



MCB FUNDS
Investments for Life

HALF YEARLY
REPORT | DECEMBER
2024
(UNAUDITED)

MCB Investment Management Limited



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Vision

“To be the most coveted Savings and Investment company,
while leading the effort to make the saving
population and industry grow”

Mission

“To be the preferred Savings and Investment Manager in Pakistan
by being best in class in customer services
and maximizing stakeholders’ value”

Core Values

HONESTY

We ensure to build trust through responsible actions and honest relationships with our colleagues, customers and stakeholders

INTEGRITY

We work with integrity in everything we do, and embody our principles when working with stakeholders as well as internal and external customers. We assure to promote the integrity for the ultimate benefit for everyone

ETHICS

As a trusted custodian of customer funds, we are committed to conforming to the highest level of ethical standards in the workplace that involves putting customer interest first and maintaining our stakeholders trust in the Company

PROFESSIONALISM

We value everyone and treat our external and internal customers and our stakeholders with respect, dignity and professionalism

COMPANY INFORMATION

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 & Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmad Faisal	
Share Registrar	CDC Share Registrar Services Limited 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.cdcsrsl.com	
Bankers	MCB Bank Limited Bank Al-Falah Limited Faysal Bank Limited MCB Islamic Bank Limited Bank Makramah Limited Askari Bank 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	Akhund Forbes D-21, Block-4, Scheme-5 Clifton, Karachi 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	
Registered Office	MCB Investment Management Limited 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi.	

DIRECTOR'S REPORT FOR THE HALF YEAR ENDED DECEMBER 31, 2024

The Board of Directors of MCB Investment Management Limited (MCBIM) are pleased to present report on the affairs of MCBIM for the quarter and half year ended December 31, 2024.

PRINCIPAL BUSINESS

The Company is a Non-Banking Finance Company, licensed as Asset Management Company, Investment Advisor and Pension Fund Manager under the Securities and Exchange Commission of Pakistan's regulatory regime. The principal activities of the Company are floating and managing Collective Investment Schemes, Voluntary Pension Schemes and providing Investment Advisory Services.

THE BUSINESS ENVIRONMENT

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

DIRECTOR'S REPORT FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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.

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).

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.

DIRECTOR'S REPORT FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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 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%. 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.

DIRECTOR'S REPORT FOR THE HALF YEAR ENDED DECEMBER 31, 2024

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.

COMPANY'S PERFORMANCE REVIEW

First half of FY 2024-25 started with success and during the six months the Company Assets Under Management (AUMs) grew by Rs. 262 billion (80%) and reached to Rs. 588 billion (June 30, 2024: Rs. 326 billion) and compared to corresponding period AUMs grew by Rs. 338 billion (135%); (December 31, 2023: Rs. 250 billion). Increased AUMs resulted in increase in Company's core revenue by over Rs 2,208 million in the first six-months of FY 2024-2025 compared to Rs. 843 million in corresponding period FY 2023-2024.

During the half year KSE 100 showed positive return of about 46.8% compared to 50.7% in the same corresponding period. Since the Company's investments are placed in both equity funds and debt securities and/ or funds, with active management coupled with better performance of PSX by first half, the Company earned investment income of Rs. 447.4 million compared to Rs. 339.1 million in the same corresponding period.

Due to higher AUMs and increase in investment income, the Company earned profit after taxation of Rs. 920.4 million compared to Rs. 487.7 million in the same corresponding period. During the six months period ended December 31, 2024 the Company's Earnings Per Share was Rs. 12.78 compared to Rs. 6.77 in the same corresponding period.

Dividend

The Board of Directors, in their meeting held on February 04, 2025, have declared an interim cash dividend of Rs. 3.50 per share (35%) for the half year ended December 31, 2024.

**DIRECTOR'S REPORT
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

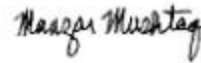
ACKNOWLEDGEMENT

The Directors would like to express their deep appreciation to our shareholders who have consistently demonstrated their confidence in the Company. We would also like to place on record our sincere appreciation for the commitment, dedication and innovative thinking put in by each individual of the Company and are confident that they will continue to do so in the future.

For and on behalf of Board



Khawaja Khalil Shah
Chief Executive Officer
Karachi,
February 04, 2025



Manzar Mushtaq
Director
Karachi,
February 04, 2025

ڈائریکٹرز رپورٹ برائے ششماہی مختتمہ 31 دسمبر 2024ء

اظہارِ تشکر

ڈائریکٹرز کی جانب سے ہمارے شیئر ہولڈرز کو خراجِ تحسین پیش کیا جاتا ہے جنہوں نے مسلسل کمپنی میں اعتماد کا مظاہرہ کیا ہے۔ علاوہ ازیں، ہم کمپنی کے ہر فرد کے عزم، لگن اور جدت طراز سوچ کی مخلصانہ تعریف کرتے ہیں اور ہمیں اعتماد ہے کہ وہ مستقبل میں بھی اسی طرح سرگرم عمل رہیں گے۔

برائے اور منجانب بورڈ

Maqsood Mushtaq



منظر مشتاق

خواجہ خلیل شاہ

ڈائریکٹر

چیف ایگزیکٹو آفیسر

کراچی،

کراچی،

04 فروری 2025ء

04 فروری 2025ء

ڈائریکٹرز رپورٹ برائے ششماہی مختتمہ 31 دسمبر 2024ء

میوچل فنڈ صنعت کے مستقبل کا منظر

مٹی 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۔

کمپنی کی کارکردگی کا جائزہ

مالی سال 2024-25ء کے نصف اول کا آغاز کامیابی کے ساتھ ہوا اور ان چھ ماہ کے دوران کمپنی کے اثاثہ جات تحت الانتظامیہ (اے یو ایم) 262 بلین روپے (80 فیصد) بڑھ کر 588 بلین روپے ہو گئے (30 جون 2024ء: 326 بلین روپے)، اور مماثل مدت کے مقابلے میں 338 بلین روپے (135 فیصد) اضافہ ہوا (31 دسمبر 2023ء: 250 بلین روپے)۔ اے یو ایم میں اضافے کے نتیجے میں مالی سال 2023-24ء کے ابتدائی چھ ماہ میں کمپنی کی بنیادی آمدنی میں 2208 ملین روپے سے زیادہ کا اضافہ ہوا، جو مالی سال 2023-24ء میں مماثل مدت میں 843 ملین روپے کے بالمقابل ہے۔

دوران نصف سال کے ایس ای 100 میں تقریباً 46.8 فیصد مثبت منافع ہوا، جو گزشتہ سال مماثل مدت میں 50.7 فیصد کے بالمقابل ہے۔ کمپنی کی سرمایہ کاریوں کے ایکویٹی فنڈز اور ڈیٹ سکیورٹیز اور ایفینڈز، دونوں میں لگے ہونے، متحرک انتظامیہ اور 'پنی ایس ایکس' کی بہتر کارکردگی کی بدولت کمپنی کی سرمایہ کارانہ آمدنی 447.4 ملین روپے ہوئی، جو گزشتہ سال مماثل مدت میں 339.1 ملین روپے کے بالمقابل ہے۔

'اے یو ایم' اور سرمایہ کارانہ آمدنی میں اضافے کی بدولت کمپنی کا منافع بعد از ٹیکس 920.4 ملین تھا، جو گزشتہ سال مماثل مدت میں 487.7 ملین روپے کے بالمقابل ہے۔ 31 دسمبر 2024ء کو ختم ہونے والے چھ ماہ کی مدت کے دوران کمپنی کی آمدنی فی شیئر 12.78 روپے تھی، جو گزشتہ سال مماثل مدت میں 6.77 روپے کے بالمقابل ہے۔

ڈیویڈنڈ

بورڈ آف ڈائریکٹرز نے 04 فروری 2025 کو منعقد ہونے والے اپنے اجلاس میں 31 دسمبر 2024 کو ختم ہونے والے ششماہی کے لیے 3.50 روپے فی شیئر (35 فیصد) کے عبوری نقد منافع کا اعلان کیا ہے۔

ڈائریکٹرز رپورٹ برائے ششماہی مختتمہ 31 دسمبر 2024ء

مہنگائی کی سطح میں تیزی سے کمی آئی ہے جس کے اہم ترین عوامل بنیادی اثر اور روپے میں استحکام ہیں۔ ہیڈلائن 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 کارحجان رہا جو 9.2 فیصد (34 ماہ کی کم ترین سطح) تک پہنچ گئی۔ مئی 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 کی کمی 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 کی کمی کے بعد مانیٹری پالیسی کمیٹی اس کمی کی مالیاتی منتقلی کے اثر کو جانچنے کے لیے تسبیل 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 چھلکی 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 قیمتوں 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 خوردبینی 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 الاگت 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 فنڈ 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۔ مئی مارکیٹ فنڈز میں جون 2024ء کے بعد مجموعی طور پر تقریباً 45.8 فیصد ترقی ہوئی۔ مئی 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، فکسڈ انکم اور فکسڈ 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 مئی مارکیٹ فنڈز تقریباً 44.1 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ انکم اور فکسڈ ریٹ فنڈز 43.7 فیصد، اور ایکویٹی اور اس سے متعلقہ فنڈز 10.7 فیصد حصے کے ساتھ دوسرے اور تیسرے نمبر پر رہے۔

