

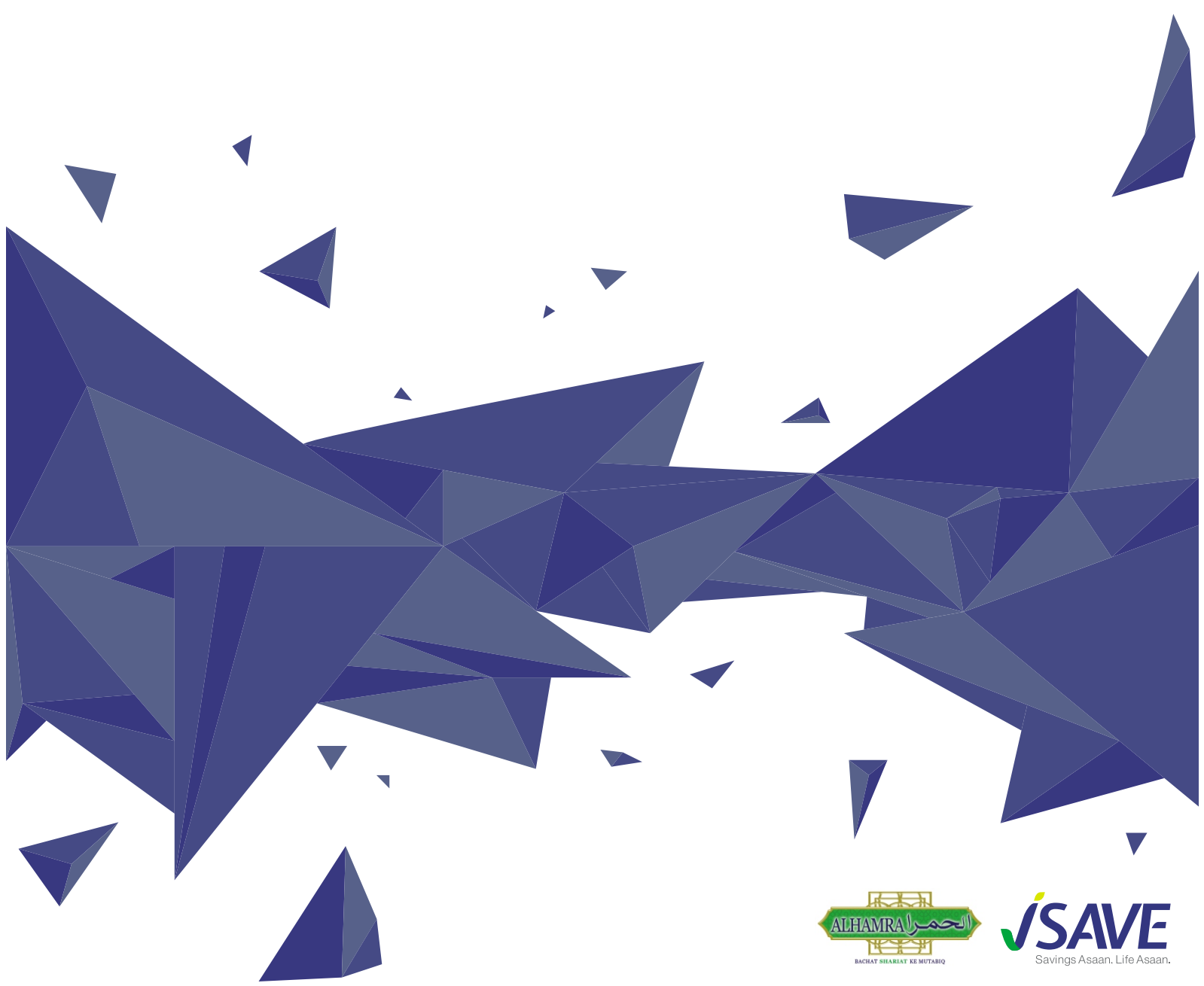


MCB FUNDS
Investments for Life

HALF YEARLY REPORT

DECEMBER
2025
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



MCB DCF FIXED RETURN FUND-II

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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 Khan	Chairman Member Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	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	
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 HALF YEAR ENDED DECEMBER 31, 2025

Dear Investor

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

Economy Review

The country posted a current account deficit of USD 812 million in the first five months of the fiscal year 2026 (5MFY26) compared to a surplus of USD 503 million in the corresponding period last year. Trade Deficit increased by 30.3% YoY as exports declined by 3.2% while imports increased by 11.1%. The remittances inflows grew at a healthy rate of 9.3% to USD 16.2 billion. The country's external position remained robust as SBP's foreign exchange reserves increased to USD 15.9 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 1.3% to 280.1 during the period.

Headline inflation represented by CPI averaged 5.1% during 1HFY26 compared to 7.3% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past one year. Additionally, base effect further contributed to the lower inflation figures.

Pakistan's GDP growth clocked at 3.7% in 1QFY26 with Agricultural, Industrial and Services sectors increasing by 2.9%, 9.4% and 2.4% respectively. Industrial sector growth showed a stellar growth due to improvement in macroeconomic indicators and base effect. On the fiscal side, FBR tax collection increased by 9.6% in 1HFY26 to PKR 6,159 billion, missing the target by PKR 331 billion.

FUND PERFORMANCE

MCB DCFFR IIP3 was launched on October 22, 2024 with a promised return of 13.00%. The fund matured on October 16, 2025

Economy & Market – Future Outlook

Going forward we expect GDP growth to clock at 3.5% in FY26. The lagged impact of interest rate decline would benefit industrial and services sector going forward which are expected to expand by 4.1% and 3.6% respectively. The continuation of the IMF program is a key positive as it will allow us to tap funding from different sources. We expect SBP reserves to increase to USD 17.9 billion by year end on the back of timely bilateral rollover, and inflows from IMF and multilateral agencies. Our external position has improved which could allow Pakistan to consider re-entering the international capital markets to explore options such as Panda bonds in this fiscal year.

