Central Depository Company of Pakistan Limited - Trustee	(63)	(73)	(20)	-	-	(156)
Payable to the Securities and Exchange Commission of Pakistan	(77)	(89)	(25)	-	-	(191)
Accrued expenses and other liabilities	-	(12)	(10)	-	-	(22)
	(2,376)	(1,503)	(55)	-	-	(3,934)
<b>Net cash generated from operating activities</b>	<b>1,333,302</b>	<b>1,498,919</b>	<b>2,018,240</b>	<b>586,187</b>	<b>87,351</b>	<b>5,523,999</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
Receipts from issuance of units	-	-	2,511	6,289,669	1,038,588	7,330,768
Payments on redemption of units	(1,328,414)	(1,190,346)	-	(993,207)	(1,056,188)	(4,568,155)
Distributions made during the period	(6,825)	(19,747)	(12,554)	(502,264)	(6,064)	(547,454)
Paid to unit holders on maturity	(5,161)	(300,875)	(2,009,657)	(5,380,385)	(63,687)	(7,759,765)
<b>Net cash used in financing activities</b>	<b>(1,340,400)</b>	<b>(1,510,968)</b>	<b>(2,019,700)</b>	<b>(586,187)</b>	<b>(87,351)</b>	<b>(5,544,606)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(7,098)</b>	<b>(12,049)</b>	<b>(1,460)</b>	<b>-</b>	<b>-</b>	<b>(20,607)</b>
Cash and cash equivalents at the beginning of the period	7,098	12,049	1,460	-	-	20,607
<b>Cash and cash equivalents at the end of the period</b>	<b>4 -</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The annexed notes from 1 to 17 form an integral part of this condensed interim financial information.

For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** MCB DCF Fixed Return Fund (the Fund/ the Scheme/ the Trust/ the Unit Trust/ MCB DCFFRF) has been established through the Trust Deed (the Deed) dated May 29, 2023 under the Sindh Trust Act, 2020 (the Sindh Trust Act) entered into and between MCB Arif-Habib Saving and Investments Limited (Now MCB Investment Management Limited), (the Management Company), and Central Depository Company of Pakistan Limited, (the Trustee). The Securities and Exchange Commission of Pakistan (SECP) has authorised the Fund to offer of units of plans under the umbrella of MCB DCFFRF and has registered the Fund as a notified entity under the NonBanking Finance Companies and Notified Entities Regulations, 2008 ("the Regulations") vide letter No SCD/AMCW/MCBDCFFRF/2023/367-MF-NE-114 dated June 13, 2023. SECP has approved the Offering Document under the Regulations vide its Letter No. SCD/AMCW/DCFFRF/2023/362 dated December 27, 2023.
- 1.2** Management Company of the Fund has been licensed to act as an Asset Management Company under the Non Banking Finance Companies (Establishment and Regulations) Rules 2003 (the Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3** The Fund is an open-end collective investment scheme categorised as a "Fixed Rate / Return Scheme" plans with different duration and fixed return to the unit holders who hold the units till maturity. Each plan can place deposits in AA or above rated bank or invest in Fixed Income Securities. Investors will be intimated at the time of investment a promised rate of return which will be delivered at the time of maturity of the plan.
- 1.4** Below are details of the Plans which were launched / matured during the period from July 01, 2024 to December 31, 2024:

S. No.	Name of Plan	Launch Date	Maturity Date	Status	Promised Return
1	MCB DCF Fixed Return Fund - Plan I	April 25, 2024	October 31, 2024	Matured	20%
2	MCB DCF Fixed Return Fund - Plan II	May 23, 2024	October 31, 2024	Matured	20%
3	MCB DCF Fixed Return Fund - Plan III	June 24, 2024	July 11, 2024	Matured	20.65%
4	MCB DCF Fixed Return Fund - Plan IV	July 3, 2024	December 26, 2024	Matured	19.25%
5	MCB DCF Fixed Return Fund - Plan V	July 12, 2024	December 26, 2024	Matured	18.50%

