



MCB FUNDS
Investments for Life

QUARTERLY REPORT

MARCH
2026
(UNAUDITED)

Funds Under Management of
MCB INVESTMENT MANAGEMENT LIMITED



PAKISTAN INCOME FUND

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Muhammad Nauman Chughtai Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Ms. Sadia Muzaffar Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Ms. Sadia Muzaffar Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah Mr. Muhammad Nauman Chughtai	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Ms. Sadia Muzaffar Mr. Khawaja Khalil Shah	Member Member Member Member
IT & Digital Risk Management Committee	Ms. Mavra Adil Khan Mr. Ahmed Jahangir Mr. Khawaja Khalil Shah Mr. Syed Sohail Ahmed Mr. Shabbir Hussain Mr. Muhammad Arsalan Khan Mr. Raheel Iqbal (CISO)	Chairman Member Member Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary & Financial Controller	Mr. Muhammad Rehan Khan	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B'S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcPakistan.com	
Bankers	MCB Bank Limited Habib Metropolitan Bank Limited Bank Al-Falah Limited Faysal Bank Limited United Bank Limited Allied Bank Limited Bank Al-Habib Limited NRSP Micro Finance Bank Limited	U Micro Finance Bank Limited JS Bank Limited Zarai Traqiati Bank Limited Habib Bank Limited HBL Mirco Finance Bank Limited National Bank of Pakistan Soneri Bank Limited
Auditors	A. F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
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 NINE MONTHS ENDED MARCH 31, 2026

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Pakistan Income Fund** accounts review for the nine months ended March 31, 2026.

Economy Review

The country posted a current account deficit of USD 700 million in the first eight months of the fiscal year 2026 (8MFY26) compared to a surplus of USD 479 million in the corresponding period last year. Trade Deficit increased by 27.8% YoY as exports declined by 5.4% while imports increased by 8.8%. The remittances inflows grew at a healthy rate of 10.5% to USD 26.5 billion. The country's external position remained robust as SBP's foreign exchange reserves increased to USD 16.4 billion compared to USD 14.5 billion at the end of the last fiscal year. The local currency depicted strength against the greenback as the USD/PKR appreciated by 1.6% to 279.2 during the period.

Headline inflation represented by CPI averaged 5.6% during 9MFY26 compared to 5.4% in the corresponding period last year. This low inflation was driven by the currency's stability over the past one year and base effect.

Pakistan's GDP growth clocked at 3.9% in 2QFY26 with Agricultural, Industrial and Services sectors increasing by 1.8%, 7.4% and 3.7% respectively. Industrial sector growth showed a stellar growth due to improvement in macroeconomic indicators and base effect. On the fiscal side, FBR tax collection grew by 10.1% during 9MFY26 to PKR 9,305 billion, although it remained short of the target by PKR 612 billion.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 19.20% as against its benchmark return of 10.42%.

At period end, the fund was invested 8.4% in T-Bills, 20.4% in PIBs and 16.0% in TFC/Sukuks. The weighted average maturity of the fund stood at 1.1 years at March 31, 2026.

The Net Assets of the Fund as at March 31, 2026, stood at Rs. 2,310 million as compared to Rs. 1,363 million as at June 30, 2025 registering an increase of 69.48%.

The Net Asset Value (NAV) per unit as at March 31, 2026 was Rs. 62.9529 as compared to the opening NAV of Rs. 55.0236 per unit as at June 30, 2025 registering an increase of Rs. 7.9293 per unit.

Economy & Market – Future Outlook

The recent escalation in the Iran–US conflict has led to a sharp increase in global oil prices, with Brent crude crossing USD 100/bbl amid fears of supply disruptions through the Strait of Hormuz. This has immediate macroeconomic implications, particularly for oil-importing economies like Pakistan, as higher oil prices raise the import bill, fuel inflation, and exert pressure on the currency. However, the situation remains highly fluid, with outcomes dependent on the duration and intensity of the conflict. If tensions do not escalate further, the impact on macros is likely to

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS ENDED MARCH 31, 2026

remain manageable, but a prolonged conflict could keep oil prices elevated and pose additional risks to inflation, external balances, and overall economic stability.

Pakistan posted a modest current account deficit of USD 700 million in the first eight months of the fiscal year. However, due to rising oil prices and refinery margins, we now expect the current account deficit to widen to around USD 3.1 billion, or 0.8% of GDP. The continuation of the IMF program remains a key positive, as it will enable Pakistan to tap funding from multiple sources. Despite an expected payment of USD 3.5 billion to the UAE, the country is expected to receive another USD 5.0 billion from Saudi Arabia and Qatar. We expect SBP reserves to rise to USD 17.7 billion by year-end, supported by timely bilateral rollovers and inflows from the IMF and multilateral agencies. We also expect measured depreciation in the currency, with USD/PKR likely to close around 284.0 by June 2026.

Given the recent increase in international oil prices and corresponding adjustments in domestic fuel prices, we expect inflationary pressures to persist in the near term. We now project average CPI inflation for FY26 to settle at around 7.6%, compared to 4.6% in FY25. On the growth front, we expect GDP to expand by 3.5% in FY26. The lagged impact of interest rate cuts is likely to support activity in the industrial and services sectors, which are projected to grow by 4.5% and 3.5%, respectively. However, any further escalation in the Middle East conflict poses a downside risk to these growth projections.

On the fiscal front, we expect the fiscal deficit to narrow to 3.9% of GDP in FY26, marking the lowest level since FY2006. This improvement is primarily driven by a decline in debt servicing costs, which are projected to fall from 7.7% of GDP in FY24 to 6.2% of GDP in FY26. However, the IMF's stringent primary surplus targets will likely necessitate significant cuts to the PSDP allocation.