Pakistan recorded its first annual current account surplus in FY25 after a gap of 14 years, supported by a rebound in exports and remittances coupled with restrained imports. For FY26, we anticipate a modest current account deficit of around USD 1.6 billion (0.4% of GDP). As import demand gradually recovers amid monetary easing, we expect a measured depreciation in the currency, with the USD/PKR likely to close around 290 by June 2026.

Headline inflation is expected to remain in single digits, aided by currency stability and improved supply conditions. A temporary uptick may occur toward the end of FY26 due to the base effect, keeping average inflation around 6.7% for the year. Core inflation continues to trend lower, reflecting stable exchange rates

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2025

and subdued domestic demand. We expect it to decline further, reaching low single digits by the close of the fiscal year.

On the fiscal side we expect the fiscal deficit to clock in at 3.9% in FY26, which would be the lowest level since FY2006. This marks the fourth consecutive year of budget deficit reduction since it peaked at 7.9% in FY2022. The reduction in debt servicing from 7.7% of GDP in FY24 to 6.2% of GDP in FY26 would be a major reason for this reduction. Strict IMF target regarding primary surplus would also play its part in maintaining fiscal discipline.

The SBP has decreased interest rates by a cumulative 1,150bps since June-24 as interest rates have declined to 10.5% from a high of 22.0%. Enhanced external stability, coupled with easing inflationary pressures, created room for this monetary easing. Going forward, we expect the central bank to maintain a data-dependent approach in shaping upcoming monetary policies. We believe there remains room for an additional 50 basis point reduction in the policy rate during the current fiscal year.

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 19.0% during 1HFY26 to PKR 4,384 billion. Total money market funds inched up by 1.1% since June 2025. Within the money market sphere, conventional funds showed a decline of 0.1% to PKR 976 billion while Islamic funds increased by 2.4% to PKR 934 billion. In addition, the total fixed Income and Fixed Rate funds increased by about 35.2% since June 2025 to PKR 1,679 billion while Equity and related funds increased by 47.2% to PKR 723 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 43.6%, followed by Income and fixed return funds with 38.3% and Equity and Equity related funds having a share of 16.5% as at the end of December 2025.

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.

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**


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 02, 2026



Manzar Mushtaq
Director
February 02, 2026

ڈائریکٹرز رپورٹ

میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز کی صنعت کے net اثاثہ جات مالی سال 2026ء کے نصف اول کے دوران تقریباً 19.0 فیصد بڑھ کر 4,384 بلین روپے ہو گئے۔ منی مارکیٹ کے کل فنڈز میں جون 2025ء کے بعد سے 1.1 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 0.1 فیصد کم ہو کر 976 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 2.4 سے بڑھ کر 934 بلین روپے ہو گئے۔ مزید برآں، گل فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2025ء کے بعد سے تقریباً 35.2 فیصد سے بڑھ کر 1,679 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 47.2 فیصد سے بڑھ کر 723 بلین روپے ہو گئے۔

شعبہ جاتی حصے کے اعتبار سے دسمبر 2025ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 43.6 فیصد حصے کے ساتھ سب سے آگے تھے، اور ان کے بعد انکم اور

میوچل فنڈز صنعت کے مستقبل کا منظر نامہ

منی مارکیٹ فنڈز کو بہتر نقدیت کا فائدہ اٹھانا چاہیے کیونکہ یہ مختصر میعاد 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 کپیٹل مارکیٹس، خصوصاً ایکویٹیز، میں گہری دلچسپی برقرار رہے گی۔ ہمارے آپریشنز بلاؤ کاوٹ جاری رہے، اور ڈیجیٹل رسائی اور صارفین کو اچھا تجربہ فراہم کرنے کے معاملے میں ہماری بہتر استعداد کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے فائدہ اٹھانے کے لیے تیار ہیں۔

اظہارِ تشکر

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور فنڈ کے ٹرسٹیز کا اُن کی مسلسل معاونت اور حمایت کے لیے شکریہ ادا کرتا ہے۔ مزید برآں، ڈائریکٹرز مینجمنٹ ٹیم کی کاوشوں کو خراج تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز،

Mansur Mushtaq

منظر مشتاق

ڈائریکٹر

02 فروری 2026ء

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

02 فروری 2026ء

ڈائریکٹرز رپورٹ

معیشت اور مارکیٹ - مستقبل کا منظر نامہ

جی ڈی پی کا مالی سال 2026ء میں 3.5 فیصد کی سطح پر آجانے کا امکان ہے۔ سود کی شرح میں کمی کے تاخیری اثر سے مستقبل میں صنعت اور خدمات کے شعبے کو فائدہ ہوگا جن میں بالترتیب 4.1 فیصد اور 3.6 فیصد ترقی متوقع ہے۔

آئی ایم ایف پروگرام کا تسلسل ایک اہم مثبت پہلو ہے جس سے مختلف ذرائع سے رقم کے حصول میں مدد ملے گی۔ ہمیں اُمید ہے کہ سال کے اختتام تک ایس بی پی کے ذخائر بڑھ کر 17.9 بلین ڈالر ہو جائیں گے، اور اس کے عوامل بروقت دو طرفہ توسیع، اور آئی ایم ایف اور کثیرالاجہتی ایجنسیوں کی طرف سے آمدات ہیں۔ موجودہ مالی سال میں ہماری خارجی صورتحال میں بہتری آئی ہے جس کی بدولت پاکستان بین الاقوامی کیپیٹل مارکیٹس میں دوبارہ داخل ہونے پر غور کر سکتا ہے تاکہ پانڈا بانڈز جیسے موقعوں کو آزما یا جاسکے۔