ڈائریکٹرز رپورٹ برائے ششماہی مختتمہ 31 دسمبر 2024ء

سرگرمیوں کے لحاظ 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 دورانِ 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 پرکشش منافع اور مالیاتی تسہیل نے بینکاری اور کھاد کے شعبوں میں سرمایہ کاروں کی دلچسپی مہذب کرائی۔ ای اینڈ پی شعبہ بھی منظر عام پر رہا جس کے عوامل MARI کی جانب سے 800 فیصد پوائنٹس کا غیر متوقع اعلان اور گردش 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۔

معیشت اور مارکیٹ - مستقبل کا منظر

پاکستان کی آئی 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 کثیرالجہتی ذرائع سے رقم حاصل کر سکیں گے۔ آئی ڈی 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۔

ڈائریکٹرز رپورٹ برائے ششماہی مختتمہ 31 دسمبر 2024ء

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 ایشیائے 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 تسنسل 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 ہوئی، 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۔

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 کاریت فروخت کنندگان تھے جن کے ذریعے 186.8 ملین ڈالر کا اخراج ہوا۔ اتنے بڑے حجم میں فروخت کی وجہ ایف بی پی ایس ای میں دوبارہ توازن پیدا کرنے سے متعلقہ اخراج تھی کیونکہ پاکستان کی درجہ بندی کو سینڈری ایبرجنگ سے تبدیل کر کے لیسو نیشنس مارکیٹ کر دیا گیا۔ اس فروخت کے خریدار زیادہ تر میوچل فنڈز، کارپوریشن اور افراد تھے جن کے ذریعے پرتیب 182.7 ملین ڈالر، 26.7 ملین ڈالر اور 26.3 ملین ڈالر کی آمدات ہوئیں۔

ڈائریکٹرز رپورٹ برائے ششماہی مختتمہ 31 دسمبر 2024ء

ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ (ایم سی بی آئی ایم) کے بورڈ آف ڈائریکٹرز کی جانب سے ایم سی بی آئی ایم کے معاملات کی رپورٹ برائے ششماہی اور سماہی مختتمہ 31 دسمبر 2024ء پیش خدمت ہے۔

بنیادی کاروبار

ادارہ غیر بینکاری مالیاتی کمپنی ہے جو سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے قانونی دائرہ کار کے تحت اثاثہ جاتی انتظام کی کمپنی، سرمایہ کاری کے مشیر اور ہنٹن فنڈ کے منتظم کے طور پر ائسنس یافتہ ہے۔ کمپنی کی بنیادی سرگرمیوں میں اجتماعی سرمایہ کارانہ اسکیمیں اور رضا کارانہ پیسنٹیشن اسکیمیں پیش کرنا اور ان کا انتظام سنبھالنا اور سرمایہ کارانہ مشاورتی خدمات کی فراہمی شامل ہیں۔

کاروباری ماحول

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 منگ کرنت اکاؤنٹ 1.2 بلین روپے منافع میں رہا، جو گزشتہ سال مماثل مدت میں 1.4 بلین ڈالر خسارے کے بالمقابل ہے۔ کرنت 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۔ منگ 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 کرنت اکاؤنٹ میں منافع اور آئی ایم ایف اور کثیر الجہتی ذرائع سے آمدات ہیں۔

INDEPENDENT AUDITOR'S REVIEW REPORT



A·F·FERGUSON & Co.

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of MCB Investment Management Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **MCB Investment Management Limited** ("the Company") as at December 31, 2024 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review. The figures for the quarters ended December 31, 2024 and December 31, 2023 in the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and relevant notes have not been reviewed and we do not express a conclusion on them.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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 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.

The engagement partner on the review resulting in this independent auditor's review report is **Junaid Mesia**.

A.F. Ferguson & Co.
Chartered Accountants
Karachi

Dated: February 26, 2025
UDIN: RR202410611ENxts(Yw)

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**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024**

	Note	(Un-audited) December 31, 2024	(Audited) June 30, 2024
(Rupees)			
ASSETS			
Non-current assets			
Property and equipment	4	89,846,078	110,555,376
Intangible assets	5	277,542,895	284,112,373
Investment in associates	6	1,911,056,280	1,790,686,810
Long term investment	7	265,000	265,000
Long term loans and prepayments	8	29,957,477	37,306,403
Long term deposits		6,636,103	6,646,103
		2,315,303,833	2,229,572,065
Current assets			
Receivable from funds under management	9	1,154,050,827	841,794,998
Loans and advances	10	17,193,870	10,043,573
Prepayments and other receivables	11	153,401,365	152,637,662
Accrued mark-up on savings accounts		1,550	4,015
Short term investments	12	448,804,601	-
Cash and bank balances	13	63,957,326	33,678,807
		1,837,409,539	1,038,159,055
Total assets		4,152,713,372	3,267,731,120
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
72,000,000 (June 30, 2024: 72,000,000) ordinary shares of Rs. 10 each		720,000,000	720,000,000
Issued, subscribed and paid-up share capital		720,000,000	720,000,000
Reserves		1,974,407,321	1,234,011,796
Total equity		2,694,407,321	1,954,011,796
Non-current liabilities			
Deferred taxation - net	14	106,322,333	96,436,008
Lease liability against right-of-use assets	15	16,059,438	30,817,470
Current liabilities			
Current portion of lease liability against right-of-use assets	15	40,505,137	42,645,586
Trade and other payables	16	1,261,921,353	1,132,947,269
Taxation - net		27,447,710	4,844,689
Unclaimed dividend		6,050,080	6,028,302
Total liabilities		1,458,306,051	1,313,719,324
Total equity and liabilities		4,152,713,372	3,267,731,120
CONTINGENCIES AND COMMITMENTS			
	22		

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2024**

Note	Half year ended		Quarter ended		
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023	
	(Rupees)				
REVENUE					
Management and investment advisory fee	17	2,062,060,632	761,099,994	1,297,317,169	425,310,907
Sales load and other related income		145,495,166	81,913,900	91,140,780	51,382,655
		2,207,555,798	843,013,894	1,388,457,949	476,693,562
Profit on savings accounts		10,548,571	5,202,398	5,002,647	3,631,943
Gain on sale of Investments - net		23,007,194	5,165,926	8,018,846	5,165,926
Income on government securities using effective interest method		19,357,918	1,533,617	7,608,581	1,533,617
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	12.1	90,796	425,250	90,796	425,250
Total revenue		<u>2,260,560,277</u>	<u>855,341,085</u>	<u>1,409,178,819</u>	<u>487,450,298</u>
EXPENSES					
Administrative expenses	18	603,371,169	376,740,341	339,925,045	175,376,312
Selling and distribution expenses	19	641,744,275	101,404,013	373,513,776	99,614,314
		1,245,115,444	478,144,354	713,438,821	274,990,626
Financial charges		7,885,549	7,916,173	4,113,492	4,242,797
Other expenses	20	28,938,238	15,724,287	19,900,000	9,877,732
		36,823,787	23,640,460	24,013,492	14,120,529
Other income		248,177	1,955,137	123,552	1,122,949
Share of profit from associates	6	394,412,626	326,778,666	288,059,702	235,553,140
Profit for the period before tax		<u>1,373,281,849</u>	<u>682,290,074</u>	<u>959,909,760</u>	<u>435,015,232</u>
Taxation - net	21	(452,886,324)	(194,596,733)	(312,986,324)	(116,216,920)
Profit for the period after taxation		<u>920,395,525</u>	<u>487,693,341</u>	<u>646,923,436</u>	<u>318,798,312</u>
Earnings per share		<u>12.78</u>	<u>6.77</u>	<u>8.99</u>	<u>4.43</u>

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

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

	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees)			
Profit for the period after taxation	920,395,525	487,693,341	646,923,436	318,798,312
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>920,395,525</u>	<u>487,693,341</u>	<u>646,923,436</u>	<u>318,798,312</u>

