



MCB FUNDS
Investments for Life

HALF YEARLY REPORT

DECEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



ALHAMRA ISLAMIC INCOME FUND

TABLE OF CONTENTS

1	Fund's Information	362
2	Report of the Directors of the Management Company	363
3	Trustee Report to the Unit Holders	371
4	Auditor's Report to the Unit Holders on Review of Condensed Interim Financial Statements	372
5	Condensed Interim Statement of Assets And Liabilities	373
6	Condensed Interim Income Statement (Un-audited)	374
7	Condensed Interim Statement of Other Comprehensive Income (Un-audited)	375
8	Condensed Interim Statement of Movement in Unit Holder's Funds (Un-audited)	376
9	Condensed Interim Cash Flow Statement (Un-audited)	377
10	Notes to and forming part of the Condensed Interim Financial Statements (Un-audited)	378

FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Muhammad Nauman Chughtai Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy 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 Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah Mr. Muhammad Nauman Chughtai	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq 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 HALF YEAR ENDED DECEMBER 31, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Income Fund's** review for the half-year ended December 31, 2024.

Economy Review

The 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. After Pakistan fulfilled all the required 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 lending support to the the currency as the USD/PKR parity remained stable around 278.5 during the first half of the fiscal year.

The country posted a current account Surplus of USD 1.2bn in the first six months of the fiscal year 2025 (1HFY25) compared to a deficit of USD 1.4bn in the corresponding period last year. The major contributor towards improving current account was the remittances inflows which skyrocketed by 32.8% to USD 4.4bn. Trade Deficit increased by 12.6% YoY as exports rose by 7.2% while imports increased by 9.3% from a low base. The county's external position improved with SBP's foreign exchange reserves increasing to USD 11.7bn as of Dec-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of current account surplus and flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 7.3% during 1HFY25 compared to 28.8% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past one year, which led to stable food and energy prices. Additionally, the large decline in wheat prices and base effect further contributed to the lower inflation figures.

The country's GDP grew by 0.9% in the first quarter of the financial year 2024-25 as compared to 2.3% in the corresponding period last year. Agriculture grew by 1.2%, Services sector grew by 1.4% while industrial sector witnessed a decline of 1.0%. Historic high interest rates and political uncertainty were the major culprits behind the subdued industrial output. On the fiscal side, FBR tax collection increased by 25.9% in 1HFY25 to PKR 5,623 billion, missing the target by PKR 386 billion. The shortfall is largely attributed to reduced tax collection from imports due to a slowdown in trade, sluggish growth and low inflation.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 18.65% as against its benchmark return of 9.99%.

The allocation of fund was towards Ijara Sukuk and Cash with the exposures standing at 44.7% and 26.0% respectively.

The Net Assets of the Fund as at December 31, 2024 stood at Rs. 68,965 million as compared to Rs. 12,298 million as at June 30, 2024 registering an increase of 460.78%.

The Net Asset Value (NAV) per unit as at December 31, 2024 was Rs. 113.8453 as compared to opening NAV of Rs. 104.0607 per unit as at June 30, 2024 registering an increase of Rs. 9.7846 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 3.1% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 2.2%, constrained by the high base effect and flood-related damage to the cotton crop.

The continuation of the 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 13.5bn by year end on the back of flows from friendly countries, IMF and multilateral agencies. Pakistan is on track to record the first annual surplus since FY11 on the back of rebound in exports and remittances along with controlled imports. We expect a current account surplus of USD 2.1bn (0.5% of GDP) in FY25 compared to deficit of USD 681mn (0.2% of GDP) in FY24. We are of the view that improvement in exports and remittances and increased comfort on the external will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close June 25 around 280.8.

The inflation reading has come down sharply mainly due to base effect and stable currency. The headline inflation number in December 2024 clocked in at 4.1% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 80 months. The core inflation also remained on a declining trajectory, clocking at 9.2% (34 months low). We anticipate CPI to average around 6.1% in FY25 compared to 23.9% in FY24. The SBP has decreased interest rates by a cumulative 900bps since June-24 as interest rates have declined to 13.0% from a high of 22.0%. We believe

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

after an interest rate cut of further 100bps, monetary policy committee may pause the easing cycle to evaluate the monetary transmission effect of the interest rate decline. In our base case, we have assumed the interest rate may remained anchored at 12.0% in near term. We do not rule out further rate cuts with lower than expected inflation along with a strong build up in Forex Reserves.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year.

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 68.1% during 1HFY25 to PKR 4,326bn. Total money market funds grew by about 45.8% since Jun-24. Within the money market sphere, conventional funds showed a growth of 85.9% to PKR 1,170bn while Islamic funds increased by 8.7% to PKR 738bn. In addition, the total fixed Income and Fixed Rate funds increased by about 96.5% since Jun-24 to PKR 1,889bn while Equity and related funds increased by 80.9% to PKR 462bn.

In terms of the segment share, Money Market funds were the leader with a share of around 44.1%, followed by Income and fixed return funds with 43.7% and Equity and Equity related funds having a share of 10.7% as at the end of December 2024.

Mutual Fund Industry Outlook

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

**REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

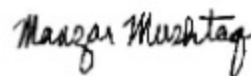
ACKNOWLEDGMENT

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
February 04, 2025



Manzar Mushtaq
Director
February 04, 2025

ڈائریکٹرز رپورٹ

اظہارِ تشکر

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

منجانب ڈائریکٹرز

Maaz Mushtaq

منظر مشتاق

ڈائریکٹر

کراچی،

04 فروری 2025ء



خواجه خلیل شاہ

چیف ایگزیکٹو آفیسر

کراچی،

04 فروری 2025ء

جون 2024ء سے اب تک مجموعی طور پر 900 بی پی ایس کمی کی ہے کیونکہ سود کی شرحیں 22.0 فیصد کی بلند سطح سے کم ہو کر 13.0 فیصد ہو گئے ہیں۔ ہم سمجھتے ہیں کہ شرح سود میں مزید 100 بی پی ایس کمی کے بعد مانیٹری پالیسی کمیٹی اس کمی کی مالیاتی منتقلی کے اثر کو جانچنے کے لیے تسہیل کے چکر کو کچھ عرصے کے لیے روک سکتی ہے۔ ہمارے base کے معاملے میں ہم فرض کر رہے ہیں کہ شرح سود مستقبل قریب میں 12.0 فیصد پر جھکی رہے گی، تاہم متوقع سے کم مہنگائی اور زرمبادلہ کے ذخائر میں بھرپور بڑھوتری کے ساتھ شرح سود میں مزید کمی خارج از امکان نہیں ہے۔

حاملین قرض کے لیے ہم سمجھتے ہیں کہ منی مارکیٹ فنڈز سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔

میوچل فنڈ صنعت کا جائزہ

اوپن۔ اینڈ میوچل فنڈز صنعت کے نیٹ اثاثہ جات مالی سال 2025ء کے نصف اول کے دوران تقریباً 68.1 فیصد بڑھ کر 4,326 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز میں جون 2024ء کے بعد مجموعی طور پر تقریباً 45.8 فیصد ترقی ہوئی۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 85.9 فیصد بڑھ کر 1.170 بلین روپے ہو گئے جبکہ اسلامک فنڈز 8.7 فیصد بڑھ کر 738 بلین روپے ہو گئے۔ مزید براں، فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2024ء کے بعد سے مجموعی طور پر تقریباً 96.5 فیصد بڑھ کر 1,889 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 80.9 فیصد بڑھ کر 462 بلین روپے ہو گئے۔