The monetary policy committee 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. However, the recent rise in oil prices and the uptick in inflation could prompt a rate hike if the conflict persists for an extended period.

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 14.2% during 9MFY26 to PKR 4,206 billion. Total money market funds inched up by 2.3% since June 2025. Within the money market sphere, conventional funds showed a decline of 0.8% to PKR 969 billion while Islamic funds increased by 5.7% to PKR 964 billion. In addition, the total fixed Income and Fixed Rate funds increased by about 36.6% since June 2025 to PKR 1,540 billion while Equity and related funds increased by 32.0% to PKR 649 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 46.0%, followed by Income and fixed return funds with 36.6% and Equity and Equity related funds having a share of 15.4% as at the end of March 2026.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE NINE MONTHS ENDED MARCH 31, 2026

Mutual Fund Industry Outlook

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

ACKNOWLEDGMENT

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

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
April 21, 2026



Manzar Mushtaq
Director
April 21, 2026

ڈائریکٹرز رپورٹ

میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز کی صنعت کے net اثاثہ جات مالی سال 2026ء کے پہلے نوسو ماہ کے دوران تقریباً 14.2 فیصد بڑھ کر 4,206 بلین روپے ہو گئے۔ منی مارکیٹ کے گل فنڈز میں جون 2025ء کے بعد سے 2.3 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 0.8 فیصد کم ہو کر 969 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 5.7 بڑھ کر 964 بلین روپے ہو گئے۔ مزید برآں، گل فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2025ء کے بعد سے تقریباً 36.6 فیصد سے بڑھ کر 1,540 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 32.0 فیصد بڑھ کر 649 بلین روپے ہو گئے۔

شعبہ جاتی حصے کے اعتبار سے مارچ 2026ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 46.0 فیصد حصے کے ساتھ سب سے آگے تھے، اور ان کے بعد انکم اور فیکسڈ ریٹ فنڈز کا 36.6 فیصد حصہ، اور ایکویٹی اور اس سے متعلقہ فنڈز کا 15.4 فیصد حصہ تھا۔

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 ریسک کے ساتھ سرمایہ کاری کرنے والوں کے لیے موزوں ترین ہوتے ہیں۔ درمیانی اور طویل میعاد والے سرمایہ کاروں کی کیپیٹل مارکیٹس، خصوصاً ایکویٹیز میں گہری دلچسپی برقرار رہے گی۔ ہمارے آپریشنز بلاؤٹ 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۔

اظہار تشکر

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز 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،

Mansoor Mushtaq

منظر مشتاق

ڈائریکٹر

21 اپریل 2026ء

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

21 اپریل 2026ء

ڈائریکٹرز رپورٹ

معیشت اور مارکیٹ - مستقبل کا منظر نامہ

ایران اور امریکا کے درمیان حالیہ کشیدگی میں اضافے کے باعث عالمی سطح پر تیل کی قیمتوں میں تیزی سے اضافہ ہوا ہے، اور رسد میں خلل کے خدشات، اور خصوصاً آبنائے ہرمز کے ذریعے ترسیل متاثر ہونے کے امکان، کے پیش نظر برینٹ کروڈ کی قیمت 100 ڈالر فی بیرل سے تجاوز کر گئی ہے۔ اس کے فوری معاشی اثرات مرتب ہوتے ہیں، خاص طور پر پاکستان جیسے ممالک پر جو تیل درآمد کرتے ہیں، کیونکہ تیل کی بڑھتی ہوئی قیمتیں درآمداتی بل میں اضافہ کرتی ہیں، افراط زر کو بڑھاتی ہیں، اور کرنسی پر دباؤ ڈالتی ہیں۔ تاہم صورتحال ابھی غیر یقینی ہے اور اس کے نتائج تنازعے کی مدت اور شدت پر منحصر ہیں۔ اگر کشیدگی مزید بڑھی تو معاشی اثرات قابل برداشت رہنے کا امکان ہے، لیکن اگر تنازع طویل ہو گیا تو تیل کی قیمتیں بلند سطح پر برقرار رہنے کا امکان ہے، اور افراط زر، بیرونی کھاتوں اور مجموعی معاشی استحکام کے لیے مزید خطرات پیدا ہو سکتے ہیں۔

پاکستان نے مالی سال کے پہلے آٹھ ماہ میں تقریباً 700 ملین ڈالر کا محدود کرنٹ اکاؤنٹ خسارہ رہکار ڈکھایا۔ تاہم تیل کی بڑھتی ہوئی قیمتوں اور ریفرنسری مارجنز کے باعث اب توقع ہے کہ یہ خسارہ بڑھ کر تقریباً 3.1 بلین ڈالر، یعنی جی ڈی پی کے 0.8 فیصد تک پہنچ جائے گا۔ آئی ایم ایف پروگرام کا تسلسل ایک اہم مثبت پہلو ہے جس سے مختلف ذرائع سے رقم کے حصول میں مدد ملے گی۔ متحدہ عرب امارات کو متوقع 3.5 بلین ڈالر کی ادائیگی کے باوجود ملک کو سعودی عرب اور قطر سے مزید 5.0 بلین ڈالر موصول ہونے کی توقع ہے۔ ہمیں اُمید ہے کہ سال کے اختتام تک ایس بی پی کے ذخائر بڑھ کر 17.7 بلین ڈالر ہو جائیں گے، اور اس کے عوامل بروقت دو طرفہ توسیع، اور آئی ایم ایف اور کثیرالجہتی ایجنسیوں کی طرف سے آنے والی رقم ہوں گی۔ ہم کرنسی کی قدر میں بتدریج کمی کے لیے بھی پُر امید ہیں، اور اس بات کی توقع کی جاسکتی ہے کہ جون 2026ء تک ڈالر 1 روپے کی شرح تقریباً 284.0 تک پہنچ جائے گی۔