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2024**

	Issued, subscribed and paid-up capital	Capital reserves		Revenue reserve	Total	
		Share premium	Deficit on amalgamation	Sub-total		Unappropriated profit
(Rupees)						
Balance as at July 1, 2023 (audited)	720,000,000	396,000,000	(60,000,000)	336,000,000	684,709,420	1,740,709,420
Profit after taxation for the half year ended December 31, 2023	-	-	-	-	487,693,341	487,693,341
Other comprehensive income for the half year ended December 31, 2023	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	487,693,341	487,693,341
Final dividend for the year ended June 30, 2023 at Rs. 5.5 per share declared on October 23, 2023	-	-	-	-	(396,000,000)	(396,000,000)
Balance as at December 31, 2023 (un-audited)	<u>720,000,000</u>	<u>396,000,000</u>	<u>(60,000,000)</u>	<u>336,000,000</u>	<u>776,402,761</u>	<u>1,832,402,761</u>
Profit after taxation for the half year ended June 30, 2024	-	-	-	-	373,609,035	373,609,035
Other comprehensive income for the half year ended June 30, 2024	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	373,609,035	373,609,035
Interim dividend for the year ended June 30, 2024 at Rs. 3.50 per share declared on February 2, 2024	-	-	-	-	(252,000,000)	(252,000,000)
Balance as at June 30, 2024 (audited)	<u>720,000,000</u>	<u>396,000,000</u>	<u>(60,000,000)</u>	<u>336,000,000</u>	<u>898,011,796</u>	<u>1,954,011,796</u>
Profit after taxation for the half year ended December 31, 2024	-	-	-	-	920,395,525	920,395,525
Other comprehensive income for the half year ended December 31, 2024	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	920,395,525	920,395,525
Final dividend for the year ended June 30, 2024 at Rs. 2.50 per share declared on September 25, 2024	-	-	-	-	(180,000,000)	(180,000,000)
Balance as at December 31, 2024 (un-audited)	<u>720,000,000</u>	<u>396,000,000</u>	<u>(60,000,000)</u>	<u>336,000,000</u>	<u>1,638,407,321</u>	<u>2,694,407,321</u>

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

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

	Note	Half year ended December 31,	
		2024	2023
		(Rupees)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period before taxation		1,373,281,849	682,290,074
Adjustment for non-cash and other items:			
Depreciation	4.1	29,856,870	29,387,087
Amortisation	5.1	6,569,478	6,696,315
Interest expense on lease liability against right-of-use-assets		5,809,080	7,760,082
Share of profit from associates	6	(394,412,626)	(326,778,666)
Gain on sale of investments - net		(42,365,112)	(6,699,543)
Unrealised appreciation on re-measurement of investments classified as 'Fair value through profit or loss' - net	12.1	(90,796)	(425,250)
Profit on savings accounts with banks		(10,548,571)	(5,202,398)
		(405,181,677)	(295,262,373)
Operating cash inflow before working capital changes		968,100,172	387,027,701
Movement in working capital			
Increase in current assets			
Receivable from funds under management		(312,255,829)	(75,373,397)
Loans and advances		(7,150,297)	(4,523,444)
Deposits, prepayments and other receivables		(763,703)	10,712,831
		(320,169,829)	(69,184,010)
Increase in current liabilities			
Trade and other payables		128,974,084	87,068,254
Net cash generated from operations		776,904,427	404,911,945
Taxes paid			
Profit received on savings accounts		(420,396,979)	(244,854,078)
Long term loans and prepayments		10,551,036	5,202,396
Long term deposits		7,348,926	(11,781,260)
		10,000	90,000
		(402,487,017)	(251,342,942)
Net cash generated from operating activities		374,417,410	153,569,003
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(9,147,572)	(2,376,048)
(Purchase) / sale of investments - net		(133,546,428)	230,592,315
Dividend received		1,240,892	15,047,767
Net cash (used in) / generated from investing activities		(141,453,108)	243,264,034
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(179,978,222)	(395,557,117)
Lease rentals paid against right-of-use assets		(22,707,561)	(24,050,834)
Net cash used in financing activities		(202,685,783)	(419,607,951)
Net increase / (decrease) in cash and cash equivalents during the period		30,278,519	(22,774,914)
Cash and cash equivalents at the beginning of the period		33,678,807	65,478,577
Cash and cash equivalents at the end of the period	13.3	63,957,326	42,703,663

The annexed notes 1 to 28 form an integral part of these condensed interim financial statements.


Chief Executive Officer


Chief Financial Officer


Director

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

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 MCB Investment Management Limited (the Company) was incorporated in the name of Arif Habib Investment Management Limited (AHIML) on August 30, 2000 as an unquoted public limited company under the repealed Companies Ordinance, 1984 (now the Companies Act, 2017). In the year 2008, AHIML was listed on the Karachi Stock Exchange Limited (now the Pakistan Stock Exchange Limited) by way of offer for sale of shares by few of its existing shareholders to the general public. In the same financial year, the name of AHIML was changed from "Arif Habib Investment Management Limited" to "Arif Habib Investments Limited" (AHIL). On January 19, 2011, a transfer agreement was signed between Arif Habib Corporation Limited (AHCL) [the then Parent Company of AHIL] and MCB Bank Limited (MCB Bank) [the then Parent Company of MCB Asset Management Company Limited (MCB AMC)] for the transfer of the entire business of MCB AMC to AHIL to achieve synergies in business operations and to have access to a wider distribution network. The scheme of amalgamation ("the Scheme") was approved by the shareholders of AHIL and MCB AMC in their respective extraordinary general meetings held on May 21, 2011. The Scheme was also approved by the Securities and Exchange Commission of Pakistan (SECP) on June 27, 2011 (the effective date). In accordance with the terms contained in the Scheme, the Company became a subsidiary of MCB Bank Limited from the year ended June 30, 2011, which then owned 51.33% share capital of the Company. Pursuant to the merger of MCB AMC with and into AHIL, the name of AHIL was changed to MCB - Arif Habib Savings and Investments Limited (MCB-AHSIL) with effect from May 23, 2013. During the year ended June 30, 2023, MCB Bank Limited acquired the entire shareholding of AHCL in MCB-AHSIL after which the shareholding of MCB Bank Limited has increased from 51.33% to 81.42% in the Company and AHCL no longer holds any shares in the Company. Consequently, members of the Company in an Extraordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Company be changed from MCB-AHSIL to MCB Investment Management Limited. Thereafter, the Company applied to the Securities and Exchange Commission of Pakistan (SECP) for change of name under the provisions of the Companies Act, 2017 and the name was duly approved by the SECP on August 15, 2023.
- 1.2 The principal activities of the Company are floating and managing Collective Investment Schemes, Voluntary Pension Schemes and providing investment advisory services. The registered office of the Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan. The Company is a subsidiary of MCB Bank Limited (Parent Company) which owns 81.42% share capital of the Company. The Parent Company's registered office is situated at MCB Building, 15-Main Gulberg, Jail Road, Lahore, Pakistan. The Company operates various branches all over Pakistan.
- 1.3 The Company is registered as a Non-Banking Finance Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) to carry on the business of investment advisory and asset management services under the said rules. Further, the Company is registered as a Pension Fund Manager under the Voluntary Pension System Rules, 2005.
- 1.4 The Company has been assigned an Asset Manager rating of 'AM1' by the Pakistan Credit Rating Agency Limited (PACRA) dated October 4, 2024 (June 30, 2024: 'AM1' dated October 6, 2023).
- 1.5 The Company currently manages the following collective investment schemes and voluntary pension schemes:

	(Un-audited)	(Audited)
	Net asset value as at	
	December 31, 2024	June 30, 2024
	(Rupees)	
Open-end Collective Investment Schemes (CISs)		
Pakistan Income Fund	3,511,307,838	1,899,329,682
MCB Pakistan Stock Market Fund	16,859,898,659	7,215,694,358
MCB Pakistan Sovereign Fund	30,786,762,167	11,081,729,081
Pakistan Capital Market Fund	705,310,961	520,366,663
Pakistan Cash Management Fund	9,263,044,091	26,969,692,227
Pakistan Income Enhancement Fund	22,436,160,608	5,899,167,023
MCB Pakistan Asset Allocation Fund	808,780,723	671,927,736
Balance carried forward	84,371,265,047	54,257,906,770

