

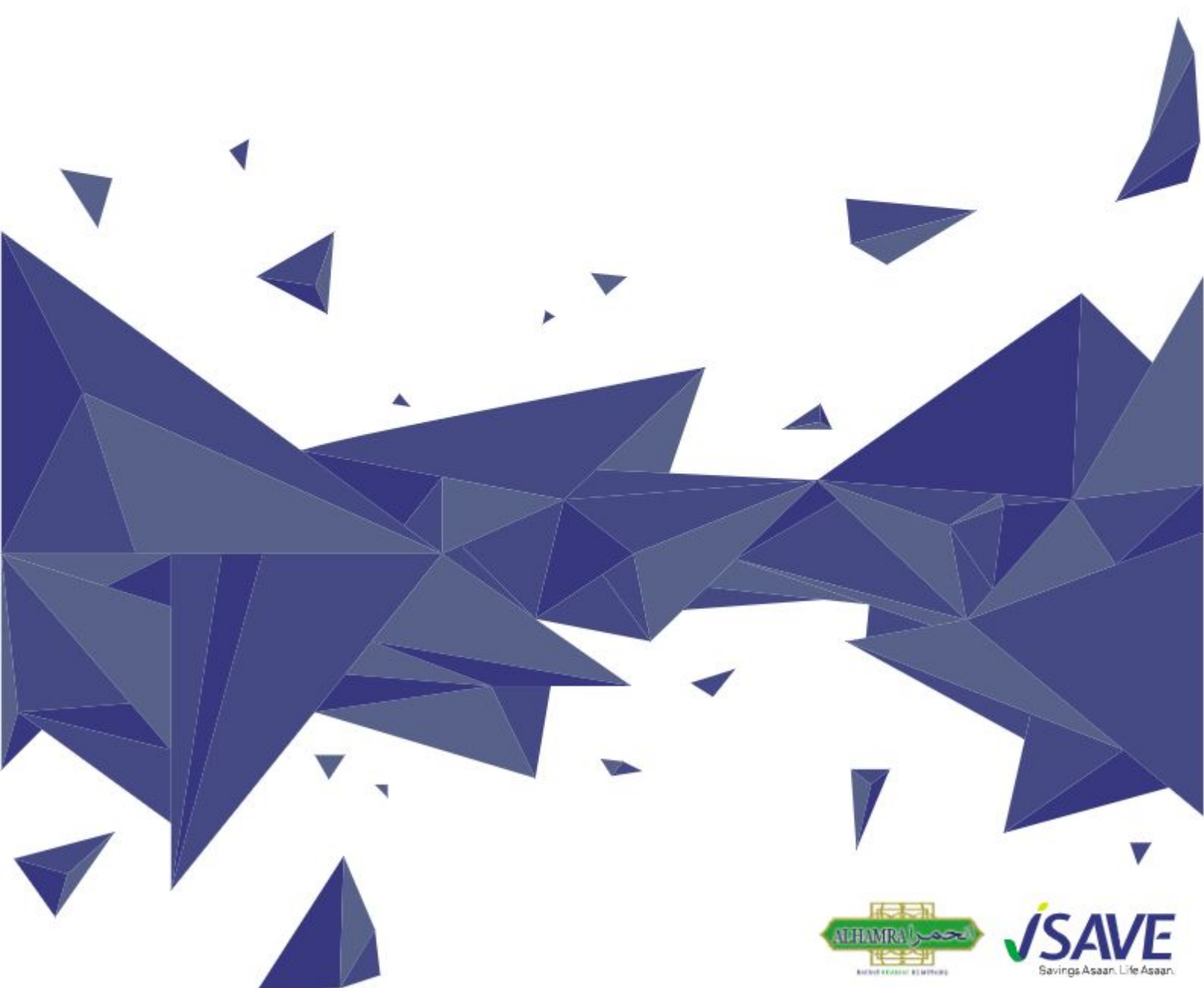


MCB FUNDS
Investments for Life

QUATERLY REPORT

SEPTEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



ALHAMRA OPPORTUNITY FUND DIVIDEND STRATEGY PLAN

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Khawaja Khalil Shah 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. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
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 Islamic Bank Limited Dubai Islamic Bank Limited	
Auditors	BDO Ibrahim & Co. Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed Road, Karachi	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Opportunity Fund – Dividend Strategy Plan** accounts review for the quarter ended September 30, 2024.

Economy Review

The new fiscal year began on a positive note with the government securing a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately USD 7.0 billion. However, the formal approval was delayed due to the government's struggle to secure debt rollovers from friendly countries. After Pakistan fulfilled all preconditions the IMF Executive Board approved the program on September 27, 2024. Subsequently, the State Bank of Pakistan (SBP) received the first tranche of USD 1.0 billion, bolstering foreign exchange reserves and strengthening the currency as the USD/PKR parity appreciated by 0.2% in the quarter to close at 277.7.

The country posted a current account deficit (CAD) of USD 171mn in the first two months of the fiscal year 2025 (2MFY25) declining by 81% YoY compared to a deficit of USD 893mn in the corresponding period last year. The major contributor towards improving CAD was the remittances inflows which skyrocketed by 44.0% to USD 1.8bn. Trade Deficit increased by 21.7% YoY as exports rose by 7.2% while imports increased by 13.8% from a low base. The country's external position improved with SBP's foreign exchange reserves increasing to USD 10.7bn as of Sep-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 9.2% during 1QFY25 compared to 29.0% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past nine months, a substantial drop in food prices aligning with global trends, and a reduction in international oil prices, which eased local fuel costs. Additionally, the base effect further contributed to the lower inflation figures.

