



MCB FUNDS
Investments for Life

ANNUAL REPORT 2023

Funds Under Management of
MCB Investment Management Limited
(Formerly: MCB-Arif Habib Savings and Investments Limited)



**MCB PAKISTAN OPPORTUNITY FUND
DIVIDEND YIELD PLAN**

Note - Change in Name

The name of the Company was previously **MCB-Arif Habib Savings and Investments Limited**, which has been changed to **MCB Investment Management Limited**. On May 02, 2023, the Board of Directors of the Company resolved to change the name of the Company to **MCB Investment Management Limited**, pursuant to which an Extra-Ordinary General Meeting (EOGM) of the Shareholders was convened on July 7, 2023 and the Shareholders approved the new name of the Company by a special resolution. Thereafter, the Company applied to the Registrar of Companies, SECP, for approval of Change of Name under the provisions of the Companies Act, 2017, which was granted and a titled "**Certificate of Incorporation on Change of Name**" was issued by the Additional Registrar of Companies, Company Registration Office, SECP on August 15, 2023 and as such, the Change of Name became effective from that date.

نوٹ: نام کی تبدیلی

کمپنی کا سابق نام ایم سی بی عارف حبیب سیونگزا اینڈ انویسٹمنٹس لمیٹڈ تھا جو تبدیل کر کے ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ کر دیا گیا ہے۔ 02 مئی 2023ء کو کمپنی کے بورڈ آف ڈائریکٹرز نے کمپنی کا نام ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ کرنے کا فیصلہ کیا جس کے بعد 7 جولائی 2023ء کو ایک غیر معمولی عمومی اجلاس (ای او جی ایم) منعقد ہوا اور حاملین حصص نے خصوصی قرارداد کے ذریعے کمپنی کے نئے نام کی منظوری دی۔ بعد ازاں، کمپنی نے کمپنیز ایکٹ 2017ء کے تحت رجسٹر آف کمپنیز، ایس ای سی پی، کی منظوری کے لیے درخواست دائر کی جو منظور کر لی گئی اور 15 اگست 2023ء کو ایڈیشنل رجسٹر آف کمپنیز، کمپنیز رجسٹریشن آفس، ایس ای سی پی، کی طرف سے سرٹیفکیٹ بعنوان "سرٹیفکیٹ آف انکارپوریشن آن چینج آف نیم" جاری کیا گیا۔ چنانچہ نام کی تبدیلی مذکورہ تاریخ سے مؤثر ہو گئی ہے۔

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited* (Formerly: MCB-Arif Habib Savings and Investments Limited) Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Muhammad Saqib Saleem Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Manzar Mushtaq Ms. Mavra Adil Khan Mr. Muhammad Saqib Saleem	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Muhammad Saqib Saleem	Member Member Member Member
Chief Executive Officer	Mr. Muhammad Saqib Saleem	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
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 Limited Allied Bank Limited	
Auditors	Ernt & Young Ford Rhodes & Co. Chartered Accountant Progressive Plaza, Beaumont Road P.O. Box 15541, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Transfer Agent	MCB-Arif Habib Savings & Investments Limited Adamjee House, 2nd Floor I.I. Chundrigar Road, Karachi.	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited* (Formerly: MCB-Arif Habib Savings and Investments Limited) Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

*Note: On May 02, 2023, the Board of Directors resolved to change the name of the Company, pursuant to which on July 7, 2023 in Extra-Ordinary General Meeting (EOGM) the Shareholders approved the new name of the Company i.e. **MCB Investment Management Limited**. Thereafter, the Company applied to SECP, for approval of Change of Name, which was granted on August 15, 2023 and as such, the Change of Name became effective from that date.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2023

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **MCB Pakistan Dividend Yield Plan** under *MCB Pakistan Opportunity Fund* accounts review for the year ended June 30, 2023 (Fund launched on June 29, 2022).

ECONOMY AND MONEY MARKET REVIEW

The fiscal year 2023 (FY23) remained a difficult year for Pakistan as it faced multiple macroeconomic challenges. The 2022 monsoon floods caused significant damage to infrastructure, crops, and livestock, as well as loss of precious lives. The global commodity prices and currency devaluation ushered a wave of inflation never seen since 1974, leading to all time high interest rates. The IMF program remained elusive throughout the latter half of fiscal year which became extremely challenging for the government facing both political and economic difficulties.

The country's external position remained precarious with SBP's foreign exchange reserves declining to USD 4.5 billion as of 30 Jun 23 (mere import cover of 3 weeks) compared to USD 9.8 billion at the start of the fiscal year. Albeit with some delay and reluctance, the government took several politically unpopular steps such as raising energy tariffs, letting PKR depreciate, slapping additional taxes and raising interest rates as per IMF's demands. However, IMF's Staff Level Agreement (SLA) of IMF 9th review eluded throughout the year as the IMF and government were unable to reach a consensus. The delay in the IMF program led to a slowdown in foreign flows from bilateral and multilateral partners leading to erosion in reserves. As a result, the currency remained under severe pressure, with dollar appreciating by 40% in FY23 to close at 286.0 near to its all-time high level.

The country posted a current account deficit (CAD) of USD 2.9 billion in first eleven months of the fiscal year 2023 (11MFY23) declining by 81% YoY compared to a deficit of USD 15.2 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as a 12.2% decrease in exports coupled with a 23.9% drop in imports led to a 33.8% contraction in the trade deficit. The government kept a lid on imports through administrative measures by imposing import quotas on selective imports. However, these steps led to an increase in smuggling activity which diverted remittances towards grey channels. Furthermore, the tight leash on imports caused shortages across various industries impacted overall economic growth.

Headline inflation represented by CPI averaged 29.0% during FY23 compared to 12.1% in the corresponding period last year. Higher food prices coupled with rising electricity, gas and petroleum prices were the major contributors towards the jump in CPI. The inflationary pressures were broad based, which is depicted by core inflation increasing to 21.2% compared to 12.3% at the end of last fiscal year. SBP has increased interest rates by 1.0% to 22% in an emergent MPS in Jun-23 to push the real interest rate in positive territory on a forward-looking basis and anchor inflation expectations.

The country's provisional GDP growth clocked at 0.29% in FY23 with Agricultural and Services sector increasing by 1.6% and 0.9%, respectively, while industrial sector witnessed a drop of 2.9%. Historic high interest rates coupled with import restrictions were the major culprits behind the fall in industrial output. On the fiscal side, FBR tax collection increased by 16.4% in FY23 to PKR 7,154 billion compared to PKR 6,149 billion in the same period last year but missed the target by PKR 486 billion.

Secondary markets yields increased in FY23 on account of monetary tightening and bout of inflationary pressures post a massive currency devaluation. The 3,6 and 12 Month T-Bills yield increased by 767, 772 and 763 basis points (bps) respectively while 3,5 and 10 Years Bond yields rose by 602, 315 and 240bps respectively during FY23.

EQUITY MARKET REVIEW

The KSE-100 index closed on flattish note, declining by 88 points (-0.2%) in FY23 to close at 41,543 points. The initial exuberance on the account of the resumption of the IMF program and support from friendly countries soon washed away with catastrophic floods, which further deteriorated the already ailing economic conditions of the country. The period under review was marked with elevated inflation, depleting SBP Reserves, and the highest ever interest rates of 22.0%, which kept investors in a grim situation. Moreover, continuous delay in the completion of the 9th review of the IMF Program amid political turbulence in the country further dented investors' sentiments. Nonetheless, by the end of the year, the GoP reassessed its position and made necessary macro adjustments to realign itself with the IMF requirements which restored some confidence back into investors and helped recover mid-year losses.

Major selling during the year was witnessed from Mutual Funds and Insurance companies, which off-loaded equities worth USD 144.5 million and USD 124.3 million, respectively. This was largely absorbed by Companies, Individuals, and Banks with net buying of USD 99.7 million, USD 83.9 million and USD 73.7 million, respectively. Foreign investors also turned net buyers with an inflow of USD 23.9 million. During the FY23, average daily trading volumes saw a decline of 34% to 192 million shares compared to about 291 million shares in FY22. Similarly, the average trading value during FY23 saw a drop of 54% over the same period last year to near USD 25 million.

Pharma, Miscellaneous, Auto Assemblers, and Refinery sectors were the major contributors to the index decline, taking away -561/-435/-310/-159 points, respectively. Pharma sector struggled with the risk of exchange losses amid depreciating PKR against USD posing risk to near-term earnings. Automobile Assemblers struggled due to poor

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2023

volumetric sales thanks to restrictions imposed by the SBP. On the flip side, Power sector added 554 points to the index as a result of better than expected dividends.

FUND PERFORMANCE

During the period under review, the fund posted a return of 11.38% against 5.59% for the benchmark. The fund was 79.9% invested in Equities and 11.9% in Cash as at 30 June, 2023. The Net Assets of the Fund as at 30 June stood at Rs. 209 million. The Net Asset Value (NAV) per unit as at June 30, 2023 was Rs. 111.0314 as compared to opening NAV of Rs. 99.6871 per unit as at June 30, 2022 registering an increase of Rs. 11.3443 per unit.

ECONOMY & MARKET – FUTURE OUTLOOK

International Monetary Fund (IMF) and Pakistan have struck a staff-level agreement for the provision of USD 3 billion in bailout funds under a stand-by arrangement (SBA). The program is set to span nine months, and the IMF board approval of the SBA will unlock an immediate disbursement of USD 1.2bn, with the remaining USD 1.8bn scheduled after reviews in Nov-23 and Feb-24.

The new program comes at a critical time when Pakistan is grappling with a severe balance of payments crisis. The successful resumption of the IMF program will help Pakistan to unlock funding from bilateral and multilateral sources helping in rebuilding foreign exchange reserves. Saudi Arabia and UAE have already pledged USD 2bn and USD 1bn respectively which were contingent on the resumption of IMF program, out of which USD 2 billion from KSA has already been received in July 2023. China is also expected to provide USD 2.0 billion with the Chinese commercial banks providing additional USD 1.5 billion. In addition, the IMF program will also help Pakistan to access concessionary financing from World Bank and other multilateral agencies. This has averted the risk of near term default and we expect currency to remain stable in the near term.

We expect Average FY24 inflation to ease to 19.3% compared to 29.0% in FY23 as the base effect will come into play. Inflation is expected to follow a downward trajectory and the buildup of forex reserves during the period may allow a monetary easing cycle in the quarter ending Dec-23. We expect a cumulative easing of around 6% in the next 12 months, however, its pace and timing would be determined by trend in FX reserves.

From the capital market perspective particularly equities, the market is trading at cheap valuations. Market cap to GDP ratio has declined to 7.5%, a discount of 62% from its historical average of 19.7%. Similarly, Earning Yield minus Risk Free Rate is close to 6.0%, compared to the historical average of 2.7% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 4.7x, while offering a dividend yield of 11.8%.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. We would continue to monitor the data points and capitalize on opportunities to add government bonds in Income Funds at attractive rates to benefit from the expected monetary easing in the medium term.

MUTUAL FUND INDUSTRY REVIEW

The Net Assets of the open end mutual funds industry increased by about 28.9% during FY23 to PKR 1,564 billion. Total money market funds grew by about 34.4% since June 2022. Within the money market sphere, conventional funds showed a growth of 6.1% to PKR 473 billion while Islamic funds increased by 90.4% to PKR 429 billion. In addition, the total fixed Income funds increased by about 23.7% since June 2022 to PKR 369 billion. Equity and related funds declined by 27% to PKR 168 billion as concern over macroeconomic factors kept investors at bay.

In terms of the segment share, Money Market funds were the leader with a share of around 57.7%, followed by Income funds with 23.6% and Equity and Equity related funds having a share of 10.7% as at the end of FY23.

