

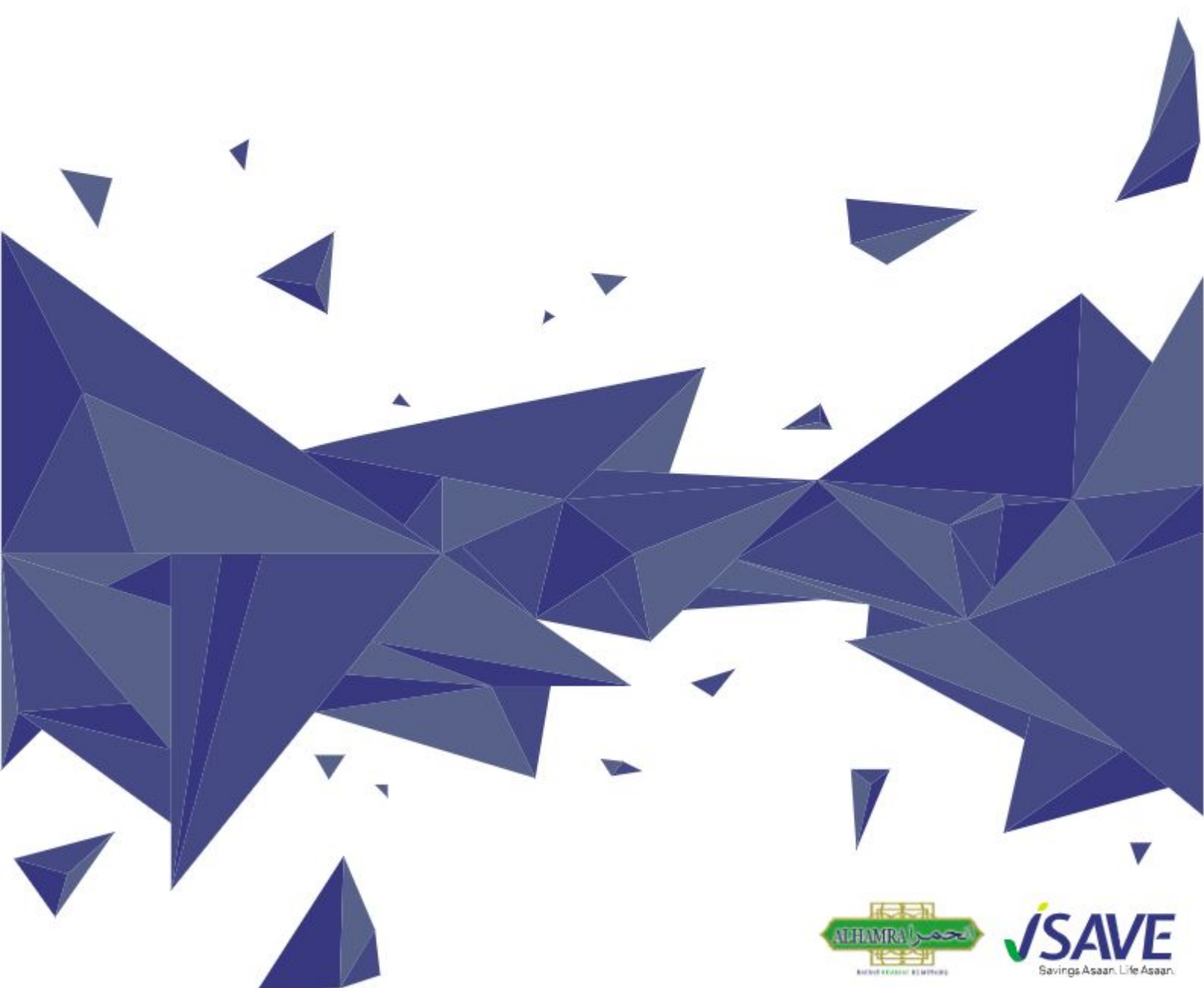


MCB FUNDS
Investments for Life

QUATERLY REPORT

SEPTEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



ALHAMRA ISLAMIC INCOME FUND

TABLE OF CONTENTS

1	Fund's Information	283
2	Report of the Directors of the Management Company	284
3	Condensed Interim Statement of Assets And Liabilities	291
4	Condensed Interim Income Statement (Un-audited)	292
5	Condensed Interim Statement of Other Comprehensive Income (Un-audited)	293
6	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	294
7	Condensed Interim Cash Flow Statement (Un-audited)	295
8	Notes to and forming part of the Condensed Interim Financial Statements	296

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 Bank Limited United Bank Limited Faysal Bank Limited MCB Islamic Bank Limited Habib Bank Limited National Bank of Pakistan	Askari Bank Limited Bank Islamic Pakistan Limited Dubai Islamic Bank Limited Soneri Bank Limited Bank Al Falah Limited
Auditors	A. F. Ferguson & Co. Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

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

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Income Fund** 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.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 20.99% as against its benchmark return of 10.82%.