As per the revised numbers the country's GDP grew by 2.5% in the financial year 2023-24 as compared to -0.2% last year. Agriculture grew by 6.4%, Services sector grew by 2.2% while industrial sector witnessed a decline of 1.2%. Historic high interest rates and inflation coupled with political uncertainty were the major culprits behind the subdued industrial and services output. On the fiscal side, FBR tax collection increased by 25.2% in 1QFY25 to PKR 2,556 billion, missing the target by PKR 96 billion.

Equity Market Review

The KSE-100 Index maintained its upward momentum in the first quarter of FY25, hitting a new all-time high of 82,247 points. The rally was fueled by multiple factors, including a drop-in inflation to single digits and an unexpected 300bps interest rate cut by the SBP during the quarter. Investor confidence also strengthened after the IMF board approved the USD 7.0 billion EFF program, providing clarity on the external front. However, some profit-taking toward the end of the month led the index to close at 81,114 points, marking a quarterly gain of 2,669 points or +3.4% QoQ.

During 1QFY25, Foreign investors, Insurance, and Corporates were net sellers with an outflow of USD 21.7 million, USD 19.2 million and USD 14.0 million, respectively. The foreign selling was on account of FTSE rebalancing related outflow as Pakistan was reclassified from Secondary

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

Emerging to Frontier market status. This selling was mainly absorbed by Individuals and Mutual Funds with inflow of USD 47.4 million and USD 18.8 million, respectively.

On activity front, average trading volumes for KSE-All Index remained almost static to 491.2 million shares compared to about 491.7 million shares in the preceding quarter. While the average trading value during the period saw a decline of -6.8% over previous quarter to near USD 105 million.

Fertilizer, E&P, and Banking sector were the major contributors to the index rally adding 2,198/1,532/1,002 points, respectively. Attractive dividend yield amid monetary easing garner investors interest in Banking & Fertilizer sector. While E&P sector also remained in the limelight due to surprise 800% bonus announcement by MARI. On the other hand, the power sector contributed a negative 1,323 points as the government announced plans to renegotiate or terminate contracts with Independent Power Producers (IPPs).

FUND PERFORMANCE

During the period under review, the fund posted a return of -1.14% against -1.32% for the benchmark. The fund was 91.1% invested in Equities and 3.0% in Cash as at September 30, 2024.

The Net Assets of the Fund as at September 30, 2024 stood at Rs. 207 million. The Net Asset Value (NAV) per unit as at September 30, 2024 was Rs. 116.6239.

Economy & Market – Future Outlook

Pakistan's GDP growth is projected to inch up to 2.8% in FY25, compared to 2.5% last year. The industrial and services sectors are expected to expand by 3.5% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 1.9%, constrained by the high base effect and flood-related damage to the cotton crop.

The new IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 12.7bn by year end on the back of flows from friendly countries, IMF and multilateral agencies. However, our external position still remains precarious as we are unlikely to issue international Eurobond or Sukuk owing to the challenging global conditions. The proceeds from FDI and RDA are also likely to remain muted owing to the current economic challenges. Thus, we would have to ensure a sustainable current account this year to stave off external concerns. We expect a CAD of USD 0.6bn (0.1% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella. We are of the view that improvement in exports and remittances and increased comfort on the external side after entering into the IMF program will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close Jun-25 around 289.4.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in September 2024 clocked of 6.9% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 44 months. The core inflation also remained on a declining trajectory, clocking at 10.4% (29 months low). We expect inflation to further decelerate in the coming months as base effect will become more pronounced. We anticipate CPI to average around 6.8% in FY25 compared to 23.9% in FY24. As the real interest rate remains significantly positive we foresee further interest cuts, expecting policy rate to decline around 13.0% by June 25.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE QUARTER ENDED SEPTEMBER 30, 2024

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 9.7%, a discount of 48.4% from its historical average of 18.8%. Similarly, Earning Yield minus Risk Free Rate is close to 7.9%, compared to the historical average of 3.0% 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 5.0x, while offering a dividend yield of 10.8%.

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 13.9% during 1QFY25 to PKR 2,931bn. Total money market funds grew by about 0.2% since Jun-24. Within the money market sphere, conventional funds showed a growth of 19.4% to PKR 751bn while Islamic funds declined by 17.7% to PKR 559bn. In addition, the total fixed Income and Fixed Rate funds increased by about 35.1% since Jun-24 to PKR 1,298bn while Equity and related funds increased by 5.6% to PKR 270bn.

In terms of the segment share, Money Market funds were the leader with a share of around 44.7%, followed by Income and fixed return funds with 44.3% and Equity and Equity related funds having a share of 9.2% as at the end of Sep-24.

Mutual Fund Industry Outlook

Interest rates trajectory and expectations of further monetary easing shall continue to attract inflows in longer tenor instrument linked funds including Sovereign Funds and Income Funds. Money market funds should also benefit from higher liquidity as they are ideal for investors with a short-term horizon and low risk profile. With improved external account post agreement with IMF, 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.