- 1.5** The objective of the Fund is to provide fixed return at maturity of the allocation plans under the Fund, by investing in fixed income securities. The duration of the Fund is perpetual, however the allocation plan's under the Fund have set time frame. The pricing mechanism of the allocation plans under the Fund follows backward pricing method.
- 1.6** The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of AM1 dated October 04, 2024 (2023: AM1 dated October 06, 2023) to the Management Company and "AAA(f)" as stable rating dated September 06, 2024 to the Fund.
- 1.7** Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

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- Provisions of and directives issued under the Companies Act 2017 along with Part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 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 Rules, the Regulations and requirements of the Trust Deed differ from the IAS 34, the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance 1984, the Rules, the Regulations and the requirements of the Trust Deed have been followed.

The disclosures made in this condensed interim financial information are limited, based on the requirements of the IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2024.

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2024.

This condensed interim financial information does not include comparative amounts of the condensed interim income statement, condensed interim statement of other comprehensive income, condensed interim statement of cash flow and condensed interim statement of movement in unit holders' Fund as the first plan of the Fund was launched on April 25, 2024 .

This condensed interim financial information is presented in Pakistan Rupees which is the Fund's functional and presentation currency and rounded to the nearest thousand rupees, unless otherwise specified.

**3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION**

- 3.1** The accounting policies and methods of computation adopted in preparation of this condensed interim financial information are same as those applied in preparation of financial statements of the Fund as at and for the year ended June 30, 2024.
- 3.2** The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited financial statements as at and for the year ended June 30, 2024.
- 3.3** Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore, not disclosed in this condensed interim financial information.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	December 31, 2024 (Un-audited)			June 30, 2024 (Audited)			
	MCB DCF FRF - Plan I	MCB DCF FRF - Plan II	MCB DCF FRF - Plan III	Total	MCB DCF FRF - Plan II	MCB DCF FRF - Plan III	Total
<b>4. BANK BALANCES</b>	(Rupees in '000)						
In savings accounts	-	-	-	7,098	12,049	1,460	20,607

Note

4.1

These balances were maintained with MCB Bank limited (a related party), and carried profit rates at the rate of 19% for all plans in June 30, 2024.

	December 31, 2024 (Un-audited)			June 30, 2024 (Audited)			
	MCB DCF FRF - Plan I	MCB DCF FRF - Plan II	MCB DCF FRF - Plan III	Total	MCB DCF FRF - Plan II	MCB DCF FRF - Plan III	Total
<b>5. INVESTMENTS</b>	(Rupees in '000)						
Financial assets 'at fair value through profit or loss' - net	-	-	-	1,255,134	1,409,684	2,004,696	4,669,514

Note

5.1

Government securities - Market Treasury Bills

**5.1 Government securities - Market Treasury Bills**

Particulars	Issue Date	Face value			As at December 31, 2024		Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Carrying value		
<b>MCB DCF Fixed Return Plan I</b>								
Treasury bills - 12 months	November 02, 2024	1,340,000	-	1,340,000	-	-	-	-
<b>As at December 31, 2024</b>								
As at June 30, 2024					1,254,550	1,255,134	584	

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

Particulars	Issue Date	Face value			As at December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Carrying value	Market value		
<b>MCB DCF Fixed Return Plan II</b>									
Treasury bills - 12 months	November 02, 2023	1,505,000	-	1,505,000	-	-	-	-	-
<b>As at December 31, 2024</b>									
As at June 30, 2024					1,408,140	1,409,684	1,544		
<b>MCB DCF Fixed Return Plan III</b>									
Treasury bills - 12 months	July 13, 2023	2,016,000	-	2,016,000	-	-	-	-	-
<b>As at December 31, 2024</b>									
As at June 30, 2024					2,004,675	2,004,696	21		
<b>MCB DCF Fixed Return Plan IV</b>									
Treasury bills - 12 months	December 28, 2023	-	6,810,000	6,810,000	-	-	-	-	-
<b>As at December 31, 2024</b>									
<b>MCB DCF Fixed Return Plan V</b>									
Treasury bills - 12 months	December 28, 2023	-	1,090,000	1,090,000	-	-	-	-	-
<b>As at December 31, 2024</b>									
<b>Total as at December 31, 2024</b>									
As at June 30, 2024					4,667,365	4,669,514	2,149		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