عالمی سطح پر تیل کی قیمتوں میں حالیہ اضافے اور ملکی سطح پر ایندھن کی قیمتوں میں اس کے مطابق رد و بدل کے باعث ہم توقع کرتے ہیں کہ قریبی مدت میں مہنگائی کا دباؤ برقرار رہے گا۔ فی الوقت ہمارا اندازہ کہ مالی سال 2026ء میں اوسط پی آئی افراط زر تقریباً 7.6 فیصد رہے گی، جبکہ مالی سال 2025ء میں یہ 4.6 فیصد تھی۔ شرح نمو کے حوالے سے ہم توقع کرتے ہیں کہ مالی سال 2026ء میں جی ڈی پی 3.5 فیصد تک بڑھے گی۔ شرح سود میں کمی کے تاخیری اثرات صنعتی اور خدمات کے شعبوں کی سرگرمیوں کو سہارا فراہم کریں گے، جن کی شرح نمو بالترتیب 4.5 فیصد اور 3.5 فیصد رہنے کی توقع ہے۔ تاہم مشرق وسطیٰ میں کشیدگی اور مزید اضافہ ان معاشی اندازوں کے لیے منفی خطرہ ثابت ہو سکتا ہے۔

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۔ 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۔ تاہم آئی ایم ایف کے پرائمری سروسلس سے متعلق سخت اہداف ممکنہ طور پر پی ایس ڈی پی کے اختصاص میں نمایاں کٹوتیوں کے سبب بنیں گے۔

ایس بی پی نے سود کی شرحوں میں جون 2024ء سے مجموعی طور پر 1,150 بی پی ایس کی کمی کی ہے، جس کے نتیجے میں سود کی شرحیں 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۔ تاہم اگر تنازعہ طویل اختیار کرتا ہے تو تیل کی قیمتوں میں حالیہ اضافہ اور اس کے نتیجے میں افراط زر میں اضافہ شرح کے بڑھ جانے کا سبب بن سکتا ہے۔

حاصلین قرض کے لیے ہمیں اُمید ہے کہ مئی مارکیٹ فنڈز سال بھر پالیسی شرحوں کی بلاؤ کاوٹ عکاسی جاری رکھیں گے۔

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار

بورڈ آف ڈائریکٹرز کی جانب سے پاکستان انکم فنڈ کے اکاؤنٹس کا جائزہ، 31 مارچ 2026 کو ختم ہونے والے نو ماہ کے لئے، پیش خدمت ہے۔

معیشت کا جائزہ

مالی سال 2026ء کے پہلے آٹھ ماہ میں ملک نے 700 ملین ڈالر کا کرنٹ اکاؤنٹ خسارہ پوسٹ کیا، جبکہ اس کے بالمقابل گزشتہ سال مماثل مدت میں 479 ملین ڈالر فاضل (سرسپلس) تھا۔ تجارتی خسارے میں 27.8 فیصد سال در سال (YoY) اضافہ ہوا کیونکہ برآمدات میں 5.4 فیصد کمی ہوئی جبکہ درآمدات میں 8.8 فیصد اضافہ ہوا۔ ترسیلات 10.5 فیصد بڑھ کر 26.5 بلین ڈالر ہو گئیں۔ ملک کی بیرونی صورتحال مستحکم رہی کیونکہ ایس بی پی کے غیر ملکی زرمبادلہ کے ذخائر بڑھ کر 16.4 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 1.6 فیصد بڑھ کر 279.2 ہو گئی۔

مجموعی افراط زر، جس کی ترجمانی سی پی آئی سے ہوتی ہے، کا اوسط مالی سال 2026ء کے پہلے نو ماہ کے دوران 5.6 فیصد رہا، جو گزشتہ سال مماثل مدت میں 5.4 فیصد کے بالمقابل ہے۔ افراط زر کی اس پست سطح کی وجہ گزشتہ ایک سال کے دوران کرنسی کا استحکام اور base کا اثر ہے۔ پاکستان کی جی ڈی پی میں مالی سال کی دوسری سہ ماہی میں 3.9 فیصد ترقی ہوئی۔ زراعت کے شعبے میں 1.8 فیصد، صنعتی شعبے میں 7.4 فیصد اور خدمات کے شعبے میں 3.7 فیصد ترقی ہوئی۔ صنعتی شعبے نے شاندار ترقی کا مظاہرہ کیا جس کی وجہ مجموعی معاشی علامات اور base کے اثر میں بہتری ہے۔ مالیاتی جہت میں ایف بی آر ٹیکس وصولی مالی سال 2026ء کے پہلے نو ماہ کے دوران 10.1 فیصد بڑھ کر 9,305 بلین روپے ہو گئی، اگرچہ ہدف سے 612 بلین روپے کم رہی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 19.20 فیصد تھا، جبکہ اس کے بالمقابل بیچ مارک منافع 10.42 فیصد تھا۔ اختتام مدت پر فنڈ کی سرمایہ کاری 8.4 فیصدٹی۔ بلسز میں، 20.4 فیصد پی آئی بی میں اور 16.0 فیصد ٹی ایف سی / سٹاک میں تھی۔ فنڈ کی بالوزن اوسط میچورٹی 31 مارچ 2026ء کو 1.1 سال تھی۔

31 مارچ 2026ء کو فنڈ کے net اثاثہ جات 2,310 ملین روپے تھے، جبکہ اس کے بالمقابل 30 جون 2025ء کو 1,363 ملین روپے تھے، یعنی 69.48 فیصد اضافہ ہوا۔

