



MCB FUNDS  
Investments for Life

# HALF YEARLY REPORT

DECEMBER  
**2024**  
(UNAUDITED)

Funds Under Management of  
MCB Investment Management Limited



# **ALHAMRA ISLAMIC STOCK FUND**

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## FUND'S INFORMATION

<b>Management Company</b>	<b>MCB Investment Management Limited</b> Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
<b>Board of Directors</b>	Mr. Haroun Rashid <b>Mr. Muhammad Nauman Chughtai</b> Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b> <b>Mr. Fahd Kamal Chinoy</b> Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman <b>Director</b> Chief Executive Officer Director Director Director Director Director
<b>Audit Committee</b>	Syed Savail Meekal Hussain Mr. Ahmed Jahangir <b>Mr. Manzar Mushtaq</b>	Chairman Member Member
<b>Human Resource &amp; Remuneration Committee</b>	<b>Mr. Fahd Kamal Chinoy</b> Mr. Ahmed Jahangir Ms. Mavra Adil Khan <b>Mr. Khawaja Khalil Shah</b> <b>Mr. Muhammad Nauman Chughtai</b>	Chairman Member Member Member Member
<b>Credit Committee</b>	<b>Mr. Ahmed Jahangir</b> <b>Mr. Manzar Mushtaq</b> Syed Savail Meekal Hussain <b>Mr. Khawaja Khalil Shah</b>	<b>Member</b> <b>Member</b> <b>Member</b> <b>Member</b>
<b>Chief Executive Officer</b>	<b>Mr. Khawaja Khalil Shah</b>	
<b>Chief Operating Officer &amp; Chief Financial Officer</b>	Mr. Muhammad Asif Mehdi Rizvi	
<b>Company Secretary</b>	Mr. Altaf Ahmad Faisal	
<b>Trustee</b>	<b>Central Depository Company of Pakistan Ltd.</b> 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.cdc-pakistan.com	
<b>Bankers</b>	MCB Bank Limited Habib Metropolitan Bank Limited United Bank Limited Allied Bank Limited Habib Bank Limited National Bank of Pakistan Standard Chartered Bank Limited Silk Bank Limited MCB Islamic Bank Limited	Bank Islami Pakistan Limited Dubai Islamic Bank Limited Askari Bank Limited Bank Al Habib Limited Faysal Bank Limited Soneri Bank Limited Al-Baraka Bank Pakistan Limited The Bank of Khyber
<b>Auditors</b>	<b>A. F. Ferguson &amp; Co.</b> Chartered Accountants (A Member Firm of PWC Network) State Life Building 1-C I.I. Chundrigar Road, Karachi.	
<b>Legal Advisor</b>	<b>Bawaney &amp; Partners</b> 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
<b>Rating</b>	<b>AM1</b> Asset Manager Rating assigned by PACRA	
<b>Transfer Agent</b>	<b>MCB Investment Management Limited</b> 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**

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Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Islamic Stock Fund's** accounts 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**

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### **Equity Market Review**

KSE-100 Index delivered a stellar performance in the first half of the fiscal year, reaching a new all-time high of 116,169 points. The performance was driven by multiple catalysts, including inflation figures falling to a 80-month low and 900bps interest rate cut by the State Bank of Pakistan (SBP). Additionally, the IMF Board's approval of the USD 7 billion Extended Fund Facility (EFF) provided clarity on the external front and bolstered investor confidence. Furthermore, the foreign currency deposits rollover by friendly countries and consecutive monthly current account surplus provided additional impetus to the rally. Some market volatility was observed in the month of December 24, causing the index to settle at 115,126 points, an increase of 36,682 points or 46.8%.

During 1HFY25, Foreign investors were net sellers with an outflow of USD 186.8 million. The massive selling was on account FTSE rebalancing related outflow as Pakistan was reclassified from Secondary Emerging to Frontier market status. This selling was mainly absorbed by Mutual Funds, Corporates and Individuals with inflow of USD 182.7 million, USD 26.7 million, and USD 26.3 million.

On activity front, average trading volumes for KSE-All Index improved by 54.8% to 686.3 million shares compared to about 443.3 million shares in the preceding half. While the average trading value during the period saw an increase of 65.6% over previous half to near USD 99 million.

E&P, Fertilizer, and Banking sector were the major contributors to the index gain adding 8,280/7,798/7,227 points, respectively. Attractive dividend yield amid monetary easing garner investors interest in Banking & Fertilizer sector. While E&P sector also remained in the limelight due to surprise 800% bonus announcement by MARI and improvement in the liquidity position of circular debt linked companies. On the other hand, the power sector contributed a negative 404 points as the government has renegotiated or terminated contracts with Independent Power Producers (IPPs).

### **FUND PERFORMANCE**

During the period, ALHISF delivered a return of 44.94% as compared to benchmark return of 41.30%. Overall equity exposure of the fund stood at 92.6% at the end of the period. The fund changed its investment strategy several times during the quarter to cope with various sector and

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

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company level fundamental developments. During the period, the fund had exposures majorly in Cement, Commercial Banks and Fertilizer Companies.

The Net Assets of the Fund as at December 31, 2024 stood at Rs. 6,137 million as compared to Rs. 4,080 million as at June 30, 2024 registering an increase of 50.4%.