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

	(Un-audited)	(Audited)
	Net asset value as at	
	December 31, 2024	June 30, 2024
	(Rupees)	
Balance brought forward	84,371,265,047	54,257,906,770
MCB DCF Income Fund	30,064,492,486	16,311,628,407
MCB Cash Management Optimizer	141,059,499,295	46,797,994,021
Alhamra Islamic Money Market Fund	6,212,305,660	22,060,273,135
Alhamra Islamic Asset Allocation Fund	1,779,708,063	1,487,200,380
Alhamra Islamic Stock Fund	6,255,678,353	4,079,657,080
Alhamra Islamic Income Fund	69,501,612,825	12,298,433,118
Alhamra Daily Dividend Fund	2,163,989,021	14,942,530,513
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)	176,846,655	138,937,659
Alhamra Wada Fund (Alhamra Wada Plan VIII)	-	320,789,519
Alhamra Wada Fund (Alhamra Wada Plan IX)	368,891,405	330,858,335
Alhamra Wada Fund (Alhamra Wada Plan X)	-	1,039,388,565
Alhamra Wada Fund (Alhamra Wada Plan XI)	-	1,440,063,381
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	806,240,882	286,990,398
Alhamra Opportunity Fund (Dividend Strategy Plan)	275,136,500	201,194,329
Alhamra Cash Management Optimizer	46,190,813,409	21,733,590,732
Alhamra Government Securities Fund (Alhamra Government Securities Plan I)	8,977,021,422	168,452,356
MCB Government Securities Fund (MCB Government Securities Plan I)	8,446,098,301	-
MCB Investments savings Fund (MCB Investment saving Plan I)	2,073,398,305	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVI)	-	6,018,750,194
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVII)	-	1,043,640,666
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVIII)	-	3,765,779,316
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIX)	3,506,056,475	3,195,372,951
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XXII)	1,624,449,839	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XXIII)	8,318,845,680	-
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan I)	-	1,253,681,605
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan II)	-	1,420,439,176
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan III)	-	2,007,145,368
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan I)	118,600,027	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan II)	8,157,907,217	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan III)	5,682,730,574	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan IV)	15,416,354,204	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan V)	1,056,976,755	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan I)	1,000,040,033	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan II)	1,305,062,004	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan III)	1,751,754,391	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan IV)	519,074,946	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan V)	21,314,102,256	-
Voluntary Pension Funds		
Pakistan Pension Fund	7,009,877,161	4,973,038,841
Alhamra Islamic Pension Fund	4,569,906,926	2,878,380,626
MCB Alhamra KPK Government Employees' Pension Fund	417,695,153	130,209,169
MCB KPK Government Employees' Pension Fund	70,595,513	44,234,760
	<u>490,563,026,783</u>	<u>224,626,561,370</u>

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

1.6 The Company is also managing investments under discretionary portfolio management agreements, the details of which are given in note 17.2 to these condensed interim financial statements.

1.7 In accordance with the requirements of Rule 9 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Company has obtained sufficient insurance coverage from Jubilee General Insurance Company Limited against any losses that may be incurred as a result of employee's fraud or gross negligence. Jubilee General Insurance Company Limited has been assigned a credit rating of 'AA++ (ifs)' by Pakistan Credit Rating Agency Limited (PACRA) dated November 1, 2024 (June 30, 2024: 'AA++ (ifs)' dated November 3, 2023).

2 BASIS OF PRESENTATION

2.1 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 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 VIII A of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the NBFC Rules) and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations).

Where provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules and the NBFC Regulations differ from the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance 1984, the NBFC Rules and the NBFC Regulations have been followed.

The disclosures made in these condensed interim financial statements are limited based on the requirements of the International Accounting Standard 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 Company for the year ended June 30, 2024.

Further, the Securities and Exchange Commission of Pakistan (SECP) has directed vide SRO 56(I)/2016 dated January 28, 2016 that the requirements of IFRS 10, 'Consolidated financial statements', are not applicable in case of investments made by companies in mutual funds established under the Trust Deed structure. Accordingly, implications of IFRS 10 in respect of the Company's investment in mutual funds managed by it have not been considered in these condensed interim financial statements.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for the following:

- Right-of-use assets and their related lease liability are carried at present value of future lease rentals adjusted for any lease payments made at or before the commencement date of the lease;
- Investments are carried at fair values as disclosed in notes 7 and 12 to these condensed interim financial statements; and
- Investment in associate is valued under the equity method accounting.

2.3 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 Company's annual accounting period beginning on July 1, 2024. However, these do not have any significant impact on the Company's operations and, therefore, have not been detailed in these condensed interim financial statements.

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

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

2.4.1 There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Company 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 statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in 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.

The management is currently in the process of assessing the impact of these amendments on the condensed interim financial statements of the Company.

2.5 Functional and presentation currency

Items included in these condensed interim financial statements are measured using the currency of the primary economic environment in which the Company operates. These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The material accounting policies applied 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 Company for the year ended June 30, 2024.

3.2 The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan for interim financial reporting requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. It also requires management to exercise its judgment in application of its accounting policies. The estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. These estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are 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.

In preparing the condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those applied to the annual audited financial statements of the Company as at and for the year ended June 30, 2024. The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2024.

	Note	December 31,	June 30,
		2024 (Un-audited)	2024 (Audited)
		(Rupees)	
4 PROPERTY AND EQUIPMENT			
Operating fixed assets	4.1	89,846,078	110,555,376
		<u>89,846,078</u>	<u>110,555,376</u>

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

4.1 Operating fixed assets

The following is the statement of operating fixed assets:

	December 31, 2024 (Un-audited)						
	Computer equipment	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Right-of-use assets - Leasehold buildings	Total
	(Rupees)						
As at July 1, 2024							
Cost	103,139,047	27,145,024	9,563,979	16,433,043	16,012,270	237,319,468	409,612,831
Accumulated depreciation	(76,759,833)	(21,071,295)	(8,431,183)	(6,696,913)	(7,537,280)	(171,273,570)	(291,772,074)
Accumulated impairment	-	-	(725,917)	(6,559,464)	-	-	(7,285,381)
Net book value	26,379,214	6,073,729	406,879	3,174,666	8,474,990	66,045,898	110,555,376
Half year ended December 31, 2024							
Opening net book value	26,379,214	6,073,729	406,879	3,174,666	8,474,990	66,045,898	110,555,376
Additions (at cost)	4,127,321	464,209	1,320,191	-	-	3,235,851	9,147,572
Disposals							
Cost	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-
Depreciation charge for the period	(6,259,087)	(972,009)	(352,689)	(1,196,625)	(1,471,878)	(19,604,382)	(29,856,870)
Closing net book value	24,247,448	5,565,929	1,374,381	1,977,841	7,003,112	49,677,367	89,846,076
As at December 31, 2024							
Cost	107,266,368	27,609,233	10,884,170	16,433,043	16,012,270	240,555,319	418,760,403
Accumulated depreciation	(83,018,920)	(22,043,304)	(8,783,872)	(7,895,738)	(9,009,158)	(190,877,952)	(321,628,944)
Accumulated impairment	-	-	(725,917)	(6,559,464)	-	-	(7,285,381)
Net book value	24,247,448	5,565,929	1,374,381	1,977,841	7,003,112	49,677,367	89,846,076
Depreciation rate (% per annum)	25%	20% - 50%	25% - 67%	25% - 50%	25%	20% - 33%	
	June 30, 2024 (Audited)						
	Computer equipment	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Right-of-use assets - Leasehold buildings	Total
	(Rupees)						
As at July 1, 2023							
Cost	93,916,966	25,779,137	9,521,979	12,804,342	9,404,270	212,924,493	364,351,187
Accumulated depreciation	(64,989,302)	(18,993,835)	(7,654,683)	(3,846,350)	(5,165,021)	(128,334,964)	(229,984,155)
Accumulated impairment	-	-	(725,917)	(6,559,464)	-	-	(7,285,381)
Net book value	28,927,664	6,785,302	1,141,379	2,398,528	4,239,249	84,589,529	128,081,651
Year ended June 30, 2024							
Opening net book value	28,927,664	6,785,302	1,141,379	2,398,528	4,239,249	84,589,529	128,081,651
Additions (at cost)	9,605,081	1,365,887	42,000	3,628,701	6,608,000	24,394,975	45,644,644
Disposals							
Cost	(383,000)	-	-	-	-	-	(383,000)
Accumulated depreciation	327,146	-	-	-	-	-	327,146
	(55,854)	-	-	-	-	-	(55,854)
Depreciation charge for the year	(12,097,677)	(2,077,460)	(776,500)	(2,852,563)	(2,372,259)	(39,616,683)	(59,793,142)
Effect of termination	-	-	-	-	-	(3,321,923)	(3,321,923)
Closing net book value	26,379,214	6,073,729	406,879	3,174,666	8,474,990	66,045,898	110,555,376
As at June 30, 2024							
Cost	103,139,047	27,145,024	9,563,979	16,433,043	16,012,270	237,319,468	409,612,831
Accumulated depreciation	(76,759,833)	(21,071,295)	(8,431,183)	(6,696,913)	(7,537,280)	(171,273,570)	(291,772,074)
Accumulated impairment loss	-	-	(725,917)	(6,559,464)	-	-	(7,285,381)
Net book value	26,379,214	6,073,729	406,879	3,174,666	8,474,990	66,045,898	110,555,376
Depreciation rate (% per annum)	25%	20% - 50%	25% - 67%	25% - 50%	25%	20% - 33%	

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

	Note	December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)
(Rupees)			
4.1.1 Depreciation charge for the period has been allocated as follows:			
Administrative expenses	18	22,576,818	21,928,766
Selling and distribution expenses	19	7,280,052	7,458,321
		<u>29,856,870</u>	<u>29,387,087</u>