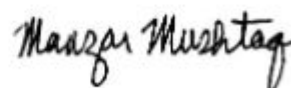
ACKNOWLEDGMENT

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

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
October 21, 2024



Manzar Mushtaq
Director
October 21, 2024

میوچل فنڈ انڈسٹری آؤٹ لک

شرح سود کی رفتار اور مزید مالیاتی نرمی کی توقعات طویل مدتی انسٹرومنٹ سے منسلک فنڈز بشمول Sovereign Funds اور Income Funds میں آمد کو راغب کرتی رہیں گی۔ منی مارکیٹ فنڈز کو بھی زیادہ لیکویڈیٹی سے فائدہ اٹھانا چاہیے کیونکہ یہ قلیل مدتی افق اور کم رسک پروفائل والے سرمایہ کاروں کے لیے مثالی ہیں۔ IMF کے ساتھ بہتر ایکسٹرنل اکاؤنٹ پوسٹ ایگریمنٹ کے ساتھ، طویل مدتی سرمایہ کاران انتہائی پرکشش سطحوں پر ایکویٹی میں سرمایہ کاری کرنے کی کوشش کریں گے۔ ہمارے کام بغیر کسی رکاوٹ کے جاری رہے اور ڈیجیٹل رسائی اور آن لائن کسٹمرز کے تجربے میں مسابقتی برتری کے پیش نظر، ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد کے فوائد حاصل کرنے کے لیے تیار ہیں۔

اعتراف

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا مسلسل تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

ڈائریکٹرز کی جانب سے،

Mansar Mushtaq

منظر مشتاق

ڈائریکٹر

21 اکتوبر، 2024

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

21 اکتوبر، 2024

بنیادی اثر اور نسبتاً مستحکم کرنسی کی وجہ سے افراط زر کی شرح میں کمی آنا شروع ہو گئی ہے۔ ستمبر 2024 میں ہیڈ لائن افراط زر کی تعداد مئی 2023 میں 38.0 فیصد کی بلند ترین شرح کے مقابلے میں 6.9 فیصد تک پہنچ گئی۔ یہ پچھلے 44 مہینوں میں سب سے کم ریڈنگ تھی۔ بنیادی افراط زر بھی گرتی ہوئی رفتار پر رہا، جو 10.4 فیصد (29 ماہ کی کم ترین سطح) پر پہنچ گیا۔ ہمیں توقع ہے کہ آنے والے مہینوں میں افراط زر مزید کم ہو جائے گا کیونکہ بنیادی اثر مزید واضح ہو جائے گا۔ ہم توقع کرتے ہیں کہ مالی سال 24 میں 23.9 فیصد کے مقابلے میں مالی سال 25 میں CPI اوسطاً 6.8 فیصد رہے گا۔ چونکہ حقیقی شرح سود نمایاں طور پر مثبت رہتی ہے، ہم مزید سود میں کٹوتیوں کی پیش گوئی کرتے ہیں، جون 2025 تک پالیسی کی شرح تقریباً 13.0 فیصد کم ہونے کی توقع رکھتے ہیں۔

کیپٹل مارکیٹ کے نقطہ نظر سے خاص طور پر ایکویٹیز، مارکیٹ اب بھی سستی قیمتوں پر ٹریڈ کر رہی ہے۔ مارکیٹ کیپ ٹوجی ڈی پی کا تناسب 9.7 فیصد پر ہے، جو اس کی تاریخی اوسط 18.8 فیصد سے 48.4 فیصد کی چھوٹ ہے۔ اسی طرح، ارنگ پیپلڈ مائنس رسک فری ریٹ 7.9 فیصد کے قریب ہے، جو کہ 3.0 فیصد کی تاریخی اوسط کے مقابلے میں ایک گہری رعایت کی نشاندہی کرتا ہے جس پر مارکیٹ ٹریڈ کر رہی ہے۔ بیرونی اکاؤنٹ پر چیلنجز کا حل مارکیٹ کی صلاحیت کو بڑھانے میں مدد کرے گا۔ ہمیں یقین ہے کہ سیکٹرز اور اسٹاکس کا ایک مائیکرو ویو اہم رہے گا اور سرمایہ کاری کے انتخاب کو ان کمپنیوں پر توجہ مرکوز کرنی چاہیے، جو اپنی اصل قیمت پر گہری رعایت پر تجارت کرتی ہیں۔ مارکیٹ فی الحال 5.0x PER پر ٹریڈ کر رہی ہے، جبکہ 10.8 فیصد کی منافع بخش پیداوار پیش کر رہی ہے۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈز انڈسٹری کے خالص اثاثے 1QFY25 کے دوران تقریباً 13.9 فیصد بڑھ کر 2,931 PKR بلین ہو گئے۔ 24 جون سے کل منی مارکیٹ فنڈز میں تقریباً 0.2 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرے میں، روایتی فنڈز 19.4 فیصد اضافے کی وجہ سے 751 PKR بلین ہو گئے جبکہ اسلامی فنڈز نے 17.7 فیصد کمی کی وجہ سے 559 PKR بلین ہو گئے۔ مزید برآں، کل فکسڈ انکم اور فکسڈ ریٹ فنڈز جون 24 سے تقریباً 35.1 فیصد بڑھ کر 1,298 PKR بلین ہو گئے جبکہ ایکویٹی اور متعلقہ فنڈز 5.6 فیصد بڑھ کر 270 PKR بلین ہو گئے۔