زمرہ جاتی تقسیم کے اعتبار سے دسمبر 2024ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 44.1 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ انکم اور فیکسڈ ریٹ فنڈز 43.7 فیصد، اور ایکویٹی اور اس سے متعلقہ فنڈز 10.7 فیصد حصے کے ساتھ دوسرے اور تیسرے نمبر پر رہے۔

میوچل فنڈ صنعت کے مستقبل کا منظر

منی مارکیٹ فنڈز کو بہتر نقدیت سے فائدہ اٹھانا چاہیے کیونکہ یہ فنڈز ایسے سرمایہ کاروں کے لیے موزوں ترین ہوتے ہیں جو مختصر مدت کے لیے اور خسارے کے کم خطرے کے ساتھ سرمایہ کاری کرنا چاہتے ہیں۔ معاشی بحالی کے مزید تیز اور وسیع ہونے کے ساتھ کپیٹل مارکیٹوں، خصوصاً ایکویٹیز، میں بھرپور دلچسپی کا سلسلہ جاری رہے گا۔ ہمارے کام کاج بلا رکاوٹ چلتے رہے، اور ڈیجیٹل رسائی اور صارفین کو آن لائن خدمات کی فراہمی میں مسابقتی فائدہ حاصل ہونے کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے فائدہ اٹھانے کے لیے کمر بستہ ہیں۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 18.65 فیصد منافع حاصل کیا جو بیسنچ مارک ریشون 9.99 فیصد کے بالمقابل ہے۔ فنڈ کا اختصاص اجارہ سٹک اور نقد میں بالترتیب 44.7 فیصد اور 26.0 فیصد تھا۔

31 دسمبر 2024ء کو فنڈ کے نیٹ اثاثہ جات 68,965 ملین روپے تھے، جو 30 جون 2024ء کو 12,298 ملین روپے کے مقابلے میں 460.78 فیصد اضافہ ہے۔

31 دسمبر 2024ء کو فنڈ کی نیٹ اثاثہ جاتی قدر (NAV) فی یونٹ 113.8453 روپے تھی، جو 30 جون 2024ء کو ابتدائی (NAV) 104.0607 روپے فی یونٹ کے مقابلے میں 9.7864 روپے فی یونٹ اضافہ ہے۔

معیشت اور مارکیٹ - مستقبل کا منظر

پاکستان کی 'جی ڈی پی' میں مالی سال 2025ء میں 2.8 فیصد اضافے کا امکان ہے، جو گزشتہ سال کی سطح 2.5 فیصد کے بالمقابل ہے۔ صنعتی شعبے میں 3.1 فیصد اور خدمات کے شعبے میں 3.0 فیصد ترقی متوقع ہے جس کی وجہ مانگ اور بنیادی اثر کی بتدریج بحالی ہے۔ تاہم زراعتی ترقی کا 2.2 فیصد کے درمیانے درجے پر رہنے کا امکان ہے جس کے عوامل اعلیٰ بنیادی اثر کا محدود ہونا اور کپاس کی فصل کو سیلاب کے باعث نقصان ہیں۔

آئی ایم ایف پروگرام کا تسلسل کلیدی مثبت پہلو ہے کیونکہ اس کی بدولت ہم دو طرفہ اور کثیر الجہتی ذرائع سے رقم حاصل کر سکیں گے۔ 'ایس بی پی' کے ذخائر کا دوست ممالک، آئی ایم ایف اور کثیر الجہتی ایجنسیوں سے آمدات کی بنیاد پر سال کے اختتام پر بڑھ کر 13.5 بلین ڈالر تک پہنچ جانے کا امکان ہے۔ پاکستان مالی سال 2011ء کے بعد پہلا سالانہ منافع ریکارڈ کرنے کی سمت میں رواں ہے، جس کے عوامل برآمدات اور ترسیلات میں بحالی بشمول درآمدات پر قابو ہیں۔ کرنٹ اکاؤنٹ میں مالی سال 2025ء میں 2.1 بلین ڈالر (جی ڈی پی کا 0.5 فیصد) منافع متوقع ہے، جو مالی سال 2024ء میں 681 ملین ڈالر (جی ڈی پی کا 0.2 فیصد) خسارے کے بالمقابل ہے۔ ہم سمجھتے ہیں کہ برآمدات اور ترسیلات میں بہتری اور خارجی جہت میں بڑھتے ہوئے اطمینان کی بدولت روپیہ مستقبل قریب میں مستحکم رہے گا۔ سال رواں میں روپے کی قدر میں معمولی کمی متوقع ہے اور ڈالر اور روپے کا تناسب جون 2025ء کے اختتام پر تقریباً 280.8 ہوگا۔

مہنگائی کی سطح میں تیزی سے کمی آئی ہے جس کے اہم ترین عوامل بنیادی اثر اور روپے میں استحکام ہیں۔ ہیڈ لائن مہنگائی دسمبر 2024ء میں 4.1 فیصد تک پہنچ گئی تھی، جو مئی 2023ء میں 38.0 فیصد کی بلند سطح کے بالمقابل ہے۔ یہ گزشتہ 80 ماہ کی کم ترین سطح ہے۔ بنیادی مہنگائی میں بھی کمی کا رجحان رہا جو 9.2 فیصد (34 ماہ کی کم ترین سطح) تک پہنچ گئی۔ 'سی پی آئی' کا اوسط مالی سال 2025ء میں متوقع طور پر تقریباً 6.1 فیصد ہوگا، جو مالی سال 2024ء میں 23.9 فیصد کے بالمقابل ہے۔ ایس بی پی نے سود کی شرحوں میں

عزیز سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامک انکم فنڈ کے اکاؤنٹس کا جائزہ برائے نصف سال مختتمہ 31 دسمبر 2024ء پیش خدمت ہے۔

معیشت کا جائزہ

مالی سال کا آغاز مثبت انداز میں ہوا کیونکہ حکومت نے آئی ایم ایف سے 37 ماہ پر مبنی ایکسٹینڈڈ فنڈ فسیلیٹی (ای ایف ایف) کے لیے اسٹاف-لیول معاہدہ کر لیا جس کی مالیت تقریباً 7.0 بلین ڈالر ہے۔ پاکستان کے تمام مطلوبہ شرائط پوری کرنے کے بعد آئی ایم ایف ایگزیکٹو بورڈ نے 27 ستمبر 2024ء کو پروگرام کی منظوری دی۔ بعد ازاں، اسٹیٹ بینک آف پاکستان (ایس بی پی) کو 1.0 بلین ڈالر کی پہلی قسط موصول ہوئی جس کی بدولت غیر ملکی زرمبادلہ کے ذخائر پروان چڑھے اور روپے کو سہارا ملا، جیسا کہ مالی سال کے نصف اول کے دوران روپے اور ڈالر کے مابین تناسب سے ظاہر ہے جو تقریباً 278.5 روپے کی سطح پر مستحکم رہا۔