MUTUAL FUND INDUSTRY OUTLOOK

The current interest rates would encourage higher flows in the money market funds as they are ideal for investors with a short term horizon and low risk profile. However, external concerns have eased post agreement with IMF and the long term investors may look to add equity exposure at these highly attractive levels. 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 YEAR ENDED JUNE 30, 2023

MANAGEMENT COMPANY

The fund is managed by MCB-Arif Habib Savings & Investments Limited which is the subsidiary of MCB Bank Limited. On April 18, 2023, MCB Bank Limited (MCB) has acquired 21,664,167 (30.09%) shares from Arif Habib Corporation Limited (AHCL) resulting an increase in shareholding from 36,956,768 (51.33%) shares to 58,620,935 (81.42%) and AHCL no longer holds any shares in MCB-AH.

Consequently, the members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 07, 2023 have resolved via special resolution that the name of the Company be changed from MCB-Arif Habib Savings and Investments Limited to MCB Investment Management Limited and a formal request for change of name has been forwarded to the Securities and Exchange Commission of Pakistan (SECP) for its approval.

CORPORATE GOVERNANCE

The Fund is committed to implement the highest standards of corporate governance. The Board comprises of eight (8) members including the Chief Executive Officer (CEO) and has a diverse mix of gender and knowledge. The Board consists of 1 female and 7 male directors, categorized as follows:

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

The details of above are as under:

Sr. No.	Name	Status	Membership in other Board Committees
1.	Mr. Haroun Rashid	Non-Executive Director	None
2.	Mr. Shoaib Mumtaz	Non-Executive Director	HR&R* Committee
3.	Mr. Ahmed Jahangir	Non-Executive Director	Audit Committee; and HR&R* Committee.
4.	Mr. Manzar Mushtaq	Non-Executive Director	Audit Committee
5.	Syed Savail Meekal Hussain	Independent Director	Audit Committee (Chairman)
6.	Mr. Fahd Kamal Chinoy	Independent Director	HR&R* Committee (Chairman).
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee
8.	Mr. Muhammad Saqib Saleem	Executive Director	HR&R* Committee

* HR&R stands for Human Resource and Remuneration

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

The Board of Directors is pleased to report that:

- a. The financial statements, present fairly the state of affairs, the results of operations, cash flows and changes in equity;
- b. Proper books of accounts of the fund have been maintained;

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2023

- c. Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.;
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further;
- f. There are no significant doubts upon the fund's ability to continue as going concern;
- g. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations;
- h. The outstanding taxes, statutory charges and duties, if any, have been fully disclosed in the audited financial statements;
- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report.
- j. As at June 30, 2023, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 20 of the Code;
- k. The detailed pattern of shareholding as on June 30, 2023 is annexed;
- l. A formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and Committees of the Board;
- m. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below are the details of committee meetings held during the year ended June 30, 2023:

1. Meeting of the Audit Committee.

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

	Name of Persons	Number of meetings held	Number of meetings		
			Attendance required	Attended	Leave granted
1.	Mirza Qamar Beg (Chairman)*	8	8	8	-
2.	Mr. Nasim Beg*	8	8	7	1
3.	Mr. Ahmed Jahangir	8	8	8	-
4.	Mr. Kashif A. Habib*	8	8	6	2
5.	Syed Savail Meekal Hussain	8	8	5	3

* Resigned on May 02, 2023.

2. Meeting of the Human Resource and Remuneration Committee.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2023

During the year, five (5) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mirza Qamar Beg (Chairman)*	5	5	5	-
2. Mr. Ahmed Jahangir	5	5	5	-
3. Mr. Nasim Beg*	5	5	5	-
4. Ms. Mavra Adil Khan	5	5	2	3
5. Syed Savail Meekal Hussain	5	5	5	-
6. Mr. Muhammad Saqib Saleem (CEO)	5	5	5	-

* Resigned on May 02, 2023.

- n. No trades in the Units of the Fund were carried out during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

EXTERNAL AUDITORS

The Fund's external auditor's **M/s. Ernst & Young Ford Rhodes & Co. Chartered Accountants** have retired after completion of audit for Financial Year ended June 30, 2023. The Audit Committee has recommended appointment of **M/s. BDO Ebrahim & Co., Chartered Accountants** as external auditors of the Fund for financial year ending June 30, 2024 and the Board has also endorsed the recommendation of the Audit Committee. **M/s. BDO Ebrahim & Co., Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.


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,



Muhammad Saqib Saleem
Chief Executive Officer
July 26, 2023



Manzar Mushtaq
Director

ڈائریکٹرز رپورٹ

خارجی آڈیٹرز

فنڈ کے خارجی آڈیٹرز انسٹ اینڈ ینگ فورڈ چارٹرڈ اکاؤنٹنٹس 30 جون 2023 کو ختم ہونے والے مالی سال کا آڈٹ مکمل کرنے کے بعد ریٹائر ہو گئے ہیں۔ آڈٹ کمیٹی نے 30 جون 2024 کو ختم ہونے والے مالی سال کے لئے بی ڈی او ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو فنڈ کا خارجی آڈیٹر مقرر کرنے کی سفارش کی ہے اور بورڈ نے آڈٹ کمیٹی کی سفارشات کی بھی توثیق کی ہے۔ بی ڈی او ابراہیم اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے خارجی آڈیٹرز کے طور پر کام کرنے پر آمادگی کا اظہار کیا ہے

اظہار تشکر

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

Masrur Mushtaq

منظر مشتاق
ڈائریکٹر

Masrur Mushtaq

محمد ثاقب سلیم
چیف ایگزیکٹو آفیسر
26 جولائی 2023ء

ڈائریکٹرز رپورٹ

1. آڈٹ کمیٹی کی میٹنگ

دوران سال آڈٹ کمیٹی کی آٹھ (8) میٹنگز منعقد ہوئیں۔ شرکاء کی حاضری درج ذیل ہے:

میٹنگز کی تعداد		میٹنگز کی تعداد		
منظور شدہ رخصت	حاضری	مطلوبہ حاضری	منعقدہ میٹنگز کی تعداد	نام
-	8	8	8	1۔ مرزا محمد قمر بیگ (چیئر مین)*
1	7	8	8	2۔ جناب نسیم بیگ *
-	8	8	8	3۔ جناب احمد جہانگیر
2	6	8	8	4۔ جناب کاشف اے حبیب *
3	5	3	8	5۔ سید ساویل میکال حسین

* 02 مئی 2023ء کو مستعفی ہو گئے تھے۔

2. ہیومن ریسورس اینڈ ریویژن کمیٹی کی میٹنگ

دوران سال ہیومن ریسورس اینڈ ریویژن کمیٹی کی پانچ (5) میٹنگز منعقد ہوئیں۔ شرکاء کی حاضری درج ذیل ہے:

میٹنگز کی تعداد		میٹنگز کی تعداد		
منظور شدہ رخصت	حاضری	مطلوبہ حاضری	منعقدہ میٹنگز کی تعداد	نام
-	5	5	5	1۔ جناب مرزا قمر بیگ* (چیئر مین)
-	5	5	5	2۔ جناب احمد جہانگیر
-	5	5	5	3۔ جناب نسیم بیگ *
3	2	5	5	4۔ محترمہ ماوراء عادل خان
-	5	5	5	5۔ سید ساویل میکال حسین
-	5	5	5	6۔ جناب محمد ثاقب سلیم (سی ای او)

* 02 مئی 2023ء کو مستعفی ہو گئے تھے۔

n. دوران سال مینجمنٹ کمیٹی کے ڈائریکٹرز، چیف ایگزیکٹو آفیسر، چیف آپریٹنگ آفیسر، چیف فنانشل آفیسر، کمپنی سیکرٹری، اور

چیف انٹرنل آڈیٹر اور ان کے شریک حیات اور نابالغ بچوں نے فنڈ کے یونٹس کی کوئی خرید و فروخت نہیں کی۔

ڈائریکٹرز رپورٹ

اسٹاک ایکسچینج کے لسٹنگ قوانین کے مطابق کاروبار جاری رکھنے کے عزم پر قائم ہے جن میں بورڈ آف ڈائریکٹرز اور انتظامیہ کے کردار اور ذمہ داریوں کی وضاحت کی گئی ہے۔ بورڈ آف ڈائریکٹرز کی جانب سے مطلع کیا جاتا ہے کہ:

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

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

c. مالیاتی گوشواروں کی تیاری میں درست اکاؤنٹنگ پالیسیوں کا باقاعدگی کے ساتھ اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینے معقول اور محتاط اندازوں پر مبنی ہیں؛

d. مالیاتی گوشواروں کی تیاری میں بین الاقوامی مالیاتی رپورٹنگ کے معیارات کی - جس حد تک ان کا پاکستان میں اطلاق ہوتا ہے، Non کمپنیز (اسٹیلشمنٹ اینڈ ریگولیشنز) ڈولز 2003ء کی، Non بینکنگ فنانس کمپنیز اینڈ نوٹیفائیڈ انسٹیشنز ریگولیشنز 2008ء کی، متعلقہ ٹرسٹ ڈیڈز کی ضروریات اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی ہدایات کی تعمیل کی گئی ہے؛

e. انٹرنل کنٹرول یعنی اندرونی جانچ پڑتال کا نظام مستحکم خطوط پر استوار اور موثر انداز میں نافذ کیا گیا ہے اور اس کی موثر نگرانی کی جاتی ہے، اور اسے مزید بہتر بنانے کی کوششیں جاری ہیں؛

f. فنڈ کے کاروبار جاری رکھنے کی صلاحیت میں کسی قسم کے کوئی شبہات نہیں ہیں؛

g. لسٹنگ ریگولیشنز میں واضح کردہ کارپوریٹ گورننس کی بہترین روایات سے کوئی قابل ذکر انحراف نہیں ہوا ہے؛

h. واجب الاداء ٹیکس، قانونی چارجز اور ڈیوٹیز کو (اگر کوئی ہیں تو) آڈٹ شدہ مالیاتی گوشواروں میں مکمل طور پر ظاہر کیا گیا ہے؛

i. پراویڈنٹ ایگریجیوٹی اور پینشن فنڈ کی قدر کے اسٹیٹمنٹ کا اطلاق فنڈ پر نہیں ہوتا لیکن بینجمنٹ کمپنی پر ہوتا ہے، چنانچہ ڈائریکٹرز رپورٹ میں کوئی اظہار نہیں کیا گیا ہے؛

j. 30 جون 2023ء کو کمپنی، کوڈ کے ریگولیشن نمبر 20 کے مطابق، ڈائریکٹرز ٹریننگ پروگرام کی شرائط پر تعمیل پیرا ہے؛

k. 30 جون 2023ء کو حصص یافتگی کا تفصیلی خاکہ ملحق ہے؛

l. بورڈ کی اپنی، بورڈ کے ارکان کی اور بورڈ کی کمیٹیوں کی سالانہ جانچ کے لیے ایک باقاعدہ رسمی اور موثر نظام نافذ کیا گیا ہے؛

m. بورڈ آف ڈائریکٹرز کی میٹنگ کی حاضری کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ ذیل میں سال مستتمہ 30 جون 2023ء کے دوران ہونے والی کمیٹی میٹنگز کی تفصیلات درج ہیں:

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(ایم سی بی) کی سہیدری ہے۔ 18 اپریل 2023ء کو ایم سی بی نے عارف حبیب کارپوریشن لمیٹڈ (اے ایچ سی ایل) سے 21,664,167 (30.09 فیصد) حصص خرید لیے جس کے نتیجے میں حصص یافتگی 36,957,768 (51.33 فیصد) سے بڑھ کر 58,620,935 (81.42 فیصد) ہو گئی اور اے ایچ سی ایل اب ایم سی بی-اے ایچ سی ایل میں حصص کا حامل نہیں۔ چنانچہ کمپنی کے ارکان نے غیر معمولی عمومی اجلاس (ای او جی ایم) مورخہ 07 جولائی 2023ء میں خصوصی قرارداد کے ذریعے فیصلہ کیا ہے کہ کمپنی کا نام ایم سی بی عارف حبیب سیونگز اینڈ انویسٹمنٹس لمیٹڈ سے تبدیل کر کے ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ کر دیا جائے، اور تبدیلی نام کی رسمی درخواست سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان (ایس ای سی پی) کو منظوری کے لیے بھیج دی گئی ہے۔

کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیار نافذ کرنے کے لئے پُر عزم ہے۔ بورڈ آف ڈائریکٹرز (8 ارکان پر مشتمل ہے بشمول چیف ایگزیکٹو ڈائریکٹر (CEO) اور اس میں اصناف اور معلومات کا متنوع امتزاج موجود ہے۔ بورڈ 1 خاتون اور 7 حضرات ڈائریکٹرز پر مشتمل ہے جن کو مندرجہ ذیل زمروں میں تقسیم کیا گیا ہے:

* چار (4) غیر ایگزیکٹو ڈائریکٹرز

* تین (3) خود مختار ڈائریکٹرز

* ایک (1) ایگزیکٹو ڈائریکٹر (CEO)

مندرجہ بالا کی تفصیلات درج ذیل ہیں:

نمبر شمار	نام	عہدہ	دیگر بورڈ کمیشنوں میں رکنیت
1.	جناب ہارون رشید	غیر ایگزیکٹو ڈائریکٹر	کوئی نہیں
2.	جناب شعیب ممتاز	غیر ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر * کمپنی
3.	جناب احمد جہانگیر	غیر ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی اور ایچ آر اینڈ آر * کمپنی
4.	جناب منظر مشتاق	غیر ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5.	جناب سید سادیل میکان حسین	خود مختار ڈائریکٹر	آڈٹ کمیٹی (چیئر مین)
6.	جناب فہد کمال چنائے	خود مختار ڈائریکٹر	ایچ آر اینڈ آر * کمپنی (چیئر مین)
7.	محترمہ ماوراء عادل خان	خود مختار ڈائریکٹر	ایچ آر اینڈ آر * کمپنی
8.	جناب محمد ثاقب سلیم	ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر * کمپنی

* ایچ آر اینڈ آر کا مطلب ہے ہیومن ریسورس اینڈ ریوژنیشن

انتظامیہ بہترین طریقوں کے حوالے سے کارپوریٹ گورننس کے ضابطہء اخلاق کی دفعات کی بدستور تعمیل کر رہی ہے۔ فنڈ پاکستان

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Yield (آمدنی کی پیداوار) میں سے Risk Free Rate (خطرے سے محفوظ شرح) منہا کرنے پر تقریباً 6.0 فیصد بنتا ہے، اور قدیم اوسط 2.7 فیصد سے موازنہ کرنے پر اس بھرپور کمی کا پتہ چلتا ہے جس پر مارکیٹ میں تجارت ہو رہی ہے۔ خارجی اکاؤنٹ کے مسائل حل کرنے سے مارکیٹ کی استعداد سے فائدہ اٹھانے میں مدد ملے گی۔ ہم سمجھتے ہیں کہ اسٹاک اور شعبہ جات کا مجموعی تناظر اہم رہے گا اور سرمایہ کاری کے انتخاب کے لیے اُن کمپنیز پر توجہ مرکوز کی جانی چاہیے جو اپنی اندرونی قدر میں بھرپور کمی پر تجارت کرتی ہیں۔ موجودہ طور پر مارکیٹ میں 4.7x کے PER پر تجارت ہو رہی ہے جبکہ ڈیویڈنڈ کی سطح 11.8 فیصد پر ہے۔

حاملین قرض کے لیے ہم توقع کرتے ہیں کہ بازار زر کے فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ ہم ڈیٹا پوائنٹس کی نگرانی اور پُرکشش شرحوں پر اگم فنڈز میں حکومتی بانڈز شامل کرنے کے مواقع سے استفادہ جاری رکھیں گے تاکہ درمیانی مدت میں متوقع مالیاتی تسہیل سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ صنعت کا جائزہ

اوپن اینڈ میوچل فنڈ صنعت کے net اثاثہ جات دوران مالی سال 2023ء تقریباً 28.9 فیصد بڑھ کر 1,564 بلین روپے ہو گئے۔ Money مارکیٹ کے مجموعی فنڈز میں جون 2022ء سے اب تک تقریباً 34.4 فیصد اضافہ ہوا۔ Money مارکیٹ کے دائرہ کار میں روایتی فنڈز تقریباً 6.1 فیصد بڑھ کر 473 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 90.4 فیصد بڑھ کر 429 بلین روپے ہو گئے۔ مزید برآں، فکسڈ انکم کے مجموعی فنڈز جون 2022ء سے اب تک تقریباً 23.7 فیصد بڑھ کر 369 بلین روپے ہو گئے۔ ایکویٹی اور متعلقہ فنڈز 27 فیصد کم ہو کر 168 بلین روپے ہو گئے کیونکہ مجموعی معاشی عوامل سے متعلق خدشات سرمایہ کاروں کی حوصلہ شکنی کا سبب بنے۔

شعبہ جاتی اعتبار سے مالی سال 2023ء کے اختتام پر Money مارکیٹ فنڈز تقریباً 57.7 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ دوسرے نمبر پر اگم فنڈز تھے جن کا 23.6 فیصد حصہ تھا، اور تیسرے نمبر پر ایکویٹی اور متعلقہ فنڈز تھے جن کا 10.7 فیصد حصہ تھا۔

میوچل فنڈ صنعت کی مستقبل کا منظر

سود کی موجودہ شرحوں سے Money مارکیٹ فنڈز میں زیادہ آمد و رفت کی حوصلہ افزائی ہوگی کیونکہ یہ مختصر المیعا سرمایہ کاروں کے لیے موزوں ترین ہیں جو خطرے کی کم سطح پر رہنا چاہتے ہیں۔ تاہم آئی ایم ایف معاہدے کے بعد خارجی خدشات کم ہو گئے ہیں اور طویل المیعا سرمایہ کاران بے حد پُرکشش سطحوں پر ایکویٹی میں مزید پیسہ لگانا چاہیں گے۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کرنے کے لیے تیار ہیں۔

منجمنٹ کمپنی

فنڈ کا انتظام ایم سی بی عارف حبیب سیونگز اینڈ انویسٹمنٹس لمیٹڈ (ایم سی بی-اے ایچ) نے سنبھالا ہوا ہے جو ایم سی بی بینک لمیٹڈ

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کے تناظر میں زرمبادلہ کے خساروں کا تھا جس سے قریب المیعا سرمایہ کاریوں کو خطرہ لاحق ہو گیا تھا۔ آٹوموبیل اسمبلرز SBP کی عائد کردہ پابندیوں کے نتیجے میں پست حُجْم سستی فروخت کی وجہ سے پریشانی کا شکار رہے۔ دوسری جانب توانائی کے شعبے نے متوقع سے بہتر ڈیویڈنڈز کی بدولت انڈیکس میں 554 پوائنٹس کا اضافہ کیا۔

فنڈ کی کارکردگی

ذیرِ جائزہ مدت کے دوران فنڈ کا منافع 11.38 فیصد تھا، جبکہ مقررہ معیار (بنچ مارک) 5.59 فیصد ہے۔ 30 جون 2023ء کو فنڈ کی سرمایہ کاری 79.9 فیصد ایکویٹیز میں اور 11.9 فیصد نقد میں تھی۔ 30 جون 2023ء کو فنڈ کے net اثاثہ جات 209 ملین روپے تھے۔ 30 جون 2023ء کو net اثاثہ جاتی قدر (این اے وی) فی یونٹ 111.0314 روپے تھی، جو 30 جون 2022ء کو ابتدائی این اے وی فی یونٹ 99.6871 روپے کے مقابلے میں 11.3443 روپے فی یونٹ کا اضافہ ہے۔

معیشت اور بازار - مستقبل کا منظر نامہ

انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) اور پاکستان کے درمیان ایک اسٹاف لیول معاہدہ طے پایا ہے جس کے مطابق ایک اسٹینڈ بائی اگریمینٹ (SBA) کے تحت 3 بلین ڈالر فراہم کیے جائیں گے۔ یہ پروگرام نومبر پر محیط ہے، اور آئی ایم ایف کی طرف سے SBA کی منظوری سے 1.2 بلین ڈالر فوری طور پر فراہم کر دیے جائیں گے، جبکہ بقیہ 1.8 بلین ڈالر کی فراہمی نومبر 2023ء اور فروری 2024ء میں جائزوں کے بعد طے کی گئی ہے۔ یہ پروگرام ایک اہم موڑ پر طے پایا ہے جب پاکستان ادا بیگیوں کے توازن کے سنگین بحران سے نبرد آزما ہے۔ آئی ایم ایف پروگرام کی کامیاب بحالی سے پاکستان کو باہمی اور کثیر الجہتی ذرائع سے رقم کے حصول میں مدد ملے گی جس کی بدولت زرمبادلہ کے ذخائر بھی بحال ہوں گے۔ سعودی عرب نے 2 بلین ڈالر اور متحدہ عرب امارات نے 1 بلین ڈالر فراہم کرنے کا وعدہ کیا تھا جو آئی ایم ایف پروگرام کی بحالی پر مشروط تھا۔ اس میں سے سعودی عرب کی طرف سے 2 بلین ڈالر جولائی 2023ء میں موصول ہو چکے ہیں۔ چین کی طرف سے بھی 2.0 بلین ڈالر، اور چینی کمرشل بینکوں کی طرف سے اضافی 1.5 بلین ڈالر کی فراہمی متوقع ہے۔ مزید برآں، آئی ایم ایف پروگرام کی بحالی سے پاکستان کو ورلڈ بینک اور دیگر کثیر الجہتی ایجنسیوں سے رعایتی شرائط پر رقم کے حصول میں بھی مدد ملے گی۔ اس سے مستقبل قریب میں ڈیفالٹ کا خطرہ ٹل گیا ہے، اور ہمیں اُمید ہے کہ قریب المیعا میں روپے کی قدر مستحکم رہے گی۔

مالی سال 2024ء کی اوسط مہنگائی میں مالی سال 2023ء میں 29.0 فیصد کے مقابلے میں 19.3 فیصد کی متوقع ہے کیونکہ base effect اپنا کردار ادا کرے گا۔ مہنگائی میں بتدریج کمی متوقع ہے، اور دورانِ مدت زرمبادلہ کے ذخائر میں اضافے کی بدولت دسمبر 2023ء کو ختم ہونے والی سہ ماہی میں مالیاتی تسہیل کی گردش ممکن ہو سکتی ہے۔ مجموعی طور پر اگلے بارہ ماہ میں تقریباً 6 فیصد تسہیل متوقع ہے، تاہم اس کی رفتار اور اس کے وقت کا انحصار زرمبادلہ کے ذخائر کے رجحان پر ہوگا۔

کیپٹل مارکیٹ، خصوصاً ایکویٹیز، کے نقطہ نظر سے مارکیٹ میں سستی valuations پر کاروبار ہو رہا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 7.5 فیصد ہو گیا ہے جو اس کے قدیم اوسط 19.7 فیصد سے 62 فیصد کمی ہے۔ اسی طرح Earning

ڈائریکٹرز رپورٹ

میں سود کی شرحوں کو 1.0 فیصد بڑھا کر 22 فیصد کر دیا تاکہ سود کی حقیقی شرح کو ترقی پسند بنیاد پر مثبت علاقے میں لے جایا جائے اور مہنگائی کی توقعات پر قابو پایا جائے۔