The Net Asset Value (NAV) per unit as at December 31, 2024 was Rs. 21.93 as compared to opening NAV of Rs. 15.13 per unit as at June 30, 2024 registering an increase of Rs. 6.8 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 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

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

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further rate cuts with lower than expected inflation along with a strong build up in Forex Reserves.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 13.3%, a discount of 28.4% from its historical average of 18.6%. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies, which trade at a deep discount to their intrinsic value. The market is currently trading at a forward Price to Earnings ratio of 6.9x, while offering a dividend yield of 8.2%.

### **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 more broad 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**

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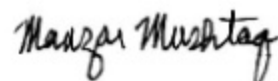
**ACKNOWLEDGMENT**

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

اظہارِ تشکر

بورڈ فنڈ کے قابلِ قدر سرمایہ کاروں، سیکورٹیز 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 خراجِ تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز

*Manzar Mushtaq*

منظر مشتاق

ڈائریکٹر

کراچی،

04 فروری 2025ء



خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

کراچی،

04 فروری 2025ء

فیصد ہو گئے ہیں۔ ہم سمجھتے ہیں کہ شرح سود میں مزید 100 بی پی ایس کی 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۔

کیپٹل مارکیٹ، خصوصاً ایکویٹیز، کے نقطہ نظر مارکیٹ میں تاحال سستے تخمینوں پر تجارت ہو رہی ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب 13.3 فیصد ہے، جو اس کے پرانے اوسط 18.6 فیصد سے 28.4 فیصد کمی ہے۔ ہم سمجھتے ہیں کہ شعبہ جات اور اسٹاکس کا خورد بینی منظر اہمیت کا حامل رہے گا، اور سرمایہ کاری کے انتخاب کے معاملے میں ایسی کمپنیوں پر توجہ مرکوز کرنی چاہیے جو اپنی اندرونی قدر میں گہری رعایت پر تجارت کرتی ہیں۔ موجودہ طور پر مارکیٹ میں لاگت کا آمدنی کے ساتھ تناسب 6.9 گنا چل رہا ہے، جبکہ ڈیویڈنڈ سے ہونے والا منافع 8.2 فیصد ہے۔

#### 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 برآں، 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۔

31 دسمبر 2024ء کو فنڈ کے نیٹ اثاثہ جات 6,137 ملین روپے تھے، جو 30 جون 2024ء کو 4,080 ملین روپے کے مقابلے میں 50.4 فیصد اضافہ ہے۔

31 دسمبر 2024ء کو فنڈ کی نیٹ اثاثہ جاتی قدر (NAV) فی یونٹ 21.93 روپے تھی، جو 30 جون 2024ء کو ابتدائی (NAV) 15.13 روپے فی یونٹ کے مقابلے میں 6.8 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 دوطرفہ اور کثیرالجہتی ذرائع سے رقم حاصل کر سکیں گے۔ 'ایس بی پی' کے ذخائر کا دوست ممالک، آئی ایم ایف اور کثیرالجہتی 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 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



## ایکویٹی مارکیٹ جائزہ

KSE-100 انڈیکس مالی سال کے نصف اول میں شاندار کارکردگی کا مظاہرہ کرتے ہوئے 116,169 پوائنٹس کی اب تک کی نئی بلند ترین سطح تک پہنچ گیا۔ اس کامیابی کے متعدد عوامل تھے، بشمول مہنگائی میں 80 ماہ کی کم ترین سطح تک کمی، اور اسٹیٹ بینک آف پاکستان (ایس بی پی) کی طرف سے شرح سود میں 900 بی پی ایس کی کمی۔ مزید برآں، آئی ایم ایف بورڈ کی 7 بلین ڈالر کی ایکسٹینڈڈ فنڈ فیسلٹی (ای ایف ایف) کی منظوری کی بدولت خارجی محاذ پر صورتحال واضح ہوئی اور سرمایہ کاروں کے اعتماد کو تقویت حاصل ہوئی۔ علاوہ ازیں، دوست ممالک سے غیر ملکی کرنسی کے ذخائر کی منتقلی اور مسلسل ماہانہ کرنٹ اکاؤنٹ منافع کی بدولت بڑھاؤ کو مزید فروغ حاصل ہوا۔ دسمبر 2024ء میں مارکیٹ میں کچھ عدم استحکام دیکھا گیا جس کے باعث انڈیکس 115,126 پوائنٹس پر پہنچ گیا، جو 36,682 پوائنٹس یعنی 46.8 فیصد اضافہ ہے۔

مالی سال 2025ء کے نصف اول کے دوران غیر ملکی سرمایہ کار ریٹ فروخت کنندگان تھے جن کے ذریعے 186.8 ملین ڈالر کا اخراج ہوا۔ اتنے بڑے حجم میں فروخت کی وجہ ایف ٹی ایس ای میں دوبارہ توازن پیدا کرنے سے متعلق اخراج تھی کیونکہ پاکستان کی درجہ بندی کو 'سینڈری ایمرجنگ' سے تبدیل کر کے 'فسرفٹیسو مارکیٹ' کر دیا گیا۔ اس فروخت کے خریدار زیادہ تر میوچل فنڈز، کارپوریٹس اور افراد تھے جن کے ذریعے بالترتیب 182.7 ملین ڈالر، 26.7 ملین ڈالر اور 26.3 ملین ڈالر کی آمدات ہوئیں۔