مالی سال 2025ء کے نصف اول (ابتدائی چھ ماہ) میں ملک کا کرنٹ اکاؤنٹ 1.2 بلین روپے منافع میں رہا، جو گزشتہ سال مماثل مدت میں 1.4 بلین ڈالر خسارے کے بالمقابل ہے۔ کرنٹ اکاؤنٹ کی بہتری میں سب سے بڑا حصہ ترسیلات کا ہے جو تیزی سے 32.8 فیصد بڑھ کر 4.4 بلین ڈالر تک پہنچ گئیں۔ تجارتی خسارہ 12.6 فیصد سال در سال (YoY) بڑھ گیا کیونکہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ درآمدات گزشتہ پست سطح سے 9.3 فیصد بڑھ گئیں۔ ملک کی خارجی صورتحال میں بہتری آئی کیونکہ ایس بی پی کے زرمبادلہ کے ذخائر بڑھ کر دسمبر 2024ء کے اختتام تک 11.7 بلین ڈالر تک پہنچ گئے، جو گزشتہ مالی سال کے اختتام پر 9.4 بلین ڈالر کے بالمقابل تھے، جس کے عوامل کرنٹ اکاؤنٹ میں منافع اور آئی ایم ایف اور کثیرالجہتی ذرائع سے آمدات ہیں۔

ہیڈ لائن مہنگائی، جس کی ترجمانی 'سی پی آئی' سے ہوتی ہے، کا اوسط مالی سال 2025ء کے نصف اول میں 7.3 فیصد تھا، جو گزشتہ سال مماثل مدت میں 28.8 کے بالمقابل ہے۔ تیزی سے ہونے والی اس کمی کی وجہ گزشتہ ایک سال کے دوران روپے میں استحکام ہے جس کے نتیجے میں اشیائے خورد و نوش اور توانائی کی قیمتیں مستحکم ہوئیں۔ مزید برآں، گندم کی قیمتوں اور سال گزشتہ کی سطح کے سال رواں پر اثر میں بھرپور کمی نے مہنگائی کم کرنے میں مزید کردار ادا کیا۔

ملک کے جی ڈی پی میں مالی سال 2024-25ء کی پہلی سہ ماہی میں 0.9 فیصد ترقی ہوئی، جو گزشتہ سال مماثل مدت میں 2.3 فیصد کے بالمقابل ہے۔ زراعت میں 1.2 فیصد ترقی اور خدمات کے شعبے میں 1.4 فیصد ترقی ہوئی، جبکہ صنعتی شعبے میں 1.0 فیصد قسب ہوا۔ صنعتی پیداوار میں کمی کے سب سے بڑے عوامل سود کی اب تک کی بلند ترین شرحیں اور سیاسی عدم یقینی تھے۔ مالیاتی جہت میں ایف بی آر کی ٹیکس وصولی مالی سال 2025ء کے نصف اول میں 25.9 فیصد بڑھ کر 5,623 بلین روپے ہو گئی، جو ہدف سے 386 بلین روپے کم ہے۔ اس کمی کے بڑے عوامل درآمدات سے حاصل ہونے والے ٹیکس میں کمی بوجہ سست رفتار تجارت، ترقی کی سست روی اور مہنگائی میں کمی ہیں۔

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:
CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shakra-e-Faisal
Karachi - 74400, Pakistan.
Tel: (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcPakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ALHAMRA ISLAMIC INCOME FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of Alhamra Islamic Income Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2024 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 21, 2025



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



A.F. FERGUSON & CO.

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

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Alhamra Islamic Income Fund** (the Fund) as at December 31, 2024 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund and condensed interim cash flow statement together with the notes forming part thereof (here-in-after referred to as the 'condensed interim financial statements'), for the half year ended December 31, 2024. The Management Company (MCB Investment Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review. The figures included in the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2024 and December 31, 2023 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2024.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

A.F. Ferguson & Co.
Chartered Accountants
Engagement Partner: **Junaid Mesia**
Dated: February 27, 2025
Karachi
UDIN: RR2024106111q70xo8B0

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2024

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
		(Rupees in '000)	
ASSETS			
Balances with banks	5	18,076,848	3,746,343
Investments	6	49,729,473	8,155,182
Profit receivables	7	1,589,657	432,090
Advances, deposits, prepayments and other receivables	8	105,634	41,244
Total assets		69,501,612	12,374,859
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	9	116,905	20,640
Payable to Central Depository Company of Pakistan Limited - Trustee	10	5,474	846
Payable to the Securities and Exchange Commission of Pakistan	11	4,760	749
Accrued expenses and other liabilities	12	409,556	54,191
Total liabilities		536,695	76,426
NET ASSETS		68,964,917	12,298,433
Unit holders' fund (as per statement attached)		68,964,917	12,298,433
Contingencies and commitments	13		
		(Number of units)	
NUMBER OF UNITS IN ISSUE		605,777,458	118,185,188
		(Rupees)	
NET ASSET VALUE PER UNIT		113.8453	104.0607

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

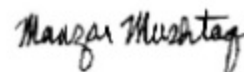
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024

	Note	Half year ended		Quarter ended	
		December 31,		December 31,	
		2024	2023	2024	2023
		(Rupees in '000)			
INCOME					
Profit on savings accounts with banks		1,156,248	197,453	706,863	136,380
Profit on sukuk certificates		1,700,813	352,899	1,102,780	225,070
Profit on term deposit receipts and certificates of musharakah		80,535	12,440	80,535	-
Profit on Bai muajjal		269,201	-	269,201	-
Net realised gain / (loss) on sale of investments		13,535	(915)	9,510	(434)
Other income		1,038	116	672	63
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.6	677,596	29,523	408,595	31,011
Total income		3,898,966	591,516	2,578,156	392,090
EXPENSES					
Remuneration of MCB Investment Management Limited - Management Company	9.1	292,066	31,189	224,479	24,419
Sindh Sales Tax on remuneration of the Management Company	9.2	43,810	4,054	33,672	3,174
Allocated expenses	9.3	9,026	2,721	6,512	1,412
Sindh Sales Tax on allocated expense	9.4	1,354	-	977	-
Selling and marketing expenses	9.5	-	12,425	-	6,752
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	15,998	2,035	11,574	1,297
Sindh Sales Tax on remuneration of the Trustee	10.2	2,400	265	1,730	169
Fee to the Securities and Exchange Commission of Pakistan	11.1	15,998	2,036	11,534	1,298
Auditors' remuneration		563	419	282	228
Legal and professional charges		102	94	15	15
Brokerage and settlement charges		6,399	393	2,963	185
Bank charges		422	107	287	58
Fees and subscription		296	270	148	70
Shariah advisory fee		181	288	95	137
Printing and related costs		34	50	9	25
Total expenses		388,649	56,346	294,277	39,239
Net income for the period before taxation		3,510,317	535,170	2,283,878	352,851
Taxation	14	-	-	-	-
Net income for the period after taxation		3,510,317	535,170	2,283,878	352,851
Allocation of net income for the period:					
Net income for the period after taxation		3,510,317	535,170		
Income already paid on units redeemed		(743,191)	(106,271)		
		2,767,126	428,899		
Accounting income available for distribution					
- Relating to capital gain		547,792	35,276		
- Excluding capital gains		2,219,334	393,623		
		2,767,126	428,899		