پاکستان نے مالی سال 2025ء میں 14 برسوں کے بعد اپنا پہلا سالانہ کرنٹ اکاؤنٹ سروس پلس ریکارڈ کیا، جو برآمدات اور ترسیلات میں بحالی اور درآمدات پر قابو کے سبب ممکن ہوا۔ مالی سال 2026ء کے لیے ہمیں کرنٹ اکاؤنٹ میں درمیانے درجے کے خسارے - تقریباً 1.6 بلین ڈالر (جی ڈی پی کا 0.4 فیصد) کی توقع ہے۔ مالیاتی تسہیل کے پس منظر میں درآمدات کی مانگ میں مستحکم بحالی ہوئی، اور روپے کی قدر میں پیمائش شدہ کمی متوقع ہے، یعنی جون 2026ء تک ایک ڈالر تقریباً 290 روپے کا ہوگا۔

مجموعی افراط زر کا واحد عدد میں رہنے کا امکان ہے، جس کے عوامل روپے کی قدر میں استحکام اور فراہمی کے حالات میں بہتری ہیں۔ مالی سال 2026ء کے اختتام پر base کے اثر کی وجہ سے عارضی طور پر اضافہ ہو سکتا ہے، جس کے باعث سال کی اوسط افراط زر 6.7 فیصد ہو جائے گی۔ بنیادی افراط زر میں بدستور کمی کارحجان برقرار رہے گا جس سے زرمبادلہ کی شرحوں میں استحکام اور مقامی طلب کے کم ہونے کی عکاسی ہوتی ہے۔ ہمیں اُمید ہے کہ اس میں مزید کمی ہوگی اور مالی سال کے اختتام تک یہ واحد عدد کی کم سطح پر پہنچ جائے گی۔

مالیاتی جہت میں ہمیں اُمید ہے کہ مالی سال 2026ء میں مالیاتی خسارہ 3.9 فیصد کی سطح تک پہنچے گا، جو مالی سال 2006ء سے اب تک کی کم ترین سطح ہوگی۔ یہ بجٹ خسارے میں مالی سال 2022ء کی بلند ترین سطح 7.9 فیصد سے کمی کا چوتھا متواتر سال ہوگا۔ اس کمی کی ایک اہم وجہ یہ ہوگی کہ قرض کی ادائیگی کے انتظام (ڈیٹ سروسنگ) کو مالی سال 2026ء میں جی ڈی پی کا 6.2 فیصد کر دیا جائے گا، جو مالی سال 2024ء میں جی ڈی پی کا 7.7 فیصد تھا۔ آئی ایم ایف کا پرائمری سروس پلس سے متعلق سخت ہدف بھی مالیاتی نظم و ضبط برقرار رکھنے میں کردار ادا کرے گا۔

ایس بی پی نے سود کی شرحوں میں جون 2024ء سے مجموعی طور پر 1,150 بی پی ایس کی کمی کی ہے، اور یہ 22.0 فیصد کی بلند سطح سے کم ہو کر 10.5 فیصد پر آگئی ہیں۔ یہ مالیاتی تسہیل بہتر خارجی استحکام کے ساتھ ساتھ افراط زر کے دباؤ میں کمی کی وجہ سے ممکن ہوئی۔ مستقبل میں ہمیں اُمید ہے کہ مرکزی بینک آئندہ مالیاتی پالیسیوں کو تشکیل دینے میں اعداد و شمار پر منحصر لائحہ عمل جاری رکھے گا۔ ہم سمجھتے ہیں کہ موجودہ مالی سال کے دوران پالیسی شرح میں مزید 50 بیسیس پوائنٹس کمی کی گنجائش ہے۔

حاملین قرض کے لیے ہمیں اُمید ہے کہ منی مارکیٹ فنڈز سال بھر پالیسی شرحوں کی بلاؤ کاؤٹ عکاسی جاری رکھیں گے۔

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی ڈی سی ایف فیکسڈ ریٹرن فنڈ II کے تحت ایم سی بی ڈی سی ایف فیکسڈ ریٹرن فنڈ II پلانز کے اکاؤنٹس کا جائزہ برائے مدتِ مختتمہ 31 دسمبر 2025ء پیش خدمت ہے۔

معیشت کا جائزہ

مالی سال 2026ء کے پہلے پانچ ماہ میں ملک نے 812 ملین ڈالر کا کرنٹ اکاؤنٹ خسارہ پوسٹ کیا، جبکہ اس کے بالمقابل گزشتہ سال مماثل مدت میں 503 ملین ڈالر فاضل (سرسپلس) تھا۔ تجارتی خسارے میں 30.3 فیصد سال در سال (YoY) اضافہ ہوا کیونکہ برآمدات میں 3.2 فیصد کمی ہوئی جبکہ درآمدات میں 11.1 فیصد اضافہ ہوا۔ ترسیلات 9.3 فیصد بڑھ کر 16.2 بلین ڈالر ہو گئیں۔ ملک کی بیرونی صورتحال مستحکم رہی کیونکہ ایس بی پی کے غیر ملکی زرمبادلہ کے ذخائر بڑھ کر 15.9 بلین ڈالر ہو گئے، جبکہ اس کے بالمقابل گزشتہ مالی سال کے اختتام پر 14.5 بلین ڈالر تھے۔ مقامی کرنسی نے گرین بیک (امریکی ڈالر) کے بالمقابل استحکام کا مظاہرہ کیا اور دورانِ مدت پاکستانی روپے کی قدر 1.3 فیصد بڑھ کر 280.1 ہو گئی۔

مجموعی افراط زر، جس کی ترجمانی سی پی آئی سے ہوتی ہے، کا اوسط مالی سال 2026ء کے نصف اول کے دوران 5.1 فیصد رہا، جو گزشتہ سال مماثل مدت میں 7.3 فیصد کے بالمقابل ہے۔ اس تیزی سے ہونے والی کمی کی وجہ گزشتہ ایک سال کے دوران کرنسی کا استحکام ہے۔ مزید برآں، base کے اترنے افراط زر کے اعداد کو کم کرنے میں مزید کردار ادا کیا۔