سرگرمیوں کے محاذ پر KSE-ALL انڈیکس 54.8 فیصد بڑھ کر 686.3 ملین حصص ہو گیا، جو گزشتہ نصف سال میں تقریباً 443.3 ملین حصص کے بالمقابل ہے۔ اوسط تجارتی قدر دوران مدت گزشتہ نصف سے 65.6 فیصد بڑھ کر تقریباً 99 ملین ڈالر ہو گئی۔

ای اینڈ پی، کھاد اور بینکاری کے شعبوں نے انڈیکس میں سب سے زیادہ حصہ ڈالا جو بالترتیب 8,280/7، 798/7 اور 227 پوائنٹس کا اضافہ تھا۔ ڈیویڈنڈ سے ہونے والے پُرکشش منافع اور مالیاتی تسہیل نے بینکاری اور کھاد کے شعبوں میں سرمایہ کاروں کی دلچسپی مبذول کرائی۔ ای اینڈ پی شعبہ بھی منظر عام پر رہا جس کے عوامل MARI کی جانب سے 800 فیصد بونس پوائنٹس کا غیر متوقع اعلان اور گردشی قرض سے منسلک کمپنیوں کی نقدیت کی صورتحال میں بہتری ہیں۔ دوسری جانب، بجلی کے شعبے نے منفی 404 پوائنٹس کا حصہ ڈالا کیونکہ حکومت نے بجلی کے آزاد پیدا کاروں (آئی پی پی) کے ساتھ معاہدوں میں ترمیم کر دی ہے یا ان کو ختم کر دیا ہے۔

## فنڈ کی کارکردگی

دوران مدت پی ایس ایم نے 44.9 فیصد منافع حاصل کیا جو بینچمارک ریٹرن 41.30 فیصد کے بالمقابل ہے۔ اختتام مدت پر فنڈ کی ایکویٹی میں مجموعی سرمایہ کاری 92.6 فیصد تھی۔ فنڈ کی سرمایہ کاری کی حکومت عملی میں متعدد بار تبدیلی کی گئی تاکہ سیکٹر اور کمپنی کی سطح پر ہونے والی مختلف بنیادی تبدیلیوں کے ساتھ ہم آہنگ ہو جاسکے۔ دوران مدت فنڈ کی زیادہ تر سرمایہ کاری سیمنٹ، کمرشل بینکوں اور کھاد کی کمپنیوں میں تھی۔

عزیز سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے الحمد للہ اسلامک اسٹاک 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 زیر مبادلہ 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 زیر مبادلہ 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 سالانہ 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 ترقی ہوئی۔ 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 Shahr-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 STOCK 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 Stock 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





# INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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 Stock 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: RR202410611SMjszXKPD

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>

■ KARACHI ■ LAHORE ■ ISLAMABAD



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

	Note	December 31, 2024 (Un-audited) ----- (Rupees in '000) -----	June 30, 2024 (Audited) ----- (Rupees in '000) -----
<b>ASSETS</b>			
Balances with banks	5	442,239	204,974
Investments	6	5,794,810	3,888,224
Advances, deposits and other receivables	7	18,629	7,823
Receivable against sale of investments		-	31,284
<b>Total assets</b>		<b>6,255,678</b>	<b>4,132,305</b>
<b>LIABILITIES</b>			
Payable to MCB Investment Management Limited - Management Company	8	19,790	14,562
Payable to Central Depository Company of Pakistan Limited - Trustee	9	719	454
Payable to the Securities and Exchange Commission of Pakistan	10	513	304
Payable against purchase of investments		40,326	9,494
Accrued expenses and other liabilities	11	57,826	27,834
<b>Total liabilities</b>		<b>119,174</b>	<b>52,648</b>
<b>NET ASSETS</b>		<b>6,136,504</b>	<b>4,079,657</b>
<b>Unit holders' fund (as per statement attached)</b>		<b>6,136,504</b>	<b>4,079,657</b>
<b>Contingencies and commitments</b>	12		
<b>----- (Number of units) -----</b>			
<b>NUMBER OF UNITS IN ISSUE</b>		<b>279,833,399</b>	<b>269,683,354</b>
<b>----- (Rupees) -----</b>			
<b>NET ASSET VALUE PER UNIT</b>		<b>21.93</b>	<b>15.13</b>

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

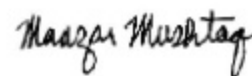
For MCB Investment Management Limited  
(Management Company)