31 مارچ 2026ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 62.9529 روپے تھی، جبکہ اس کے بالمقابل 30 جون 2025ء کو ابتدائی این اے وی 55.0236 روپے فی یونٹ تھی، یعنی 7.9293 روپے فی یونٹ اضافہ ہوا۔

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2026**

		(Un-audited) March 31, 2026	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	1,189,007	401,407
Investments	5	1,040,294	918,303
Profit receivable		53,872	19,094
Advances, deposits, prepayments and other receivables		41,382	19,724
Receivable against Conversion of units		-	83,999
Total assets		2,324,556	1,442,527
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	6	1,872	4,073
Payable to Central Depository Company of Pakistan Limited - Trustee		175	19
Payable to Securities and Exchange Commission of Pakistan	7	152	153
Payable against Conversion of units		-	44,977
Accrued expenses and other liabilities	8	12,108	30,694
Total liabilities		14,308	79,916
NET ASSETS		2,310,249	1,362,611
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		2,310,249	1,362,611
CONTINGENCIES AND COMMITMENTS			
	9	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		36,698,031	24,764,119
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		62.9529	55.0236

The annexed notes 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 NINE MONTHS AND QUARTER ENDED MARCH 31, 2026**

	Nine months ended on March 31,		Quarter ended on March 31,	
	2026	2025	2026	2025
INCOME				
Income from government securities	69,394	184,083	18,312	62,147
Capital (Loss) / Gain on sale of investments - net	(9,407)	61,811	(15,111)	2,744
Income from term finance certificates	36,104	56,270	11,267	15,963
Income from commercial paper	5,512	-	2,113	-
Profit on bank deposit and term deposit receipts	59,215	26,415	16,726	6,573
Dividend Income	28,954	-	23,404	-
Loss on spread transactions	(4,629)	-	(2,269)	-
Unrealised (diminution) / appreciation in fair value of investments classified as 'at fair value through profit or loss' - net	(4,017)	(4,384)	(12,987)	(2,950)
Other income	161,869	5,492	158,353	1,815
Total income	342,996	329,687	199,809	86,292
EXPENSES				
Remuneration of the MCB Investment Management Limited - Management Company	23,182	28,257	5,647	11,109
Sindh Sales Tax on remuneration of Management Company	3,477	4,239	847	1,667
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	1,299	1,333	422	516
Sindh Sales Tax on remuneration of Trustee	195	200	63	77
Annual fee to Securities and Exchange Commission of Pakistan	1,299	1,333	422	516
Allocated expense	-	400	-	-
Sindh Sales Tax on allocated expenses	-	58	-	(2)
Settlement and bank charges	1,144	1,685	486	312
Brokerage expense	3,073	1,018	1,171	117
Legal and professional charges	192	190	93	88
Auditors' remuneration	1,154	813	369	268
Other charges	511	503	180	174
Total expenses	35,525	40,030	9,699	14,843
Net income for the period before taxation	307,471	289,656	190,111	71,448
Taxation	-	-	-	-
Net income for the period after taxation	307,471	289,656	190,111	71,448
Allocation of net income for the period:				
Net income for the period after taxation	307,471	289,656		
Income already paid on units redeemed	(61,605)	(42,842)		
	245,866	246,815		
Accounting income available for distribution				
- Relating to capital gains	-	48,986		
- Excluding capital gains	245,866	197,829		
	245,866	246,815		

Earnings per unit

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The annexed notes 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 COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2026**

	Nine months ended on March 31,		Quarter ended on March 31,	
	2026	2025	2026	2025
	----- (Rupees in '000) -----			
Net income for the period after taxation	307,471	289,656	190,111	71,448
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	307,471	289,656	190,111	71,448

The annexed notes 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 HOLDER'S FUNDS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	For nine months ended on March 31,					
	2026			2025		
	(Rupees in '000)					
Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total	
Net assets at beginning of the period	1,220,500	142,111	1,362,611	1,759,062	140,268	1,899,330
Issue of 50,361,271 units (2025: 40,071,583 units)						
- Capital value (at net asset value per unit at the beginning of the period)	2,771,059	-	2,771,059	2,201,741	-	2,201,741
- Element of income	107,852	-	107,852	183,625	-	183,625
	2,878,911		2,878,911	2,385,366		2,385,366
Redemption of 38,427,360 units (2025: 32,764,101 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(2,114,412)	-	(2,114,412)	(1,800,230)	-	(1,800,230)
- Element of income	(62,727)	(61,605)	(124,332)	(116,228)	(42,842)	(159,070)
	(2,177,139)	(61,605)	(2,238,744)	(1,916,458)	(42,842)	(1,959,300)
Total comprehensive income for the period	-	307,471	307,471	-	289,656	289,656
Net assets at end of the period	1,922,272	387,977	2,310,249	2,227,970	387,083	2,615,052
Undistributed income brought forward						
- Realised		143,835			137,638	
- Unrealised		(1,724)			2,630	
		142,111			140,268	
Accounting income available for distribution						
- Relating to capital gains		-			48,986	
- Excluding capital gains		245,866			197,829	
		245,866			246,815	
Undistributed income carried forward		387,977			387,083	
Undistributed income carried forward						
- Realised		391,994			391,467	
- Unrealised		(4,017)			(4,384)	
		387,977			387,083	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		55.0236			54.9452	
Net assets value per unit at end of the period		62.9529			62.4487	