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

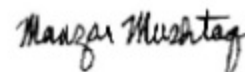
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Half year ended December 31,		Quarter ended December 31,	
	2024	2023	2024	2023
	(Rupees in '000)			
Net income for the period after taxation	3,510,317	535,170	2,283,878	352,851
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>3,510,317</u>	<u>535,170</u>	<u>2,283,878</u>	<u>352,851</u>

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

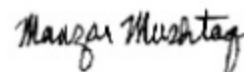
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Half year ended December 31, 2024			Half year ended December 31, 2023		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)					
Net assets at the beginning of the period (audited)	12,190,844	107,589	12,298,433	4,226,347	48,778	4,275,125
Issuance of 872,579,832 units (2023: 132,422,146 units):						
- Capital value (at ex-net asset value per unit at the beginning of the period)	90,801,268	-	90,801,268	13,779,941	-	9,618,590
- Element of income	5,350,240	-	5,350,240	988,942	-	322,804
Total proceeds on issuance of units	96,151,508		96,151,508	14,768,883	-	9,941,394
Redemption of 384,987,562 units (2023: 81,320,831 units):						
- Capital value (at ex-net asset value per unit at the beginning of the period)	(40,062,075)	-	(40,062,075)	(8,462,303)	-	(8,462,303)
- Element of loss	(2,190,075)	(743,191)	(2,933,266)	(478,156)	(106,271)	(584,427)
Total payments on redemption of units	(42,252,150)	(743,191)	(42,995,341)	(8,940,459)	(106,271)	(9,046,730)
Total comprehensive income for the period	-	3,510,317	3,510,317	-	535,170	535,170
Net assets at the end of the period (unaudited)	<u>66,090,202</u>	<u>2,874,715</u>	<u>68,964,917</u>	<u>10,054,771</u>	<u>477,677</u>	<u>10,532,448</u>
Undistributed income brought forward						
- Realised income		60,786			64,760	
- Unrealised income / (loss)		46,803			(15,982)	
		<u>107,589</u>			<u>48,778</u>	
Accounting income available for distribution						
- Relating to capital gains		547,792			35,276	
- Excluding capital gains		2,219,334			393,623	
		<u>2,767,126</u>			<u>428,899</u>	
Undistributed income carried forward		<u>2,874,715</u>			<u>477,677</u>	
Undistributed income carried forward						
- Realised income		2,197,119			448,154	
- Unrealised income		677,596			29,523	
		<u>2,874,715</u>			<u>477,677</u>	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period	<u>104.0607</u>			<u>102.9884</u>		
Net asset value per unit at the end of the period	<u>113.8453</u>			<u>113.7265</u>		

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

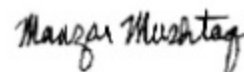
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Note	Half year ended December 31,	
		2024	2023
		----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		3,510,317	535,170
Adjustment for:			
Net unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss'	6.6	(677,596)	(29,523)
		2,832,721	505,647
Increase in assets			
Investments - net		(28,253,422)	(5,667,112)
Profit receivables		(1,157,567)	(212,753)
Advances, deposits, prepayments and other receivables		(64,389)	(16,242)
		(29,475,378)	(5,896,107)
Increase in liabilities			
Payable to MCB Investment Management Limited - Management Company		96,265	19,867
Payable to Central Depository Company of Pakistan Limited - Trustee		4,628	490
Payable to the Securities and Exchange Commission of Pakistan		4,011	(474)
Accrued expenses and other liabilities		355,365	63,512
		460,269	83,395
Net cash used in operating activities		(26,182,388)	(5,307,065)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts against issuance and conversion of units		96,151,508	14,768,883
Payments against redemption and conversion of units		(42,995,341)	(9,046,730)
Net cash generated from financing activities		53,156,167	5,722,153
Net increase in cash and cash equivalents during the period		26,973,779	415,088
Cash and cash equivalents at the beginning of the period		3,746,343	1,539,887
Cash and cash equivalents at the end of the period	16	30,720,122	1,954,975

The annexed notes 1 to 20 form an integral part of these condensed interim financial statements.

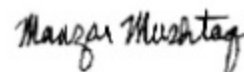
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Islamic Income Fund (the Fund) was established through a Trust Deed executed between 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 (June 30, 2024: 'AM1' dated October 6, 2023) to the Management Company and AA-(f) as stability rating dated August 28, 2024 (June 30, 2024: "AA-(f)" dated September 08, 2023) to the Fund. The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes.
- 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 PRESENTATION

The transactions undertaken by the Fund are in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the earlier referred guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These 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 as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with part VIIIA of the repealed Companies Ordinance, 1984; and
- Non-Banking Finance Companies (Establishment and Regulation) 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.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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 deed requirements of IAS 34, the 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 have been followed.

The disclosures made in these condensed interim financial statements are limited, based on the requirements of IAS 34 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2024.

These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at December 31, 2024.

4 MATERIAL ACCOUNTING POLICY INFORMATION, SIGNIFICANTS ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The material accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2024.

4.2 The preparation of these condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgments and assumptions that affect the reported amounts of assets, liabilities, income and expenses. It also requires the management to exercise judgment in application of its accounting policies. The estimates, judgments and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are revised on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

The significant estimates, judgments and assumptions made by the management in applying the accounting policies and the key sources of estimation of uncertainty were the same as those that were applied in the audited annual financial statements of the Fund as at and for the year ended June 30, 2024.

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Fund for the year ended June 30, 2024.

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

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2024. However, these do not have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 1, 2025. However, these are not considered to be relevant or did not have any material effect on the Fund's financial statement except for:

- The new standard - IFRS 18 Presentation and Disclosure in the Financial statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
		----- (Rupees in '000) -----	
5 BALANCES WITH BANKS			
- In savings accounts	5.1	12,551,600	3,717,907
- In current accounts	5.2	5,525,248	28,436
		<u>18,076,848</u>	<u>3,746,343</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

- 5.1 These carry profits at the rates ranging between 9.50% to 11.50% (June 30, 2024: 12.00% to 21.30%) per annum and include Rs. 4,002.23 million (June 30, 2024: Rs. 1.61 million) maintained with MCB Islamic Bank Limited (a related party).
- 5.2 These include balances held with MCB Bank Limited (a related party) of Rs. 125.12 million (June 30, 2024: Rs. 28.23 million).

	Note	December 31, 2024 (Un-audited) ----- (Rupees in '000) -----	June 30, 2024 (Audited)
6 INVESTMENTS			
Investments at 'fair value through profit or loss'			
Unlisted securities - Corporate sukuk certificates	6.1	2,596,018	498,557
Listed securities - Corporate sukuk certificates	6.2	409,555	405,987
GoP Ijarah Sukuk certificates	6.3	31,074,078	7,250,638
Bai muajjal certificates	6.4	15,649,822	-
Certificates of musharakah	6.5	-	-
		<u>49,729,473</u>	<u>8,155,182</u>

6.1 Unlisted securities - Corporate sukuk certificates

Certificates have a face value of Rs. 1,000,000 each.