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) -----			
<b>INCOME</b>					
Profit on bank deposits		15,989	4,372	8,683	2,868
Dividend income		158,445	100,402	109,362	70,773
Net realised gain on sale of investments		927,001	411,462	896,873	359,729
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	6.2	1,131,404	861,369	1,031,925	717,815
<b>Total income</b>		<b>2,232,839</b>	<b>1,377,605</b>	<b>2,046,843</b>	<b>1,151,185</b>
<b>EXPENSES</b>					
Remuneration of MCB Investment Management Limited - Management Company	8.1	84,378	38,470	49,843	24,520
Sindh Sales Tax on remuneration of the Management Company	8.2	12,657	5,001	7,477	3,188
Allocated expenses	8.3	-	1,895	-	568
Selling and marketing expenses	8.4	-	10,043	-	2,225
Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	3,002	1,977	1,757	1,045
Sindh Sales Tax on remuneration of the Trustee	9.2	450	257	263	136
Fees to the Securities and Exchange Commission of Pakistan	10	2,372	1,401	1,429	754
Auditors' remuneration		586	439	293	245
Securities transaction cost		17,165	6,799	13,931	4,401
Settlement and bank charges		1,022	465	735	108
Legal and professional charges		174	93	87	14
Shariah advisory fee		182	287	96	136
Printing and related costs		35	50	10	25
Charity expense		4,782	2,709	2,995	2,447
<b>Total expenses</b>		<b>126,805</b>	<b>69,886</b>	<b>78,916</b>	<b>39,812</b>
<b>Net income for the period before taxation</b>		<b>2,106,034</b>	<b>1,307,719</b>	<b>1,967,927</b>	<b>1,111,373</b>
Taxation	13	-	-	-	-
<b>Net income for the period after taxation</b>		<b>2,106,034</b>	<b>1,307,719</b>	<b>1,967,927</b>	<b>1,111,373</b>
<b>Allocation of net income for the period after taxation</b>					
- Net income for the period		2,106,034	1,307,719		
- Income already paid on units redeemed		(859,093)	(184,800)		
		<b>1,246,941</b>	<b>1,122,919</b>		
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		1,233,320	1,094,648		
- Excluding capital gains		13,621	28,271		
		<b>1,246,941</b>	<b>1,122,919</b>		

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

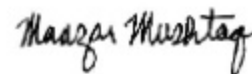
For MCB Investment Management Limited  
(Management Company)



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		Quarter ended	
	December 31,		December 31,	
	2024	2023	2024	2023
	----- (Rupees in '000) -----			
Net income for the period	2,106,034	1,307,719	1,967,927	1,111,373
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	2,106,034	1,307,719	1,967,927	1,111,373

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

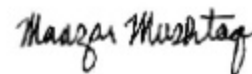
For MCB Investment Management Limited  
(Management Company)



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 (loss) / income	Total
	(Rupees in '000)					
<b>Net assets at the beginning of the period (audited)</b>	3,559,863	519,794	4,079,657	3,132,247	(652,919)	2,479,328
Issuance of 404,337,301 (2023: 93,362,943) units:						
- Capital value (at net asset value per unit at the beginning of the period)	6,117,623	-	6,117,623	841,200	-	841,200
- Element of income	1,362,052	-	1,362,052	252,175	-	252,175
<b>Total proceeds on issuance of units</b>	7,479,675	-	7,479,675	1,093,375	-	1,093,375
Redemption of 394,187,256 (2023: 128,600,713) units:						
- Capital value (at net asset value per unit at the beginning of the period)	(5,964,053)	-	(5,964,053)	(1,158,692)	-	(1,158,692)
- Element of loss	(705,716)	(859,093)	(1,564,809)	(173,183)	(184,800)	(357,983)
<b>Total payments on redemption of units</b>	(6,669,769)	(859,093)	(7,528,862)	(1,331,875)	(184,800)	(1,516,675)
<b>Total comprehensive income for the period</b>	-	2,106,034	2,106,034	-	1,307,719	1,307,719
<b>Net assets at the end of the period (unaudited)</b>	4,369,769	1,766,735	6,136,504	2,893,747	470,000	3,363,747
<b>Undistributed income brought forward</b>						
- Realised loss		(581,427)			(556,655)	
- Unrealised income / (loss)		1,101,221			(96,264)	
		519,794			(652,919)	
<b>Accounting income available for distribution:</b>						
- Relating to capital gains		1,233,320			1,094,648	
- Excluding capital gains		13,621			28,271	
		1,246,941			1,122,919	
<b>Undistributed income carried forward</b>		1,766,735			470,000	
<b>Undistributed income / (loss) carried forward</b>						
- Realised income / (loss)		635,331			(391,369)	
- Unrealised income		1,131,404			861,369	
		1,766,735			470,000	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period		15.13			9.01	
Net asset value per unit at the end of the period		21.93			14.02	

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

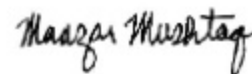
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director



# CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

## FOR THE HALF YEAR ENDED DECEMBER 31, 2024

	Note	Half year ended	
		December 31,	
		2024	2023
----- (Rupees in '000) -----			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income for the period before taxation		2,106,034	1,307,719
<b>Adjustments for:</b>			
Dividend income		(158,445)	(100,402)
Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'	6.2	(1,131,404)	(861,369)
		816,185	345,948
<b>Increase in assets</b>			
Investments - net		(775,182)	(3,179)
Receivable against sale of investments		31,284	(10,274)
Advances, deposits and other receivable		(10,806)	(2,697)
		(754,704)	(16,150)
<b>Increase / (decrease) in liabilities</b>			
Payable to MCB Investment Management Limited - Management Company		5,228	(486)
Payable to Central Depository Company of Pakistan Limited - Trustee		265	109
Payable to the Securities and Exchange Commission of Pakistan		209	(234)
Payable against purchase of investments		30,832	(24,401)
Accrued expenses and other liabilities		29,992	493
		66,526	(24,519)
Dividend received		158,445	100,402
<b>Net cash generated from operating activities</b>		286,452	405,681
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Receipts against issuance and conversion of units		7,479,675	1,093,375
Payments against redemption and conversion of units		(7,528,862)	(1,516,675)
<b>Net cash used in financing activities</b>		(49,187)	(423,300)
<b>Net increase / (decrease) in cash and cash equivalents during the period</b>		237,265	(17,619)
Cash and cash equivalents at the beginning of the period		204,974	120,136
<b>Cash and cash equivalents at the end of the period</b>	5	442,239	102,517