The annexed notes 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 FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	Nine months ended on March 31, 2026	
	2026	2025
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	307,471	289,656
Adjustments for non cash and other items:		
Unrealised diminution in fair value of investments classified as 'at fair value through profit or loss' - net	4,017	4,384
	311,488	294,040
(Increase) / Decrease in assets		
Investments	(273,714)	250,567
Profit receivable	(34,778)	35,876
Advances, deposits, prepayments and other receivables	(21,658)	(5,404)
Receivable against Conversion of Units	83,999	201,739
	(246,151)	482,778
Decrease in liabilities		
Payable to MCB Investment Management Limited - Management Company	(2,201)	417
Payable to the Central Depository Company of Pakistan Limited - Trustee	156	67
Payable to the Securities and Exchange Commission of Pakistan	(1)	56
Payable against purchase of investment	-	(647,761)
Payable against conversion of units	(44,977)	
Accrued expenses and other liabilities	(18,586)	(38,993)
	(65,609)	(686,214)
Net cash (used in) / generated from operating activities	(272)	90,604
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	2,878,911	2,385,366
Payments on redemption of units	(2,238,744)	(1,959,300)
Net cash generated from financing activities	640,167	426,066
Net increase in cash and cash equivalents during the period	639,895	516,670
Cash and cash equivalents at beginning of the period	549,112	136,409
Cash and cash equivalents at end of the period	1,189,007	653,079

The annexed notes 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 NINE MONTHS ENDED MARCH 31, 2026

1. LEGAL STATUS AND NATURE OF BUSINESS

Pakistan Income Fund (the Fund) was established through a Trust Deed executed between MCB Investment Management Limited, as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The draft Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated January 25, 2011 consequent to which Trust Deed was executed on March 07, 2011 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules). During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to promulgation of Provisional Trust Act namely "Sindh Trusts Act, 2021" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was registered under the Sindh Trust Act on August 13, 2021.

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 the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.

The Fund is an open-end collective investment scheme categorised as an "Income scheme" by the Board of Directors of the Management Company pursuant to Circular 7 of 2009 dated March 6, 2009 issued by the SECP. The units of the Fund were initially offered for public subscription at a par value of Rs 50 per unit. Thereafter, the units are being offered for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The Fund primarily invests in money market and other short-term placements / instruments which include short-term corporate debt, government securities, margin trading system transactions and spread transactions. The Fund may also invest a portion of its assets under management in medium term assets in order to provide higher return to the unit holders.

The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of "AM1" dated October 03, 2025 (June 30, 2025: "AM1" dated October 4, 2024) to the Management Company and "AA(f)" as stability rating dated October 23, 2025 (June 30, 2025: "AA-(f)" as stability rating dated August 30, 2024) to the Fund. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.

The 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 statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards 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;
- Provisions of and directives issued under the Companies Act, 2017, along with part VIII A of the repealed Companies Ordinance, 1984; and
- The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC rules, the NBFC Regulations and requirements of the Trust Deed differ from the International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

- 2.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2025. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2026 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2025, whereas the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2025.
- 2.3 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.4 In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.
- 2.5 This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2026

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

3.1 The material accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2025.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty are the same as those applied to the financial statements as at and for the year ended June 30, 2025. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2025.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statements and have, not been disclosed in these financial statements.

3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective

There are certain new standards, interpretations and amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these will not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

		(Un-audited) March 31, 2026	(Audited) June 30, 2025
	Note	---- (Rupees in '000) ----	
4 BANK BALANCES			
Savings accounts	4.1	1,188,336	399,626
Current accounts	4.2	671	1,781
		<u>1,189,007</u>	<u>401,407</u>

4.1 This carry profit at the rate of 6.00% to 12.00% per annum (June 30, 2025: 7.00% to 9.50% per annum) and includes Rs 19.926 million (June 30, 2025: Rs 14.207 million) maintained with MCB Bank Limited (a related party) which carries profit at the rate of 6.00% (June 30, 2025: 9.50%) per annum.

4.2 This include a balance held with MCB Bank Limited (a related party) of Rs 0.068 million (June 30, 2025: Rs 1.77 million).

		(Un-audited) March 31, 2026	(Audited) June 30, 2025
	Note	---- (Rupees in '000) ----	
5. INVESTMENTS			
Investments at 'fair value through profit or loss'			
Government securities	5.1	668,407	515,884
Listed equity securities	5.2	-	-
Future Stock Contracts	5.2.1	-	-
Commercial Paper	5.3	-	-
Term finance certificates - listed	5.4	-	-
Term finance certificates - unlisted	5.5	371,887	402,419
		<u>1,040,294</u>	<u>918,303</u>

5.1 Government securities

Market treasury bills	5.1.1	194,030	270,584
Pakistan investment bonds	5.1.2	228,552	-
Pakistan investment bonds - Floating Rate Bond	5.1.3	245,825	245,300
Government of Pakistan (GoP) Ijara Sukuks	5.1.4	-	-
		<u>668,407</u>	<u>515,884</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