The allocation of fund was towards Ijara Sukuk and Cash with the exposures standing at 54.3% and 40.5% respectively.

The Net Assets of the Fund as at September 30, 2024 stood at Rs. 35,924 million as compared to Rs. 12,298 million as at June 30, 2024 registering an increase of 192.11%.

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

The Net Asset Value (NAV) per unit as at September 30, 2024 was Rs. 109.5654 as compared to opening NAV of Rs. 104.0607 per unit as at June 30, 2024 registering an increase of Rs. 5.5047 per unit.

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.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year. Investors with a mid to long term view can benefit from Bond and Income Funds where higher duration will create opportunities for capital gains in the wake of Interest rate outlook. We have added government bonds in Income Funds to benefit from the expected further monetary easing in the near term.

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.

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

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.

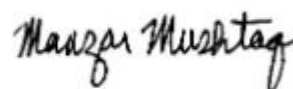
ACKNOWLEDGMENT

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

ڈائریکٹرز رپورٹ

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

میوچل فنڈ انڈسٹری آؤٹ لک

شرح سود کی رفتار اور مزید مالیاتی نرمی کی توقعات طویل مدتی انشرومنٹ 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 کار ان 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،

Mansoor Mushtaq

منظر مشتاق

ڈائریکٹر

21 اکتوبر، 2024

خواجہ خلیل شاہ

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

21 اکتوبر، 2024

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 PKR/USD کو جون 2025 کے قریب 289.4 پر بند کرے گی۔

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۔

قرض ہولڈرز کے لیے، ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈز سال بھر میں بغیر کسی رکاوٹ کے پالیسی شرحوں کے آئینہ دار رہیں گے۔ وسط سے طویل مدتی نقطہ نظر کے حامل سرمایہ کار بانڈ اور انکم فنڈز سے فائدہ اٹھا سکتے ہیں جہاں زیادہ مدت سود کی شرح کے نقطہ نظر کے تناظر میں سرمائے میں اضافے کے مواقع پیدا کرے گی۔ ہم نے انکم فنڈز میں حکومتی بانڈز شامل کیے ہیں تاکہ مستقبل قریب میں متوقع مزید مالیاتی نرمی سے فائدہ اٹھایا جاسکے۔

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۔

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 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۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران، فنڈ نے 10.28 فیصد کے شیئ مارک ریٹرن کے مقابلے میں 20.99 فیصد کار ریٹرن دیا۔ فنڈ کی مختص رقم اجارہ سکوک اور کیش کے لیے تھی جس کی سرمایہ کاری بالترتیب 54.3 فیصد اور 40.5 فیصد تھی۔

30 جون 2024 تک فنڈ کے خالص اثاثے 12,298 ملین روپے تھے جب کہ 30 ستمبر 2024 کو یہ 35,924 ملین روپے رہے جو 192.11 فیصد کے اضافے کو ظاہر کرتے ہیں۔

30 جون 2024 اوپننگ نیٹ اثاثہ (NAV) کی قیمت فی یونٹ 104.0607 روپے تھی جب کہ 30 ستمبر 2024 کو یہ فی یونٹ 109.5654 روپے رہی جو 5.5047 روپے فی یونٹ کے اضافے کو ظاہر کرتی ہے۔

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 متعلق 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 12.7 USD 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

ڈائریکٹرز رپورٹ

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے، مجھے الحمد للہ اسلامک انکم فنڈ کے 30 ستمبر 2024 کو ختم ہونے والی سہ ماہی کے اکاؤنٹس کا جائزہ پیش کرتے ہوئے خوشی ہو رہی ہے۔

معیشت 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 تھا۔

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 2024-2023 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