Name of the security	Principal redemptions	Issue date	Maturity date	Profit rate (%)	As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Balance as at December 31, 2024			Market value as a percentage of	
									Carrying value	Market value	Unrealised (diminution) / appreciation	Net assets of the Fund	Total market value of investments
									Number of certificates				Rupees in '000
Commercial banks													
Dubai Islamic Bank Pakistan Limited (AA-, VIS, traded)	At maturity	December 2, 2021	December 2, 2032	6 months KIBOR plus base rate of 0.70%	22	-	-	22	22,072	22,044	(28)	0.03	0.04
Meezan Bank Limited (AAA, VIS, non traded)	At maturity	January 9, 2020	January 9, 2030	6 months KIBOR plus base rate of 0.90%	285	-	-	285	287,779	280,217	(7,563)	0.41	0.56
Meezan Bank Limited (AAA, VIS, non traded)	At maturity	December 16, 2021	December 16, 2031	6 months KIBOR plus base rate of 0.35%	189	-	-	189	188,706	183,758	(4,948)	0.27	0.37
Telecommunication													
Pakistan Mobile Communications Limited (AA, PACRA, non traded)	At maturity	October 21, 2024	April 21, 2025	3 Months KIBOR minus base rate of 0.1%	-	21,100	-	21,100	2,110,000	2,110,000	-	3.06	4.24
Food and personal care products													
Ismail Industries Limited (A+ PACRA, non traded)	At maturity	June 10, 2024	December 10, 2024	1 Months KIBOR plus base rate of 0.25%	-	5,000	5,000	-	-	-	-	-	-
As at December 31, 2024 (Unaudited)									2,608,557	2,596,018	(12,539)		
As at June 30, 2024 (Audited)									496,028	498,557	2,529		

6.2 Listed securities - Corporate sukuk certificates

Certificates have a face value of Rs. 5,000 each.

Name of the security	Principal redemptions	Issue date	Maturity date	Profit rate (%)	As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Balance as at December 31, 2024			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation	Net assets of the Fund	Total market value of investments
					Number of certificates				(Rupees in '000)			% ———	
Energy													
Pakistan Energy Sukuk - II (Unrated, traded)	At maturity	May 21, 2020	May 21, 2030	6 months KIBOR plus base rate of 0.10%	81,100	-	-	81,100	405,987	409,555	3,568	0.59	0.82
As at December 31, 2024 (Unaudited)									405,987	409,555	3,568		
As at June 30, 2024 (Audited)									405,581	405,987	406		

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

6.3 GoP Ijarah Sukuk certificates

Name of the security	Tenor	Issue date	Maturity date	Profit / yield rate (%)	As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Balance as at December 31, 2024			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
						Number of certificates		(Rupees '000)			%		
GoP Ijarah Sukuk Certificates - XL - VRR	1 year	December 4, 2023	December 4, 2024	19.86%	1,500	59,750	61,250	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXXIX - VRR	1 year	October 9, 2023	October 9, 2024	20.94%	-	12,000	12,000	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	1 year	August 16, 2024	August 15, 2025	14.43%	-	59,000	10,000	49,000	225,243	231,109	5,866	0.34	0.46
GoP Ijarah Sukuk Certificates - XXXVII - VRR	1 year	August 7, 2023	August 7, 2024	21.24%	120	25,000	25,120	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXVI - FRR	1 year	July 12, 2023	July 12, 2024	22.15%	1,130	-	1,130	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	1 year	March 15, 2024	March 14, 2025	15.05%	105,000	429,400	527,000	7,400	35,952	36,031	79	0.05	0.07
GoP Ijarah Sukuk Certificates - XXXVIII - VRR	1 year	September 20, 2023	September 20, 2024	18.39%	2,750	-	2,750	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	1 year	September 18, 2024	September 17, 2025	14.23%	-	245,000	50,000	195,000	885,933	914,550	28,617	1.33	1.84
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	1 year	December 4, 2024	December 4, 2025	10.72%	-	1,000,000	-	1,000,000	4,549,846	4,581,000	31,154	6.64	9.21
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	1 year	November 7, 2024	November 6, 2025	10.72%	-	50,000	-	50,000	229,021	231,625	2,604	0.34	0.47
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	1 year	October 21, 2024	October 20, 2025	10.43%	-	25,000	-	25,000	114,483	115,950	1,467	0.17	0.23
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	1 year	July 26, 2024	July 25, 2025	16.54%	-	105,000	-	105,000	481,656	495,336	13,680	0.72	1.00
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	3 years	September 18, 2024	September 18, 2027	13.89%	-	62,000	4,999	57,001	285,027	294,980	9,953	0.43	0.59
GoP Ijarah Sukuk Certificates - XXXIII - FRR (note 6.3.1)	3 years	December 4, 2023	December 4, 2026	16.19%	3,250	-	-	3,250	325,283	346,613	21,330	0.50	0.70
GoP Ijarah Sukuk Certificates - XLI - VRR (note 6.3.1)	3 years	December 4, 2023	December 4, 2026	12.67%	2,500	6,000	6,000	2,500	249,643	255,375	5,732	0.37	0.51
GoP Ijarah Sukuk Certificates - FRR - PSX	3 years	January 24, 2024	January 24, 2027	16.05%	7,500	34,900	42,400	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	3 years	January 24, 2024	January 24, 2027	19.83%	97,500	189,900	-	287,400	1,452,870	1,487,295	34,425	2.16	2.99
GoP Ijarah Sukuk Certificates - XXIV - FRR (note 6.3.1)	3 years	June 26, 2023	June 26, 2026	18.49%	5,500	13,000	13,000	5,500	564,406	600,325	35,919	0.87	1.21
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	3 years	September 18, 2024	September 18, 2027	17.32%	-	62,000	-	62,000	310,022	313,100	3,078	0.45	0.63
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	3 years	October 21, 2024	October 21, 2027	12.00%	-	112,500	-	112,500	567,613	569,305	1,692	0.83	1.14
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	3 years	October 21, 2024	October 21, 2027	13.60%	-	100,000	-	100,000	503,262	507,500	4,238	0.74	1.02