5.1 Financial assets 'at fair value through profit or loss'

5.1.1 Government securities - Market treasury bills

Tenor	Issue Date	Face value			As at March 31, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2025	Purchased during the period	Sold / matured during the period	As at March 31, 2026	Carrying value	Market value		
1 month	12-Jun-25	-	200,000	200,000	-	-	-	-	-
3 months									
- 3 months	15-May-25	-	225,000	225,000	-	-	-	-	-
- 3 months	29-May-25	150,000	-	150,000	-	-	-	-	-
- 3 months	30-Oct-25	-	600,000	600,000	-	-	-	-	-
- 3 months	13-Nov-25	-	150,000	150,000	-	-	-	-	-
- 3 months	11-Dec-25	-	600,000	600,000	-	-	-	-	-
- 3 months	26-Dec-25	-	150,000	150,000	-	-	-	-	-
- 3 months	22-Jan-26	-	50,000	50,000	-	-	-	-	-
6 months									
- 6 months	21-Aug-25	-	250,000	250,000	-	-	-	-	-
12 months									
- 12 months	22-Aug-24	305	-	305	-	-	-	-	-
- 12 months	09-Jan-25	33,000	-	33,000	-	-	-	-	-
- 12 months	09-Jan-25	33,000	-	33,000	-	-	-	-	-
- 12 months	17-Apr-25	-	750,000	750,000	-	-	-	-	-
- 12 months	15-May-25	100,000	-	100,000	-	-	-	-	-
- 12 months	26-Jun-25	-	1,200,000	1,200,000	-	-	-	-	-
- 12 months	10-Jul-25	-	200,000	200,000	200,000	194,714	194,030	(683)	18.65
Total as at March 31, 2026									
					194,714	194,030	(683)		
Total as at June 30, 2025					270,320	270,584	264		

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

5.1.2 Pakistan investment bonds

Particulars	Issue Date	Face value				As at March 31, 2026				Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2025		As at March 31, 2026		Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets		
		Purchased during the period	Sold during the period	As at July 1, 2025	As at March 31, 2026						
Pakistan Investment Bonds-2 Years	January 16, 2025	-	250,000	-	250,000	230,781	228,552	(2,229)	9.89	21.97	
Pakistan Investment Bonds-5 Years	January 16, 2025	-	250,000	-	250,000	-	-	-	-	-	
Pakistan Investment Bonds-5 Years	July 17, 2025	-	650,000	-	650,000	-	-	-	-	-	
Pakistan Investment Bonds-5 Years	January 15, 2026	-	50,000	-	50,000	-	-	-	-	-	
Total as at March 31, 2026 (Un-Audited)						230,781	228,552	(2,229)			
Total as at June 30, 2025 (Audited)						-	-	-			

5.1.3 Pakistan investment bonds - Floating Rate Bond

Particulars	Issue Date	Face value				As at March 31, 2026				Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2025		As at March 31, 2026		Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets		
		Purchased during the period	Sold during the period	As at July 1, 2025	As at March 31, 2026						
Pakistan Investment Bond - 5 years	June 27, 2024	-	-	250,000	250,000	246,184	245,825	(359)	0.11	23.63	
Pakistan Investment Bond - 5 years	October 3, 2024	-	250,000	250,000	-	-	-	-	-	-	
Total as at March 31, 2026 (Un-Audited)						246,184	245,825	(359)			
Total as at June 30, 2025 (Audited)						245,658	245,300	(358)			

5.1.4 Government of Pakistan (GoP) Ijara Sukuks

Particulars	Issue Date	Face value				As at March 31, 2026				Market value as a percentage of net assets	Market value as a percentage of total investments
		As at July 1, 2025		As at March 31, 2026		Carrying value	Market value	Unrealised appreciation / (diminution)	Market value as a percentage of net assets		
		Purchased during the period	Sold/Matured during the period	As at July 1, 2025	As at March 31, 2026						
Government of Pakistan- Ijara Sukuk											
1 Year											
- 1 Year (FRR)	August 21, 2025	-	125,000	125,000	-	-	-	-	-	-	
5 Year											
- 1 Year (FRR)	May 30, 2025	-	62,500	62,500	-	-	-	-	-	-	
Total as at March 31, 2026 (Un-Audited)											
Total as at June 30, 2025 (Audited)											

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

5.2 Listed Equity Securities

Ordinary shares have a face value of Rs. 10 each unless stated otherwise

Name of the Investee Company	As at July 01, 2025		Number of shares		Balance as at March 31, 2026			Market value	
	Purchased during the period	Bonus / right issue during the period	Sold during the period	Balance as at March 31, 2026	Carrying value	Market Value	Unrealised (loss) / gain	As a percentage of net assets	As a percentage of total investments
	(Rupees in '000)								
Cement									
D.G. Khan Cement Company Limited*	-	145,000	-	145,000	-	-	-	-	-
Fauji Cement Company Limited	-	4,460,000	-	4,460,000	-	-	-	-	-
Maple Leaf Cement Factory Limited	-	250,000	-	250,000	-	-	-	-	-
Pioneer Cement Limited	-	385,000	-	385,000	-	-	-	-	-
Cable and Electronic Goods									
Pak Elektron Limited	-	602,000	-	602,000	-	-	-	-	-
Commercial Banks									
Bank Alfalah Limited	-	250,000	-	250,000	-	-	-	-	-
Faysal Bank Limited	-	900,000	-	900,000	-	-	-	-	-
National Bank Of Pakistan	-	1,932,000	-	1,932,000	-	-	-	-	-
Fertilizer									
Fauji Fertilizer Company Limited	-	226,500	-	226,500	-	-	-	-	-
Oil and Gas Exploration Companies									
Oil & Gas Development Company Limited	-	659,000	-	659,000	-	-	-	-	-
Pakistan Petroleum Limited	-	916,000	-	916,000	-	-	-	-	-
Oil and Gas Marketing Companies									
Pakistan State Oil Company Limited	-	350,000	-	350,000	-	-	-	-	-
Technology & Communications									
Pakistan Telecommunication Company Limited	-	498,500	-	498,500	-	-	-	-	-
Engineering									
Mughal Iron & Steel Industries Limited	-	1,400,000	-	1,400,000	-	-	-	-	-
Refinery									
Attock Refinery Limited	-	40,000	-	40,000	-	-	-	-	-
Automobile Assembler									
Sazgar Engineering Works Limited	-	44,000	-	44,000	-	-	-	-	-
Power Generation & Distribution									
Hub Power Company Limited	-	576,500	-	576,500	-	-	-	-	-
K-Electric Limited	-	4,000,000	-	4,000,000	-	-	-	-	-
Total as at March 31, 2026									
Total as at June 30, 2025									

* This represent transaction in shares with related parties.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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5.2.1 The movement in equity securities represents spread transactions entered into by the Fund. The Fund purchases equity securities in ready settlement market and sells the securities in future settlement market on the same day, resulting in spread income / (loss) due to difference in ready and future stock prices.