عارضی مجموعی منگنی پیداوار (GDP) میں مالی سال 2023ء میں 0.29 فیصد ترقی ہوئی۔ اس ضمن میں زراعت اور خدمات کے شعبوں میں بالترتیب 1.6 فیصد اور 0.9 فیصد اضافہ ہوا جبکہ صنعتی شعبے میں 2.9 فیصد کمی ہوئی۔ سود کی اب تک کی بلند ترین شرحوں کے ساتھ ساتھ درآمداتی پابندیاں صنعتی ماحصل میں کمی کے سب سے بڑے عوامل تھے۔ مالیاتی جہت میں ایف بی آر ٹیکس حصولی مالی سال 2023ء میں 16.4 فیصد بڑھ کر 7,154 بلین روپے ہو گئی، بالمقابل گزشتہ سال مماثل مدت میں 6,149 بلین روپے، لیکن 486 بلین روپے کے ہدف تک نہ پہنچ سکی۔

ٹانومی مارکیٹوں کی پیداوار میں مالی سال 2023ء میں اضافہ ہوا جس کے اسباب مالیاتی سختی اور روپے کی قدر میں خلیہ کمی کے بعد مہنگائی کے دباؤ کی نئی لہر ہیں۔ 3، 6 اور 12 ماہانہ ٹی۔ بلنز کے منافع جات میں بالترتیب 767، 772 اور 763 بیسیس پوائنٹس (بی پی ایس)، جبکہ 3، 5 اور 10 سالہ بانڈز کے منافع جات میں بالترتیب 602، 315 اور 240 بی پی ایس کا اضافہ ہوا۔

ایکویٹی مارکیٹ کا جائزہ

کراچی اسٹاک ایکسچینج (KSE)-100 انڈیکس مالی سال 2023ء کے دوران 88 پوائنٹس (-0.2 فیصد) کم ہو کر 41,543 پوائنٹس پر بند ہوا۔ آئی ایم ایف پروگرام کی بحالی اور دوست ممالک سے معاونت کی بدولت پیدا ہونے والا ابتدائی جوش و خروش جلد ہی تباہ شکن سیلابوں میں بہہ گیا جس کے باعث پہلے سے کمزور معیشت مزید ابتری کا شکار ہو گئی۔ زیر جائزہ مدت کے دوران مہنگائی بلند بلند پر رہی، اسٹیٹ بینک آف پاکستان (SBP) کے ذخائر میں کمی آئی، اور سود کی شرح عروج پر 22 فیصد رہی، جس کے باعث سرمایہ کار مایوسی کا شکار رہے۔ علاوہ ازیں، ملک میں سیاسی افراتفری کے تناظر میں آئی ایم ایف پروگرام کے نویں جائزے کی تکمیل میں مسلسل تاخیر سے سرمایہ کاروں کی مزید حوصلہ شکنی ہوئی۔ بہر حال سال کے اختتام تک حکومت پاکستان نے اپنی صورتحال کا دوبارہ جائزہ لیا اور آئی ایم ایف پروگرام کے ساتھ ہم آہنگ ہونے کے لیے مجموعی سطح کی ترامیم کیں جس کی بدولت سرمایہ کاروں کا اعتماد کچھ حد تک بحال ہوا اور وسط سال کے خساروں کی تلافی کرنے میں مدد ملی۔

دوران سال زیادہ تر فروخت میوچل فنڈز اور بیمہ کمپنیوں کی طرف سے ہوئیں جو بالترتیب 144.5 ملین ڈالر اور 124.3 ملین ڈالر مالیت کی تھیں۔ سب سے بڑے خریدار کمپنیز، افراد اور بینک تھے جنہوں نے بالترتیب 99.7 ملین ڈالر، 83.9 ملین ڈالر اور 73.7 ملین ڈالر مالیت کی ایکویٹی خریدیں۔ غیر منگنی سرمایہ کار بھی net خریدار بن گئے اور 23.9 ملین ڈالر لانے کا سبب بنے۔ دوران مالی سال 2023ء اوسط یومیہ تجارتی حجم 34 فیصد کم ہو کر 192 ملین حصص ہو گئے، بالمقابل مالی سال 2022ء کے جب یہ اوسط تقریباً 291 ملین حصص تھا۔ اسی طرح دوران مالی سال 2023ء اوسط یومیہ تجارتی قدر سال گزشتہ کے مقابلے میں 54 فیصد کم ہو کر 25 ملین ڈالر رہ گئی۔

انڈیکس کی گراوٹ میں سب سے بڑا ہاتھ دواساز، دیگر، آٹو اسمبلرز، اور ریفاٹری کے شعبوں کا تھا جو بالترتیب -561، -435، -310 اور -159 پوائنٹس کمی کا سبب بنے۔ دواسازی کے شعبے کو درپیش سب سے بڑا مسئلہ روپے کی قدر میں ڈالر کے مقابلے میں کمی

بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی پاکستان ڈیویڈنڈ ییلڈ پلان، زیرِ تحت ایم سی بی پاکستان آپریشنل فنڈ، کے اکاؤنٹس کا جائزہ برائے سال مُختتمہ 30 جون 2023ء پیشِ خدمت ہے (فنڈ کا آغاز 29 جون 2022ء کو ہوا تھا)۔

معیشت اور بازار کا جائزہ

مالی سال 2023ء پاکستان کے لیے مشکل سال تھا کیونکہ متعدد مجموعی معاشی مسائل درپیش رہے۔ 2022ء کے مومن سون سیلابوں نے بنیادی ساخت، فصلوں اور موسمیاتی کو بہت نقصان پہنچایا اور قیمتی جانیں بھی ضائع ہوئیں۔ عالمی سطح پر ایشیاء کی قیمتوں میں اضافے اور کرنسی کی قدر میں کمی کے باعث مہنگائی کی ایسی لہر آئی جو 1974ء کے بعد سب سے بڑی تھی اور اس کے نتیجے میں سوڈ کی شرحیں بلند ترین سطح پر پہنچ گئیں۔ آئی ایم ایف پروگرام کا آغاز مالی سال کے نصف آخر کے دوران غیر یقینی رہا جس کے باعث سیاسی اور معاشی مسائل سے دوچار حکومت کے لیے سنگین مشکلات پیدا ہو گئیں۔

ملک کی خارجی صورتحال غیر یقینی رہی کیونکہ ایس بی پی کے زرمبادلہ کے ذخائر کم ہو کر 30 جون 2023ء کو 4.5 بلین ڈالر رہ گئے (جو صرف 3 ہفتوں کا درآمداتی cover ہے) جبکہ مالی سال کے آغاز میں 9.8 بلین ڈالر تھے۔

حکومت نے متعدد سیاسی ناپسندیدہ اقدامات اٹھائے، اگرچہ کچھ تاخیر اور ہچکچاہٹ کے ساتھ، مثلاً بجلی اور گیس کی قیمتوں میں اضافہ کیا، روپے کی قدر میں کمی ہونے دی، اضافی ٹیکس عائد کیے اور سوڈ کی شرحوں کو آئی ایم ایف کے مطالبات کے مطابق بڑھا دیا۔ تاہم آئی ایم ایف کے نوں (9th) جائزے کا اسٹاف لیول اگرینٹ (SLA) سال بھر غیر یقینی رہا کیونکہ آئی ایم ایف اور حکومت کے درمیان اتفاق نہیں ہو سکا۔ آئی ایم ایف پروگرام میں تاخیر کے باعث باہمی اور کثیرالجہتی شراکت داروں سے غیر ملکی آمد و رفت میں سُستی آئی جس کے باعث ذخائر کم ہوئے۔ اس کے نتیجے میں روپیہ سنگین دباؤ کا شکار رہا اور مالی سال 2023ء میں ڈالر کی قدر 40 فیصد بڑھ کر 286.0 روپے ہو گئی جو اس کی بلند ترین سطح کے قریب ہے۔

ملک کا کرنٹ اکاؤنٹ خسارہ (CAD) مالی سال 2023ء کے پہلے گیارہ ماہ میں 2.9 بلین ڈالر تھا، جبکہ گزشتہ سال مماثل مدت میں 15.2 بلین ڈالر تھا، یعنی 81 فیصد سال در سال (YoY) کمی ہوئی۔ CAD میں کمی کی سب سے بڑی وجہ کاروباری خسارے میں کمی ہے۔ برآمدات میں 12.2 فیصد کمی اور درآمدات میں 23.9 فیصد کمی کی بدولت کاروباری خسارے میں 33.8 فیصد کمی ہوئی۔ حکومت نے منتخب درآمدات پر درآمداتی کوٹے عائد کر کے انتظامی اقدامات کے ذریعے درآمدات کو قابو میں رکھا۔ تاہم ان اقدامات سے غیر قانونی درآمدات (اسمگلنگ) میں اضافہ ہوا جس کے باعث ترسیلات زرمشتہ ذرائع کی طرف مائل ہو گئیں۔ علاوہ ازیں، درآمدات پر مضبوط لگام کے نتیجے میں متعدد صنعتوں میں کمی واقع ہوئی اور مجموعی معاشی ترقی متاثر ہوئی۔

ہیڈ لائن مہنگائی، جس کی ترجمانی CPI یعنی صارفین کی قیمت کے انڈیکس سے ہوتی ہے، کا اوسط مالی سال 2023ء کے دوران 29.0 فیصد تھا جبکہ گزشتہ سال مماثل مدت میں 12.1 فیصد تھا۔ ایشیائے خورد و نوش کی قیمتوں میں اضافے کے ساتھ ساتھ بجلی، گیس اور پٹرول کی بڑھتی ہوئی قیمتیں CPI میں اضافے کے عوامل رہے۔ مہنگائی کے دباؤ وسیع پیمانے پر محیط تھے جس کا اظہار بنیادی مہنگائی میں 21.2 فیصد کمی سطح تک اضافے سے ہوا جو گزشتہ مالی سال کے اختتام پر 12.3 فیصد تھا۔ ایس بی پی نے جون 2023ء کی تازہ ترین MPS

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2023

Fund Type and Category

MCB Pakistan Dividend Yield Plan is a Asset Allocation Plan.

Fund Benchmark

90% KSE 30 Index (Total Return) plus 10% of three (3) months average deposit rates of three (3) AA rated scheduled banks as selected by MUFAP.

Investment Objective

The Objective of MCB Pakistan Dividend Yield Plan (MCB-PDYP) is to provide actively managed exposure to dividend paying listed equities and aims to generate higher dividend income over the medium to long term.

Manager's Review

The fund posted a return of 11.38% during the period under review against the benchmark return of 5.59%. Cash exposure was 5.8% and Equities exposure was 79.9%.

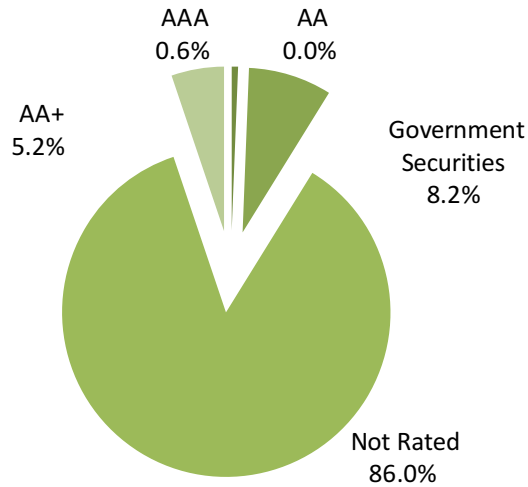
The Net Assets of the Fund as at June 30, 2023 stood at Rs. 209 million as compared to Rs. 110 million as at June 30, 2022 registering an increase of 90.0%. The Net Asset Value (NAV) per unit as at June 30, 2023 was Rs. 111.0314 as compared to opening NAV of Rs. 99.6871 per unit as at June 30, 2022 registering an increase of 11.3443 per unit.