4.1.2 The operating fixed assets includes assets costing Rs. 120.439 million (June 30, 2024: Rs. 111.971 million) which are fully depreciated as of December 31, 2024 but are still in active use of the Company.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
(Rupees)			
5 INTANGIBLE ASSETS			
Definite life			
Computer software	5.1	3,415,962	9,985,440
Indefinite life			
Goodwill	5.1	82,126,933	82,126,933
Management rights	5.1	192,000,000	192,000,000
		<u>274,126,933</u>	<u>274,126,933</u>
		<u>277,542,895</u>	<u>284,112,373</u>

5.1 Following is the statement of intangible assets:

Note	December 31, 2024 (Un-audited)			
	Computer software	Goodwill	Management rights	Total
(Rupees)				
As at July 1, 2024				
Cost	122,450,688	82,126,933	192,000,000	396,577,621
Accumulated amortisation	(112,465,248)	-	-	(112,465,248)
Net book value	<u>9,985,440</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>284,112,373</u>
Half year ended December 31, 2024				
Opening net book value	9,985,440	82,126,933	192,000,000	284,112,373
Additions	-	-	-	-
Amortisation charge for the period	18 (6,569,478)	-	-	(6,569,478)
Closing net book value	<u>3,415,962</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>277,542,895</u>
As at December 31, 2024				
Cost	122,450,688	82,126,933	192,000,000	396,577,621
Accumulated amortisation	(119,034,726)	-	-	(119,034,726)
Net book value	<u>3,415,962</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>277,542,895</u>
Amortisation rate (% per annum)	<u>25% - 33%</u>			
	June 30, 2024 (Audited)			
	Computer software	Goodwill	Management rights	Total
(Rupees)				
As at July 1, 2023				
Cost	122,450,688	82,126,933	192,000,000	396,577,621
Accumulated amortisation	(99,178,778)	-	-	(99,178,778)
Net book value	<u>23,271,910</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>297,398,843</u>
Year ended June 30, 2024				
Opening net book value	23,271,910	82,126,933	192,000,000	297,398,843
Additions	-	-	-	-
Amortisation charge for the year	(13,286,470)	-	-	(13,286,470)
Closing net book value	<u>9,985,440</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>284,112,373</u>
As at June 30, 2024				
Cost	122,450,688	82,126,933	192,000,000	396,577,621
Accumulated amortisation	(112,465,248)	-	-	(112,465,248)
Net book value	<u>9,985,440</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>284,112,373</u>
Amortisation rate (% per annum)	<u>25% - 33%</u>			

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

6	INVESTMENT IN ASSOCIATES	Note	December 31,	June 30,
			2024	2024
			(Un-audited)	(Audited)
			(Rupees)	
Investment in associated undertakings				
Investment in units of funds under management				
		6.1	1,911,056,280	1,790,686,810

6.1 Investments in units of funds under management

Name of the investee fund	December 31, 2024 (Un-audited)							
	Country of incorporation and place of business	Percentage holding	Investment as at the beginning of the period	Investments during the period	Redemptions during the period	Share of profit	Dividend income	Investment as at December 31, 2024
(Rupees)								
Investment in associated undertaking								
MCB Cash Management Optimizer*	Pakistan	-	362,269,033	1,270,080,440	(1,652,160,255)	10,581,765	(90,446)	98,542
MCB Pakistan Stock Market Fund	Pakistan	0.44%	-	321,370,684	(270,080,081)	64,818,231	(370,686)	74,818,228
Alhama Islamic Income Fund	Pakistan	0.31%	-	1,208,720,389	(997,242,454)	4,357,613	(2,111)	216,833,437
MCB Pakistan Sovereign Fund*	Pakistan	-	254,945,967	1,752,933,529	(2,161,718,278)	54,243,551	(400,852)	6,916
Pakistan Cash Management Fund*	Pakistan	-	-	10	-	10	(10)	10
Alhama Islamic Active Allocation Fund (Alhama Smart Portfolio)	Pakistan	82.67%	125,112,483	-	-	21,888,046	-	146,192,529
Alhama Islamic Stock Fund*	Pakistan	-	-	99,783	-	103,132	(99,793)	103,132
Alhama Cash Management Optimizer*	Pakistan	-	-	530,023,679	(532,338,464)	2,358,761	(23,879)	24,297
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	Pakistan	17.41%	-	130,080,000	-	10,368,246	-	140,368,246
Pakistan Income Fund*	Pakistan	-	-	7,443	-	7,411	(7,443)	7,411
Alhama Islamic Money Market Fund*	Pakistan	-	-	1,521	-	1,881	(1,520)	1,882
Alhama Daily Dividend Fund*	Pakistan	-	-	3,752	-	3,712	(3,751)	3,713
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)	Pakistan	-	10,608,218	-	(11,183,346)	575,128	-	-
Alhama Government Securities Fund (Alhama Government Securities Plan I)	Pakistan	-	50,865,950	50,212	(50,994,911)	944,758	(65,950)	-
MCB investments savings Fund (MCB Investment saving Plan I)	Pakistan	0.04%	-	10,089,888	-	1,117,195	(7,801)	11,115,232
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan I)	Pakistan	89.80%	-	100,071,550	-	6,578,800	(95,400)	106,504,210
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan V)	Pakistan	0.05%	-	10,000,000	-	327,791	-	10,327,791
MCB Government Securities Fund (MCB Government Securities Plan I)	Pakistan	1.21%	-	100,052,350	-	1,953,146	(89,800)	101,935,696
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan V)	Pakistan	0.96%	-	10,000,000	-	186,101	-	10,186,101
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)	Pakistan	0.62%	-	10,000,009	-	152,741	-	10,152,750
Alhama Islamic Pension Fund - Equity Sub-Fund	Pakistan	15.61%	200,738,091	-	-	87,946,542	-	288,684,633
Alhama Islamic Pension Fund - Debt Sub-Fund	Pakistan	9.46%	104,525,620	-	-	11,423,258	-	115,948,878
Alhama Islamic Pension Fund - Money Market Sub-Fund	Pakistan	7.04%	94,679,310	-	-	10,211,028	-	104,890,338
Pakistan Pension Fund - Equity Sub-Fund	Pakistan	8.17%	137,581,383	-	-	71,643,035	-	209,224,419
Pakistan Pension Fund - Debt Sub-Fund	Pakistan	5.97%	126,589,675	-	-	15,814,204	-	142,403,879
Pakistan Pension Fund - Money Market Sub-Fund	Pakistan	7.04%	133,889,080	-	-	12,317,901	-	146,206,981
Alhama KPK Govt Employees Pension Fund - Money Market Sub-Fund	Pakistan	8.70%	33,389,160	-	-	2,825,121	-	36,214,281
Alhama KPK Govt Employees Pension Fund - Equity Sub-Fund	Pakistan	99.81%	528,291	-	-	23,914	-	552,205
Alhama KPK Govt Employees Pension Fund - Equity Index Sub-Fund	Pakistan	99.80%	528,258	-	-	23,911	-	552,179
Alhama KPK Govt Employees Pension Fund - Debt Sub-Fund	Pakistan	99.80%	528,275	-	-	23,910	-	552,185
MCB KPK Govt Employees Pension Fund - Money Market Sub-Fund	Pakistan	53.13%	33,428,760	-	-	3,111,951	-	36,540,711
MCB KPK Govt Employees Pension Fund - Equity Sub-Fund	Pakistan	99.81%	509,162	-	-	47,793	-	556,955
MCB KPK Govt Employees Pension Fund - Equity Index Sub-Fund	Pakistan	99.81%	509,976	-	-	47,969	-	556,945
MCB KPK Govt Employees Pension Fund - Debt Sub-Fund	Pakistan	99.81%	509,987	-	-	47,740	-	556,727
			1,790,686,889	5,404,432,303	(5,721,234,769)	394,412,626	(1,240,852)	1,911,056,280

* Nil figures due to rounding off.