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 44.7 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم اور فکسڈ ریٹ فنڈز 44.3 فیصد کے ساتھ اور ایکویٹی اور ایکویٹی سے متعلقہ فنڈز کا حصہ ستمبر 24 کے آخر تک 9.2 فیصد تھا۔

ڈائریکٹر رپورٹ

معاهدوں پر دوبارہ گفت و شنید یا ختم کرنے کے منصوبوں کا اعلان کیا۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران، فنڈ نے 1.32- فیصد بیچ مارک ریٹرن کے مقابلے میں 1.14- فیصد کا ریٹرن پوسٹ کیا۔ 30 ستمبر 2024 تک فنڈ کی 91.1 فیصد ایکویٹیز میں اور 3.0 فیصد کیش میں سرمایہ کاری کی گئی۔

30 ستمبر 2024 تک فنڈ کے خالص اثاثے 207 ملین روپے تھے۔ 30 ستمبر 2024 تک نیٹ اثاثہ کی قیمت (NAV) فی یونٹ 116.6239 روپے تھی۔

معیشت اور مارکیٹ - مستقبل کا آؤٹ لک

پاکستان کی جی ڈی پی کی شرح نمو FY 25 میں 2.8 فیصد تک رہنے کا امکان ہے، جو کہ گزشتہ سال 2.5 فیصد تھی۔ صنعتی اور خدمات کے شعبوں میں بالترتیب 3.5 فیصد اور 3.0 فیصد کی توسیع متوقع ہے، جس کی وجہ طلب میں بتدریج بحالی اور بنیادی اثر ہے۔ تاہم، زرعی نمو 1.9 فیصد پر معمولی رہنے کا امکان ہے، جو کہ اعلیٰ بنیادی اثر اور کپاس کی فصل کو سیلاب سے متعلقہ نقصانات کی وجہ سے محدود ہے۔

آئی ایم ایف کا نیا پروگرام کلیدی مثبت ہے کیونکہ یہ ہمیں دو طرفہ اور کثیر جہتی ذرائع سے فنڈنگ حاصل کرنے کی اجازت دیتا ہے۔ ہم توقع کرتے ہیں کہ دوست ممالک، آئی ایم ایف اور کثیر جہتی ایجنسیوں کی جانب سے آنے والے بہاؤ کی وجہ سے سال کے آخر تک SBP کے ذخائر بڑھ کر USD 12.7 بلین ہو جائیں گے۔ تاہم، ہماری بیرونی پوزیشن اب بھی غیر یقینی ہے کیونکہ ہم چیلنجنگ عالمی حالات کی وجہ سے بین الاقوامی یورو بانڈ یا سکوک جاری کرنے کا امکان نہیں رکھتے ہیں۔ FDI اور RDA سے حاصل ہونے والی آمدنی کا بھی موجودہ معاشی چیلنجوں کی وجہ سے خاموش رہنے کا امکان ہے۔ اس طرح، ہمیں بیرونی خدشات کو دور کرنے کے لیے اس سال ایک پائیدار کرنٹ اکاؤنٹ کو یقینی بنانا ہوگا۔ ہم FY25 میں USD 0.6 بلین (GDP کا 0.1 فیصد) کی CAD کی توقع کرتے ہیں کیونکہ IMF کی چھتری کے تحت استحکام کی پالیسی جاری رہنے کا امکان ہے۔ ہمارا خیال ہے کہ برآمدات اور ترسیلات زر میں بہتری اور آئی ایم ایف پروگرام میں داخل ہونے کے بعد بیرونی طرف سے استحکام میں اضافہ ہوگا اور قریب مدت میں کرنسی کو مستحکم رکھے گا۔ ہمیں توقع ہے کہ اس سال کرنسی کی قدر میں معمولی کمی USD/PKR کو جو 2025 کے قریب 289.4 پر بند کرے گی۔

ڈائریکٹر رپورٹ

میں 2.5 فیصد اضافہ ہوا۔ زراعت میں 6.4 فیصد اضافہ ہوا، خدمات کے شعبے میں 2.2 فیصد اضافہ ہوا جبکہ صنعتی شعبے میں 1.2 فیصد کی کمی دیکھی گئی۔ صنعتی اور خدمات کے آؤٹ پٹ میں کمی کے پیچھے تاریخی بلند شرح سود اور مہنگائی کے ساتھ سیاسی غیر یقینی صورتحال سب سے بڑے مجرم تھے۔ مالیاتی پہلو پر، FBR کی ٹیکس وصولی 1QFY25 میں 25.2 فیصد بڑھ کر 2,556 بلین روپے ہو گئی، جو ہدف 96 ارب روپے سے کم ہے۔

ایکویٹی مارکیٹ کا جائزہ

KSE-100 انڈیکس نے FY 25 کی پہلی سہ ماہی میں اپنی اوپر کی رفتار کو برقرار رکھا اور 82,247 پوائنٹس کی نئی بلند ترین سطح کو چھو لیا۔ ریلی کو متعدد عوامل نے تقویت بخشی، بشمول سنگل ہندسوں میں گراؤٹ میں افراط زر اور سہ ماہی کے دوران اسٹیٹ بینک کی جانب سے غیر متوقع طور پر 300bps شرح سود میں کمی شامل ہیں۔ IMF بورڈ کی جانب سے 7.0 بلین امریکی ڈالر کے EFF پروگرام کی منظوری کے بعد سرمایہ کاروں کا اعتماد بھی مضبوط ہوا، جس نے بیرونی محاذ پر وضاحت کی۔ تاہم، مہینے کے آخر میں کچھ منافع لینے کی وجہ سے انڈیکس 81,114 پوائنٹس پر بند ہوا، جس سے 2,669 پوائنٹس یا +3.4% QoQ کا سہ ماہی اضافہ ہوا۔