پاکستان کی جی ڈی پی میں مالی سال کی پہلی سہ ماہی میں 3.7 فیصد ترقی ہوئی۔ زراعت کے شعبے میں 2.9 فیصد، صنعتی شعبے میں 9.4 فیصد، اور خدمات کے شعبے میں 2.4 فیصد ترقی ہوئی۔ صنعتی شعبے میں شاندار ترقی کی وجہ مجموعی معاشی علامات اور base کی اثر میں بہتری ہے۔ مالیاتی جہت میں ایف بی آر ٹیکس وصولی مالی سال 2026ء کے نصف اول میں 9.6 فیصد بڑھ کر 6,159 بلین روپے ہو گئی، لیکن ہدف سے 331 بلین روپے کم رہی۔

فنڈ کی کارکردگی

ایم سی بی ڈی سی ایف ایف آر II پی 3 کا آغاز 22 اکتوبر 2024ء کو، 13.00 فیصد منافع کے وعدے کے ساتھ کیا گیا۔ فنڈ 16 اکتوبر 2025ء کو مہیچور ہو گیا۔

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
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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 II

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 II (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, 2025 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 20, 2026



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



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 REVIEW REPORT To the Unit Holders of MCB DCF Fixed Return Fund II

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **MCB DCF Fixed Return Fund II** (the "Fund") as at December 31, 2025, 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 flows and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year 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 period ended December 31, 2025 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Emphasis of Matter

We draw attention to Note 1.5 of the condensed interim financial information, which describes that the Fund's plan has matured during the period and that the Management Company plans to launch additional plans. Our conclusion is not modified in respect of this matter.

Other Matter

The cumulative figures for the half year, presented in the second quarter accounts are subject to limited scope review by the statutory auditors of the Fund. Accordingly, the figures of the condensed interim income statement and condensed interim statement of other comprehensive income for the three months period ended December 31, 2025 and December 31, 2024 have not been reviewed by us.

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


Chartered Accountants

Place: Karachi

Date: February 18, 2026

UDIN: RR202510057fyuzLcZFB

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2025

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
		MCB DCF FRF II Plan 3	MCB DCF FRF II Plan 3
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	-	121,431
Investments	6	-	27,611
Profit receivable		-	518
Total assets		-	149,560
LIABILITIES			
Payable to the MCB Investment Management Limited - Management Company	7	-	4,798
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-
Payable to the Securities and Exchange Commission of Pakistan		-	222
Accrued expenses and other liabilities	8	-	122,731
Total liabilities		-	127,751
NET ASSETS		-	21,809
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		-	21,809
CONTINGENCIES AND COMMITMENTS			
	9	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		-	213,994
		----- Rupees -----	
NET ASSET VALUE PER UNIT		-	101.9143

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 (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

For the period
from July 01,
2025 to October
16, 2025

**MCB DCF
FRF II - Plan 3**

Note --(Rupees in '000)--

INCOME

Income from government securities		786
Profit on bank deposits		98
Capital gain on sale of investments - net		10
Unrealised gain on remeasurement of investments at fair value through profit or loss - net	6.2	-
Other income		-
Total income		894

EXPENSES

Remuneration of MCB Investment Management Limited - Management Company	7.1	22
Sindh Sales Tax on remuneration of the Management Company	7.2	3
Remuneration of Central Depository Company of Pakistan Limited - Trustee		4
Sindh Sales Tax on remuneration of Trustee		1
Securities and Exchange Commission of Pakistan fee		5
Bank charges		6
Total operating expenses		41

Net income from operating activities before taxation **853**

Taxation 10 -

Net income for the period after taxation **853**

Allocation of net income for the period

Net income for the period 853

Income already paid on units redeemed -

853

Accounting income available for distribution

- Relating to capital gains 10

- Excluding capital gains 843

853

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 INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

For the period from September 10, 2024 to December 31, 2024	For the period from October 16, 2024 to December 31, 2024	For the period from October 22, 2024 to December 31, 2024	For the period from October 28, 2024 to December 31, 2024	For the period from November 12, 2024 to December 31, 2024	Total
MCB DCF FRF II - Plan 1	MCB DCF FRF II - Plan 2	MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 4	MCB DCF FRF II - Plan 5	

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

INCOME

Profit on bank deposits	157	7,024	2,475	10,920	651	21,227
Income from government securities	5,797	231,993	141,371	351,430	17,282	747,873
Unrealised gain in fair value of investments classified as at fair value through profit or loss' - net	1,686	20,242	39,701	55,913	2,047	119,589
Total income	7,640	259,259	183,547	418,263	19,980	888,689

EXPENSES

Remuneration of MCB Investment Management Limited - Management Company	7.1	294	4,769	2,525	8,469	416	16,473
Sindh Sales Tax on remuneration of the Management Company	7.2	44	715	379	1,270	62	2,470
Remuneration of Central Depository Company of Pakistan Limited - Trustee		19	920	591	1,468	78	3,076
Sindh Sales Tax on remuneration of Trustee		3	138	89	220	12	462
Securities and Exchange Commission of Pakistan fee		27	1,255	806	2,001	105	4,194
Brokerage expenses		-	-	-	25	-	25
Bank charges		6	1	4	5	3	19
Total operating expenses		393	7,798	4,394	13,458	676	26,719
Net income from operating activities before taxation		7,247	251,461	179,153	404,805	19,304	861,970
Taxation	10	-	-	-	-	-	-
Net income for the period after taxation		7,247	251,461	179,153	404,805	19,304	861,970

Allocation of net income for the period

Net income for the period	7,247	251,461	179,153	404,805	19,304	861,970
Income already paid on units redeemed	-	-	-	-	-	-
	7,247	251,461	179,153	404,805	19,304	861,970

Accounting income available for distribution

- Relating to capital gains	1,686	20,242	39,701	55,913	2,047	119,589
- Excluding capital gains	5,561	231,219	139,452	348,892	17,257	742,381
	7,247	251,461	179,153	404,805	19,304	861,970

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 INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

For the period
from October 01,
2025 to October
16, 2025

MCB DCF
FRF II - Plan 3

Note --(Rupees in '000)--

INCOME

Income from government securities	124
Profit on bank deposits	-
Capital gain on sale of investments - net	-
Unrealised gain on remeasurement of investments at fair value through profit or loss' - net	(8)
Other Income	-
Total income	116