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

Name of the investee fund	June 30, 2024 (Audited)							
	Country of incorporation and place of business	Percentage holding	Investment as at the beginning of the year	Investments during the year	Redemptions during the year	Share of profit	Dividend income	Investment as at June 30, 2024
Investment in associated undertaking								
Alhama Islamic Pension Fund - Equity Sub-Fund	Pakistan	27.56%	161,356,380	-	(102,000,000)	144,381,715	-	200,738,091
Alhama Islamic Pension Fund - Debt Sub-Fund	Pakistan	12.79%	86,851,243	-	-	18,074,377	-	104,925,620
Alhama Islamic Pension Fund - Money Market Sub-Fund	Pakistan	7.12%	77,385,465	-	-	17,292,884	-	94,678,349
Pakistan Pension Fund - Equity Sub-Fund	Pakistan	5.20%	124,085,561	-	(58,500,000)	111,985,823	-	137,581,384
Pakistan Pension Fund - Debt Sub-Fund	Pakistan	8.06%	102,772,330	-	-	23,817,546	-	126,589,876
Pakistan Pension Fund - Money Market Sub-Fund	Pakistan	6.98%	108,231,000	-	-	24,858,000	-	133,089,000
MCB Alhama KPK Government Employees' Pension Fund - Money Market Sub-Fund	Pakistan	25.96%	-	30,000,000	-	3,389,160	-	33,389,160
MCB Alhama KPK Government Employees' Pension Fund - Equity Index Sub-Fund	Pakistan	99.96%	-	500,000	-	28,291	-	528,291
MCB Alhama KPK Government Employees' Pension Fund - Equity Sub-Fund	Pakistan	99.96%	-	500,000	-	28,268	-	528,268
MCB Alhama KPK Government Employees' Pension Fund - Debt Sub-Fund	Pakistan	99.96%	-	500,000	-	28,275	-	528,275
MCB KPK Government Employees' Pension Fund - Money Market Sub-Fund	Pakistan	78.05%	-	30,000,000	-	3,428,160	-	33,428,160
MCB KPK Government Employees' Pension Fund - Equity Index Sub-Fund	Pakistan	99.96%	-	500,000	-	58,162	-	588,162
MCB KPK Government Employees' Pension Fund - Equity Sub-Fund	Pakistan	99.96%	-	500,000	-	58,916	-	588,916
MCB KPK Government Employees' Pension Fund - Debt Sub-Fund	Pakistan	99.96%	-	500,000	-	58,996	-	588,996
Pakistan Cash Management Fund**	Pakistan	-	-	60,029,818	(60,029,818)	35,000	(35,000)	-
MCB Cash Management Optimizer	Pakistan	0.82%	367,723,741	4,126,675,667	(4,148,427,258)	38,496,033	(1,199,120)	382,269,033
MCB Pakistan Stock Market Fund**	Pakistan	-	-	50,000,000	(54,188,880)	4,188,880	-	-
Alhama Islamic Income Fund	Pakistan	-	6,370,240	-	(8,785,288)	419,048	-	-
MCB Pakistan Sovereign Fund	Pakistan	3.20%	-	2,201,476,572	(1,863,671,718)	21,080,133	(3,940,021)	354,946,966
Alhama Islamic Stock Fund**	Pakistan	-	-	100,000,000	(121,177,411)	21,177,411	-	-
Alhama Islamic Active Allocation Fund (Alhama Smart Portfolio)	Pakistan	90.05%	95,483,529	11,415,785	-	21,643,494	(13,430,335)	125,112,483
Alhama Wada Fund (Alhama Wada Plan VI)	Pakistan	-	141,261,925	16,532,515	(168,596,244)	3,042,471	(677)	-
Alhama Cash Management Optimizer	Pakistan	-	10,150,100	213,212,012	(224,529,289)	1,897,925	(20,828)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VI)	Pakistan	-	10,317,795	5,894,261	(16,288,743)	932,887	-	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)	Pakistan	0.33%	-	10,591,209	-	712,350	(89,540)	10,682,219
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XI)**	Pakistan	-	-	10,298,963	(10,298,963)	463,819	(463,819)	-
Alhama Opportunity Fund (Dividend Strategy Plan)**	Pakistan	-	-	20,002,498	(21,656,076)	1,656,516	(2,930)	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	Pakistan	-	60,857,447	79,498,910	(194,587,217)	18,520,679	(5,289,879)	-
Alhama Government Securities Fund (Alhama Government Securities Plan I)	Pakistan	29.72%	-	50,000,000	-	66,950	-	50,066,950
			1,252,081,777	7,018,620,202	(7,087,196,625)	521,939,625	(25,678,189)	1,790,686,810

* Nil figures due to rounding off.

** The units of these associates were purchased and redeemed during the period.

7	LONG TERM INVESTMENT	Note	December 31,	June 30,
			2024	2024
			(Un-audited)	(Audited)
			(Rupees)	
	At fair value through profit or loss			
	Investment in shares	7.1	265,000	265,000

- 7.1 During the year ended June 30, 2022, Mutual Funds Association of Pakistan (MUFAP) had converted into a Self-Regulatory Organization (SRO) upon the directive of SECP and thus, was required to be registered under Section 42 of the Companies Act, 2017. Since it was converted into a SRO, the capital requirements were met from all the Asset Management Companies (AMCs) who are also the members of MUFAP. All AMCs contributed equally towards the share capital of MUFAP by subscribing for 26,500 shares at a par value of Rs. 10 each, raising a total capital of Rs. 5,035,000 comprising of 503,500 shares of Rs. 10 each. Hence, the Company also subscribed for the shares of MUFAP being its member.

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

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
(Rupees)			
8 LONG TERM LOANS AND PREPAYMENTS			
Considered good - secured			
Loan to executive	8.1	3,965,466	4,021,177
Less: current portion	10	(122,243)	(114,954)
		3,843,223	3,906,223
Considered good - unsecured			
Loans to executives	8.2	7,281,029	8,376,118
Loans to employees	8.2	2,490,065	2,859,517
Less: current portion	10	(3,445,174)	(3,312,800)
		6,325,920	7,922,835
		10,169,143	11,829,058
Prepayments			
Prepaid commission against bachat units		79,377,667	83,908,833
Less: current portion	8.3	(59,589,333)	(58,431,488)
		19,788,334	25,477,345
		29,957,477	37,306,403
8.1			
This represents loan given to an executive at a rate of 4.5% per annum and was initially recorded at its fair value using an effective interest rate of 12.36% per annum. This loan has been advanced for the purpose of housing finance and is repayable in monthly installments as a deduction from salary having a maximum repayment period of up to twenty years. This loan is secured against the documents of the immovable property acquired and life insurance policy in favour of the Company.			
8.2			
These represent interest free loans given to employees and executives. These loans are provided for booking advance (lease down payment) at 20% of the invoice price at the time of purchasing the vehicle as per the policy of the Company and are repayable in monthly installments as a deduction from salary having a maximum repayment period of up to five years.			
8.3			
This represents commission paid on the issuance of bachat units of different funds under the management of the Company. The commission amount is amortised over the period of the contract, unless redeemed earlier, in which case it is charged off immediately. However, in the case of early redemption, the unamortised portion is recovered from the investor in the form of back-end load.			
9 RECEIVABLE FROM FUNDS UNDER MANAGEMENT	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
(Rupees)			
Considered good - unsecured			
Open-end Collective Investment Schemes (CISs)			
Alhamra Cash Management Optimizer		43,424,297	24,256,704
Alhamra Daily Dividend Fund		8,867,107	23,167,703
Alhamra Government Securities Fund (Alhamra Government Securities Plan I)		14,531,665	124,609
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)		17,381	5,683
Alhamra Islamic Asset Allocation Fund		13,255,285	12,784,462
Alhamra Islamic Income Fund		137,416,584	32,308,074
Alhamra Islamic Money Market Fund		11,963,590	31,483,579
Alhamra Islamic Stock Fund		25,603,074	20,375,097
Alhamra Opportunity Fund (Dividend Strategy Plan)		1,039,606	1,028,649
Alhamra Wada Fund (Alhamra Wada Plan VII)		-	13,863,443
Alhamra Wada Fund (Alhamra Wada Plan VIII)		298,386	1,552,546
Alhamra Wada Fund (Alhamra Wada Plan IX)		1,224,548	548,302
Alhamra Wada Fund (Alhamra Wada Plan X)		906,224	3,583,580
Alhamra Wada Fund (Alhamra Wada Plan XI)		886,579	9,045,051
Alhamra Wada Fund (Alhamra Wada Plan XII)		-	2,604,046
MCB Cash Management Optimizer		175,730,127	116,027,876
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan I)		-	2,236,841
Balance carried forward		435,164,453	294,996,245

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

Note	December 31, 2024 (Un-audited) (Rupees)	June 30, 2024 (Audited)
Balance brought forward	435,164,453	294,996,245
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan II)	-	1,329,415
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan IV)	10,215,816	-
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan V)	4,633,803	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan I)	338,121	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan II)	5,483,871	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan III)	2,903,529	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan IV)	9,739,541	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan V)	478,144	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan I)	2,741,729	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan II)	759,874	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan III)	1,418,677	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan IV)	412,690	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan V)	19,622,640	-
MCB DCF Income Fund	189,606,796	174,866,286
MCB investments savings Fund (MCB Investment saving Plan I)	4,011,172	-
MCB Pakistan Asset Allocation Fund	38,972,169	37,722,828
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan V)	-	325,494
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VI)	-	225,454
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan X)	-	1,430,256
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)	-	717,625
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIII)	-	17,938,145
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIV)	-	1,425,652
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVI)	12,817,047	19,333,317
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVII)	2,506,835	4,061,468
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVIII)	16,911,259	14,857,312
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIX)	4,287,907	2,031,565
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XX)	-	1,766,387
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XXI)	-	4,603,743
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XXII)	756,681	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XXIII)	830,914	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	3,116,574	1,328,012
MCB Pakistan Sovereign Fund	102,001,212	52,121,967
MCB Pakistan Stock Market Fund	118,794,123	85,126,622
Pakistan Capital Market Fund	8,759,257	8,188,664
Pakistan Cash Management Fund	38,797,774	49,087,467
Pakistan Income Enhancement Fund	72,698,350	33,220,826
Pakistan Sarmaya Mehfooz Fund	4,267,360	4,267,360
MCB Government Securities Fund (MCB Government Securities Plan I)	2,473,827	-
Pakistan Income Fund	14,803,542	13,033,315
	<u>1,130,325,687</u>	<u>824,005,425</u>
Management fee from pension schemes - related parties		
Pakistan Pension Fund	14,428,108	11,451,622
MCB Alhamra KPK Government Employees' Pension Fund	309,767	117,423
MCB KPK Government Employees' Pension Fund	52,005	32,360
Alhamra Islamic Pension Fund	8,935,260	6,188,168
	<u>23,725,140</u>	<u>17,789,573</u>
9.1	<u>1,154,050,827</u>	<u>841,794,998</u>