1QFY25 کے دوران، غیر ملکی سرمایہ کار، انشورنس، اور کارپوریٹس بالترتیب 21.7 USD ملین، 19.2 USD ملین اور 14.0 USD ملین کے ساتھ خالص فروخت کنندگان تھے۔ غیر ملکی فروخت FTSE کے دوبارہ توازن سے متعلق اخراج کی وجہ سے تھی کیونکہ پاکستان کی سیکنڈری ایمرجنگ سے فرنیچر مارکیٹ اسٹیٹس میں دوبارہ درجہ بندی کیا گیا تھا۔ اس فروخت کو بالترتیب 47.4 USD ملین اور 18.8 USD ملین کے ساتھ انفرادی اور میوچل فنڈز نے جذب کیا۔

مرگرمی کے محاذ پر، KSE-All Index کے لیے اوسط تجارتی حجم گزشتہ سہ ماہی میں 491.7 ملین شیئرز کے مقابلے 491.2 ملین شیئرز پر تقریباً مستحکم رہا۔ جبکہ اس مدت کے دوران اوسط تجارتی قدر میں کچھ کمی سہ ماہی کے مقابلے میں -6.8 فیصد کی کمی دیکھی گئی جو 105 ملین امریکی ڈالر کے قریب ہے۔

فریٹلائزر، ای اینڈ پی، اور بینکنگ سیکٹر نے انڈیکس کی ریلی میں بالترتیب 1,002 / 1,532 / 2,198 پوائنٹس کا اضافہ کیا۔ مالیاتی نرمی کے درمیان پرکشش منافع بخش پیداوار نے بینکنگ اور فریٹلائزر سیکٹر میں سرمایہ کاروں کی دلچسپی حاصل کی۔ جبکہ ای اینڈ پی سیکٹر بھی MARI کی جانب سے 800 فیصد بونس کے حیران کن اعلان کی وجہ سے سرخیوں میں رہا۔ دوسری طرف، پاور سیکٹر نے منفی 1,323 پوائنٹس کا حصہ ڈالا کیونکہ حکومت نے انڈیپنڈنٹ پاور پروڈیوسرز (IPPs) کے ساتھ

ڈائریکٹرز رپورٹ

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے، مجھے الحما آپریٹیوٹی فنڈ - ڈیویڈنڈ اسٹریٹجی پلان کے ستمبر 2024 کو ختم ہونے والی سہ ماہی کے اکاؤنٹس کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

معیشہ کا جائزہ

نئے مالی سال کا آغاز مثبت ہوا جب حکومت نے IMF کے ساتھ 37 ماہ کے توسیعی فنڈ سہولت (EFF) کے لیے تقریباً 7.0 بلین امریکی ڈالر کا اسٹاف لیول معاہدہ کیا۔ تاہم، حکومت کی جانب سے دوست ممالک سے قرضوں کی واپسی کے لیے جدوجہد کی وجہ سے رسمی منظوری میں تاخیر ہوئی۔ پاکستان کی جانب سے تمام پیشگی شرائط پوری کرنے کے بعد IMF کے ایگزیکٹو بورڈ نے 27 ستمبر 2024 کو پروگرام کی منظوری دی۔ اس کے بعد، اسٹیٹ بینک آف پاکستان (SBP) کو 1.0 بلین امریکی ڈالر کی پہلی قسط موصول ہوئی، جس سے زرمبادلہ کے ذخائر میں اضافہ ہوا اور کرنسی کو PKR/USD کے طور پر مضبوط کیا گیا جس کی برابری سہ ماہی میں 0.2 فیصد سے بڑھ کر 277.7 پر بند ہوئی۔

ملک نے مالی سال 2025 (2MFY25) کے پہلے دو مہینوں میں 171 USD بلین کا کرٹ اکاؤنٹ خسارہ (CAD) پوسٹ کیا جس میں گزشتہ سال کی اسی مدت میں 893 USD بلین کے خسارے کے مقابلے میں 81 فیصد YoY کی کمی واقع ہوئی۔ CAD کو بہتر بنانے میں سب سے بڑا حصہ ترسیلات زر کا تھا جو 44.0 فیصد اضافے سے 1.8 USD بلین تک پہنچ گیا۔ تجارتی خسارے میں سالانہ 21.7 فیصد اضافہ ہوا جیسا کہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ کم بنیاد درآمدات میں 13.8 فیصد اضافہ ہوا۔ SBP کے زرمبادلہ کے ذخائر گزشتہ مالی سال کے آخر میں 9.4 USD بلین کے مقابلے میں ستمبر 2024 کے آخر تک بڑھ کر 10.7 USD بلین تک پہنچے جو ملک کی بیرونی پوزیشن میں بہتری کا سبب بنے۔ یہ آئی ایم ایف اور کثیر جہتی ذرائع سے آنے والے بہاؤ کی وجہ سے -