EXPENSES

Remuneration of MCB Investment Management Limited - Management Company	7.1	9
Sindh Sales Tax on remuneration of the Management Company	7.2	1
Remuneration of Central Depository Company of Pakistan Limited - Trustee		1
Sindh Sales Tax on remuneration of Trustee		1
Securities and Exchange Commission of Pakistan fee		1
Brokerage, bank charges and others		53
Total operating expenses		65
Net income from operating activities before taxation		51
Taxation	10	-
Net income for the period after taxation		51
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 INCOME STATEMENT (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

For the period from October 1, 2024 to December 31, 2025	For the period from October 1, 2024 to December 31, 2025	For the period from October 1, 2024 to December 31, 2025	For the period from October 1, 2024 to December 31, 2025	For the period from October 1, 2024 to December 31, 2025	Total
MCB DCF FRF II - Plan 1	MCB DCF FRF II - Plan 2	MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 4	MCB DCF FRF II - Plan 5	

(Rupees in '000)

INCOME

Profit on bank deposits	38	7,024	2,475	10,920	651	21,108
Income from government securities	4,805	231,993	141,371	351,430	17,282	746,881
Unrealised gain in fair value of investments classified as at fair value through profit or loss' - net	52	20,242	39,701	55,913	2,047	117,955
Total income	4,895	259,259	183,547	418,263	19,980	885,944

EXPENSES

Remuneration of MCB Investment Management Limited - Management Company	7.1	244	4,769	2,525	8,469	416	16,423
Sindh Sales Tax on remuneration of the Management Company	7.2	37	715	379	1,270	62	2,463
Remuneration of Central Depository Company of Pakistan Limited - Trustee		16	920	591	1,468	78	3,073
Sindh Sales Tax on remuneration of Trustee		2	138	89	220	12	461
Securities and Exchange Commission of Pakistan fee		22	1,255	806	2,001	105	4,189
Brokerage expenses		-	-	-	25	-	25
Bank charges		4	1	4	5	3	17
Total operating expenses		325	7,798	4,394	13,458	676	26,651
Net income from operating activities before taxation		4,570	251,461	179,153	404,805	19,304	859,293
Taxation		-	-	-	-	-	-
Net income for the period after taxation		4,570	251,461	179,153	404,805	19,304	859,293

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 (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

For the period from July 01, 2025 to October 16, 2025
MCB DCF FRF II - Plan 3
--(Rupees in '000)--

Net income for the period after taxation	853
Other comprehensive income for the period	-
Total comprehensive income for the period	853

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 (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

For the period from October 01, 2025 to October 16, 2025
MCB DCF FRF II - Plan 3
--(Rupees in '000)--

Net income for the period after taxation	50
Other comprehensive income for the period	-
Total comprehensive income for the period	50

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 (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

For the period from October 01, 2024 to December 31, 2024	For the period from October 16, 2024 to December 31, 2024	For the period from October 22, 2024 to December 31, 2024	For the period from October 28, 2024 to December 31, 2024	For the period from November 12, 2024 to December 31, 2024	Total
MCB DCF FRF II - Plan 1	MCB DCF FRF II - Plan 2	MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 4	MCB DCF FRF II - Plan 5	

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

Net income for the period after taxation	7,247	251,461	179,153	404,805	19,304	861,970
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	7,247	251,461	179,153	404,805	19,304	861,970

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 (UNAUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2025**

	MCB DCF FRF II - Plan 1	MCB DCF FRF II - Plan 2	MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 4	MCB DCF FRF II - Plan 5	Total
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----- (Rupees in '000) -----

Net income for the period after taxation	4,570	251,461	179,153	404,805	19,304	859,293
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	4,570	251,461	179,153	404,805	19,304	859,293

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 UNIT HOLDERS' FUND (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

For the period from July 01, 2025 to October 16, 2025			
MCB DCF FRF II - Plan 3			
Capital Value	Undistributed Income	Total	
Note ----- (Rupees in '000) -----			
Net assets at beginning of the period	21,399	410	21,809
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-
- Element of income	-	-	-
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-
- Amount paid out of element of income	-	-	-
Total comprehensive income for the period	-	853	-
Interim dividend distribution during the period	15	(853)	-
Net income for the period after distribution	-	-	-
Net assets at maturity / period end	21,399	410	21,809
Paid to unit holders on maturity	(21,399)	(410)	(21,809)
Net assets at the end of the period	-	-	-
Undistributed income brought forward			
- Realised		309	
- Unrealised		101	
		410	
Accounting income available for distribution			
- Relating to capital gains		-	
- Excluding capital gains		853	
		853	
Distributions during the year		(853)	
Amount Paid at Maturity		(410)	
Undistributed income carried forward		-	
Undistributed income carried forward			
- Realised		-	
- Unrealised		-	
		-	
		(Rupees)	
Net assets value per unit at the start of the period		101.9143	
Net assets value per unit at 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 UNIT HOLDERS' FUND (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

For the period from September 10, 2024 to December 31, 2024			For the period from October 16, 2024 to December 31, 2024			For the period from October 22, 2024 to December 31, 2024		
MCB DCF FRF II - Plan 1			MCB DCF FRF II - Plan 2			MCB DCF FRF II - Plan 3		
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total

(Rupees in '000)

Net assets at the beginning of the period - - - - - - - - - -

Issuance of 1,110,967 in MCB DCF FRF II Plan 1, 79,000,000 units in MCB DCF FRF II Plan 2 and 55,000,000 units in MCB DCF FRF II Plan 3

- Capital value (at net asset value per unit at the beginning of the period)

- Element of income

111,097	-	111,097	7,900,000	-	7,900,000	5,500,000	-	5,500,000
-	-	-	-	-	-	-	-	-
111,097	-	111,097	7,900,000	-	7,900,000	5,500,000	-	5,500,000

Redemption of Nil units

- Capital value (at net asset value per unit at the beginning of the period)