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

Name of the security	Tenor	Issue date	Maturity date	Profit / yield rate (%)	As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Balance as at December 31, 2024			Market value as a percentage of	
									Carrying value	Market value	Unrealised appreciation / (diminution)	Net assets of the Fund	Total market value of investments
						Number of certificates	(Rupees '000)			%			
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	3 years	June 28, 2024	June 28, 2027	15.80%	-	98,000	-	98,000	503,186	537,285	34,099	0.78	1.08
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	3 years	June 28, 2024	June 28, 2027	11.59%	-	101,000	-	101,000	515,435	519,140	3,705	0.75	1.04
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	5 years	September 18, 2024	September 18, 2029	17.49%	-	62,000	-	62,000	310,023	316,975	6,952	0.46	0.64
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	5 years	October 21, 2024	October 21, 2029	12.53%	-	462,500	-	462,500	2,330,273	2,376,094	45,821	3.45	4.78
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	5 years	October 21, 2024	October 21, 2029	11.59%	-	462,500	-	462,500	2,329,009	2,381,875	52,866	3.45	4.79
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	5 years	June 28, 2024	June 28, 2029	15.10%	-	99,000	-	99,000	512,064	557,271	45,207	0.81	1.12
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	5 years	June 28, 2024	June 28, 2029	11.58%	-	299,000	-	299,000	1,528,705	1,539,850	11,145	2.23	3.10
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	5 years	September 18, 2024	September 18, 2029	13.85%	-	162,000	4,980	157,020	785,123	837,702	52,579	1.21	1.68
GoP Ijarah Sukuk Certificates - XXVI - VRR	5 years	October 26, 2022	October 26, 2027	14.15%	-	52,250	52,250	-	-	-	-	-	-
GoP Ijarah Sukuk Certificates - XXXIV - FRR (note 6.3.1)	5 years	December 4, 2023	December 4, 2028	15.75%	9,500	-	-	9,500	961,197	1,035,025	73,828	1.50	2.08
GoP Ijarah Sukuk Certificates - XLII - VRR (note 6.3.1)	5 years	December 4, 2023	December 4, 2028	12.72%	3,500	-	-	3,500	350,496	364,105	13,609	0.53	0.73
GoP Ijarah Sukuk Certificates - XXIII - VRR (note 6.3.1)	5 years	October 6, 2021	October 6, 2026	13.81%	1,850	15,000	15,250	1,600	160,585	163,184	2,599	0.24	0.33
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	5 years	January 24, 2024	January 24, 2029	19.96%	247,500	349,900	-	597,400	3,032,987	3,091,545	58,558	4.48	6.22
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	5 years	January 24, 2024	January 24, 2029	15.49%	182,500	389,900	40,000	532,400	2,688,208	2,701,930	13,722	3.92	5.43
GoP Ijarah Sukuk Certificates - XXVI - VRR (note 6.3.1)	5 years	October 26, 2022	October 26, 2027	14.15%	2,000	-	-	2,000	200,984	205,780	4,796	0.30	0.41
GoP Ijarah Sukuk Certificates - XXI - VRR (note 6.3.1)	5 years	July 29, 2020	July 29, 2025	18.99%	7,130	-	-	7,130	712,848	730,255	17,407	1.06	1.47
GoP Ijarah Sukuk Certificates - FRR - PSX (note 6.3.2)	10 years	September 18, 2024	September 18, 2034	13.04%	-	99,500	-	99,500	497,518	497,500	(18)	0.72	1.00
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	10 years	September 18, 2024	September 18, 2034	13.04%	-	399,500	-	399,500	1,997,615	2,047,438	49,823	2.97	4.12
GoP Ijarah Sukuk Certificates - VRR - PSX (note 6.3.2)	10 years	October 21, 2024	October 21, 2034	14.11%	-	37,500	-	37,500	190,996	191,030	34	0.28	0.38
As at December 31, 2024 (Unaudited)									30,387,512	31,074,078	686,566		
Total as at June 30, 2024 (Audited)									7,206,770	7,250,638	43,868		

6.3.1 The nominal value of these sukuks is Rs. 100,000 each.

6.3.2 The nominal value of these sukuks is Rs. 5,000 each.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

6.4 Bai muajjal certificates

Name of the investee company	Issue date	Maturity date	Profit rate (%)	As at July 1, 2024	Placed during the period	Matured during the period	Balance as at December 31, 2024			Market value as a percentage of	
							Carrying value	Market value	Unrealised appreciation / diminution	Net assets of the Fund	Total market value of investments
(Rupees in '000)							%				
Askari Bank Limited (AA+, PACRA)	October 28, 2024	January 24, 2025	14.25%	-	4,244,144	-	4,244,144	4,244,144	-	6.15	8.53
United Bank Limited (AAA, PACRA)	November 04, 2024	February 03, 2024	13.00%	-	1,473,324	-	1,473,324	1,473,324	-	2.14	2.96
Pak Brunei Investment Company Limited (AA+, VIS)	November 05, 2024	February 07, 2025	13.25%	-	3,006,548	-	3,006,548	3,006,548	-	4.36	6.05
United Bank Limited (AAA, PACRA)	November 05, 2024	February 03, 2025	13.00%	-	1,459,141	-	1,459,141	1,459,141	-	2.12	2.93
Askari Bank Limited (AA+, PACRA)	October 28, 2024	January 24, 2025	13.00%	-	3,128,208	-	3,128,208	3,128,208	-	4.54	6.29
Habib Bank Limited (AAA, VIS)	December 23, 2024	February 24, 2025	12.00%	-	2,338,457	-	2,338,457	2,338,457	-	3.39	4.70
As at December 31, 2024 (Unaudited)							15,649,822	15,649,822	-		
Total as at June 30, 2024 (Audited)							-	-	-		

6.5 Certificates of musharakah

Name of the bank	Issue date	Maturity date	Profit rate (%)	As at July 1, 2024	Placed during the period	Matured during the period	Balance as at December 31, 2024			Market value as a percentage of	
							Carrying value	Market value	Unrealised appreciation / diminution	Net assets of the Fund	Total market value of investments
(Rupees in '000)							%				
Meezan Bank Limited (AAA, VIS)	November 13, 2024	November 22, 2024	13.50%	-	4,000,000	4,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	November 22, 2024	December 9, 2024	13.15%	-	5,000,000	5,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	December 9, 2024	December 17, 2024	12.25%	-	5,000,000	5,000,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	December 17, 2024	December 27, 2024	11.25%	-	5,000,000	5,000,000	-	-	-	-	-
Meezan Bank Limited (AAA, VIS)	December 17, 2024	December 23, 2024	10.95%	-	2,000,000	2,000,000	-	-	-	-	-
HBL Islamic Banking (AAA, VIS)	December 18, 2024	December 20, 2024	11.25%	-	1,500,000	1,500,000	-	-	-	-	-
Faysal Bank Limited (AA, PACRA)	December 20, 2024	December 27, 2024	11.25%	-	1,500,000	1,500,000	-	-	-	-	-
As at December 31, 2024 (Unaudited)							-	-	-		
Total as at June 30, 2024 (Audited)							-	-	-		

	Note	December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)
		----- (Rupees in '000) -----	

6.6 Net unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss'

Market value of investments	6.1, 6.2, 6.3 & 6.4	49,729,473	7,572,377
Less: Carrying value of investments	6.1, 6.2, 6.3 & 6.4	(49,051,878)	(7,542,854)
		<u>677,596</u>	<u>29,523</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
7 PROFIT RECEIVABLES		----- (Rupees in '000) -----	
Profit receivable on:			
- Savings accounts		235,237	62,514
- Corporate sukuk certificates		73,457	13,546
- GoP Ijarah Sukuks certificates		1,011,762	356,030
- Bai muajjal certificates		269,201	-
		<u>1,589,657</u>	<u>432,090</u>

**8 ADVANCES, DEPOSITS, PREPAYMENTS AND
OTHER RECEIVABLES**

Security deposits with:			
- National Clearing Company of Pakistan Limited (NCCPL)		2,500	2,500
- Central Depository Company of Pakistan Limited (CDC)		100	100
Prepayments		-	296
Other receivables		96,844	32,158
Advance tax	8.1	<u>6,190</u>	<u>6,190</u>
		<u>105,634</u>	<u>41,244</u>

- 8.1** As per clause 47(B) of part IV of the Second Schedule to the Income Tax Ordinance, 2001, payments made to collective investment schemes (CISs) are exempt from withholding tax under sections 151 and 150 of the Income Tax Ordinance, 2001. However, withholding tax on profit on debt securities and profit on savings accounts with banks paid to the Fund was deducted by various withholding agents based on the interpretation issued by FBR vide letter C. no. 1(43) DG (WHT)/2008-VOL.II-66417-R dated May 12, 2015 which requires every withholding agent to withhold income tax at applicable rates in case a valid exemption certificate under section 159(1) issued by the concerned Commissioner of Inland Revenue (CIR) is not produced before him by the withholders. The tax withheld on profit on debt securities and profit on savings accounts with banks amounts to Rs. 6.19 million (June 30, 2024: Rs. 6.19 million).