The annexed notes 1 to 18 form an integral part of these condensed interim financial statements.

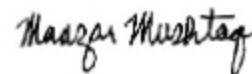
For MCB Investment Management Limited  
(Management Company)



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 Stock Fund (the Fund) was established through a Trust Deed executed between MCB Investment Management Limited, as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The draft Trust Deed of the Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter dated May 13, 2004 consequent to which Trust Deed was executed on May 26, 2004 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 12, 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 Regulations) Rules, 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open ended mutual Fund and is listed on the Pakistan Stock Exchange Limited. The principal activity of the Fund is to provide a high absolute return by investing in equity securities. Units are transferable and can be redeemed by surrendering them to the Fund. The Fund has been categorised as "Shariah Compliant Equity Scheme" by the Board of Directors of the Management Company in accordance with the requirements of Circular 7 of 2009 dated March 6, 2009 issued by SECP.
- 1.4 The Pakistan Credit Rating Agency Limited (PACRA) has assigned an asset manager rating of 'AM1' on October 04, 2024 (June 30, 2024: 'AM1' dated October 6, 2023) to the Management Company. 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 Central Depository Company of Pakistan Limited (CDC) 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
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the requirements of IAS 34 'Interim Financial Reporting', 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.

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

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 does 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, SIGNIFICANT 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, assumptions and use judgments 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 material impact on the Fund's financial statements 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) —— (Rupees in '000) ——	June 30, 2024 (Audited)
<b>5 BALANCES WITH BANKS</b>			
- In current accounts	5.1	37,430	15,711
- In savings accounts	5.2	404,809	189,263
		442,239	204,974

**5.1** These include a balance of Rs. 24.68 million (June 30, 2024: Rs. 2.67 million) maintained with MCB Bank Limited, a related party.

**5.2** These carry profit at the rates ranging from 9.50% to 10.10% (June 30, 2024: 17.00% to 21.30%) per annum. These include a balance of Rs. 148.52 million (June 30, 2024: Rs. 127.29 million) maintained with MCB Islamic Bank Limited, a related party.



**ALHAMRA ISLAMIC STOCK FUND**





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

**6.1.1.1** Investments include Nil shares (June 30, 2024: 500,000 shares) of The Hub Power Company Limited having market value of Nil as at December 31, 2024 (June 30, 2024: Rs. 81.540 million), 700,000 shares (June 30, 2024: 700,000 shares) of Oil & Gas Development Company Limited having market value of Rs. 159.08 million as at December 31, 2024 (June 30, 2024: Rs. 94.76 million), 63,000 shares (June 30, 2024: Nil shares) of Lucky Cement Limited having market value of Rs. 69.33 million as at December 31, 2024 (June 30, 2024: Nil), which have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of Fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

Name of security	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
	— (Number of shares) —		— (Rupees in '000) —	
The Hub Power Company Limited	-	500,000	-	81,540
Oil and Gas Development Company Limited	700,000	700,000	159,082	94,759
Lucky Cement Limited	63,000	-	69,331	-
	<u>763,000</u>	<u>1,200,000</u>	<u>228,413</u>	<u>176,299</u>

**6.1.1.2** The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies were liable to withhold five percent of the bonus shares to be issued. The shares so withheld were only to be released if the Fund deposits tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under Clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the Honourable High Court of Sindh in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, the CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically. During the year ended June 30, 2020, the CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honourable High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have recorded these bonus shares as 'Advance tax' in the condensed interim financial statements.

The Finance Act, 2018, effective from July 1, 2018, has omitted Section 236M of Income Tax Ordinance, 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold five percent of the bonus shares to be issued. Therefore, bonus shares issued to the Fund since July 1, 2018 were not withheld by the investee companies.

As at December 31, 2024, the bonus shares of the Fund withheld by certain companies at the time of declaration of bonus shares amounted to Rs.10.18 million (June 30, 2024: Rs. 0.03 million).

The Finance Act, 2024 has introduced Section 236Z of the Income Tax Ordinance, 2001 (ITO) effective from July 1, 2023, which inter alia requires every company, issuing bonus shares to the shareholders of the company, to withhold 10% of the bonus shares to be issued. In this regard, a petition has been submitted by the Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, where it has been submitted that the CISs are exempt from levy of any sort of income tax in terms of 99 of Part-I of the 2nd Schedule to the ITO. Further, the Court was pleased to direct the companies to retain additional 10% of the bonus shares being issued to the funds until further orders by the Court whereas they shall not deduct or pay any tax to the relevant tax authorities in terms of Section 236Z of the ITO.