**6. PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY**

December 31, 2024 (Un-audited)				
	MCB DCF FRF - Plan I	MCB DCF FRF - Plan II	MCB DCF FRF - Plan III	Total
<b>Note</b>	----- (Rupees in '000) -----			
Management remuneration payable	6.1	-	-	-
Sindh sales tax payable on Management remuneration	6.2	-	-	-
		-	-	-

June 30, 2024 (Audited)				
	MCB DCF FRF - Plan I	MCB DCF FRF - Plan II	MCB DCF FRF - Plan III	Total
<b>Note</b>	----- (Rupees in '000) -----			
Management remuneration payable	6.1	1,267	715	-
Sindh Sales Tax payable on management remuneration	6.2	165	93	-
Allocated expenses	6.3	178	120	-
Selling and marketing expense	6.4	626	401	-
		2,236	1,329	-
				3,565

- 6.1** The Management Company charged management fee at the rate up to 1.75% per annum of the average daily net assets. The remuneration is paid to the Management Company on the maturity of the plan.
- 6.2** Sindh sales tax on remuneration of the Management Company has been charged at the rate of 15%. (June 30, 2024: 13%).
- 6.3** The SECP has allowed the Asset Management Companies to charge allocated expenses to the Fund on its discretion. This is subject to the condition that the expense charged remains within the Fund's total expense ratio limit, as defined under the NBFC Regulations and not being higher than the actual expenses.
- 6.4** The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to the Fund on its discretion. This is subject to the condition that the expense charged remains within the Fund's total expense ratio limit, as defined under the NBFC Regulations and not being higher than the actual expenses. The management company has not charged selling and marketing expenses during the period.

**7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

The Fund has charged SECP fee at the rate of 0.075% (June 30, 2024: 0.075%) of the average daily net assets of the Plans of the Fund which is paid on a monthly basis in arrears.

**8. ACCRUED EXPENSES AND OTHER LIABILITIES**

December 31, 2024 (Un-audited)				
	MCB DCF FRF - Plan I	MCB DCF FRF - Plan II	MCB DCF FRF - Plan III	Total
	----- (Rupees in '000) -----			
Withholding tax on capital gains	-	-	-	-
Other payable	-	-	-	-
	-	-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	June 30, 2024 (Audited)			Total
	MCB DCF FRF - Plan I	MCB DCF FRF - Plan II	MCB DCF FRF - Plan III	
	Note			
	----- (Rupees in '000) -----			
Withholding tax on capital gains	-	12	-	12
Other payable	-	-	10	10
	-	12	10	22

**9. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments outstanding as at December 31, 2024 and June 30, 2024.

**10. 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 Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income to be earned during current year to the unit holders, therefore, no provision for taxation has been made in this condensed interim financial information during the period. 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.

**11. EARNINGS PER UNIT**

Earnings per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Management Company, the determination of the same is not practicable.

**12. TOTAL EXPENSE RATIO**

**MCB DCF Fixed Return Fund Plan I**

The expense ratio of the Plan from July 01, 2024 to October 31, 2024 is 0.38% which includes 0.08% representing government levies on the Plan such as sales taxes, fee of SECP, etc. The prescribed limit for the ratio is 2% excluding government levies under the NBFC Regulations for a Collective Investment Scheme categorised as Fixed rate / return scheme.

**MCB DCF Fixed Return Fund Plan II**

The expense ratio of the Plan from July 01, 2024 to October 31, 2024 is 0.35% which includes 0.07% representing government levies on the Plan such as sales taxes, fee of SECP, etc. The prescribed limit for the ratio is 2% excluding government levies under the NBFC Regulations for a Collective Investment Scheme categorised as a Fixed rate / return scheme.