1QFY25 کے دوران CPI کی طرف سے پیش کردہ ہیڈ لائن افراط زر کی اوسط 9.2 فیصد رہی جو پچھلے سال کی اسی مدت میں 29.0 فیصد تھی۔ اس تیزی سے گراؤ کی وجہ گزشتہ نو مہینوں کے دوران کرنسی کے استحکام، عالمی رجحانات کے مطابق خوراک کی قیمتوں میں خاطر خواہ کمی، اور تیل کی بین الاقوامی قیمتوں میں کمی، جس سے ایندھن کی مقامی قیمتوں میں نرمی آئی ہے۔ مزید برآں، بنیادی اثر نے افراط زر کے کم اعداد و شمار میں مزید حصہ ڈالا۔

نظر ثانی شدہ اعداد کے مطابق مالی سال 2023-2024 میں ملک کی جی ڈی پی میں گزشتہ سال -0.2 فیصد کے مقابلے

CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2024

	Note	Sep 30, 2024 (Rupees in '000)	June 30, 2024 (Rupees in '000)
ASSETS			
Balances with banks	4	6,336	25,687
Investments	5	195,449	175,861
Mark-up receivable		117	-
Advances, deposits and other receivables		4,685	1,700
Receivable against sale of investments		8,055	-
Total assets		214,641	203,248
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	6	963	1,050
Payable to Central Depository Company of Pakistan Limited - Trustee		39	34
Payable to the Securities and Exchange Commission of Pakistan	7	16	14
Payable against purchase of investments		5,217	-
Accrued expenses and other liabilities	8	1,208	956
Total liabilities		7,443	2,054
NET ASSETS		207,198	201,194
Unit holders' fund (as per statement attached)		207,198	201,194
Contingencies and commitments	9		
		(Number of units)	(Number of units)
NUMBER OF UNITS IN ISSUE		1,776,635	1,705,442
		(Rupees)	(Rupees)
NET ASSET VALUE PER UNIT		116.6239	117.9720

The annexed notes from 1 to 16 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Note	For the period ended September 30, 2024 (Rupees in '000)
INCOME		
Profit on savings accounts with banks		336
Dividend income		4,954
Net realised loss on sale of investments		(7,084)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		2,764
Total income		970
EXPENSES		
Remuneration of MCB Investment Management Limited - Management Company	6.1	1,743
Sindh Sales Tax on remuneration of the Management Company	6.2	261
Remuneration of Central Depository Company of Pakistan Limited - Trustee		100
Sindh Sales Tax on remuneration of the Trustee		15
Fee to the Securities and Exchange Commission of Pakistan	7	48
Auditors' remuneration		159
Brokerage, settlement and bank charges		245
Legal and professional charges		15
Shariah advisory fee		85
Printing and related costs		25
Charity expense		117
Total expenses		2,813
Net loss for the period before taxation		(1,843)
Taxation	10	-
Net loss for the period after taxation		(1,843)
Earnings per unit	11	
Allocation of net income for the period		
Net income for the period after taxation		-
Income already paid on units redeemed		-
Accounting income available for distribution		-
- Relating to capital gains		-
- Excluding capital gains		-

The annexed notes from 1 to 16 form an integral part of these financial statements.

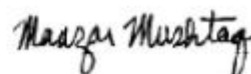
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	For the period ended September 30, 2024 (Rupees in '000)
Net loss for the period after taxation	(1,843)
Other comprehensive income for the period	-
Total comprehensive income for the period	<u>(1,843)</u>

The annexed notes from 1 to 16 form an integral part of these financial statements.

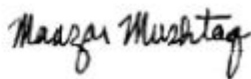
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNITHOLDERS' FUND (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2024**

	For the period ended September 30, 2024		
	Capital value	Undistributed income	Total
	(Rupees in '000)		
Net assets at beginning of the period	178,369	22,825	201,194
Issuance of 402,506 units			
- Capital value (at net assets value per unit at the beginning of the period)	47,486	-	47,486
- Element of income	(641)	-	(641)
Total proceeds on issuance of units	46,845	-	46,845
Redemption of 331,312 units			
- Capital value (at net assets value per unit at the beginning of the period)	39,086	-	39,086
- Element of loss	(88)	-	(88)
Total payments on redemption of units	38,998	-	38,998
Total comprehensive income for the period	-	(1,843)	(1,843)
Net income for the period less distribution	-	(1,843)	(1,843)
Net assets at the end of the period	186,216	20,982	207,198
Undistributed income brought forward			
- Realised		(4,117)	
- Unrealised		26,942	
		22,825	
Accounting income available for distribution			
- Relating to capital gains		-	
- Excluding capital gains		-	
		-	
Net loss for the period after taxation		(1,843)	
Undistributed income carried forward		20,982	
Undistributed income carried forward			
- Realised income		18,218	
- Unrealised income		2,764	
		20,982	
		(Rupees)	
Net asset value per unit at the beginning of the period		117.9720	
Net asset value per unit at the end of the period		116.6239	

The annexed notes from 1 to 16 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