		(Un-audited) September 30, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
ASSETS			
Balance with banks	4	14,931,056	3,746,343
Investments	5	20,916,837	8,155,182
Profit receivable		922,878	432,090
Advances, deposits, prepayments and other receivables		97,689	41,244
Total assets		36,868,459	12,374,859
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	6	52,441	20,640
Payable to the Central Depository Company of Pakistan Limited - Trustee		2,455	846
Payable to the Securities and Exchange Commission of Pakistan	7	2,135	749
Payable against purchase of investments		854,295	-
Accrued expenses and other liabilities	8	32,796	54,191
Total liabilities		944,122	76,426
NET ASSETS		35,924,338	12,298,433
Unit holders' fund (as per statement attached)		35,924,338	12,298,433
Contingencies and commitments	9.		
		(Number of units)	
Number of units in issue		327,880,210	118,185,188
		(Rupees)	
NET ASSET VALUE PER UNIT		109.5654	104.0607

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

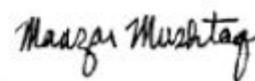
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	September 30 2024	September 30 2023
Note	----- (Rupees in '000) -----	
INCOME		
Income from government securities	549,857	48,415
Capital gain/ (Loss) on sale of investments - net	4,025	(481)
Income from term finance certificates	48,176	79,414
Profit on bank deposits	449,385	61,073
Income on term deposit receipt	-	12,440
Income on nccpl deposit against exposure margin	366	53
Unrealised diminution in fair value of investments classified as 'at fair value through profit or loss' - net	269,001	(1,488)
Total income	1,320,811	199,425
EXPENSES		
Remuneration of the Management Company	67,587	6,770
Sindh Sales Tax on remuneration of the Management Company	10,138	880
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	4,464	738
Sindh Sales Tax on remuneration of Trustee	670	96
Securities and Exchange Commission of Pakistan - annual fee	4,464	738
Allocated expense (including indirect taxes)	1,537	1,309
Marketing And Selling Expense	-	5,673
Brokerage expenses	3,178	75
Settlement and bank charges	393	182
Fees and subscriptions	148	200
Legal and professional charges	87	79
Shariah advisory fee	86	151
Auditors' remuneration	281	191
Printing and related costs	25	25
Total expenses	93,058	17,107
Net income for the period before taxation	1,227,752	182,318
Taxation	10. -	-
Net income for the period	1,227,752	182,318
Allocation of net income for the period:		
Net income for the period	1,227,752	182,318
Income already paid on units redeemed	(91,956)	(20,293)
	1,135,796	162,025
Accounting income available for distribution		
- Relating to capital gains	257,091	-
- Excluding capital gains	878,706	162,025
	1,135,796	162,025
Earnings per unit	11.	

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	<u>September 30</u>	
	<u>2024</u>	<u>2023</u>
	<u>----- (Rupees in '000) -----</u>	
Net income for the period after taxation	1,227,752	182,318
Other comprehensive income for the period	-	-
Total comprehensive income for the period	<u>1,227,752</u>	<u>182,318</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.


For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	September 30					
	2024			2023		
	(Rupees in '000)					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	12,190,844	107,589	12,298,433	4,226,347	48,778	4,275,125
Issue of 269,798,833 units (2023: 5,381,698 units)						
- Capital value (at net asset value per unit at the beginning of the period)	28,075,455	-	28,075,455	554,252	-	554,252
- Element of income	767,173	-	767,173	10,763	-	10,763
Total proceeds on issuance of units	28,842,629	-	28,842,629	565,015	-	565,015
Redemption of 60,103,811 units (2023: 12,830,755 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(6,254,445)	-	(6,254,445)	(1,321,419)	-	(1,321,419)
- Element of Income	(98,075)	(91,956)	(190,031)	(5,399)	(20,293)	(25,692)
Total payments on redemption of units	(6,352,520)	(91,956)	(6,444,476)	(1,326,818)	(20,293)	(1,347,111)
Total comprehensive income for the period	-	1,227,752	1,227,752	-	182,318	182,318
Net income for the period less distribution	-	1,227,752	1,227,752	-	182,318	182,318
Net assets at end of the period	34,680,953	1,243,385	35,924,338	3,464,544	210,803	3,675,347
Undistributed income brought forward						
- Realised		60,786			64,760	
- Unrealised		46,803			(15,982)	
		107,589			48,778	
Accounting income available for distribution						
- Relating to capital gains		257,091			-	
- Excluding capital gains		878,706			162,025	
		1,135,796			162,025	
Undistributed income carried forward		1,243,385			210,803	
Undistributed income carried forward						
- Realised		974,384			212,291	
- Unrealised		269,001			(1,488)	
		1,243,385			210,803	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		104.0607			102.9884	
Net assets value per unit at end of the period		109.5654			107.9026	