**MCB DCF Fixed Return Fund Plan III**

The expense ratio of the Plan from July 01, 2024 to July 11, 2024 is 0.00% which includes 0.00% representing government levies on the Plan such as sales taxes, fee of SECP, etc. The prescribed limit for the ratio is 2% excluding government levies under the NBFC Regulations for a Collective Investment Scheme categorised as a Fixed rate / return scheme.

**MCB DCF Fixed Return Fund Plan IV**

The expense ratio of the Plan from July 03, 2024 to December 26, 2024 is 0.22% which includes 0.06% representing government levies on the Plan such as sales taxes, fee of SECP, etc. The prescribed limit for the ratio is 2% excluding government levies under the NBFC Regulations for a Collective Investment Scheme categorised as a Fixed rate / return scheme.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

**MCB DCF Fixed Return Fund Plan V**

The expense ratio of the Plan from July 12, 2024 to December 26, 2024 is 0.50% which includes 0.10% representing government levies on the Plan such as sales taxes, fee of SECP, etc. The prescribed limit for the ratio is 2% excluding government levies under the NBFC Regulations for a Collective Investment Scheme categorised as a Fixed rate / return scheme.

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

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owning directly or indirectly 10% or more of the units in the issue / net assets of the Plans of the Fund.

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

Remuneration to the Management Company of the respective Plans of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed.

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

Details of transactions and balances with related parties / connected persons during the period are as follows:

**13.1 Details of transactions with the connected persons / related parties during the period are as follows:**

	December 31, 2024 (Un-audited)					
	MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan III	MCB DCF FRF Plan IV	MCB DCF FRF Plan V	Total
	----- (Rupees in '000) -----					
<b>MCB Investment Management Limited - Management Company</b>						
Remuneration of the Management Company	3,671	3,773	12	8,884	4,030	20,370
Sindh sales tax on remuneration of the Management Company	551	566	2	1,332	604	3,055
<b>Central Depository Company of Pakistan Limited - Trustee</b>						
Remuneration of the Trustee	238	267	33	1,750	270	2,558
Sindh sales tax on remuneration of the Trustee	36	40	5	263	40	384
<b>MCB Bank Limited</b>						
Profit on bank deposits	540	1,378	1,148	11,192	4,157	18,415
Bank charges	10	10	1	5	8	34

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

**13.2 Balance outstanding as at the period end are as follows:**

	December 31, 2024 (Un-audited)				
	MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan III	MCB DCF FRF Plan IV	MCB DCF FRF Plan V
	----- (Rupees in '000) -----				
<b>MCB Investment Management Limited - Management Company</b>					
Management fee payable	-	-	-	-	-
Sales tax payable on remuneration of the Management Company	-	-	-	-	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>					
Trustee remuneration payable	-	-	-	-	-
Sindh sales tax payable on Trustee remuneration	-	-	-	-	-
<b>MCB Bank Limited</b>					
Bank deposits	-	-	-	-	-
Profit receivable on bank deposits	-	-	-	-	-

	June 30, 2024 (Audited)			
	MCB DCF FRF Plan I	MCB DCF FRF Plan II	MCB DCF FRF Plan III	Total
	----- (Rupees '000') -----			
<b>MCB Investment Management Limited - Management Company</b>				
Management remuneration payable	1,267	715	-	1,982
Sindh Sales Tax payable on management remuneration	165	93	-	258
Allocated expenses	178	120	-	298
Marketing and selling expense	626	401	-	1,027
<b>Central Depository Company of Pakistan Limited - Trustee</b>				
Trustee remuneration payable	56	65	18	139
Sindh Sales Tax payable on trustee remuneration	7	8	2	17
<b>MCB Bank Limited</b>				
Bank deposits	7,098	12,049	1,460	20,607
Profit receivable on bank deposits	112	210	1,045	1,367