Asset Allocation as on June 30, 2023 (% of total assets)

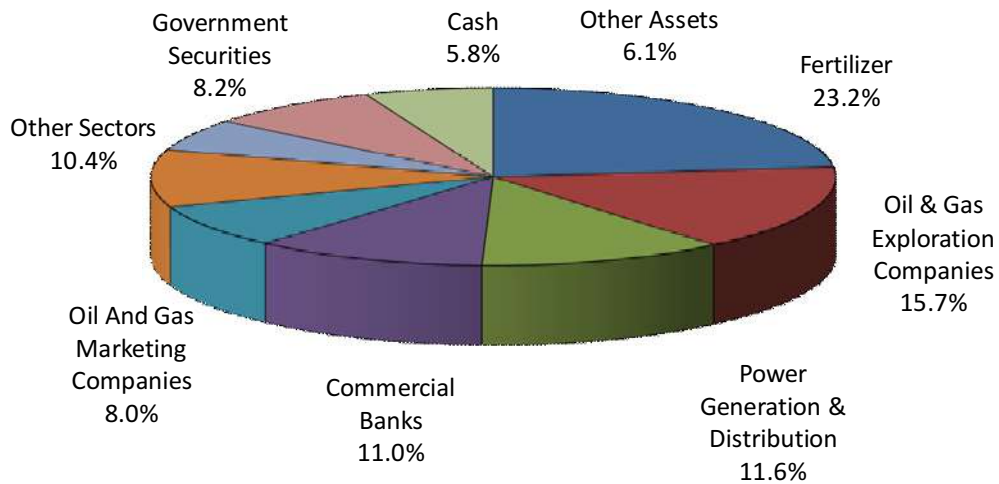
Asset Allocation (%age of Total Assets)	Jun-23
Cash	5.8%
Stock / Equities	79.9%
T-Bills	8.2%
Others including receivables	6.1%

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2023

Asset Quality as on June 30, 2023 (% of total assets)



Sector Allocation (%age of Total Assets)



Syed Abid Ali
Fund Manager

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
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URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

MCB PAKISTAN OPPORTUNITY FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of MCB Pakistan Opportunity Fund (the Fund) are of the opinion that MCB Investment Management Limited (Formerly MCB-Arif Habib Savings and Investments Limited) being the Management Company of the Fund has in all material respects managed the Fund during the year ended June 30, 2023 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 Akbar
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 25, 2023



INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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INDEPENDENT AUDITORS' REPORT

To the Unit holders of MCB Pakistan Opportunity Fund

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **MCB Pakistan Opportunity Fund - Dividend Yield Plan** (the Fund), which comprise the statement of assets and liabilities as at **30 June 2023**, and the income statement, comprehensive income, cash flows statement and movement in unit holders' fund for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of the Fund as at **30 June 2023**, and of its financial performance and its cash flows for the period then ended in accordance with the accounting and reporting standards as applicable in Pakistan.

Basis for Opinion

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

Key Audit Matters

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

Following are the key audit matters:

Key audit matter	How our audit addressed the key audit matter
1. Existence and valuation of bank balances and investments As disclosed in note 5 and 6 to the accompanying financial statements of the Fund for the period ended 30 June 2023, the bank balances and investments (comprised of equity and debt instruments) held by the Fund represent 93.93% of the total assets of the Fund as at the period end.	We performed a combination of audit procedures focusing on the existence and valuation of bank balances. Our key procedures included the following: <ul style="list-style-type: none">- We obtained independent confirmations for verifying the existence of the bank balances as at 30 June 2023 and reconciled it with the books and records of the Fund.

A member firm of Ernst & Young Global Limited

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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Key audit matter	How our audit addressed the key audit matter
In view of the significance of bank balances in relation to the total assets and the Net Assets Value (NAV) of the Fund, we have considered the existence and valuation of such bank balances as a key audit matter.	- We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the bank balances in accordance with the requirements of the Regulations and applicable financial reporting standards.

Other information

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

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

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

Responsibilities of Management and Board of Directors for the Financial Statements

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

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

The Board of Directors are responsible for overseeing the Fund's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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Report on Other Legal and Regulatory Requirements

In our opinion, the financial statements have been prepared in accordance with the relevant provisions of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 and the Non-Banking Finance Companies and Notified Entities Regulation, 2008.

The engagement partner on the audit resulting in this independent auditor's report is Shaikh Ahmed Salman.

Chartered Accountants

Date: 22 September 2023

Place: Karachi

UDIN Number: AR202310076jL4GzrBUM

**STATEMENT OF ASSETS AND LIABILITIES
AS AT JUNE 30, 2023**

	Note	June 30, 2023 ----- (Rupees in '000) -----	June 30, 2022
ASSETS			
Balances with banks	5	12,899	110,019
Investments	6	195,443	-
Receivable against sale of investments		11,912	-
Mark-up receivable	7	445	74
Advances, deposits and other receivables	8	1,117	10
Total assets		221,816	110,103
LIABILITIES			
Payable to the Management Company	9	185	33
Payable to the Trustee	10	37	1
Payable to the Securities and Exchange Commission of Pakistan	11	30	-
Payable against purchase of investments		12,081	-
Accrued expenses and other liabilities	12	544	413
Total liabilities		12,877	447
NET ASSETS		208,939	109,656
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		208,939	109,656
Contingencies and Commitments	13		
		(Number of units)	
NUMBER OF UNITS IN ISSUE		1,881,789	1,100,000
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		111.0314	99.6871

The annexed notes 1 to 25 form an integral part of these financial statements.

For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**INCOME STATEMENT
FOR THE YEAR ENDED JUNE 30, 2023**

	Note	June 30, 2023 ------(Rupees in '000)-----	June 30, 2022
INCOME			
Financial income on:			
- Government securities		174	-
- Bank balances		4,388	74
Dividend income		21,658	-
Loss on sale of investments - net		(1,985)	-
Unrealised loss on re-measurement of investments classified as at fair value through profit or loss - net	6.1 & 6.2	(2,069)	-
Total Income		22,166	74
EXPENSES			
Remuneration of the Management Company	9.1	1,505	3
Sindh Sales Tax on remuneration of the Management Company	9.2	196	-
Remuneration of the Trustee	10.1	301	1
Sindh Sales Tax on remuneration of the Trustee	10.2	39	-
Annual fee of the Securities and Exchange Commission of Pakistan	11	30	-
Auditors' remuneration	14	500	356
Securities transaction cost		617	-
Settlement and bank charges		338	1
Legal and professional charges		199	17
Printing charges		40	40
Fees and Subscription		141	-
Total expenses		3,906	418
Net income / (loss) for the year before taxation		18,260	(344)
Taxation	15	-	-
Net income / (loss) for the year after taxation		18,260	(344)
Allocation of net income for the period			
Net income for the period after taxation		18,260	-
Income already paid on units redeemed		(37)	-
		18,223	-
Accounting income available for distribution			
- relating to capital gains		-	-
- excluding capital gains		18,223	-
		18,223	-

The annexed notes 1 to 25 form an integral part of these financial statements.

For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2023	June 30, 2022
	------(Rupees in '000)-----	
Net income / (loss) for the year after taxation	18,260	(344)
Other comprehensive income for the period	-	-
Total comprehensive income / (loss) for the period	18,260	(344)

The annexed notes 1 to 25 form an integral part of these financial statements.

For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED JUNE 30, 2023

	June 30, 2023			June 30, 2022		
	Capital value	Undistributed income / (loss)	Total	Capital value	Undistributed income / (loss)	Total
	------(Rupees in '000)-----			------(Rupees in '000)-----		
Net assets at the beginning of the period	110,000	(344)	109,656	-	-	-
Issuance of 914,151 (2022: 1,100,000) units:						
- Capital value (at net asset value per unit at the beginning of the period) at Rs.99.6871	91,131	-	91,131	110,000	-	110,000
- Element of income	3,237	-	3,237	-	-	-
	94,368	-	94,368	110,000	-	110,000
Redemption of 132,361 (2022: Nil) units:						
- Capital value (at net asset value per unit at the beginning of the period) at Rs. 99.6871	(13,195)	-	(13,195)	-	-	-
- Amount paid out of element of Income	-	(37)	(37)	-	-	-
Relating to 'net income for the year after taxation	(113)	-	(113)	-	-	-
Adjustment on units as element of Income	(13,308)	(37)	(13,345)	-	-	-
Total comprehensive income / (loss) for the period	-	18,260	18,260	-	(344)	(344)
Distributions during the period	-	-	-	-	-	-
Net income / (loss) for the period less distribution	-	18,260	18,260	-	(344)	(344)
Net assets as at the end of the period	191,060	17,879	208,939	110,000	(344)	109,656
Undistributed income / (loss) brought forward comprising of:						
- Realised		(344)			-	
- Unrealised		-			-	
		(344)			-	
Accounting income available for distribution:						
- Relating to capital gains	-			-		
- Excluding capital gains	18,223			-		
	18,223			-		
Net loss for the period after taxation		-			(344)	
Distribution during the period		-			-	
Undistributed income/ (loss) carried forward		17,879			(344)	
Undistributed income / (loss) carried forward:						
- Realised	19,948			(344)		
- Unrealised	(2,069)			-		
	17,879			(344)		
			-- (Rupees) --			(Rupees)
Net assets value per unit at beginning of the period			99.6871			-
Net assets value per unit at end of the period			111.0314			99.6871

The annexed notes 1 to 25 form an integral part of these financial statements.

For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2023

	Note	June 30, 2023	June 30, 2022
		----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income / (loss) for the year after taxation		18,260	(344)
Adjustments for non cash and other items:			
Financial Income on bank balances		(4,388)	(74)
Dividend income		(21,658)	-
Loss on sale of investments - net		1,985	-
Unrealised loss on re-measurement of investments classified as at fair value through profit or loss - net	6.1 & 6.2	-	-
		2,069	-
		(3,732)	(418)
Increase in asset			
Investments - net		(181,263)	-
Receivable against sale of investments		(11,912)	-
Advances, deposits and other receivables		(1,107)	(10)
		(194,282)	(10)
Increase in liabilities			
Payable to the Management Company		152	33
Payable to the Trustee		36	1
Payable to the Securities and Exchange Commission of Pakistan		30	-
Payable against purchase of investments		12,081	-
Accrued expenses and other liabilities		131	413
		12,430	447
Dividend received		21,658	-
Financial income received		4,017	-
Net cash (used in) / generated from operating activities		(159,909)	19
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issuance of units		94,368	110,000
Amount paid on redemption of units		(13,345)	-
Net cash inflow from financing activities		81,023	110,000
Net (decrease) / increase in cash and cash equivalents during the period		(78,886)	110,019
Cash and cash equivalents at the beginning of the period		110,019	-
Cash and cash equivalents at the end of the period	16	31,133	110,019

The annexed notes 1 to 25 form an integral part of these financial statements.

For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 MCB Pakistan Opportunity Fund (the Fund) has been established through the Trust Deed (the Deed) dated 10th day of March, 2022 under the Sindh Act, 2020 entered into and between MCB-Arif Habib Savings and Investments Limited, the Management Company, and Central Depository Company of Pakistan Limited, the Trustee and is authorised under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the "Rules") and Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations"). The Securities and Exchange Commission of Pakistan (SECP) has authorised the offer of Units of MCB Pakistan Opportunity Fund and has registered the fund as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("Regulations") vide letter No SCD/AMCW/MPOF/344/2022 dated May 19, 2022. SECP has approved the Offering Document under the Regulations vide its Letter No. SCD/AMCW/MPOF/378/2022 dated June 16, 2022.