5.3 Commercial paper

Name of the investee company	Rating	Maturity date	Profit rate %	Amount placed			Balance as at March 31, 2026			Market value as a percentage of		
				As at July 01, 2025	Purchased during the period	Sold / matured during the period	As at March 31, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
Pakistan Microfinance Investment Company Limited	AA+	March 11, 2026	11.83	-	100,000	100,000	-	-	-	-	-	-
Total as at March 31, 2026 (Un-audited)												
Total as at June 30, 2025 (Audited)												

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

	(Un-audited) March 31, 2026	(Audited) June 30, 2025
	----- (Rupees in '000) -----	
5.4 Listed debt securities - term finance certificates		
Market value as at June 30	24,959	79,563
5.4.1		
Less: Provision as at July 1	-	(49,940)
- Pace Pakistan Limited	(6,217)	(10,880)
- Telecard Limited	(18,743)	(18,743)
- Trust Investment Bank Limited	(24,959)	(79,563)
	-	-
	-	-

5.4.1 Listed debt securities - Term finance certificates

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

Name of investee company	Number of certificates				As at March 31, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2025	Purchased during the period	Sold / matured during the period	As at March 31, 2026	Carrying value	Market value	Unrealised appreciation / (diminution)		
Investment Banks / Investment Companies / Securities Companies									
Trust Investment Bank Limited	10,000	-	-	10,000	18,743	18,743	-	-	-
Miscellaneous									
Pace Pakistan Limited	10,000	-	10,000	-	-	-	-	-	-
Technology & Communication									
Telecard Limited	19,975	-	-	19,975	6,217	6,217	-	-	-
Total as at March 31, 2026 (Un-audited)					24,959	24,959	-	-	-
Total as at June 30, 2025 (Audited)					-	-	-	-	-

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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5.5 Unlisted debt securities - Term finance certificates

Certificates have a face value of Rs 100,000 each

Name of investee company	Number of certificates			As at March 31, 2026			Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2025	Purchased during the period	Sold / matured during the period	As at March 31, 2026	Carrying value	Market value		
Commercial Banks							----- (Rupees in '000)-----	----- (%)-----
Askari Bank Limited - II	30	-	30	-	-	-	-	-
The Bank of Punjab	1,730	-	-	1,730	171,071	170,325	(746)	7.40
Bank Al Habib Limited	41,000	-	-	41,000	201,562	201,562	-	8.72
Total as at March 31, 2026 (Un-audited)					372,633	371,887	(746)	
Total as at June 30, 2025 (Audited)					404,049	402,419	(1,630)	

5.5.1 Significant terms and conditions of term finance certificates outstanding as at March 31, 2026 are as follows:

Name of the Issuer	Mark-up rate (per annum)	Issue date	Maturity date	Rating
Commercial Banks				
The Bank of Punjab	6 months KIBOR + 1.25%	April 23, 2018	April 23, 2028	AA
Bank Al Habib Limited	6 months KIBOR + 0.75%	September 30, 2021	September 30, 2031	AAA

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2026

5.5.2 Details of non-compliant investment with the investment criteria as specified by the securities and exchange commission of Pakistan

In accordance with clause (v) of the investment criteria laid down for 'income scheme' in Circular No. 7 of 2009, the Fund is required to invest in any security having rating not lower than the investment grade (credit rating of BBB and above). The Fund is non-compliant with the above mentioned requirement in respect of the following investments. The securities were in compliance with the circular (i.e. investment grade) at the time of purchase and were subsequently downgraded to non investment grade by MUFAP on default by the respective issuer at the time of repayment of coupon due on the respective dates.

Name of non-compliant investments	Note	Type of Instrument	Value of Investment before provision	Provision held if any	Value of Investment after provision	% of net assets	% of gross assets
Trust Investment Bank Limited	5.4.1	TFC	18,743	(18,743)	-	-	-
Telecard Limited *	5.4.1	TFC	6,217	(6,217)	-	-	-
Pace Pakistan Limited **	5.4.1	TFC	-	-	-	-	-

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

* The issuer with the consent of TFC holders have restructured the issue. The restructuring term spreads over a period of 8 years with the first payment of principal started from March 2022 and thereafter in equal quarterly instalments with maturity in December 2028. During the period, an amount equal to Rs. 4.66 (March 31, 2025: Rs. 4.66) million payment has been received.

** Due to the continuous default by Pace (Pakistan) Limited in meeting its principal and mark-up obligations on its Term Finance Certificates ("TFCs"), the Fund had previously recognized a full provision amounting to Rs. 49,940,000 against the outstanding principal and suspended the accrual of mark-up on this exposure. Accordingly, the investment was fully provided for, with 100% impairment recognized in the books of accounts.

** During the current period, Pace (Pakistan) Limited through an extraordinary general meeting (EOGM) of its members held on September 24, 2025 obtained approval for settlement of outstanding principal amount of TFCs through issuance ordinary shares of Pace (Pakistan) Limited (hereinafter referred as Pace). The Fund was offered 9.2 million ordinary shares in respect of its proportionate holding in TFCs of Pace. Considering this as a material event, the Fund discontinued issuance of units of the Fund with effect from September 25, 2025 till the issuance of shares.