**6.1.1.3** During the period, Fauji Fertilizer Bin Qasim Limited (FFBL) has been merged with and into Fauji Fertilizer Company Limited (FFC), upon sanction by the Honourable Lahore High Court, Rawalpindi Bench. In accordance with the Scheme of Arrangement, and in consideration for the merger in terms thereof, FFCL will allot and issue an aggregate of 150,870,449 ordinary shares of FFCL (FFCL Shares) to the FFBL Shareholders (being the members of FFBL, other than FFCL and its nominees, if any), based on a swap ratio of 1 (one) FFCL Share for every 4.29 ordinary shares of FFBL held by each FFBL Shareholder (subject to the adjustment of fractional shares), in the manner detailed in the Scheme.



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

As result of above arrangement, the Fund received 230,769 shares of Fauji Fertilizer Company Limited (FEC) in lieu of 989,999 shares of Fauji Fertilizer Bin Qasim Limited (FFBL).

On December 30, 2024, Pakistan Stock Exchange (PSX) issued a notice no PSX/N-1286 regarding the recomposition exercise carried out by PSX on KMI All Share Index. In the stated notice, FFCL and FFBL were declared as non-compliant of the Index and hence are considered to be the non-compliant investments as at December 31, 2024. At the time of investment, the shares of Fauji Fertilizer Bin Qasim Limited (FFBL) were compliant as per PSX-KMI All Shares Index which were later converted to the shares of FFCL pursuant to the scheme of arrangement. The Fund is required to disclose the non-compliant investments according to clause 4.2.3 of Circular No 18 of 2024.

Name of Non-compliant investment	Type of investment	Value of investment before provision	Provision held, if any	Value of investment after provision	Market value as percentage of total	
					Net assets of the Fund	Gross assets of the Fund
		----- (Rupees in '000) -----			----- % -----	
Fauji Fertilizer Company Limited	Equity	84.535	-	84.535	1.38	1.35

	Note	December 31, 2024 (Un-audited) ----- (Rupees in '000) -----	December 31, 2023 (Un-audited)
<b>6.2 Net unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss'</b>			
Market value of investments	6.1.1	5,794,810	3,262,558
Less: Carrying value of investments	6.1.1	(4,663,406)	(2,401,189)
		<u>1,131,404</u>	<u>861,369</u>

	Note	December 31, 2024 (Un-audited) ----- (Rupees in '000) -----	June 30, 2024 (Audited)
<b>7 ADVANCES, DEPOSITS AND OTHER RECEIVABLES</b>			
Advance tax	7.1	6,792	474
Profit receivable on savings accounts with banks		3,999	3,213
Security deposit with:			
- National Clearing Company of Pakistan Limited (NCCPL)		2,500	2,500
- Central Depository Company of Pakistan Limited (CDC)		300	300
Other receivables		<u>5,038</u>	<u>1,336</u>
		<u>18,629</u>	<u>7,823</u>

- 7.1** 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 payment of dividend and profit on savings accounts with banks to the Fund has been 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 dividends and profit on savings accounts with banks amounted to Rs 6.79 million (June 30, 2024: Rs 0.47 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 dividends and profit on savings accounts with banks has been shown as Advance tax, in the opinion of the management, the amount of tax deducted at source will be refunded.

# 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) ----- (Rupees in '000) -----	June 30, 2024 (Audited)
<b>8 PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>			
Management remuneration payable	8.1	16,271	10,044
Sindh Sales Tax payable on remuneration of the Management Company	8.2	2,440	1,306
Allocated expenses payable	8.3	-	256
Selling and marketing expenses payable	8.4	-	2,816
Sales load payable		1,046	110
Shariah advisory fee payable		33	30
		19,790	14,562

**8.1** As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of 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 rate of 3.48% (December 31, 2023: 2.00% to 3.40%) of the average net assets of the Fund during the period ended December 31, 2024. The remuneration is payable to the Management Company monthly in arrears.

**8.2** 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. 12.66 million (December 31, 2023: Rs. 5.00 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.

**8.3** 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 not charged such expenses during the current period.

**8.4** 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) ----- (Rupees in '000) -----	June 30, 2024 (Audited)
<b>9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration payable	9.1	625	402
Sindh Sales Tax payable on trustee remuneration	9.2	94	52
		719	454

**9.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document as per the tariff specified therein, based on the average daily net assets of the Fund during the period. The tariff structure applicable to the Fund in respect of trustee fee is as follows:

Average net asset value	Tariff per annum
Up to Rs. 1,000 million	Rs. 0.7 million or 0.20% per annum of net assets whichever is higher.
Amount exceeding Rs. 1,000 million	Rs. 2.0 million plus 0.10% p.a. of net assets exceeding Rs.1 billion.

**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. 0.45 million (December 31, 2023: Rs. 0.26 million) has been charged on account of sales tax at the rate of 15% (December 31, 2023: 13%) and an amount of Rs. 0.41 million (December 31, 2023: 0.24 million) was paid to the Trustee which acts as a collecting agent.