	Note	For the period ended September 30, 2024 (Rupees in '000)
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss for the period before taxation		(1,843)
Adjustments for:		
Dividend income		(4,954)
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'		(2,764)
		(9,561)
Increase in assets		
Investments - net		(16,824)
Mark-up receivable		(117)
Advances, deposits and other receivables		(2,049)
Receivable against sale of investments		(8,055)
		(27,045)
Increase in liabilities		
Payable to MCB Investment Management Limited - Management Company		(87)
Payable to Central Depository Company of Pakistan Limited - Trustee		5
Payable to the Securities and Exchange Commission of Pakistan		2
Payable against purchase of investments		5,217
Accrued expenses and other liabilities		252
		5,389
Dividend received		4,019
Net cash used in operating activities		(27,198)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance of units - net of refund of capital		46,845
Payments against redemption of units		38,998
Net cash generated from financing activities		7,847
Net increase in cash and cash equivalents during the period		(19,351)
Cash and cash equivalents at beginning of the period		25,687
Cash and cash equivalents at the end of the period		6,336

The annexed notes from 1 to 16 form an integral part of these financial statements.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Opportunity Fund–Dividend Strategy Plan (the Fund) was established under a Trust Deed executed between Arif Habib Investments Limited (now MCB Investment Management Limited), as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed and was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 03, 2023 under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC rules). The Fund was registered under the Sindh Trusts Act on January 23, 2023.
- 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 situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-ended mutual fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to make investment in shariah compliant investments in equity securities both inside and outside Pakistan. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Shariah compliant Equity Scheme" by the Board of Directors of the Asset Management Company in accordance with the requirements of Circular 7 of 2009 dated March 06, 2009 issued by the SECP.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' on October 04, 2024 to the Management Company.
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as Trustee of the Fund.

2 BASIS OF PRESENTATION

2.1 STATEMENT OF COMPLIANCE

- 2.1.1 This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards applicable in Pakistan for interim financial reporting comprise of:
- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

- 2.1.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the period ended June 30, 2024. The comparatives in the statement of assets and liabilities presented in the condensed interim financial information as at 30 September 2024 have been extracted from the audited financial statements of the Fund for the period ended 30 June 2024. However, the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement, and condensed interim statement of movement in participant's fund are not available as the Fund was not in operation for the quarter ended 30 September 2023.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

- 2.1.3 'The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.
- 2.1.4 'In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, here by declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.
- 2.1.5 'This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

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

'The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2024. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore not disclosed in this condensed interim financial information.

'The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2024. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2024.

	Note	September 30, 2024 (Rupees in '000)	June 30, 2024 (Rupees in '000)
4 BALANCES WITH BANKS			
- In savings accounts	4.1	6,336	25,687
		<u>6,336</u>	<u>25,687</u>
4.1 These carry profits at the rates ranging from 19.7% to 13% per annum and include Rs.4.565 million maintained with MCB Islamic Bank Limited (a related party), which carries profit at the rate of 16% per annum.			
5 INVESTMENTS	Note	September 30, 2024 (Rupees in '000)	June 30, 2024 (Rupees in '000)
5.1 Investments at 'fair value through profit or loss'			
Listed equity securities	5.1.1	195,449	175,861
		<u>195,449</u>	<u>175,861</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

5.1.1 Listed equity securities

Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise

Name of the investee company	Number of shares					Balance as at September 30, 2024			Market value as a percentage of		Paid-up value of shares held as a percentage of total paid-up capital of the investee company
	As at July 01, 2024	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at September 30, 2024	Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total investments	
						(Rupees in '000)			%		
CEMENT											
Bestway Cement Limited	52,000	15,907	-	-	67,907	15,406	15,958	552	8.76	9.07	0.03
Fauji Cement Company Limited	-	575,500	-	-	575,500	14,302	14,549	247	8.13	8.27	-
Pioneer Cement Limited	84,000	32,000	-	-	116,000	19,839	21,019	1,181	11.28	11.95	0.02
						49,546	51,526	1,980	28.17	29.29	0.05
CHEMICAL											
Archroma Pakistan Limited	-	14,100	-	2,000	12,100	4,235	3,485	(750)	2.41	1.98	0.04
						4,235	3,485	(750)	2.41	1.98	0.04
COMMERCIAL BANKS											
Faysal Bank Limited	383,500	22,500	-	-	406,000	21,146	18,635	(2,510)	12.02	10.60	0.02
Meezan Bank Limited	72,700	20,500	-	-	93,200	22,140	21,264	(876)	12.59	12.09	0.01
						43,286	39,899	(3,386)	24.61	22.69	0.03
FERTILIZER											
Engro Fertilizer Limited	157,500	15,000	-	10,000	162,500	27,078	30,917	3,838	15.40	17.58	0.01
Engro Corporation Limited	24,900	17,100	-	28,000	14,000	4,648	4,252	(396)	2.64	2.42	-
Fatima Fertilizer Company Limited	-	395,000	-	-	395,000	21,587	23,522	1,936	12.27	13.38	0.070
						53,313	58,691	5,378	30.31	33.38	0.08
OIL AND GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	1,350	-	-	1,350	-	-	-	-	-	-	-
Oil & Gas Development Company Limited	134,500	15,000	-	-	149,500	20,243	21,443	1,199	11.51	12.19	-
						20,243	21,443	1,199	11.51	12.19	-
POWER GENERATION & DISTRIBUTION											
Hub Power Company Limited	110,000	44,000	-	154,000	-	-	-	-	-	-	-
Lalpir Power Limited*	484,000	74,000	-	558,000	-	-	-	-	-	-	-
Nishat Chunian Power Limited	537,000	148,000	-	100,000	585,000	17,318	15,620	(1,698)	9.85	8.88	0.16
						17,318	15,620	(1,698)	9.85	8.88	0.16
PHARMACEUTICALS											
Abbott Laboratories (Pakistan) Limited	5,700	-	-	1,200	4,500	3,298	3,444	145	1.88	1.96	-
						3,298	3,444	145	1.88	1.96	-
PAPER AND BOARD											
Packages Limited	2,700	-	-	-	2,700	1,446	1,341	(104)	0.82	0.76	-
						1,446	1,341	(104)	0.82	0.76	-
Total as at September 30, 2024						192,685	195,449	2,764			
Total as at June 30, 2024						148,919	175,861	26,942			