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

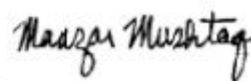
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

	September 30,	
	2024	2023
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	1,227,752	182,318
Adjustments for non cash and other items:		
Unrealised diminution in value of investments classified as 'at fair value through profit or loss' - net	(269,001)	1,488
	958,751	183,806
(Increase) / Decrease in assets		
Investments	(12,492,654)	164,438
Profit receivable	(490,788)	24,665
Advance against IPO	-	115,750
Advances, deposit and prepayments	(56,446)	(3,202)
	(13,039,887)	301,651
Increase / (Decrease) in liabilities		
Payable to the Management Company	31,801	3,319
Payable to the Central Depository Company of Pakistan Limited - Trustee	1,609	(41)
Payable to the Securities and Exchange Commission of Pakistan	1,386	(944)
Payable against purchase of investments	854,295	-
Accrued expenses and other liabilities	(21,395)	38,776
	867,696	41,110
Net cash (used) in /generated from operating activities	(11,213,440)	526,567
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units excluding additional units	28,842,629	565,015
Payments on redemption of units	(6,444,476)	(1,347,111)
Net cash generated from / (used in) financing activities	22,398,153	(782,096)
Net increase / (decrease) in cash and cash equivalents during the period	11,184,713	(255,529)
Cash and cash equivalents at beginning of the period	3,746,343	1,539,887
Cash and cash equivalents at end of the period	14,931,056	1,284,358

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

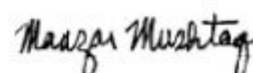
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Income Fund (the Fund) was established through a Trust Deed executed between Arif Habib Investments Limited (now MCB Investment Management Limited), as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The draft Trust Deed of the Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated January 25, 2011 consequent to which Trust Deed was executed on March 07, 2011 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (NBFC Rules). During the year ended June 30, 2021, the Trust Act, 1882 was repealed due to promulgation of Provisional Trust Act namely "Sindh Trusts Act, 2021" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was registered under the Sindh Trust Act on August 13, 2021.
- 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 Regulation) Rules, 2003 (the NBFC Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end collective investment scheme and is listed on the Pakistan Stock Exchange Limited. The principal objective of the Fund is to seek to generate superior risk adjusted returns by investing in short, medium and long-term Shariah Compliant fixed income instruments. The units of the Fund were initially offered for public subscription at a par value of Rs 100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The Fund has been categorised as a "Shariah Compliant Islamic Income scheme" by the Board of Directors of the Management Company in accordance with the requirements of Circular 7 of 2009 dated March 6, 2009 issued by the SECP.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' dated October 04, 2024 to the Management Company and AA(f) as stability rating dated August 28, 2024 to the Fund.
- 1.5 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. BASIS OF PREPARATION

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 VIII A 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 VIII A 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 VIII A 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 year ended 30 June 2024. The comparative 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 year ended 30 June 2024, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the 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, hereby 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

- 3.1** 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.
- 3.2** The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty 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.

		(Un-audited) September 2024 — (Rupees in '000) —	(Audited) June 2024
4	BALANCE WITH BANKS		
	Savings accounts	4.1 9,879,639	3,717,907
	Current accounts	4.2 5,051,417	28,436
		<u>14,931,056</u>	<u>3,746,343</u>
4.1	These carry profit at the rates ranging between 12.00% to 19.00% (2024: 12.00% to 21.30%) per annum and include Rs. 3.548 million (2024: 1.61 million) maintained with MCB Islamic Bank Limited, (a related party).		
4.2	These include Rs.51.10 million (2024: Rs 28.23 million) maintained with MCB Bank Limited, a connected person / related party.		