# 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) ----- (Rupees in '000) -----	June 30, 2024 (Audited)
<b>10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN</b>			
Fee payable	10.1	513	304

- 10.1** 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 0.095% (December 31, 2023: 0.095%) 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) ----- (Rupees in '000) -----	June 30, 2024 (Audited)
<b>11 ACCRUED EXPENSES AND OTHER LIABILITIES</b>			
Provision for Federal Excise Duty and related tax payable on:			
- Remuneration of the Management Company	11.1	5,689	5,689
- Sales load		125	125
Unclaimed dividends		12,236	12,236
Brokerage payable		10,513	1,046
Auditors' remuneration payable		643	899
Withholding tax payable		23,442	3,275
Charity payable		4,782	4,207
Other payables		396	357
		<u>57,826</u>	<u>27,834</u>

- 11.1** 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% 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 with effect 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 5.81 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 Re 0.02 per unit (June 30, 2024: Re 0.02 per unit).

## **12 CONTINGENCIES AND COMMITMENTS**

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

## **13 TAXATION**

The income of the Fund is exempt from income tax under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2025 to the unit holders in the manner as explained above, accordingly no provision for taxation has been made in these condensed interim financial statements.

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

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.

## 14 TOTAL EXPENSE RATIO

The annualised Total Expense Ratio (TER) of the Fund based on the current period results is 5.08% (December 31, 2023: 4.72%) which includes 0.71% (December 31, 2023: 0.49%) representing Government Levy and SECP Fee. The prescribed limit for the ratio is 4.50% (December 31, 2023: 4.50%) (excluding government levies) under the NBFC Regulations for a collective investment scheme categorised as a "Shariah Compliant Islamic Equity Scheme".

## 15 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, MCB Islamic Bank Limited (being 100% subsidiary of the Holding Company), the Trustee, directors, key management personnel and other associated undertakings and connected persons. Connected persons also include any person beneficially owing directly or indirectly 10% or more of the units in the issue / net assets of the Fund.

Transactions with connected persons essentially comprise sale and redemption of units, fee on account of managing the affairs of the Fund, other charges, sale and purchase of investments and distribution payments to connected persons. The transactions with connected persons are in the normal course of business, at contracted rates and at terms determined in accordance with market rates.

Remuneration payable to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and constitutive documents of the Fund respectively.

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

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:

### 15.1 Transactions during the period

	December 31, 2024	December 31, 2023
	——(Un-audited)——	——(Un-audited)——
	———— (Rupees in '000) ————	———— (Rupees in '000) ————
<b>MCB Investment Management Limited - Management Company</b>		
Remuneration of the Management Company including indirect taxes	97,035	43,471
Shariah advisory fee	182	287
Selling and marketing expenses	-	10,043
Allocated expenses	-	1,895
Units issued to unitholder on behalf of the Management Company*	19,702	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee including indirect taxes	3,452	2,234
Central Depository Service charges	354	203
<b>Group / associated companies</b>		
<b>MCB Bank Limited - Parent of the Management Company</b>		
Bank charges	22	1
<b>MCB Islamic Bank Limited - Subsidiary of parent of the Management Company</b>		
Profit on balances with bank	10,445	955
<b>D.G. Khan Cement Company Limited</b>		
Purchase 180,000 (December 31, 2023: 715,000) shares	16,580	39,841
Sales of 180,000 (December 31, 2023: 2,215,000) shares	18,591	154,347
<b>Nishat Mills Limited</b>		
Purchase 80,000 (December 31, 2023: 1,120,000) shares	5,177	80,843
Sales of 1,340,354 (December 31, 2023: 650,000) shares	89,004	39,995

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

Transactions during the period	December 31, 2024	December 31, 2023
	----(Un-audited)----	----(Un-audited)----
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>International Steels Limited</b>		
Purchase 967,500 (December 31, 2023: 870,444) shares	72,643	41,355
Sales of 253,500 (December 31, 2023: 187,444) shares	22,464	13,525
Dividend Income	-	2,158
<b>Nishat Power Limited (Note 15.4)</b>		
Purchase 3,338,358 (December 31, 2023: 1,120,000) shares	92,858	-
Sales of 1,913,358 (December 31, 2023: 650,000) shares	69,700	-
Dividend Income	6,277	-
<b>Lalpir Power Limited (Note 15.4)</b>		
Sales of 400,000 (2023: Nil) shares	6,993	-
Dividend Income	800	-
* 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.		
<b>15.2 Balances outstanding as at period end / year end</b>	<b>December 31, 2024</b>	<b>June 30, 2024</b>
	<b>(Un-audited)</b>	<b>(Audited)</b>
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>MCB Investment Management Limited - Management Company</b>		
Remuneration payable	16,271	10,044
Sindh Sales Tax payable on remuneration of the Management Company	2,440	1,306
Sales load payable including related taxes	1,046	110
Shariah advisory fee payable	33	30
Payable against allocated expense	-	256
Payable against selling and marketing expenses	-	2,816
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	625	402
Sindh Sales Tax payable on remuneration	94	52
Security deposit	300	300
<b>Group / associated companies</b>		
<b>MCB Bank Limited</b>		
Balance with bank	24,676	2,678
<b>MCB Islamic Bank Limited</b>		
Balance with bank	148,522	127,298
<b>Nishat Mills Limited</b>		
Nil shares (2024: 1,260,354 shares)	-	89,296
<b>Atlas Battery Limited</b>		
32,957 shares (June 30, 2024: Nil shares)	12,548	-
<b>International Steels Limited</b>		
714,000 (June 30, 2024: Nil shares)	68,801	-
<b>Nishat Power Limited (Note 15.4)</b>		
1,425,000 shares (2024: Nil shares)	50,388	-
<b>Lalpir Power Limited (Note 15.4)</b>		
Nil shares (2024: 400,000 shares)	-	10,168