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

- 9.1** The above amounts represent receivable on account of management fee, Sindh Sales Tax on management fee, sales load charged on selected funds, Sindh Sales Tax on sales load, and allocated expenses charged to these funds. This also includes Federal Excise Duty receivable from the funds under its management as more fully explained in note 16.2 to these condensed interim financial statements.
- 9.2** 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. Therefore, the Management Company is charging its remuneration keeping in view the maximum allowable threshold.
- 9.3** In accordance with Regulation 60 of the NBFC Regulations, the Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a collective investment scheme (CIS). Accordingly, the Company is charging the allocated expenses variably keeping in view the overall return of the Fund and subject to the total expense ratio of the funds as defined under the NBFC Regulations.
- 9.4** The SECP had allowed asset management companies to charge selling and marketing expenses to all categories of open-end mutual funds (except fund of funds) initially for a period of three years (i.e. from January 1, 2017 till December 31, 2019) subject to a maximum limit of 0.4% per annum of the average annual net assets of the Fund or actual expenses, whichever is lower.

The SECP through its Circular 11 dated July 5, 2019 had removed the maximum cap of 0.4% per annum for charging of selling and marketing expenses to a Fund. Furthermore, the time limit of three years had also been removed in the circular issued by the SECP. The asset management company can charge such expenses to the Fund as per the annual plan and the same should be approved by the Board of Directors of the Company.

During the current period the Management Company has not charged any selling and distribution expenses to the funds.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
(Rupees)			
10 LOANS AND ADVANCES			
Considered good - secured			
Current portion of loan to executive	8	122,243	114,954
Considered good - unsecured			
Current portion of loans to ex-director, executives and employees	8	3,445,174	3,312,800
Advance to employees, suppliers and contractors		13,626,453	6,615,819
		<u>17,193,870</u>	<u>10,043,573</u>
11 PREPAYMENTS AND OTHER RECEIVABLES			
Prepayments			
Current portion of prepaid commission against bachat units	8	59,589,333	58,431,488
Prepaid insurance		3,907,401	15,915,397
Prepaid maintenance		661,171	538,312
Prepaid IT service level agreements		10,236,922	15,877,164
Prepaid license fee		-	81,727
Others		5,635,086	3,260,783
		80,029,913	94,104,871
Other receivables			
Considered good - unsecured			
Advisory fee on account of discretionary portfolio management			
Due from related party	11.1	13,488,382	7,882,633
Due from others	11.2	5,308,043	16,439,235
		18,796,425	24,321,868
Considered doubtful			
Due from others		12,402,117	12,402,117
Receivable from funds against ATM card redemptions		53,526,684	33,594,686
Others		1,048,343	616,237
		85,773,569	70,934,908
Provision against advisory fee	11.3	(12,402,117)	(12,402,117)
		<u>153,401,365</u>	<u>152,637,662</u>

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

- 11.1 This includes management fee receivable and FED on management fee from Adarjee Life Assurance Company Limited under discretionary portfolio management agreement.
- 11.2 This represents management fee and performance fee receivable from separately managed accounts under discretionary and non-discretionary portfolio management agreements.

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
		(Rupees)	
11.3	Provision against advisory fee		
	Opening balance	12,402,117	12,402,117
	Provision made during the period / year	-	-
	Closing balance	<u>12,402,117</u>	<u>12,402,117</u>

12 SHORT TERM INVESTMENTS

At fair value through profit or loss

Investment in government securities - Market Treasury Bills	12.1	<u>448,804,601</u>	-
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12.1 Government securities - Market Treasury Bills

Issue date	Tenor	Face value			As at December 31, 2024			
		As at July 1, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Carrying value	Market value	Unrealised appreciation
(Rupees)								
Market Treasury Bills								
July 10, 2024	12 months	-	500,000,000	500,000,000	-	-	-	
July 25, 2024	12 months	-	500,000,000	500,000,000	-	-	-	
August 22, 2024	3 months	-	250,000,000	250,000,000	-	-	-	
August 22, 2024	6 months	-	250,000,000	250,000,000	-	-	-	
August 8, 2024	12 months	-	500,000,000	500,000,000	-	-	-	
August 22, 2024	12 months	-	250,000,000	250,000,000	-	-	-	
September 5, 2024	6 months	-	450,000,000	450,000,000	-	-	-	
September 5, 2024	12 months	-	1,000,000,000	1,000,000,000	-	-	-	
October 17, 2024	12 months	-	500,000,000	500,000,000	-	-	-	
December 12, 2024	3 months	-	500,000,000	500,000,000	-	-	-	
December 12, 2024	6 months	-	500,000,000	500,000,000	-	-	-	
December 12, 2024	12 months	-	500,000,000	500,000,000	-	-	-	
December 12, 2024	12 months	-	500,000,000	-	500,000,000	448,713,805	448,804,601	90,796
As at December 31, 2024						<u>448,713,805</u>	<u>448,804,601</u>	<u>90,796</u>
As at June 30, 2024						-	-	-

Government securities - Pakistan Investment Bonds

Issue date	Particulars	As at July 1, 2024	Purchased during the period	Sold during the period	As at December 31, 2024	As at December 31, 2024		
						Carrying value	Market value	Unrealised appreciation
(Rupees)								
Pakistan Investment Bonds								
June 27, 2024	5 years	-	800,000,000	800,000,000	-	-	-	-
September 20, 2024	2 years	-	600,000,000	600,000,000	-	-	-	-
September 20, 2024	3 years	-	750,000,000	750,000,000	-	-	-	-
September 20, 2024	5 years	-	875,000,000	875,000,000	-	-	-	-
September 20, 2024	10 years	-	500,000,000	500,000,000	-	-	-	-
October 3, 2024	2 years	-	400,000,000	400,000,000	-	-	-	-
October 3, 2024	5 years	-	900,000,000	900,000,000	-	-	-	-
December 12, 2024	5 years	-	500,000,000	500,000,000	-	-	-	-
Total as at December 31, 2024						<u>-</u>	<u>-</u>	<u>-</u>
Total as at June 30, 2024						<u>-</u>	<u>-</u>	<u>-</u>

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

	Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
(Rupees)			
13 CASH AND BANK BALANCES			
Cash in hand		4,988	5,088
Balances with banks in:			
Savings accounts	13.1	13,347,284	18,297,965
Current accounts	13.2	50,605,054	15,375,754
		63,952,338	33,673,719
		<u>63,957,326</u>	<u>33,678,807</u>

13.1 It includes balance of Rs.0.116 million (June 30, 2024: Rs.0.386 million) maintained with MCB Islamic Bank Limited (related party) that carries mark-up at the rate of 13.5% (June 30, 2024: 19.50%) per annum.

13.2 These include a balance of Rs. 41.961 million (June 30, 2024: Rs. 8.869 million) maintained with MCB Bank Limited (related party).

	Note	December 31, 2024 (Un-audited)	December 31, 2023 (Un-audited)
(Rupees)			
13.3 Cash and cash equivalents			
Cash and bank balances	13	63,957,326	42,703,663

		December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
(Rupees)			
14 DEFERRED TAXATION - NET			
Deferred tax assets arising on deductible temporary differences			
- Provision against advisory fee		(4,836,826)	(4,836,826)
- Finance cost on loans to executives		(857,412)	(899,191)
- Lease liability against right-of-use assets		(22,060,183)	(28,650,592)
		(27,754,421)	(34,386,609)
Deferred tax liabilities arising on taxable temporary differences			
- Intangible assets		106,722,928	106,668,486
- Property and equipment (including right-of-use assets)		11,203,875	18,367,839
- Amortization of Treasury bills		422,076	-
- Investment in associates		15,727,875	5,786,292
		134,076,754	130,822,617
		<u>106,322,333</u>	<u>96,436,008</u>

15 LEASE LIABILITY AGAINST RIGHT-OF-USE ASSETS

The Company has entered into lease agreements in respect of its various rented offices. These were initially measured at the present value of remaining lease payments, discounted using the Company's incremental borrowing rate that ranges from 8.08% per annum to 22.48% per annum. The lease liabilities are subsequently being measured at amortised cost using the effective interest rate method.