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

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

	For half year ended December 31, 2024 (Un-audited)							
	As at July 01, 2024	Issued for cash	Redeemed / Matured	As at December 31, 2024	As at July 01, 2024	Issued for cash	Redeemed / Matured	As at December 31, 2024
Units (Rupees in '000)								
<b>MCB DCF FIXED RETURN PLAN - I</b>								
<u>Group / associated companies</u>								
Nishat Power Limited	10,297,678	-	10,297,678	-	1,031,924	-	1,097,957	-
<b>MCB DCF FIXED RETURN PLAN - II</b>								
<u>Group / associated companies</u>								
Unit holders holding 10% or more	7,280,748	-	7,280,748	-	729,623	-	729,623	-
<b>MCB DCF FIXED RETURN PLAN - III</b>								
<u>Group / associated companies</u>								
Unit holders holding 10% or more	20,037,978	-	20,037,978	-	2,007,146	-	2,007,146	-

	June 30, 2024							
	As at April 25, 2024	Issued for cash	Redeemed	As at June 30, 2024	Issued for cash	Bonus	Redeemed	As at June 30, 2024
Units (Rupees '000)								
<b>MCB DCF FIXED RETURN PLAN - I</b>								
<u>Group / associated companies</u>								
Nishat Power Limited	-	10,297,678	-	10,297,678	-	1,029,769	-	1,031,924
<b>MCB DCF FIXED RETURN PLAN - II</b>								
Unit holders holding 10% or more	-	7,280,748	-	7,280,748	-	728,075	-	729,623
<b>MCB DCF FIXED RETURN PLAN - III</b>								
Unit holders holding 10% or more	-	20,037,978	-	20,037,978	-	2,003,798	-	2,007,146

14. **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 CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

**15. INTERIM DISTRIBUTION DURING THE PERIOD**

(Un-audited)				
December 31, 2024				
Rate per unit	Declaration date	Distribution from income	Total distribution	
(Rupees in '000)				
<b>MCB DCF Fixed Return Fund - Plan I</b>				
Dividend Distribution for the period from July 01, 2024 to October 31, 2024	10.4770	November 1, 2024	539	539
<b>MCB DCF Fixed Return Fund - Plan II</b>				
Dividend Distribution for the period from July 01, 2024 to October 31, 2024	6.5770	November 1, 2024	19,747	19,747
<b>MCB DCF Fixed Return Fund - Plan III</b>				
Dividend Distribution for the period from July 01, 2024 to July 11, 2024	0.6257	July 12, 2024	12,554	12,554
<b>MCB DCF Fixed Return Fund - Plan IV</b>				
Dividend Distribution for the period from July 03, 2024 to December 26, 2024	9.3351	December 27, 2024	502,264	502,264
<b>MCB DCF Fixed Return Fund - Plan V</b>				
Dividend Distribution for the period from July 12, 2024 to December 26, 2024	9.5212	December 27, 2024	6,064	6,064

**16. SUBSEQUENT EVENT**

The MCB DCF Fixed Return Fund operates under a shell structure, where investment plans are launched and matured within specified timeframes. In accordance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the "Regulations"), Open-End Schemes are required to maintain one hundred million rupees at all times during the life of the scheme. All plans of the Fund were matured on or before December 26, 2024, therefore, there are nil net assets at the reporting date. The asset management company is required to maintain the minimum fund size requirement within three months if the fund size falls below the specified threshold.

Subsequent to the reporting period, on January 16, 2025, the Management Company launched MCB DCF Fixed Return Plan VI under MCB DCF Fixed Return Fund. This event does not have any impact on this condensed interim financial information as of the reporting date.

**17. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue on February 04, 2025 by the Board of Directors of the Management Company.

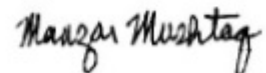
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**MCB INVESTMENT MANAGEMENT LIMITED**

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

**UAN:** (+92-21) 111 468 378 (111 INVEST)

**URL:** [www.mcbfunds.com](http://www.mcbfunds.com), **Email:** [info@mcbfunds.com](mailto:info@mcbfunds.com)