- Element of income - net

-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

Total comprehensive income for the period

Interim dividend distribution on September 12, 2024 at the rate Re. 0.094 per unit in MCB DCF FRF II Plan 1

-	7,247	7,247	-	251,461	251,461	-	179,153	179,153
-	(106)	(106)	-	-	-	-	-	-
-	7,141	7,141	-	251,461	251,461	-	179,153	179,153

Net assets at the end of the period

111,097	7,141	118,238	7,900,000	251,461	8,151,461	5,500,000	179,153	5,679,153
---------	-------	---------	-----------	---------	-----------	-----------	---------	-----------

Accounting income available for distribution

- Relating to capital gains

- Excluding capital gains

1,686	20,242	39,701
5,561	231,219	139,452

7,247

251,461

179,153

Cash distribution during the period

(106)

-

-

Undistributed income carried forward

7,141

251,461

179,153

Undistributed income carried forward

comprising of:

- Realised income

- Unrealised income

5,455	231,219	139,452
1,686	20,242	39,701
7,141	251,461	179,153

Net asset value per unit at the end of the period

106.4281

103.1831

103.2573

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 UNIT HOLDERS' FUND (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

For the period from October 28, 2024 to December 31, 2024			For the period from November 12, 2024 to December 31, 2024			Total		
MCB DCF FRF II - Plan 4			MCB DCF FRF II - Plan 5					
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total

(Rupees in '000)

Net assets at the beginning of the period - - - - -

Issue of 150,000,000 units in MCB DCF FRF II Plan 4 and 10,370,611 units in MCB DCF FRF II Plan 5.

- Capital value (at net asset value per unit at the beginning of the period)	15,000,000	-	15,000,000	1,037,061	-	1,037,061	29,548,157	-	29,548,157
- Element of income	-	-	-	-	-	-	-	-	-
	15,000,000	-	15,000,000	1,037,061	-	1,037,061	29,548,157	-	29,548,157

- Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-	-	-	-
- Element of income - net	-	-	-	-	-	-	-	-	-

Total comprehensive income for the period	-	404,805	404,805	-	19,304	19,304	-	861,971	861,971
Interim distribution during the period	-	-	-	-	-	-	-	(106)	(106)
	-	404,805	404,805	-	19,304	19,304	-	861,865	861,865

Net assets at the end of the period 15,000,000 404,805 15,404,805 1,037,061 19,304 1,056,365 29,548,157 861,865 30,410,022

Accounting income available for distribution

- Relating to capital gains	55,913	2,047	119,589
- Excluding capital gains	348,892	17,257	742,381
	404,805	19,304	861,970

Cash distribution during the period - - (106)

Undistributed income carried forward 404,805 19,304 861,864

Undistributed income carried forward comprising of:

- Realised income	348,892	17,257	742,275
- Unrealised income	55,913	2,047	119,589
	404,805	19,304	861,864

(Rupees) (Rupees)

Net asset value per unit at the end of the period 102.6987 101.8614

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 CASH FLOW STATEMENT (UNAUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

	Note	For the period from July 01, 2025 to October 16, 2025
		MCB DCF FRF II - Plan 3
		--(Rupees in '000)--
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation		853
Adjustments for non cash and other items:		
Unrealised gain in fair value of investments at fair value through profit or loss' - net	6.2	-
		853
Decrease / (Increase) in assets		
Investments - net		27,611
Profit receivable on bank deposits		518
		28,129
Increase / (Decrease) in liabilities		
Payable to MCB Investment Management Limited - Management Company		(4,798)
Payable to Central Depository Company of Pakistan Limited - Trustee		-
Payable to the Securities and Exchange Commission of Pakistan		(222)
Accrued expenses and other liabilities		(122,731)
		(127,751)
Net cash (used in) operating activities		(98,769)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units		-
Payments on redemption of units		-
Distributions made during the period		(853)
Paid to unit holders on maturity		(21,809)
Net cash (used in) from financing activities		(22,662)
Net decrease in cash and cash equivalents		(121,431)
Cash and cash equivalents at the beginning of the period		121,431
Cash and cash equivalents 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 CASH FLOW STATEMENT (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

	For the period from September 10, 2024 to December 31, 2024	For the period from October 16, 2024 to December 31, 2024	For the period from October 22, 2024 to December 31, 2024	For the period from October 28, 2024 to December 31, 2024	For the period from November 12, 2024 to December 31, 2024	Total
	MCB DCF FRF II - Plan 1	MCB DCF FRF II - Plan 2	MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 4	MCB DCF FRF II - Plan 5	
Note ----- (Rupees in '000) -----						
CASH FLOWS FROM OPERATING ACTIVITIES						
Net income for the period before taxation	7,247	251,461	179,153	404,805	19,304	861,970
Adjustments for non cash and other items:						
Unrealised gain in fair value of investments classified as at fair value through profit or loss' - net	(1,686)	(20,242)	(39,701)	(55,913)	(2,047)	(119,589)
	5,561	231,219	139,452	348,892	17,257	742,381
Decrease / (Increase) in assets						
Investments - net	(115,680)	(8,127,341)	(5,638,363)	(15,346,953)	(1,050,401)	(30,278,738)
Bank balances	(174)	(7,024)	(2,475)	(10,920)	(651)	(21,244)
	(115,854)	(8,134,365)	(5,640,838)	(15,357,873)	(1,051,052)	(30,299,982)
(Decrease) / Increase in liabilities						
Payable to MCB Investment Management Limited - Management Company	348	5,494	2,914	9,749	488	18,993
Payable to Central Depository Company of Pakistan Limited - Trustee	7	435	304	824	57	1,627
Payable to the Securities and Exchange Commission of Pakistan	7	517	360	976	67	1,927
Accrued expenses and other liabilities	-	-	-	-	-	-
	362	6,446	3,578	11,549	612	22,547
Net cash (used in) operating activities	(109,931)	(7,896,700)	(5,497,808)	(14,997,432)	(1,033,183)	(29,535,054)
CASH FLOWS FROM FINANCING ACTIVITIES						
Receipts from issuance of units	111,097	7,900,000	5,500,000	15,000,000	1,037,061	29,548,158
Distributions made during the period	(106)	-	-	-	-	(106)
Net cash generated from financing activities	110,991	7,900,000	5,500,000	15,000,000	1,037,061	29,548,052
Net increase in cash and cash equivalents	1,060	3,300	2,192	2,568	3,878	12,998
Cash and cash equivalents at the beginning of the period	-	-	-	-	-	-
Cash and cash equivalents at the end of the period	1,060	3,300	2,192	2,568	3,878	12,998