For this purpose, the Mutual Funds Association of Pakistan (MUFAP) on behalf of various mutual funds (including the Funds being managed by the Management Company) had filed a petition in the Honourable Sindh High Court (SHC) challenging the above mentioned interpretation of the Federal Board of Revenue (FBR) which was decided by the SHC in favour of FBR. A petition was filed in the Supreme Court of Pakistan by the Funds together with other CISs (managed by the Management Company and other Asset Management Companies) whereby the Supreme Court granted the petitioners leave to appeal from the initial judgment of the SHC. Pending resolution of the matter, the amount of withholding tax deducted on profit on debt securities and profit on savings accounts with banks paid to the Fund has been shown as Advance tax as at December 31, 2024 as, in the opinion of the management, the amount of tax deducted at source will be refunded.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
9 PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY		----- (Rupees in '000) -----	
Management remuneration payable	9.1	92,110	6,536
Sindh Sales Tax payable on remuneration of Management Company	9.2	13,817	850
Sales load payable		10,946	3,232
Allocated expenses payable	9.3	-	798
Sindh Sales Tax payable on allocated expenses	9.4	-	-
Selling and marketing expenses payable	9.5	-	9,194
Shariah advisory fee payable		32	30
		<u>116,905</u>	<u>20,640</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

9.1 'As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the Offering Document subject to the total expense ratio limit. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rates ranging from 0.01% to 7.40% per annum of the gross earnings in the month of July 01, 2024 and August 31, 2024 (December 31, 2023: 0.5% to 10% per annum on gross earnings). As per the amendment in the offering document, the Management company with effect from September 01, 2024 has charged management fee at the rate upto 2.00% of Net assets of the schemes, calculated on daily basis. From September 01, 2024, the Management company has charged management fee ranging from 0.95% to 2.00% per annum of the daily net assets. The remuneration is payable to the Management Company monthly in arrears.

9.2 The Sindh Finance Act, 2024 has introduced an amendment to the Sindh Sales Tax on Services Act, 2011, whereby the rate of sindh sales tax has increased from 13% to 15% per annum. Accordingly, during the period an amount of Rs. 43.81 million (December 31, 2023: Rs. 4.05 million) has been charged on account of sales tax at the rate of 15% (December 31, 2023: 13%) and an amount of Rs. 30.84 million (December 31, 2023: 2.72 million) has been paid to the Management Company which acts as a collecting agent.

9.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS).

The Management Company has charged such expenses at the rates ranging from 0.02% to 0.20% (December 31, 2023: 0.10% to 1.81%) per annum of the average annual net assets of the Fund.

9.4 The Sindh Finance Act, 2024 has introduced an amendment to the Sindh Sales Tax on Services Act, 2011, whereby it is clarified that "consideration in money" also includes any amount of reimbursable expenditure and charged in the course of provision of a service. Accordingly, during the period, an amount of Rs. 1.35 million was charged on account of sales tax on allocated expenses being charged in the course of provision of service at the rate of 15% and an amount of Rs. 1.35 million has been paid on account of sales tax on allocated expense to the Management Company which acts as a collecting agent.

9.5 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) subject to the condition that the expense charged remains within the Fund's total expense ratio limit, as defined under the NBFC Regulations and not being higher than the actual expenses.

The Management Company has not charged selling and marketing expenses during the current period.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
10	PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	----- (Rupees in '000) -----	
	Trustee remuneration payable	10.1 4,760	749
	Sindh Sales Tax payable on Trustee remuneration	10.2 714	97
		<u>5,474</u>	<u>846</u>

10.1 The Trustee is entitled to monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed. The Fund has charged Trustee Fee at the rate of 0.075% (December 31, 2023: 0.075%) of average daily net assets of the Fund during the period.

10.2 The Sindh Finance Act, 2024 has introduced an amendment to the Sindh Sales Tax on Services Act, 2011, whereby the rate of sindh sales tax has increased from 13% to 15% per annum. Accordingly, during the period an amount of Rs. 2.40 million (December 31, 2023: Rs. 0.27 million) has charged on account of sales tax at the rate of 15% (December 31, 2023: 13%) and an amount of Rs. 1.78 million (December 31, 2023: 0.21 million) was paid to the Trustee which acts as a collecting agent.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
11	PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	----- (Rupees in '000) -----	
	Fee payable	11.1 4,760	749

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

- 11.1** In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged SECP fee at the rate of 0.075% (December 31, 2023: 0.075%) per annum of the daily net assets during the period.

The Fund is required to pay SECP fee within fifteen days of the close of every calendar month.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
		----- (Rupees in '000) -----	
12 ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for federal excise duty payable on			
- Remuneration of the Management Company	12.1	8,639	8,639
- Sales load		3,028	3,028
Auditors' remuneration payable		571	849
Printing charges payable		70	40
Brokerage and settlement charges payable		1,846	-
Legal and professional charges payable		747	739
Withholding tax payable		53,270	40,873
Other payable		341,385	23
		<u>409,556</u>	<u>54,191</u>

- 12.1** The Finance Act, 2013 enlarged the scope of Federal Excise Duty (FED) on financial services to include Asset Management Companies (AMCs) as a result of which FED at the rate of 16 percent on the remuneration of the Management Company and sales load was applicable with effect from June 13, 2013. The Management Company was of the view that since the remuneration and sales load were already subject to provincial sales tax, further levy of FED would result in double taxation which did not appear to be the spirit of the law. Hence, on September 4, 2013 a constitutional petition was filed with the Sindh High Court (SHC) by the Management Company together with various other asset management companies challenging the levy of FED.

With effect from July 1, 2016, FED on services provided or rendered by non-banking financial institutions dealing in services which are subject to provincial sales tax has been withdrawn by the Finance Act, 2016.

During the year ended June 30, 2017, the SHC passed an order whereby all notices, proceedings taken or pending, orders made, duty recovered or actions taken under the Federal Excise Act, 2005 in respect of the rendering or providing of services (to the extent as challenged in any relevant petition) were set aside. In response to this, the Deputy Commissioner Inland Revenue has filed a Civil Petition for leave to appeal in the Supreme Court of Pakistan which is pending adjudication.

In view of the above, the Fund has discontinued making further provision in respect of FED on remuneration of the Management Company, sales load and related taxes from July 1, 2016. However, as a matter of abundant caution the provision for FED made for the period from June 13, 2013 till June 30, 2016 amounting to Rs 11.7 million (June 30, 2024: Rs. 11.7 million) is being retained in these condensed interim financial statements of the Fund as the matter is pending before the Supreme Court of Pakistan. Had the provision for FED not been made, the Net Asset Value of the Fund as at December 31, 2024 would have been higher by Rs. 0.02 per unit (June 30, 2024: Rs. 0.1 per unit).

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2024 and June 30, 2024.