** The Fund by virtue of being an Income fund is not allowed to make investments in equity securities. The Fund approached SECP for its approval for holding equity securities in the Fund at the time the proposal for settlement of TFCs was shared by Pace. The SECP through its letter allowed the Fund to acquire these equity shares with an undertaking to dispose them within 30 days from its receipt and had also mentioned certain additional requirements to be complied with by the Management Company of the Fund.

** Sisley Group Company Limited, an associated company of Pace offered an option to the Fund for acquisition of TFCs by the nominee of the associated company of Pace against transfer of 9.2 million ordinary shares of Pace. Consequently, on January 19, 2026 the Fund entered into an agreement whereby the Fund agreed to transfer the TFCs in exchange of 9.2 million ordinary shares of Pace. On February 09, 2026, the Fund received 9.2 million ordinary shares of Pace as full and final settlement of the outstanding principal and accrued mark-up on the defaulted TFCs. In accordance with applicable accounting principles and the terms of settlement, on the same day income equivalent to the fair value (market value) of the shares was recognized in the Fund. Accordingly, the temporary suspension on issuance of fresh units in the Fund was lifted with effect from February 11, 2026.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

		(Un-audited) March 31, 2026	(Audited) June 30, 2025
	Note	(Rupees in '000)	
6. PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management remuneration payable	6.1	609	3,542
Sindh sales tax payable on management remuneration	6.2	91	531
Sales load payable		1,172	-
		1,872	4,073

6.1 In accordance with the requirements of S.R.O. 600(I)/2025 dated April 10, 2025, issued by the Securities and Exchange Commission of Pakistan (SECP), the fund, with effect from July 1, 2025 may charge management fee up to 1.50% per annum of the average daily net assets of the Scheme. During the period ended March 31, 2026, the fund has charged management fee at the rate of up to 1.50 % per annum of the average daily net assets of the Scheme.

Up to June 30, 2025 (i.e., prior to July 1, 2025), the Management Company, pursuant to the amendment in the Offering Document effective from September 2, 2024, revised the basis for charging management fee. Under the revised methodology, the management fee was charged at the rate of up to 2% per annum of the net assets of the Scheme, calculated on a daily basis. Prior to this amendment, the management fee had been charged at the rate of up to 10% of the daily gross earnings of the Scheme. The management fee is calculated on a daily basis and paid to the Management Company on a monthly basis in arrears.

6.2 Sales tax on management remuneration has been charged at the rate of 15% (June 30, 2025: 15%)

7. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the fund has charged SECP fee at the rate of 0.075% of average Net Assets of the scheme, calculated on daily basis. The fee is paid to the commission on monthly basis in arrears.

		(Un-audited) March 31, 2026	(Audited) June 30, 2025
		(Rupees in '000)	
8. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for federal excise duty and related tax on	8.1		
- Management fee		9,210	9,210
- Sales load		239	239
Brokerage		848	24
Withholding tax on capital gain		1,162	20,368
Auditors' remuneration		622	814
Legal and Professional Charges		26	39
		12,108	30,694

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

8.1 Federal Excise Duty (FED) and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2024. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2026 would have been higher by Re. 0.26 per unit (June 30, 2025: Re. 0.38 per unit).

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There were no contingencies and commitments outstanding as at March 31, 2026 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 year as reduced by 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 the required minimum percentage of income earned by the Fund for the year ending June 30, 2026 to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these condensed interim financial statements.

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

11. CASH AND CASH EQUIVALENTS

		March 31, 2026	June 30, 2025
----- (Rupees in '000) -----			
Bank balance	4	1,189,007	401,407
Market Treasury Bills		-	147,705
		1,189,007	549,112

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2026**

14.2. Details of transactions with related parties / connected persons during the period

	March 31, 2026	March 31, 2025
	----- (Rupees in '000) -----	
MCB Investment Management Limited - Management Company		
Remuneration including indirect taxes	26,659	32,496
Allocated expenses	-	400
Units issued to unitholder on behalf of the Management Company*	-	2,265
Central Depository Company of Pakistan Limited - Trustee		
Remuneration including indirect taxes	1,493	1,533
CDS charges	141	62
MCB Bank Limited - Parent of the Management Company		
Profit on bank balances	1,085	242
Bank charges	25	18
D.G. Khan Cement Company Limited		
Purchase of 145,000 (2025: Nil) shares	35,186	-
Sales of 145,000 (2025: Nil) shares	35,372	-

* This represents amount reimbursed by the Management Company in the form of dividend to identified unit holders of the Fund in relation to reversal of excess amount charged against reimbursement of selling and marketing expenses as per the direction of Securities and Exchange Commission of Pakistan.

14.3. Details of balances with related parties / connected persons as at period ended

	March 31, 2026	June 30, 2025
	----- (Rupees in '000) -----	
MCB Investment Management Limited - Management Company		
Management remuneration payable	609	3,542
Sindh sales tax payable on management remuneration	91	531
Sales load payable	1,172	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	152	16
Sindh sales tax payable on Trustee remuneration	23	3
Security deposit	200	200
MCB Bank Limited - Parent of the Management Company		
Bank balance	19,994	15,981

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

Financial assets which are tradeable in an open market are revalued at market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2026

15.1 Fair value hierarchy

International Financial Reporting Standard IFRS 13 - "Fair Value Measurement" requires the fund to classify assets using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level 1: quoted prices in active markets for identical assets or liabilities;

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3: inputs for the assets or liability that are not based on observable market data (i.e. unobservable inputs).

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.

16.2 Certain prior period's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there were no material reclassifications to report.

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on April 21, 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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