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

On April 18, 2023, MCB Bank Limited (MCB) has acquired 21,664,167 (30.09%) shares of MCB Arif Habib Savings & Investment Limited (MCB-AH) from Arif Habib Corporation Limited (AHCL). By virtue of this transaction MCB Bank Limited's shareholding in MCB-AH has increased from 36,956,768 (51.33%) shares to 58,620,935 (81.42%) and AHCL no longer holds any shares in MCB-AH. The Board of Directors of the Management Company has passed a resolution in 188th BOD meeting held on May 2, 2023 for the change of name of the Management Company from "MCB-Arif Habib Savings and Investment Limited" to "MCB Investment Management Limited". The Securities and Exchange Commission of Pakistan has also given approval on the Memorandum of Association regarding the Change of Name. The Change of Name of the Management Company has also been approved in the Extra Ordinary General Meeting (EOGM) held on July, 07, 2023 by the Share Holders representing 89.01% Shareholding. After the conclusion of EOGM, the Management Company has applied to the registrar for the alteration in Memorandum and Article of Association and performing all the legal formalities incidental thereto.

1.3 The duration of the fund is perpetual. The Fund is an open-end collective investment scheme categorised as a "Asset Allocation Scheme". The management company has launched its first plan under MCB Pakistan Opportunity Fund on June 29, 2022 i.e. IPO date of the Plan (MCB Pakistan Dividend Yield plan).

1.4 The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of listed equities belonging to equity securities. .

1.5 The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of AM1 dated October 06, 2022 to the Management Company.

1.6 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Such standards comprise of:

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

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 IFRS Standards, 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.

3. BASIS OF PREPARATION

3.1 Accounting convention

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

3.2 Critical accounting estimates and judgments

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making judgments about carrying values of assets and liabilities. The estimates and underlying assumptions are reviewed on an ongoing basis.

The corresponding figures of income statement, statement of comprehensive income, cash flow statement and statement of movement in unit holders' fund are not comparable as fund was not operational for the entire year ended June 30, 2022.

3.3 Functional and presentation currency

These financial statements are presented in Pakistani Rupee which is the Fund's functional and presentation currency.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Initial application of standards, amendments and improvements to the approved accounting and reporting standards

The accounting policies adopted in the preparation of these financial statements are consistent with those of the previous financial year except as described below:

Amendments and improvements to the approved accounting and reporting standards that became effective during the year

The Fund has adopted the following amendments and improvements to the approved accounting and reporting standards which became effective for the current year:

Amendments to approved accounting standards

IFRS 3	Reference to the Conceptual Framework (Amendments)
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

Improvements to Accounting Standards Issued by the IASB (2018-

IFRS 9	Fees in the '10 percent' test for the derecognition of financial liabilities
IFRS 16	Leases: Lease incentives
IAS 41	Agriculture - Taxation in fair value measurement

The adoption of the above amendments and improvements to the approved accounting and reporting standards did not have any material effect on these financial statements.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

4.2 Standards, interpretations and amendments to approved accounting standards that are not yet effective

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standard or Interpretation	Effective date (annual periods beginning on or after)
Definition of Accounting Estimates - Amendments to IAS 8	January 01, 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	January 01, 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	January 01, 2023
International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12	January 01, 2023
Classification of liabilities as current or non-current and Non-current Liabilities with Covenants - Amendment to IAS 1	January 01, 2024
Lease Liability in a Sale and Leaseback - Amendments to IFRS 16	January 01, 2024
Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7	January 01, 2024
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009
IFRS 17 – Insurance Contracts	January 01, 2023

The Fund expects that above standards, amendments and improvements to approved accounting standards will not have any material impact on the Fund's financial statements in the period of initial application.

4.3 Cash and cash equivalents

Cash and cash equivalents comprise of bank balances and short term highly liquid investments with original maturity of three months or less, are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short term cash commitments rather than for investments and other purposes.

4.4 Investments

4.4.1 Classification

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

- The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio of listed equities belonging to Equity Securities. MCB Pakistan Dividend Yield Plan will provide actively managed exposure to dividend paying listed equities and aims to generate higher dividend income over the medium to long term.
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed; and
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium / discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Equity instruments

An equity instrument held for trading purposes is classified as measured at FVTPL.

Initial Measurement

Investments are initially measured at their fair value except in the case of financial assets recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

Subsequent Measurement

Financial assets at fair value through profit or loss

Financial assets at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss. Dividend income from equity instruments measured at FVTPL is recorded in profit or loss when the right to the payment has been established.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under IAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds and accordingly, basis defined in Circular No. 33 of 2012 dated, October 24, 2012 will be followed.

4.5 Derecognition

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

4.6 Financial liabilities

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

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

4.7 Offsetting of financial assets and liabilities

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

4.8 Provisions

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

4.9 Taxation

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

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

4.10 Dividend distribution and appropriations

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

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

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

4.11 Issue and redemption of units

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

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

4.12 Net asset value per unit

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

4.13 Revenue recognition

- Gain or loss on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / (loss) arising on revaluation of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Dividend income is recognised when the right to receive the dividend is established.
- Profit / mark-up on bank balances and government securities is recognised on an effective interest rate

4.14 Expenses

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

4.15 Earnings / (loss) per unit

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

		June 30, 2023	June 30, 2022
	Note	------(Rupees in '000)-----	
5. BALANCES WITH BANKS			
In savings accounts	5.1	<u>12,899</u>	<u>110,019</u>
		<u>12,899</u>	<u>110,019</u>

5.1 These carry mark-up at the rates ranging from 12.25% to 19.50% (2022: 12.25%) per annum and include Rs. 1.326 (2022: Rs.Nil) million maintained with MCB Bank Limited, a related party which carries mark-up at the rate of 12.25% - 19.50% (2022:12.25%) per annum.

6. INVESTMENTS

At fair value through profit or loss

Listed equity securities	6.1	177,209	-
Government securities	6.2	<u>18,234</u>	-
		<u>195,443</u>	-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

6.1 Listed equity securities - at fair value through profit or loss

Name of the investee company	Symbol	No. of shares				Balance as at JUNE 30, 2023				Market value as a % of net assets of the Fund	% of paid-up capital of the investee company
		As at July 01, 2022	Purchased during the year	Bonus / right issue during the year	Sold during the year	As at June 30, 2023	Carrying Value	Market value as at June 30, 2023	Unrealised gain / (loss)		
Rupees in '000											
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise											
Automobile parts and accessories											
Atlas Battery Limited	ATBA	-	10,000	-	-	10,000	1,965	2,044	79	0.98%	0.03%
						10,000	1,965	2,044	79	0.98%	0.03%
Cement											
Bestway Cement Limited	BWCL	-	77,100	-	-	77,100	10,848	11,180	332	5.35%	0.01%
						77,100	10,848	11,180	332	5.35%	0.01%
Chemicals											
Archroma Pakistan Limited	ARPL	-	13,700	-	-	13,700	6,830	6,439	(391)	3.08%	0.04%
Engro Polymer & Chemicals Limited	EPCL	-	43,500	-	43,500	-	-	-	-	-	-
						13,700	6,830	6,439	(391)	3.08%	0.04%
Commercial banks											
Bank Alfalah Limited	BAFL	-	351,744	-	175,744	176,000	5,760	5,357	(403)	2.56%	0.01%
Habib Metropolitan Bank Limited	HMB	-	113,000	-	65,000	48,000	1,773	1,451	(322)	0.69%	0.00%
MCB Bank Limited	MCB	-	132,800	-	47,800	85,000	10,274	9,730	(544)	4.66%	0.01%
United Bank Limited	UBL	-	205,200	-	158,200	47,000	5,246	5,524	278	2.64%	0.00%
Standard Chartered Bank (Pak) Ltd	SCBPL	-	112,000	-	-	112,000	2,240	2,436	196	1.17%	0.00%
Faysal Bank Limited	FABL	-	363,000	-	363,000	-	-	-	-	-	-
						468,000	25,293	24,498	(795)	11.72%	0.03%
Fertilizer											
Engro Corporation Limited	ENGRO	-	78,300	-	22,800	55,500	14,239	14,424	185	6.90%	0.01%
Engro Fertilizers Limited	EFERT	-	252,500	-	10,000	242,500	20,596	20,014	(582)	9.58%	0.02%
Fauji Fertilizer Company Limited	FFC	-	180,000	-	6,000	174,000	18,146	17,129	(1,017)	8.20%	0.01%
Fauji Fertilizer Bin Qasim Limited	FFBL	-	137,000	-	137,000	-	-	-	-	-	-
						472,000	52,981	51,567	(1,414)	24.68%	0.04%
Oil and gas exploration companies											
Mari Petroleum Company Limited	MARI	-	13,050	-	2,250	10,800	17,764	16,358	(1,406)	7.83%	0.01%
Pakistan Oilfields Limited	POL	-	53,100	-	7,100	46,000	18,620	18,481	(139)	8.85%	0.02%
Oil & Gas Development Company Limited	OGDC	-	81,400	-	81,400	-	-	-	-	-	-
Pakistan Petroleum Limited	PPL	-	161,000	-	161,000	-	-	-	-	-	-
						56,800	36,384	34,839	(1,545)	16.67%	0.02%
Oil and gas marketing companies											
Attock Petroleum Limited	APL	-	62,050	2,750	5,800	59,000	17,175	17,715	540	8.48%	0.05%
						59,000	17,175	17,715	540	8.48%	0.05%
Paper and board											
Security Papers Limited	SEPL	-	4,800	-	-	4,800	551	446	(105)	0.21%	0.01%
						4,800	551	446	(105)	0.21%	0.01%
Power generation and distribution											
The Hub Power Company Limited	HUBC	-	381,000	-	115,000	266,000	17,345	18,508	1,163	8.86%	0.02%
Nishat Power Limited	NPL	-	348,000	-	103,000	245,000	4,056	4,153	97	1.99%	0.07%
Nishat Chunian Power Limited	NCPL	-	190,000	-	-	190,000	3,101	3,173	72	1.52%	0.05%
						701,000	24,502	25,834	1,332	12.36%	0.14%
Real estate investment trust											
Dolmen City REIT	DCR	-	193,500	-	-	193,500	2,722	2,647	(75)	1.27%	0.01%
						193,500	2,722	2,647	(75)	1.27%	0.01%
Textile composite											
Nishat Chunian Limited	NCL	-	27,500	-	27,500	-	-	-	-	-	-
						-	-	-	-	-	-
Total as at June 30, 2023						179,251	177,209	(2,042)	84.81%		
Total as at June 30, 2022						-	-	-	-		

6.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) security against settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP:

	June 30, 2023 --- (Number of shares) ---	June 30, 2022	June 30, 2023 ---- (Rupees in '000) ----	June 30, 2022
Attock Petroleum Limited	20,000	-	6,005	-
Bank Alfalah Limited	150,000	-	4,566	-
Fauji Fertilizer Company Limited	20,000	-	1,969	-
	190,000	-	12,540	-

6.2 Government securities - at fair value through profit or loss

Name of security	Issue date	Face value			Balances as at June 30, 2023			
		As at July 01, 2022	Purchased during the year	Sold / matured during the year	As at June 30, 2023	Carrying Value	Market Value	Unrealised gain / (loss)
(Rupees in '000)								
Treasury Bills								
Market Treasury Bills - 3 months	15-Jun-2023	-	19,000,000	-	19,000,000	18,261	18,234	(27)
Total as at June 30, 2023						18,261	18,234	(27)
Total as at June 30, 2022						-	-	-

6.2.1 These securities carry effective yield of 21.93% (June 30, 2022: Nil) per annum and will mature on September 07, 2023.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

	Note	June 30, 2023 ------(Rupees in '000)-----	June 30, 2022
7. MARK-UP RECEIVABLE			
Mark-up receivable on bank balance		445	74
8. ADVANCES, DEPOSITS AND OTHER RECEIVABLES			
Advance tax	8.1	117	-
Security deposits with NCCPL		1,000	-
Others		-	10
		<u>1,117</u>	<u>10</u>

8.1 As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under section 151 and 150. The amount of withholding tax deducted on mark-up on bank deposits has been shown as advance tax as at 30 June 2023, in the opinion of the management, the amount of tax deducted at source will be refunded.