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, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB DCF Fixed Return Fund II (the Fund / the Scheme / the Trust / the Unit Trust / MCB DCFFRFII) has been established through the Trust Deed (the Deed) dated September 11, 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 units of plans under the umbrella of MCB DCFFRFII and has registered the Fund as a notified entity under the Non Banking Finance Companies and Notified Entities Regulations, 2008 ("the Regulations") vide letter No SCD/AMCW/DCFFRF-II/2023/193/MF-NE-146 dated November 13, 2023. SECP has approved the Offering Document under the Regulations vides its Letter No. SCD/AMC/MCBDCFFRFII/399/2023 dated January 31, 2024.
- 1.2 The 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 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-end collective investment scheme categorised as a " Fixed rate / Return schemes". The duration of the Fund is perpetual. The Fund may launch plans with different duration and promise at fixed return to the unit holders who hold the investment till maturity. Each plan can 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.

Below are details of the Plans which were launched, existed or matured during the period from July 01, 2025 to December 31, 2025:

S. No.	Name of Plan	Launch Date	Maturity Date	Status	Promised Return
1	MCB DCF Fixed Return Fund II - Plan 3	October 22, 2024	October 16, 2025	Matured	13.00%

- 1.4 The Management Company, in its correspondence with the SECP sought clarification on the requirement prescribed under sub-regulation 3(a) and 3(b) of Regulation 54 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 whereby the Fund's net assets were required to be at a minimum of Rs. 100 million and certain other compliances in relation to minimum fund size. SECP responded to the Management Company that in case the CIS is established under a shell structure and offers perpetual and / or fixed maturity investment plans, the requirement of Rs. 100 million does not apply, however, Fixed maturity plans shall be launched with minimum plan-size of Rs. 50 million at the time of launch shall be applicable on each such investment plan, as stipulated in the Circular No. 25 of 2024 dated December 23, 2025.

The Management Company plans to launch MCB DCF FRF II Plan 6 as approved by the SECP vide letter SCD/AMCW/MCBDCFFRFII/2023-92. Accordingly, these financial statements have been prepared on a going concern basis.

- 1.5 The objective of the Fund is to provide attractive fixed return of the Investment Plan(s) under the Fund, by investing in Fixed Income Securities
- 1.6 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of AM1 dated October 03, 2025.
- 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:

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

- International Accounting Standard (IAS) 34, Interim Financial Reporting, 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
- 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.

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, 2025.

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.

The figures presented in this condensed interim financial information also include figures of plans launched and matured during the period and, are therefore not comparable.

3. MATERIAL ACCOUNTING POLICY INFORMATION

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, 2025.

The preparation of condensed interim financial information requires management to make judgements, 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 judgements 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, 2025.

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.

4. FINANCIAL RISK MANAGEMENT

The Fund's risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended June 30, 2025.

		(Un-audited) December 31, 2025		(Audited) June 30, 2025
		MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 3	
		----- (Rupees in '000) -----		
5. BANK BALANCES	Note			
In savings accounts	5.1	-		121,431
5.1 These balances were maintained with MCB Bank limited (a related party), and carried profit rates at the rate of 9.5% in June 30, 2025.				

		(Un-audited) December 31, 2025		(Audited) June 30, 2025
		MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 3	
		----- (Rupees in '000) -----		
6. INVESTMENTS	Note			
Financial assets 'at fair value through profit or loss' - net				
Government securities - Market Treasury Bills	6.1	-		27,611

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

6.1 Government securities - Market Treasury Bills

Particulars	Issue Date	Face value				As at December 31, 2025			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 01, 2025	Purchased during the period	Sold / matured during the period	As at December 31, 2025	Carrying value	Market value	Unrealised gain		
MCB DCF Fixed Return II PLAN 3										
Treasury bills - 12 months	October 17, 2024	28,500	-	28,500	-	-	-	-	-	-
As at December 31, 2025										
As at June 30, 2025 *						27,510	27,611	101		

* This carry effective yield of 13.5% per annum

6.2 Unrealised gain in fair value of investments classified as at fair value through profit or loss' - net

Market value of investments	6.1	-	27,611
Less: carrying value of investments	6.1	-	27,510
		-	101

(Un-audited)	(Audited)
December 31, 2025	June 30, 2025
MCB DCF FRF II- Plan 3	MCB DCF FRF II- Plan 3
(Rupees in '000)	(Rupees in '000)

7. PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration payable	7.1	-	4,172
Sindh Sales Tax payable on Management remuneration	7.2	-	626
		-	4,798

7.1 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 fixed rate/return Scheme is capped at 1% 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 1.75% per annum of the net assets of the Scheme.

7.2 Sindh Sales Tax on remuneration of the Management Company has been charged at the rate of 15% (June 30, 2025: 15%).

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

(Un-audited) December 31, 2025	(Audited) June 30, 2025
MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 3

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

8. ACCRUED EXPENSES AND OTHER LIABILITIES

Withholding tax on capital gains	-	122,731
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9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2025 and June 30, 2025.

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 period 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 period 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 period 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 II Plan 3

The total annualized expense ratio of the Plan from July 01, 2025 to October 16, 2025 is 0.63%, (December 31, 2024: 0.41%) which includes 0.13%, (December 31, 2024 0.12%) representing government levies on the Plan such as sales taxes, fee of SECP, etc. 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.