		(Un-audited) September 2024 — (Rupees in '000) —	(Audited) June 2024
5.	INVESTMENTS		
	Investments at 'fair value through profit or loss'		
	Unlisted securities - Corporate sukuk certificates	5.1 496,677	498,557
	Listed securities - Corporate sukuk certificates	5.2 408,339	405,987
	GoP Ijarah Sukuk certificates	5.3 20,011,821	7,250,638
		<u>20,916,837</u>	<u>8,155,182</u>
		<u>20,916,837</u>	<u>8,155,182</u>

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

5.1 Sukuk certificates - Unlisted

Certificates have a face value of Rs 100,000 each unless stated otherwise

Name of the security	Principal amount/RS	Issue date	Maturity date	Face value per certificate (Rupees)	Profit rate (%)	As at July 1, 2024	Purchased during the period	Sold /received during the period	As at September 30, 2024	Carrying value	Market value	Unrealised appreciation/ (depreciation)	Percentage in relation to		
													Net assets of the Fund	Total market value of Investments	
Commercial banks															
Nasran Bank Limited (AAA-VIS, non-issuable)	At maturity	January 9, 2020	January 9, 2030	1,000,000	6 months KIBOR plus base rate of 0.92%	265	-	-	285	287,779	285,918	(1,862)	0.80	1.37	
Nasran Bank Limited (AAA-VIS, non-issuable)	At maturity	December 16, 2021	December 16, 2031	1,000,000	6 months KIBOR plus base rate of 0.35%	169	-	-	159	186,709	186,627	(79)	0.63	0.90	
Dual Islamic Bank Pakistan Limited (AA-, VIS, issuable)	At maturity	December 2, 2021	December 2, 2032	1,000,000	6 months KIBOR plus base rate of 0.70%	22	-	-	22	22,072	22,132	60	0.08	0.11	
Total as at September 30, 2024												496,557	495,577	(1,862)	
Total as at June 30, 2024												496,028	495,557	2,529	

5.2 Listed debt securities

Name of the security	Principal amount/RS	Issue date	Maturity date	Face value per certificate (Rupees)	Profit rate (%)	As at July 1, 2024	Purchased during the period	Sold /released during the period	Carrying value	Market value	Unrealised appreciation/ (depreciation)	Percentage in relation to			
												Net assets of the Fund	Total market value of Investments		
Energy															
Pakistan Energy Sukuk - II (Unrated, tradeable)	At maturity	May 21, 2020	May 21, 2030	5,000	6 months KIBOR less base rate of 0.15%	81,100	-	-	405,887	408,339	2,352	1.54	1.95		
Total as at September 30, 2024												405,887	408,339	2,352	
Total as at June 30, 2024												405,581	405,867	409	