	Note	June 30, 2023 ------(Rupees in '000)-----	June 30, 2022
9. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration payable	9.1	164	3
Sales tax on remuneration payable	9.2	21	-
Other payable		-	30
		<u>185</u>	<u>33</u>

9.1 The Management Company has charged remuneration at the rate of 1.00% (2022: 1.00%) of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

9.2 Sales tax on management remuneration has been charged at the rate of 13% (2022: 13%).

	Note	June 30, 2023 ------(Rupees in '000)-----	June 30, 2022
10. PAYABLE TO THE TRUSTEE			
Remuneration payable	10.1	33	1
Sales tax on remuneration payable	10.2	4	-
		<u>37</u>	<u>1</u>

10.1 The Trustee, CDC is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Documents as per the tariff specified therein, based on the daily net asset value of the Fund. As per the Trust Deed and Offering Document the tariff structure applicable to the Fund in respect of trustee fee is as follows:

Net assets value	Tariff per annum
Upto Rs.1,000,000,000	0.20% per annum of Net Assets
On amount exceeding Rs.1,000,000,000	Rs.2,000,000 plus 0.10% on amount exceeding Rs.1,000,000,000

10.2 Sindh Sales Tax at 13% (2022:13%) is charged on Trustee fee.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

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

This represents annual fee payable to SECP in accordance with Regulation 62 of the NBFC Regulations, whereby the Fund is required to pay SECP an amount at the rate of 0.02% (2022: 0.02%) of the average daily net assets of the Fund.

		June 30, 2023	June 30, 2022
	Note	------(Rupees in '000)-----	
12. ACCRUED EXPENSES AND OTHER LIABILITIES			
Auditors' remuneration	14	356	356
Printing and related charges payable		40	40
Payable to legal advisor		37	17
Brokerage payable		110	-
Withholding tax payable		1	-
		544	413

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the June 30, 2023 and June 30, 2022.

		June 30, 2023	June 30, 2022
		------(Rupees in '000)-----	
14. AUDITORS' REMUNERATION			
Annual audit fee		300	315
Half year review fee		75	-
		375	315
Sale tax and out of pocket expenses		125	41
		500	356

15. TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. 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. The Fund has not recorded any tax liability in respect of income relating to the current year as the Management Company has distributed cash dividend subsequent to the year end (refer note 21) that is at least 90 percent of the Fund's accounting income for the year ended June 30, 2023 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

		June 30, 2023	June 30, 2022
	Note	------(Rupees in '000)-----	
16. CASH AND CASH EQUIVALENTS			
Balances with banks	5	12,899	110,019
Short term investments	6.2	18,234	-
		31,133	110,019

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

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

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets 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 payable to the Management Company and the Trustee is determined in accordance with the provision of the NBFC Regulations and constitutive documents of the Fund respectively.

Details of transactions and balances at year end with related parties / connected persons, other than those which have been disclosed elsewhere in these financial statements, are as follows:

		June 30, 2023						
17.1 Unit Holders fund	As at July 01, 2022	Issued for cash / conversion in / out transferred in	Redeemed / conversion / out / transfer	As at June 30, 2023	Amount outstanding as at July 01, 2022	Issued for cash / conversion in / out transferred in	Redeemed / conversion / out / transfer	Amount outstanding as at June 30, 2023
	July 01, 2022	transferred in	out	30, 2023	July 01, 2022	transferred in	out	30, 2023
	----- Units ----- (Rupees) -----							
MCB-Arif Habib Savings and Investments Limited - Management Company *	600,000	48,812	100,644	548,168	59,812	5,000	10,000	60,856
Group / associated companies Adamjee Life Assurance Company Limited - IMF *	500,000	-	-	500,000	49,844	-	-	55,516
Directors and executives of the Management Company	-	1,967	1,967	-	-	200	209	-
Unit holders holding 10% or more	-	686,663	-	686,663	-	70,000	-	76,241

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

* These persons are also related party due to holding of more than 10% units of net assets of the Fund.

June 30, 2022

Unit Holders' Fund	Units		(Rupees)	
	As at June 29, 2022	As at June 30, 2022	Amount outstanding as at June 29, 2022	Amount outstanding as at June 30, 2022
	Issued for cash / conversion in / out / transferred in / out	Redeemed / conversion out / transfer out	Issued for cash / conversion in / out / transferred in / out	Redeemed / conversion out / transfer out
MCB-Arif Habib Savings and Investments Limited - Management Company *	600,000	-	60,000	-
Group / associated companies				
Adamjee Life Assurance Company Limited - IMF *	500,000	-	50,000	-
			59,812	49,844

* These persons are also related party due to holding of more than 10% units of net assets of the Fund.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

	June 30, 2023	June 30, 2022	
	------(Rupees in '000)-----		
17.2 Transactions during the year:			
MCB Arif Habib Savings and Investments Limited - Management Company			
Remuneration of the Management Company	1,505		3
Sindh Sales Tax on remuneration of the Trustee	196		-
Central Depository Company of Pakistan Limited - Trustee			
Remuneration of the Trustee	301		1
Sindh Sales Tax on remuneration of the Trustee	39		-
CDC Settlement charges	14		-
Group / associated company			
MCB Bank Limited			
Purchase of 132,800 shares (2022: Nil Shares)	16,123		-
Sales of 47,800 shares (2022: Nil Shares)	5,638		-
Dividend Income	1,939		-
Mark-up on bank balances	136		-
Bank charges	2		-
Nishat Power Limited			
Purchase of 348,000 shares (2022: Nil Shares)	6,247		-
Sales of 103,000 shares (2022: Nil Shares)	2,422		-
Dolmen City REIT			
Purchase of 193,500 shares (2022: Nil Shares)	2,722		-
Dividend Income (2022: Nil Shares)	333		-
Atlas Battery Limited			
Purchase of 10,000 shares (2022: Nil Shares)	1,965		-
	June 30, 2023	June 30, 2022	
	------(Rupees in '000)-----		
17.3 Balances outstanding at year end:			
MCB Arif Habib Savings and Investments Limited - Management Company			
Remuneration payable	164		3
Sindh sales tax payable on remuneration	21		-
Other payable	-		30
Other receivable	-		10
Central Depository Company of Pakistan Limited - Trustee			
Remuneration payable	33		1
Sindh sales tax payable on remuneration	4		-
Group / associated company			
MCB Bank Limited			
85,000 shares (2022: Nil shares)	9,730		-
Bank deposit	1,326		-
Nishat Power Limited			
245,000 Shares (2022: Nil shares)	4,153		-
Dolmen City REIT			
193,500 shares (2022: Nil shares)	2,647		-
Atlas Battery Limited			
10,000 shares (2022: Nil shares)	2,044		-

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

18 FINANCIAL RISK MANAGEMENT

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

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

The Fund's primary financial assets comprise of balances with banks and at fair value through profit and loss investments, comprising of equity securities of listed companies. The Fund also has markup and other receivables. The Fund's principal financial liabilities include remuneration payable to Management company, Trustee and accrued and other liabilities.

18.1 Market risk

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

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

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

18.1.1 Currency risk

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

18.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

a) Sensitivity analysis of variable rate instruments

Presently, the Fund does not hold any variable rate financial instruments.

b) Sensitivity analysis for fixed rate instruments

As at June 30, 2023 the Fund does not hold any fixed rate instruments, therefore, the Fund is not exposed to fair value interest rate risk.

Interest rate sensitivity position for on balance sheet financial instruments is based on the earlier of contractual repricing or maturity date. The composition of the fund's investment may change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2023 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

June 30, 2023						
Exposed to yield / interest rate risk						
Yield / effective interest rate (%)	Upto three months	More than three months and upto one year	More than one year	Not exposed to interest rate risk	Total	
------(Rupees in '000)-----						
On-balance sheet financial instruments						
Financial Assets						
Balances with banks	12.25% - 19.5%	12,899	-	-	-	12,899
Investments		18,234	-	-	177,209	195,443
Markup receivable		-	-	-	445	445
Receivable against sale of investments		-	-	-	11,912	11,912
Other receivable		-	-	-	1,000	1,000
		<u>31,133</u>	<u>-</u>	<u>-</u>	<u>190,566</u>	<u>221,699</u>
Financial Liabilities						
Payable to the Management Company		-	-	-	164	164
Payable to the Trustee		-	-	-	33	33
Payable against purchase of investments		-	-	-	12,081	12,081
Accrued expenses and other liabilities		-	-	-	543	543
		<u>-</u>	<u>-</u>	<u>-</u>	<u>12,821</u>	<u>12,821</u>
On-balance sheet gap		<u>31,133</u>	<u>-</u>	<u>-</u>	<u>177,745</u>	<u>208,878</u>

There is no off-balance sheet financial instrument that exist as at year ended June 30, 2023.

June 30, 2022						
Exposed to yield / interest rate risk						
Yield / effective interest rate (%)	Upto three months	More than three months and upto one year	More than one year	Not exposed to interest rate risk	Total	
------(Rupees in '000)-----						
On-balance sheet financial instruments						
Financial Assets						
Bank balances	12.25%	110,019	-	-	-	110,019
Markup receivable		-	-	-	74	74
Receivable against sale of investments		-	-	-	-	-
Other receivable		-	-	-	10	10
		<u>110,019</u>	<u>-</u>	<u>-</u>	<u>84</u>	<u>110,103</u>
Financial Liabilities						
Payable to the Management Company		-	-	-	3	3
Payable to the Trustee		-	-	-	1	1
Accrued expenses and other liabilities		-	-	-	413	413
		<u>-</u>	<u>-</u>	<u>-</u>	<u>417</u>	<u>417</u>
On-balance sheet gap		<u>110,019</u>	<u>-</u>	<u>-</u>	<u>(333)</u>	<u>109,686</u>

There is no off-balance sheet financial instrument that exist as at year ended June 30, 2022.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

18.1.3 Price risk

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

The Fund does not have exposure to equity price risk arising from its investments in equity securities due to the absence of no investment in equity securities. The Fund manages its price risk arising from investment in the equity securities by diversifying its portfolio within the eligible limits prescribed in the Fund's constitutive documents, the NBFC Regulations and circulars issued by SECP from time to time.

18.2 Credit risk

Credit risk is the risk that the counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Fund, resulting in a financial loss to the Fund. The credit risk of the Fund principally arises from deposits and other receivable balances.

Credit risk from balances with banks and financial institutions is managed in accordance with the Fund's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are approved by the Board of Directors. The limits are set to minimize the concentration of risk and therefore mitigate financial loss through potential counterparty failure.

The main concentration to which the Fund is exposed arises from the Fund's bank balances. The Fund is also exposed to counterparty credit risk on investment in debt securities, amounts due from brokers, deposits and other receivable balances (except for investment in debt securities which are related to government sector and deposits with NCCPL and CDC are highly rated and risk of default is considered minimal). The Fund's maximum exposure to credit risk related to receivables at June 30, 2023 and June 30, 2022 is the carrying amounts of following financial assets.