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

Related parties / connected persons of the respective Plans 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 owing directly or indirectly 10% or more of the units in the issue / net assets of the respective Plans of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs 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:

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

13.1 Details of transactions other than units of the fund with the connected persons / related parties during the period are as follows:

	(Un-audited) December 31, 2025 MCB DCF FRF II - Plan 3 (Rupees in '000)
MCB Investment Management Limited - Management Company	
Remuneration of the Management Company and related taxes	25
Central Depository Company of Pakistan Limited - Trustee	
Remuneration of the Trustee and related taxes	5
MCB Bank Limited	
Profit on bank deposits	98
Bank charges	7

December 31, 2024 (Un-audited)

MCB DCF FRF II - Plan 1	MCB DCF FRF II - Plan 3	MCB DCF FRF II - Plan 4	MCB DCF FRF II - Plan 4	MCB DCF FRF II - Plan 5	Total
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----- (Rupees in '000) -----

MCB Investment Management Limited - Management Company						
Remuneration of the Management Company and related taxes	338	5,484	2,904	9,739	478	18,943
Central Depository Company of Pakistan Limited - Trustee						
Remuneration of the Trustee and related taxes	22	1,058	680	1,688	90	3,538
MCB Bank Limited						
Profit on bank deposits	157	7,024	2,475	10,920	651	21,227
Bank charges	6	1	4	5	3	19

13.2 Details of balances with related parties / connected persons as at period / year end

(Un-audited) December 31, 2025 MCB DCF FRF II - Plan 3	(Un-audited) December 31, 2024 MCB DCF FRF II - Plan 3
----- Rupees In '000 -----	

MCB Investment Management Limited - Management Company	
Remuneration of the Management Company and related taxes payable	- 4,798
MCB Bank Limited	
Bank deposits	- 121,431
Profit receivable on bank deposits	- 518

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

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

Group / associated company	For the period from July 1, 2025 to December 31, 2025 (Un-audited)							
	As at July 01, 2025	Issued for cash	Redeemed	As at December 31, 2025	As at July 01, 2025	Issued for cash	Redeemed	As at December 31, 2025
MCB DCF Fixed Return Fund II Plan 3 Unit holders holding 10% or more*	213,994	-	213,994	-	21,809	-	21,809	-
Total associated Companies	213,994	-	213,994	-	21,809	-	21,809	-

(Rupees in '000)

* This reflects the position of related party / connected persons status as at December 31, 2025.

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

Group / associated company	For the period from September 10, 2024 to December 31, 2024							
	As at September 10, 2024	Issued for cash	Redeemed	As at December 31, 2024	As at September 10, 2024	Issued for cash	Redeemed	As at December 31, 2024
MCB DCF Fixed Return Fund II Plan 1 Group / associated companies	-	1,000,716	-	1,000,716	-	11,115	-	106,504
MCB DCF Fixed Return Fund II Plan 2 Unit holder holding 10% or more	-	79,000,000	-	79,000,000	-	7,900,000	-	8,151,461
MCB DCF Fixed Return Fund II Plan 3 Unit holder holding 10% or more	-	55,000,000	-	55,000,000	-	5,500,000	-	5,679,153
MCB DCF Fixed Return Fund II Plan 4 Unit holder holding 10% or more	-	150,000,000	-	150,000,000	-	15,000,000	-	15,404,805
MCB DCF Fixed Return Fund II Plan 5 Unit holder holding 10% or more	-	10,270,611	-	10,270,611	-	1,027,061	-	1,046,179
MCB Investment Management Limited - Management Company	-	100,000	-	100,000	-	10,186,140	-	10,188
Total associated Companies	-	295,371,327	-	295,371,327	-	39,624,316	-	30,398,290

(Rupees in '000)

* This reflects the position of related party / connected persons status as at December 31, 2024.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2025

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.

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 PSX are valued at revaluation rates disseminated by PSX.
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 are valued at the average rates quoted on electronic quotation system (PKRV / PKFRV / PKISRV).
Level 3	Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	The Fund applies discretion on the effective yield as per the allowable limits. 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.

The following table show the carrying amount and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy.

December 31, 2025 (Un-audited)							
Carrying amount			Fair Value				
Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in '000) -----			----- (Rupees in '000) -----				
Financial assets measured at fair value through profit or loss							
Government securities - Market Treasury Bills	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Financial assets not measured at fair value							
Bank balances	-	-					
Profit receivable	-	-					
	-	-					
Financial liabilities not measured at fair value							
Payable to the Management Company	-	-					
	-	-					

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**

June 30, 2025 (Audited)

Carrying amount			Fair Value			
Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total

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

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

Financial assets measured at fair value

Government securities - Market Treasury Bills	27,611	-	27,611	-	27,611	-	27,611
	<u>27,611</u>	<u>-</u>	<u>27,611</u>	<u>-</u>	<u>27,611</u>	<u>-</u>	<u>27,611</u>

Financial assets not measured at fair value

Bank balances	-	121,431	121,431
Profit on bank deposit	-	518	518
	<u>-</u>	<u>121,949</u>	<u>121,949</u>

Financial liabilities not measured at fair value

Payable to the Management Company	-	4,172	4,172
	<u>-</u>	<u>4,172</u>	<u>4,172</u>

During the period ended December 31, 2025 and June 30, 2025, there were no transfers between levels of fair value measurements, and no transfer into and out of level 3 fair value measurements.

15. INTERIM DISTRIBUTION DURING THE PERIOD

December 31, 2025 (Un-audited)

Rate per unit	Declaration date	Refund of capital	Distribution from income	Total distribution
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----- Rupees In "000 -----

MCB DCF Fixed Return Fund II - Plan 3

Dividend Distribution for the period from July 01, 2025 to October 16, 2025	3.9871	October 16, 2025	-	853	853
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16. CORRESPONDING FIGURES

Corresponding figures have been reclassified and rearranged in these condensed interim financial statements, wherever necessary, for the purpose of better presentation. However, no significant rearrangements or reclassifications were made in these condensed interim financial statements to report.

17. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 02, 2026 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

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