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

5.2 Government securities

- Government of Pakistan (GoP) Ijara sukuk

Name of security	Tenor	Issue date	Maturity date	As at July 1, 2024	Purchased during the period	Sold / returned during the period	As at September 30, 2024	Carrying value	Market value	Unrealised appreciation / (amortisation)	Market Value as a percentage of	
											Net assets of the Fund	Total market value of Investments
Government of Pakistan - Ijarah Sukuk												
GoP Ijarah Sukuk Certificates	1 year	December 4, 2023	December 4, 2024	150,000	-	-	150,000	150,209	151,170	961	0.42	0.75
GoP Ijarah Sukuk Certificates	1 year	August 7, 2023	August 7, 2024	12,000	1,550,000	2,512,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates	1 year	July 12, 2023	July 12, 2024	113,000	-	113,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates	1 year	March 15, 2024	March 14, 2025	525,000	-	525,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates	1 year	September 20, 2023	September 20, 2024	275,000	-	275,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates	1 year	September 18, 2024	September 17, 2025	-	1,215,000	250,000	975,000	854,195	857,210	2,925	2.39	4.28
GoP Ijarah Sukuk Certificates	1 year	August 16, 2024	August 15, 2025	-	245,000	-	245,000	215,527	217,340	1,813	0.60	1.09
GoP Ijarah Sukuk Certificates	1 year	July 26, 2024	July 25, 2025	-	515,000	-	515,000	462,204	465,528	7,304	1.31	2.35
GoP Ijarah Sukuk Certificates	3 years	December 4, 2023	December 4, 2026	575,000	-	-	575,000	574,517	594,903	19,885	3.66	2.37
GoP Ijarah Sukuk Certificates	3 years	January 24, 2024	January 24, 2027	535,000	1,114,000	-	1,649,000	1,668,039	1,693,750	25,661	4.71	8.46
GoP Ijarah Sukuk Certificates	3 years	June 16, 2023	June 16, 2026	550,000	-	-	550,000	566,855	593,890	27,035	5.05	2.37
GoP Ijarah Sukuk Certificates	3 years	June 18, 2024	June 18, 2027	-	810,000	-	810,000	845,507	848,715	3,218	2.36	4.34
GoP Ijarah Sukuk Certificates	3 years	September 18, 2024	September 18, 2027	-	610,000	24,995	595,005	595,054	604,204	9,190	1.68	3.02
GoP Ijarah Sukuk Certificates	5 years	December 4, 2023	December 4, 2028	1,300,000	-	-	1,300,000	1,312,444	1,378,465	66,021	3.84	6.89
GoP Ijarah Sukuk Certificates	5 years	October 6, 2021	October 6, 2026	185,000	-	-	185,000	185,773	188,390	2,617	0.52	0.94
GoP Ijarah Sukuk Certificates	5 years	January 24, 2024	January 24, 2029	2,150,000	3,699,000	-	5,849,000	5,935,670	5,981,340	55,870	16.65	29.89
GoP Ijarah Sukuk Certificates	5 years	October 26, 2022	October 26, 2027	200,000	-	-	200,000	201,072	204,400	3,328	0.57	1.02
GoP Ijarah Sukuk Certificates	5 years	July 29, 2023	July 19, 2025	713,000	-	-	713,000	712,782	722,899	10,058	2.01	3.61
GoP Ijarah Sukuk Certificates	5 years	June 18, 2024	June 18, 2029	-	1,840,000	-	1,840,000	1,882,657	1,892,722	10,665	5.27	9.46
GoP Ijarah Sukuk Certificates	5 years	September 18, 2024	September 18, 2029	-	1,110,000	24,900	1,095,100	1,095,149	1,117,866	22,716	3.11	5.59
GoP Ijarah Sukuk Certificates	10 years	September 18, 2024	September 18, 2034	-	2,495,000	-	2,495,000	2,495,137	2,495,000	(137)	6.95	12.47
Total as at September 30, 2024								19,741,292	20,111,821	268,529		
Total as at June 30, 2024								7,206,770	7,250,638	43,868		

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

		(Un-audited) September 30, 2024	(Audited) 30 June 2024
		(Rupees in '000)	
6 PAYABLE TO MANAGEMENT COMPANY			
Management remuneration payable	6.1	40,111	6,536
Sindh sales tax payable on management remuneration	6.2	6,017	850
Sales load payable		4,746	3,232
Payable against Shariah advisory fee		31	30
Allocated expense payable (including indirect taxes)	6.3	1,537	798
Marketing and selling expense		-	9,194
		<u>52,441</u>	<u>20,640</u>

- 6.1** As per the amendment in the offering document, the management company with effect from September 01, 2024 has charged management fee at the rate up to 2% of Net Assets of the scheme, calculated on a daily basis. Previously, the fund has charged management fee at the rate up to 10 % of daily gross earnings of the scheme, calculated on a daily basis. 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%.
- 6.3** The Management Company has charged allocated expenses to the fund to the extent as it has think expedient on its discretion subject to not being higher than actual expenses. During the period, sales tax on allocated expenses has been charged at the rate of 15%.

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

	(Un-audited) September 30, 2024	(Audited) 30 June 2024
	(Rupees in '000)	
Fee payable	2,135	749
	<u>2,135</u>	<u>749</u>

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

		(Un-audited) September 30, 2024	(Audited) 30 June 2024
		(Rupees in '000)	
8 ACCRUED AND OTHER LIABILITIES			
Provision for federal excise duty payable on	8.1		
- Remuneration of the Management Company		8,639	8,639
- Sales load		3,028	3,028
Auditors' remuneration payable		1,131	849
Printing charges payable		65	40
Brokerage and settlement charges payable		3,178	-
Legal and professional charges payable		733	739
Capital gain tax payable		10,522	40,873
Other payables		5,500	23
		<u>32,796</u>	<u>54,191</u>

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

8.1 Federal Excise Duty and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2024. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at September 30, 2024 would have been higher by Re. 0.036 per unit (June 30, 2024: Re.0.10 per unit).

9. CONTINGENCIES AND COMMITMENTS

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

10. TAXATION

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by 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 PER UNIT

Earnings 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.