The maximum exposure to credit risk as at June 30, 2023 and June 30, 2022 were as follows:

	June 30, 2023		June 30, 2022	
	Balance as per statement of assets and liabilities	Maximum exposure	Balance as per statement of assets and liabilities	Maximum exposure
	------(Rupees in '000)-----			
Bank balances	12,899	12,899	110,019	110,019
Investments	18,234	18,234	-	-
Receivable against sale of investments	11,912	11,912	-	-
Mark-up receivable	445	445	74	74
Deposits and other receivables	1,117	1,117	10	10
	44,607	44,607	110,103	110,103

The analysis below summaries the credit rating quality of the Fund's financial assets as at June 30, 2023.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

Bank balances by rating category	June 30, 2023	June 30, 2022
	----- % -----	----- % -----
AAA/A1+	10.47%	0.00%
AA+/A1+	89.53%	100.00%
	100.00%	100.00%

Above rates are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2023 and June 30, 2022.

Deposits placed with NCCPL and CDC for the purpose of effecting transaction and settlement of listed securities. It is expected that all securities deposited with NCCPL and CDC will be clearly identified as being assets of the Fund, hence, the management believes that the Fund is not materially exposed to a credit risk with respect to such parties.

All transactions in listed securities are settled/paid for upon delivery using approved brokers and NCCPL. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligation.

The investment in debt securities include Market treasury bills which relate to government sector, hence, the management believes that the Fund is not materially exposed to a credit risk with respect to such parties.

Accordingly unrated balances including amounts due from brokers, deposits and other receivables have been assessed by the investment manager to have credit quality consistent with a bond can have and still be considered investment-grade. An investment grade bond is a bond considered to have a relatively low risk of default.

Concentration of credit risk

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

Settlement risk

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

18.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

The Fund has the ability to borrow in the short-term to ensure settlement. During the current year, the Fund did not availed any borrowing. As per the NBFC Regulations the maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund and bear interest at commercial rates.

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

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

	June 30, 2023			
	Carrying value	Upto one month	More than one month upto three months	More than three months and upto one year
	------(Rupees in '000)-----			
Liabilities				
Payable to the Management Company	164	164	-	-
Payable to the Trustee	33	33	-	-
Payable against purchase of investments	12,081	12,081	-	-
Accrued and other liabilities	543	543	-	-
	12,821	12,821	-	-

	June 30, 2022			
	Carrying value	Upto one month	More than one month upto three months	More than three months and upto one year
	------(Rupees in '000)-----			
Liabilities				
Payable to the Management Company	3	3	-	-
Payable to the Trustee	1	1	-	-
Payable against purchase of investments	-	-	-	-
Accrued and other liabilities	413	413	-	-
	417	417	-	-

18.4 Financial instruments by category	June 30, 2023		
	At fair value through profit or loss	At amortised cost	Total
	------(Rupees in '000)-----		
Assets			
Bank balances	-	12,899	12,899
Investments	195,443	-	195,443
Markup receivable	-	445	445
Receivable against sale of investments	-	11,912	11,912
Deposits and other receivables	-	1,000	1,000
	195,443	26,256	221,699

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2023**

Financial instruments by category	June 30, 2022		
	At fair value through profit or loss	At amortised cost	Total
	------(Rupees in '000)-----		
Assets			
Bank balances	-	110,019	110,019
Investments	-	-	-
Mark-up receivable	-	74	74
Receivable against sale of investment	-	-	-
Other receivable	-	10	10
	-	110,103	110,103

	June 30, 2023		
	At fair value through profit or loss	At amortised cost	Total
	------(Rupees in '000)-----		
Liabilities			
Payable to the Management Company	-	164	164
Payable to the Trustee	-	33	33
Payable to the Securities and Exchange Commission of Pakistan	-	30	30
Payable against purchase of investments	-	12,081	12,081
Accrued and other liabilities	-	543	543
	-	12,851	12,851

	June 30, 2022		
	At fair value through profit or loss	At amortised cost	Total
	------(Rupees in '000)-----		
Liabilities			
Payable to the Management Company	-	3	3
Payable to the Trustee	-	1	1
Payable to the Securities and Exchange Commission of Pakistan	-	-	-
Payable against purchase of investments	-	-	-
Accrued and other liabilities	-	413	413
	-	417	417

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

19. UNIT HOLDERS' FUND RISK MANAGEMENT

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

The Fund's objective in managing the unit holders' fund is to ensure a stable base to maximise returns to all investors and to manage liquidity risk arising from redemption. In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption, such liquidity being augmented by disposal of investments.

20. 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 statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

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

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

Level 3: those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

As at June 30, 2023 and June 30, 2022 the Fund held instruments to be measured at fair values:

	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----			
June 30, 2023				
At fair value through profit or loss	177,209	18,234	-	195,443
June 30, 2022				
At fair value through profit or loss	-	-	-	-

20.1 Fair values of investments in government securities are determined based on PKRV rates disclosed at the MUFAP as at the close of the business days.

During the year ended June 30, 2023, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

The Fund has not disclosed the fair values of other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of their fair values.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

21. SUPPLEMENTARY NON FINANCIAL INFORMATION

The information regarding pattern of unit holding, list of top ten brokers, meetings of the Board of Directors of the management company, members of the Investment Committee and Fund Manager's details are as follows:

21.1 Pattern of unit holding

Details of pattern of unit holding

	June 30, 2023			
	Number of unit holders	Number of units held	Investment Amount (Rupees)	Percentage of total investments
Individuals	7	590,998	65,620	31.41%
Asset Management Company	1	548,168	60,864	29.13%
Associated Companies	1	500,000	55,516	26.57%
Others	39	242,623	26,939	12.89%
	48	1,881,789	208,939	100.00%

	June 30, 2022			
	Number of unit holders	Number of units held	Investment Amount (Rupees)	Percentage of total investments
Associated Companies	2	1,100,000	110,000,000	100.00%
	2	1,100,000	110,000,000	100.00%

21.2 Top ten brokers / dealers by percentage of commission paid

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

	June 30, 2023 (Percentage)
1 Efg Hermes Pakistan Limited	24.51%
2 ISIQ Securities Limited	11.63%
3 Arif Habib Limited	9.35%
4 KTrade Securities Limited	9.30%
5 AKIK Capital (Private) Limited	9.02%
6 Alfalah CLSA Securities (Private) Limited	8.88%
7 BMA Capital Management Limited	8.83%
8 Top Line Securities (Private) Limited	6.78%
9 Next Capital Limited	6.13%
10 DJM Securities Limited	5.57%

21.3 Attendance at meetings of the Board of Directors

The 177th, 178th, 179th, 180th, 181st, 182nd, 183rd, 184th, 185th, 186th, 187th and 188th meeting of the Board of Directors were held on July 28, 2022, August 02, 2022, August 15, 2022, September 01, 2022, October 18, 2022, October 21, 2022, January 31, 2023, February 03, 2023, March 22, 2023, April 11, 2023, April 14, 2023 and May 02, 2023 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

Name of Director	Number of meetings			Meeting not attended
	Held	Attended	Leave granted	
Mr. Haroun Rashid	12	12	-	-
Mr. Nasim Beg*	12	12	-	-
Mr. Ahmed Jahangir	12	12	-	-
Mr. Mirza Qamar Beg*	12	12	-	-
Mr. Syed Savail Meekal Hussain	12	10	2	185th and 187th
Mr. Kashif A. Habib*	12	8	4	180th, 184th, 186th and 187th
Ms. Mavra Adil Khan	12	9	3	178th, 181st and 182nd
Mr. Shoaib Mumtaz**	12	1	-	-
Mr. Manzar Mushtaq**	12	1	-	-
Mr. Fahd Kamal Chinoy**	12	1	-	-
Mr. Muhammad Saqib Saleem	12	12	-	-

* These director resigned on May 02, 2023

** These director were appointed on May 02, 2023

21.4 Particulars of investment committee and fund manager

Detail of members of the investment committee of the Fund are as follow:

Name	Designation	Qualification	Experience in years
Muhammad Saqib Saleem	Chief Executive Officer	FCA & FCCA	25.5
Muhammad Asim	Chief Investment Officer	MBA & CFA	20
Awais Abdul Sattar	Portfolio Manager Equities	MBA & CFA	12
Saad Ahmed	Head of Fixed Income	MBA	17
Syed Abid Ali	Head of Equities	MBA	15
Jawad Naeem	Head of Islamic Equity	MBA Finance & CFA Level 1	15
Usama Iqbal	Fund Manager	Graduate	19

21.5 Other funds managed by the fund manager

Mr. Syed Abid Ali is the Manager of the Fund as at year end. He has obtained a Masters degree in Business Administration. Other funds being managed by him are as follows:

MCB Pakistan Asset Allocation Fund
Pakistan Capital Market Fund
Pakistan Pension Fund

22. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund is 2.59% (2022: 0.38%) as on June 30, 2023 and these include 0.22% (2022: Nil%) representing Government Levy and SECP fee respectively.

23. NON-ADJUSTING EVENTS AFTER REPORTING PERIOD

The Fund has distributed cash dividend of Rs. 9.6500 per unit on July 01, 2023, for the year ended June 30, 2023. The financial statements of the Fund for the year ended June 30, 2023 do not include the effect of this distribution which will be accounted for in the financial statements of the Fund for the year ending June 30, 2024.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2023

24. GENERAL

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

24.2 Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

25. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on July 26, 2023 by the Board of Directors of the Management Company.

For MCB-Arif Habib Savings and Investments Limited
(the Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**PATTERN OF UNITS HOLDING BY SIZE
FOR THE YEAR ENDED JUNE 30, 2023**

No. of Unit Holders	Unit holdings	Total units held
26	A. 001-10,000	403
13	B. 10,001 – 100,000	2,660
3	C. 100,001 – 1000,000	12,354
6	D. 1000,001 & Above	1,866,373
<u>48</u>		<u>1,881,789</u>

**PERFORMANCE TABLE
FOR THE YEAR ENDED JUNE 30, 2023**

Performance Information	2023	2022
Total Net Assets Value – Rs. in million	208.9378	109.6558
Net Assets value per unit – Rupees	111.0314	99.6871
Closing Offer Price	114.7954	103.0665
Closing Repurchase Price	111.0314	99.6871
Highest offer price per unit	117.7679	103.0665
Lowest offer price per unit	99.9847	100.0000
Highest Redemption price per unit	113.9065	100.0000
Lowest Redemption price per unit	96.7064	99.6871
Distribution per unit – Rs. *	-	-
Average Annual Return - %		
One year (Inception Date 11-Jun-17)	11.38	-0.31
Two year	5.54	NA
Three year	NA	NA
Net (loss) / Income for the period – Rs. in million	18,260.942	(0.3442)
Distribution made during the year – Rs. in million	-	-
Accumulated Capital Growth – Rs. in million	18,260.942	(0.3442)

* Date of Distribution

2023	
Date	Rate
Nil	

2022	
Date	Rate
Nil	

Disclaimer

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

**PROXY ISSUED BY FUND
FOR THE YEAR ENDED JUNE 30, 2023**

The Board of Directors of MCB - Arif Habib Savings and Investments Limited (the Management Company of MCB Pakistan Dividend Yield Plan – MCB-PDYP) has an overall responsibility for the implementation of Proxy Voting Policy and Procedures which is available on the Management Company’s website (www.mcbfunds.com).

During the financial year ended June 30, 2023, the Management Company on behalf of MCB-PDYP participated in three (3) shareholders' meetings. The Management Company did not participate in shareholders’ meetings in the cases which did not meet the criteria reported in Paragraph No. 8 and 9 of the Proxy Voting Policy and Procedures. Summary of actual proxies voted during the financial year are as follows:

	Resolutions	For	Against	Abstain	Reason for Abstaining
Number	24	24	0	0	-
(%ages)	100	100	0	0	-

Detailed information regarding actual proxies voted by the Management Company on behalf of MCB-PDYP will be provided without any charges on request of the Unit Holders.

MCB INVESTMENT MANAGEMENT LIMITED

(Formerly: MCB Arif Habib Savings and Investments Limited)

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