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

## 15.3 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
	(Number of units)				(Rupees in '000)			
MCB Investment Management Limited - Management Company	-	4,703	-	4,703	-	100	-	103
Group / associated companies / undertakings								
Nishat Mills Limited	1,249,100	3,154	-	1,252,254	18,899	67	-	27,462
D.G. Khan Cement Company Limited Employees Provident Fund Trust	-	1,530	-	1,530	-	32	-	34
Adamjee Life Assurance Company Limited - IMF	120,941,615	309,604	84,755,196	36,496,023	1,829,847	6,570	1,715,000	800,358
Adamjee Life Assurance Company Limited Amaanat Fund	6,553,173	53,971	1,767,540	4,839,603	99,150	1,145	34,500	106,133
Adamjee Life Assurance Company Limited - Mazaaf	22,619,314	116,062	9,220,173	13,515,203	342,230	2,463	190,000	296,388
Hyundai Nishat Motor (Private) Limited Employees Provident Fund	1,584,808	446,060	473,396	1,557,472	23,978	6,697	8,900	34,155
MCBFSL Trustee Alhamra Smart Portfolio	2,291,164	627,236	891,874	2,026,526	34,665	12,352	17,325	44,442
Adamjee Life Assurance Company Limited Managed Growth Fund	188,323	40,803	86,207	142,919	2,849	610	1,300	3,134
Adamjee Life Assurance Company Limited Conventional Business	-	12,179,102	10,780,135	1,398,967	-	241,146	224,000	30,679
Adamjee Life Assurance Company Limited - NUIL Fund	-	9,475	-	9,475	-	201	-	208
Adamjee Life Assurance Company Limited	-	17,710,807	15,664,918	2,045,889	-	289,819	311,746	44,866
Kapco Employees Pension Fund	-	9,439	9,211	228	-	144	142	5
Directors And Key Management Personnel	797,930	9,162,245	8,262,625	1,697,550	10,911	172,998	162,013	37,227
Mandate under discretionary portfolio services	12,935,492	1,173,585	5,381,606	8,727,471	155,409	293,083	179,567	191,393
Unit holders holding 10% or more units	30,667,981	107,828	-	30,775,809	464,007	2,288	-	674,913

	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
	(Number of units)				(Rupees in '000)			
MCB Investment Management Limited - Management Company	-	10,046,750	10,046,750	-	-	100,000	121,177	-
Group / associated companies / undertakings								
Nishat Mills Limited	1,121,410	-	-	1,121,410	156,574	-	-	15,722
D.G. Khan Cement Company Limited Employees Provident Fund Trust	462,336	-	462,336	-	662,927	-	-	-
Adamjee Life Assurance Company Limited - IMF	141,109,001	-	21,256,456	119,852,545	378,080	-	4,702	1,680,333
Adamjee Life Assurance Company Limited - Amaanat Fund	9,109,298	-	2,166,352	6,942,946	4,207	-	273,500	97,340
Adamjee Life Assurance Company Limited - Mazaaf	25,907,727	-	3,465,529	22,442,198	10,205	-	27,000	314,640
Hyundai Nishat Motor (Private) Limited Employees Provident Fund	1,613,687	420,721	450,013	1,584,395	3,349	-	43,000	22,213
MCBFSL Trustee Alhamra Smart Portfolio	2,905,771	-	697,312	2,208,460	35,212	4,500	5,450	30,963
Directors And Key Management Personnel	1,210,982	4,849,671	4,642,359	1,418,294	10,911	106,810	113,488	19,884
Mandate under discretionary portfolio services	17,248,544	7,587,570	10,801,691	14,034,423	155,409	293,083	179,567	196,763
Unit holders holding 10% or more units	-	-	-	-	-	-	-	-

15.4 These were not classified as related parties during the prior period / year.

## 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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



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

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

## 16.1 Fair value hierarchy

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

- Level 1 : quoted prices (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 held the following financial instruments measured at fair value.

December 31, 2024				
Unaudited				
ASSETS	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Financial assets 'at fair value through profit or loss'				
Listed Equity Securities	5,794,810	-	-	5,794,810
June 30, 2024				
Audited				
ASSETS	Level 1	Level 2	Level 3	Total
(Rupees in '000)				
Financial assets 'at fair value through profit or loss'				
Listed Equity Securities	3,888,224	-	-	3,888,224

During the period ended December 31, 2024 and year ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

## 17 GENERAL

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

## 18 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.

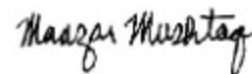
For MCB Investment Management Limited  
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**MCB INVESTMENT MANAGEMENT LIMITED**

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

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

**URL:** [www.mcbfunds.com](http://www.mcbfunds.com), **Email:** [info@mcbfunds.com](mailto:info@mcbfunds.com)