14 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 for the year ending June 30, 2024 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 11(A) of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

15 TOTAL EXPENSE RATIO

The annualised total expense ratio (TER) of the Fund based on the current period results is 1.82% (December 31, 2023: 2.06%) which includes 0.30% (December 31, 2023: 0.23%) representing government levies and SECP Fee. The prescribed limit for the ratio is 2.50% (December 31, 2023: 2.50%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as an "Shariah Compliant (Income) scheme".

	Note	December 31, 2024 (Un-audited) ----- (Rupees in '000) -----	June 30, 2024 (Audited) ----- (Rupees in '000) -----
16 CASH AND CASH EQUIVALENTS			
Balances with banks	5	18,076,848	3,746,343
Bai muajjal certificates	6.4	12,643,274	-
		<u>30,720,122</u>	<u>3,746,343</u>

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

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

Transactions with connected persons essentially comprise of sale and redemption of units, fee on account of managing the affairs of the Fund, sales load, other charges 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.

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

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

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

17.1 Transactions during the period	December 31, 2024 (Un-audited) ----- (Rupees in '000) -----	December 31, 2023 (Un-audited) ----- (Rupees in '000) -----
MCB Investment Management Limited - Management Company		
Remuneration of the Management Company (including indirect taxes)	335,876	35,243
Allocated expenses (including indirect taxes)	10,380	2,721
Selling and marketing expenses	-	12,425
Shariah advisory fee	181	288
Units issued to unitholder on behalf of the Management Company*	1,461	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	18,398	2,300
CDC settlement charges	370	34
Group / associated companies		
MCB Bank Limited - Parent of the Management Company		
Bank charges	120	71
MCB Islamic Bank Limited - Subsidiary of parent of the Management Company		
Profit on balances with banks	180,305	47,260

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

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

17.2 Balances outstanding as at period end / year end

	December 31, 2024 (Un-audited) ----- (Rupees in '000) -----	June 30, 2024 (Audited)
MCB Investment Management Limited		
Management remuneration payable	92,110	6,536
Sindh Sales Tax payable on remuneration of the Management Company	13,817	850
Allocated expenses payable	-	798
Shariah advisory fee payable	32	30
Selling and marketing expenses payable	-	9,194
Sales load payable	10,921	3,232
Back end load payable	25	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration payable	4,760	749
Sindh Sales Tax payable on Trustee remuneration	714	97
Security deposit	100	100
MCB Bank Limited		
Balances with bank	125,118	28,233
MCB Islamic Bank Limited		
Balances with bank	4,002,226	1,611
Profit receivable on savings account	38,317	411

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

	Half year ended December 31, 2024 (Un-audited)							
	As at July 01, 2024	Issued for cash	Redeemed	As at December 31, 2024	As at July 01, 2024	Issued for cash	Redeemed	As at December 31, 2024
	Units				(Rupees in '000)			
Associated companies / undertakings:								
MCB Investment Management Limited	-	10,775,579	8,870,946	1,904,633	-	1,209,720	997,242	216,834
Adamjee Life Assurance Company Limited	531,607	2,431,760	2,711,720	251,647	55,319	263,000	296,929	28,649
Hyundai Nishat Motor (Private) Limited Employees Provident Fund	438,106	331,573	-	769,679	45,590	35,001	-	87,624
Arif Habib Securities Limited Employees Provident Fund Trust	-	16	-	16	-	2	-	2
MCBFSL Trustee Alhamra Smart Portfolio	976,144	639,475	500,386	1,115,233	101,578	71,747	56,210	126,964
Adamjee Insurance Company Limited Window Takaful Operations	1,826,870	8,067,004	4,946,937	4,946,937	190,105	912,084	562,059	563,186
Adamjee Life Assurance Company Limited Amaanat Fund	-	2	-	2	-	-	-	-
Adamjee Insurance Company Limited Employees Provident Fund	-	346,760	346,760	-	-	37,066	39,468	-
Security General Insurance Company Limited Employees Provident Fund Trust	-	125,913	-	125,913	-	13,930	-	14,335
Adamjee Life Assurance Company Limited - Tameen	-	9,143,790	723,437	8,420,353	-	1,000,055	80,000	958,618
Lalpur Staff Provident Fund	-	272,635	196,537	76,098	-	30,000	22,000	8,663
Key management personnel*	114,728	9,062,967	4,830,329	4,347,366	2,781	61,462	49,168	494,927
Mandate Under Discretionary Portfolio Services	1,221,730	16,112,529	14,014,619	3,319,640	7	221,740	93,394	377,925
Unit holders holding 10% or more units	-	-	-	-	-	-	-	-

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

	Half year ended December 31, 2023 (Un-audited)							
	As at July 01, 2023	Issued for cash	Redeemed	As at December 31, 2023	As at July 01, 2023	Issued for cash	Redeemed	As at December 31, 2023
	Units				(Rupees in '000)			
Associated companies / undertakings:								
MCB Investment Management Limited	61,939	-	61,939	-	6,379	-	6,785	-
Adamjee Life Assurance Company Ltd	-	2,460,878	1,793,850	667,028	-	275,143	200,798	68,696
Hyundai Nishat Motor (Private) Limited Employees Provident Fund	-	620,860	620,225	635	-	69,018	69,563	65
Arif Habib Securities Limited Employees Provident Fund Trust	73,294	-	73,294	-	7,548	-	7,626	-
MCBFSL Trustee Alhamra Smart Portfolio	798,631	76,066	60,147	814,550	82,250	8,363	6,561	83,889
Adamjee Insurance Company Limited Window Takaful Operations	-	1,528,303	-	1,528,303	-	168,467	-	157,397
Mandate Under Discretionary Portfolio Services	71	1,999,650	831,087	1,168,634	7	221,740	93,394	120,356
Key management personnel	27,000	555,695	441,853	140,842	2,781	61,462	49,168	14,505
Unit holders holding 10% or more units	-	-	-	-	-	-	-	-

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

18 FAIR VALUE MEASUREMENT

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 at the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from the respective book values.

18.1 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 assets or liability that are not based on observable market data (i.e. unobservable inputs).

As at December 31, 2024 and June 30, 2024, the Fund holds the following financial instrument measured at fair value.

December 31, 2024				
Unaudited				
ASSETS	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	(Rupees in '000)			
Unlisted securities - Corporate sukuk certificates	-	2,596,018	-	2,596,018
Listed securities - Corporate sukuk certificates	409,555	-	-	409,555
GoP Ijarah Sukuk certificates	27,373,416	3,700,662	-	31,074,078
Bai muajjal certificates	-	15,649,822	-	15,649,822
	27,782,971	21,946,502	-	49,729,473

June 30, 2024				
Audited				
ASSETS	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	(Rupees in '000)			
Unlisted securities - Corporate sukuk certificates	-	498,557	-	498,557
Listed securities - Corporate sukuk certificates	405,987	-	-	405,987
GoP Ijarah Sukuk certificates	2,679,451	4,571,187	-	7,250,638
	3,085,438	5,069,744	-	8,155,182

19 GENERAL

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

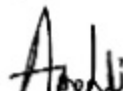
20 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on February 04, 2025 by the Board of Directors of the Management Company.

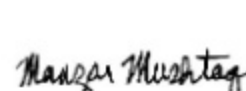
For MCB Investment Management Limited
(Management Company)



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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