* These represent transactions in shares of related parties

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

6	PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	September 30, 2024 (Rupees in '000)	June 30, 2024 (Rupees in '000)
	Management remuneration payable	6.1	589	464
	Sindh Sales Tax payable on remuneration of the Management Company	6.2	88	60
	Allocated expense payable (including indirect taxes)		-	12
	Selling and marketing expenses payable		-	126
	Sales load payable		134	236
	Shariah advisory fee payable		29	29
	Other payable		123	123
			<u>963</u>	<u>1,050</u>

6.1 The Management Company has charged remuneration at the rate up to 4% of average annual net assets of the Fund. The remuneration is paid to the Management Company on a monthly basis in arrears.

6.2 During the period, sales tax on management remuneration has been increased from 13% to 15%.

7	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	Note	September 30, 2024 (Rupees in '000)	June 30, 2024 (Rupees in '000)
	Fee payable	7.1	16	14

7.1 In accordance with the NBFC Regulations 2008, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the fund has charged SECP fee at the rate of 0.095% of average Net Assets of the scheme, calculated on daily basis. The fee is paid to the commission on monthly basis in arrears.

8	ACCRUED EXPENSES AND OTHER LIABILITIES	September 30, 2024 (Rupees in '000)	June 30, 2024 (Rupees in '000)
	Charity payable	197	80
	Auditors' remuneration payable	741	582
	Withholding tax payable	12	205
	Brokerage payable	139	12
	Other payable	119	77
		<u>1,208</u>	<u>956</u>

9 CONTINGENCIES AND COMMITMENTS

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

10 TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income to be earned during current year to the unit holders as reduced by capital gains (whether realised or unrealised) to its unit holders, therefore, no provision for taxation has been made in these condensed interim financial statements during the period. The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

11 EARNINGS / (LOSS) PER UNIT

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

12 TOTAL EXPENSE RATIO

The annualized Total Expense Ratio (TER) of the Fund for the period ended September 30, 2024 is 5.62 % which includes 0.7% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, et c.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially 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, sales load, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

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

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

Allocated expenses and selling and marketing expenses are charged to the Fund by the Management Company subject to the maximum prescribed Total Expense Ratio.

The details of transactions during the current period and balances at period end with related parties / connected persons are as follows:

13.1 Details of transactions with connected persons are as follows:

For the period
ended September 30,
2024
(Rupees in '000)

MCB Investment Management Limited - Management Company	
Remuneration (including indirect taxes)	2,004
Shariah advisory fee	85
Central Depository Company of Pakistan Limited - Trustee	
Remuneration (including indirect taxes)	115
Central Depository Service (CDS) settlement charges	6
Group / Associated Companies	
MCB Bank Limited	
Bank charges	10
MCB Islamic Bank Limited	
Profit on savings accounts	180
Lalpir Power Limited	
Purchase of 74,000 shares	1,896
Sale of 558,000 shares	10,440
Dividend income	1,116

13.2 Balances outstanding at period end:

September 30, 2024
(Rupees in '000)

June 30, 2024
(Rupees in '000)

MCB Investment Management Limited - Management Company		
Management remuneration payable	589	464
Sindh Sales Tax payable on remuneration of the management company	88	60
Sales load payable	134	236
Shariah advisory fee payable	29	29
Other payable	123	123
Allocated expense payable	-	12
Selling and marketing expense payable	-	126
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	34	30
Sindh Sales Tax payable on trustee remuneration	5	4
Security deposit	100	100
MCB Islamic Bank Limited		
Balances with bank	4,565	17,627
Profit receivable on savings accounts	65	359
Lalpir Power Limited		
Nil (June 2024: 484,000) shares held	-	12,303

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2024

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

	September 30, 2024							
	As at July 01, 2024	Issued for cash	Redeemed	As at September 30, 2024	As at July 01, 2024	Issued for cash	Redeemed	As at September 30, 2024
	Units				(Rupees in '000)			
Group / associated companies								
Hyundai Nishat Motor Private Limited Employees Provident Fund	-	32,783	-	32,783	-	3,750	-	3,823
Adamjee Life Assurance Company Limited (IMF)	798,612	-	-	798,612	94,214	79,555	-	93,137
Adamjee Life Assurance Company Limited (MAZAAF)	266,204	-	-	266,204	31,405	26,518	-	31,046
Key management personnel	-	5,926	2,897	3,029	-	686	331	353

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

Financial assets which are 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 liabilities is considered not to be significantly different from the respective book values.

Fair value hierarchy

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

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

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

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

15 GENERAL

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

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

16 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorized for issue on October 21, 2024 by the Board of Directors of the Management Company.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB INVESTMENT MANAGEMENT LIMITED

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

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

URL: www.mcbfunds.com, Email: info@mcbfunds.com