12. EXPENSE RATIO

The annualized total Expense Ratio (TER) of the Fund for the period ended September 30, 2024 is 1.56% which includes 0.27% representing government levies on the Fund such as sales taxes, federal excise duties, annual fee to the SECP, etc.

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

Related parties / connected persons of the Fund include MCB Investment Management Limited (being the Management Company) and its related entities, the Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other collective investment schemes and pension schemes managed by the Management Company, any person or trust beneficially owning (directly or indirectly) ten percent or more of the capital of the Management Company or the net assets of the Fund and directors, key management personnel and officers of the Management Company.

Transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration to the Management Company and Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund.

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

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

	(Unaudited) September 30,	
	2024	2023
	----- (Rupees in '000) -----	
MCB Investment Management Limited - Management Company		
Remuneration of management company	77,725	7,650
Allocated expenses including indirect taxes	1,537	1,309
Shariah advisory fee	86	151
Marketing and Selling Expense	-	5,673
Central Depository Company of Pakistan Limited		
Remuneration of the trustee	5,134	834
CDC settlement charges	174	27
MCB Bank Limited - Parent of the Management Company		
Bank charges	45	43

13.2 Amount outstanding as at period end / year end

	(Unaudited) September 30, 2024	(Audited) June 30, 2024
	----- (Rupees in '000) -----	
MCB Investment Management Limited - Management Company		
Management remuneration payable	40,111	6,536
Sindh Sales Tax payable on remuneration of the Management Company	6,017	850
Allocated expenses payable (including indirect taxes)	1,537	798
Back-end load payable	85	-
Shariah advisory fee payable	31	30
Selling and marketing expenses payable	-	9,194
Sales load payable	4,661	3,232
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	2,135	749
Sindh Sales tax payable on remuneration of Trustee	320	97
Security deposits	100	100
MCB Bank Limited		
Balance with bank	51,099	28,233
MCB Islamic Bank Limited		
Bank balances	3,549	1,611
Profit receivable on bank balances	45,533	411

**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:

For the quarter ended 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) -----

Associated Companies:

Adamjee Life Assurance Company Limited	531,607	2,315,885	1,830,270	1,017,222	55,319	250,000	200,000	111,452
Hyundai Nishat Motor Private Limited - Employees Provident Fund	436,106	331,563	-	769,669	45,590	35,000	-	84,329
Mcb Fsl Trustee Alhamra Smart Portfolio	976,144	4,516	6,909	973,751	101,578	481	734	106,689
Adamjee Insurance Company Limited - Window Takaful Operations	1,826,870	186	-	1,827,056	190,105	20	-	200,182
Adamjee Insurance Co.Ltd Employees Provident Fund	-	346,760	-	346,760	-	37,066	-	37,993
Adamjee Life Assurance Company Limited - Tameen	-	4,679,212	-	4,679,212	-	500,000	-	512,680
Mandate Under Discretionary Portfolio Services	1,221,730	1,119,040	-	2,340,770	127,134	119,123	-	256,487
Key management personnel*	114,728	1,335,986	1,247,427	203,287	11,939	144,052	134,892	22,273

* This reflects the position of related party / connected persons status as at September 30, 2024.

For the quarter ended September 30, 2023							
As at July 01, 2023	Issued for cash	Redeemed	As at September 30, 2023	As at July 01, 2023	Issued for cash	Redeemed	As at September 30, 2023
				</			

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

Associated Companies:

Arif Habib Securities Limited Employees Provident Fund Trust	73,294	-	73,294	-	7,548	-	7,626	-
DCCL Trustee Alhamra Smart Portfolio	796,631	17,577	15,746	800,462	82,250	1,846	1,654	86,372
MCB Investment Management Limited	61,939	-	-	61,939	6,379	-	-	6,683
Mandate Under Discretionary Portfolio Services	71	2,812	1,950	933	7	295	206	101
Key management personnel*	27,010	77,333	40,744	63,599	2,782	8,225	4,331	6,862

* This reflects the position of related party / connected persons status as at September 30, 2023.

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

14 FAIR VALUE MEASUREMENTS

IFRS 13 - 'Fair Value Measurement' establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e., period end. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognized at fair value based on:

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: those 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.

15.2 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

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

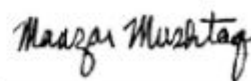
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB INVESTMENT MANAGEMENT LIMITED

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

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