The amount of future payments for the leases and the period in which these payments will become due are as follows:

	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
(Rupees)		
Present value of minimum lease payments	56,564,575	73,463,056
Less: current portion	(40,505,137)	(42,645,586)
	<u>16,059,438</u>	<u>30,817,470</u>

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

	December 31, 2024 (Un-audited)		June 30, 2024 (Audited)	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
	(Rupees)			
Not later than one year	46,403,686	40,505,137	52,058,316	42,645,586
Later than one year and not later than five years	17,473,050	16,059,438	33,581,828	30,817,470
	63,876,736	56,564,575	85,640,144	73,463,056
Less: finance cost allocated to future periods	(7,312,161)	-	(12,177,088)	-
Present value of minimum lease payments	56,564,575	56,564,575	73,463,056	73,463,056
Less: current portion	(40,505,137)	(40,505,137)	(42,645,586)	(42,645,586)
	16,059,438	16,059,438	30,817,470	30,817,470
		Note	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
16 TRADE AND OTHER PAYABLES			(Rupees)	
Accrued expenses and other liabilities			184,995,911	287,152,191
Bonus payable			251,071,056	182,360,779
Sindh Workers' Welfare Fund	16.1		121,110,105	93,971,867
Sales tax payable			80,518,357	14,577,062
Federal Excise Duty payable	16.2		412,892,880	412,892,880
Withholding tax payable			50,848,310	35,022,951
Payable to facilitators / distributors			160,484,734	106,969,539
			<u>1,261,921,353</u>	<u>1,132,947,269</u>

16.1 As a consequence of the 18th amendment to the Constitution of Pakistan, in May 2015 the Sindh Workers' Welfare Fund Act, 2014 (SWWF Act) had been passed by the Government of Sindh as a result of which every industrial establishment, including financial institutions, located in the Province of Sindh, the total income of which in any accounting year is not less than Rs 0.50 million, is required to pay Sindh Workers' Welfare Fund (SWWF) in respect of that year a sum equal to two percent of such income. The matter was taken up by MUFAP with the Sindh Revenue Board (SRB) collectively on behalf of various asset management companies and their CISs whereby it was contended that AMCs and mutual funds should be excluded from the ambit of the SWWF Act as these were not industrial establishments. The MUFAP has also taken up the matter with the Sindh Finance Ministry to have AMC's excluded from the applicability of SWWF. In view of the above developments regarding the applicability of SWWF on AMC's, the management as a matter of abundant caution has made provision in respect of SWWF on a prudent basis with effect from the date of enactment of the SWWF Act (i.e. starting from May 21, 2015).

16.2 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 Company and sales load was applicable with effect from June 13, 2013. The Company was of the view that since the remuneration was 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 Company together with various other asset management companies challenging the levy of FED.

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 Company has discontinued making further provision in respect of FED with effect from July 1, 2016. However, as a matter of abundant caution, the provision for FED already made amounting to Rs. 412.893 million is being retained in the condensed interim financial statements of the Company as the matter is pending before the Supreme Court of Pakistan. A corresponding receivable of the same amount has been recorded as receivable from the funds under the management of the Company as disclosed in note 9.1 to these condensed interim financial statements.

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.

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

17 MANAGEMENT AND INVESTMENT ADVISORY FEE

	(Un-audited)			
	Half year ended		Quarter ended	
	December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
	(Rupees)			
Management fee from collective investment schemes - related parties				
Alhambra Cash Management Optimizer	166,504,420	18,718,092	85,805,099	10,350,350
Alhambra Daily Dividend Fund	24,476,879	12,501,584	11,590,143	6,751,241
Alhambra Government Securities Fund (Alhambra Government Securities Plan I)	24,361,800	-	23,605,629	-
Alhambra Islamic Active Allocation Fund (Alhambra Smart Portfolio)	45,002	41,156	21,631	20,653
Alhambra Islamic Asset Allocation Fund	32,054,186	25,225,972	17,294,179	12,606,461
Alhambra Islamic Income Fund	335,877,096	35,243,775	258,151,821	27,594,128
Alhambra Islamic Money Market Fund	29,457,518	82,928,595	11,080,028	38,661,968
Alhambra Islamic Stock Fund	97,034,238	43,470,961	57,319,309	27,708,021
Alhambra Opportunity Fund (Dividend Strategy Plan)	3,571,953	-	1,568,702	-
Alhambra Wadia Fund (Alhambra Wadia Plan VII)	-	3,940,956	-	530,865
Alhambra Wadia Fund (Alhambra Wadia Plan VIII)	298,385	1,314,984	-	742,289
Alhambra Wadia Fund (Alhambra Wadia Plan IX)	1,177,578	-	546,864	-
Alhambra Wadia Fund (Alhambra Wadia Plan X)	881,533	2,337,462	(24,692)	1,637,376
Alhambra Wadia Fund (Alhambra Wadia Plan XI)	958,241	3,794,285	565,137	3,794,285
Alhambra Wadia Fund (Alhambra Wadia Plan XII)	-	-	-	-
MCB Cash Management Optimizer	440,924,755	177,412,649	257,805,827	75,608,092
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan I)	4,220,866	-	941,424	-
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan II)	4,338,482	-	1,087,201	-
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan III)	15,361	-	-	-
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan IV)	10,215,817	-	4,583,740	-
MCB DCF Fixed Return Fund (MCB DCF Fixed Return Plan V)	4,633,803	-	2,183,775	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan I)	338,121	-	281,052	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan II)	5,483,872	-	5,483,872	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan III)	2,903,528	-	2,903,528	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan IV)	9,739,540	-	9,739,540	-
MCB DCF Fixed Return Fund II (MCB DCF Fixed Return II Plan V)	478,145	-	478,145	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan I)	2,909,298	-	1,582,052	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan II)	600,579	-	438,459	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan III)	1,418,678	-	1,124,930	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan IV)	412,690	-	412,690	-
MCB DCF Fixed Return Fund III (MCB DCF Fixed Return III Plan V)	19,622,640	-	19,622,640	-
MCB DCF Income Fund	189,155,518	83,716,052	108,556,431	48,770,339
MCB Government Securities Fund (MCB Government Securities Plan I)	1,810,642	-	1,810,642	-
MCB investments savings Fund (MCB Investment saving Plan I)	9,287,777	-	9,278,046	-
MCB Pakistan Asset Allocation Fund	11,390,084	11,489,824	5,120,448	5,417,710
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VII)	-	221,158	-	53,941
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan X)	-	3,640,285	-	1,973,989
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XI)	-	-	-	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)	-	14,082,837	-	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIII)	-	22,290,067	-	12,717,665
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIV)	-	5,996,344	-	2,983,444
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XV)	-	14,766,412	-	14,295,532
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVI)	12,817,043	5,918,273	(1,716,902)	5,918,273
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVII)	2,507,033	1,115,751	(512,624)	1,115,751
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVIII)	16,911,121	417,032	4,700,017	417,032
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIX)	4,287,852	-	2,192,936	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XXII)	756,682	-	756,682	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XXIII)	830,914	-	830,914	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	10,186,920	2,275,038	6,200,586	1,750,842
MCB Pakistan Sovereign Fund	294,977,117	33,414,997	205,863,821	30,267,049
MCB Pakistan Stock Market Fund	204,119,904	74,270,192	132,021,622	47,202,669
Pakistan Capital Market Fund	11,714,232	7,178,587	6,417,625	3,737,797
Pakistan Cash Management Fund	79,733,430	80,999,907	38,135,216	34,277,411
Pakistan Income Enhancement Fund	185,974,445	28,527,329	130,723,303	26,683,198
Pakistan Income Fund	19,719,838	15,925,863	11,491,989	11,935,163
	2,271,135,551	813,170,419	1,438,062,467	455,523,534
Management fee from pension schemes - related parties				
Pakistan Pension Fund	42,577,713	18,656,673	22,753,509	10,166,922
MCB Alhambra KPK Government Employees' Pension Fund	1,421,162	21,627	857,871	21,627
MCB KPK Government Employees' Pension Fund	269,066	14,446	148,083	14,446
Alhambra Islamic Pension Fund	24,497,122	10,930,098	14,032,771	5,832,682
	68,765,063	29,622,844	37,792,234	16,035,677
Investment advisory fee from separately managed accounts	31,469,113	17,249,730	16,060,044	9,042,114
	2,371,369,727	860,042,993	1,491,914,745	480,601,325
Less: Sindh Sales Tax	(309,309,095)	(98,942,999)	(194,597,576)	(55,290,418)
	2,062,060,632	761,099,994	1,297,317,169	425,310,907

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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- 17.1 Sindh sales tax levied through Sindh Sales Tax on Services Act, 2011 on remuneration of Management Company and investment advisory fee has been enhanced from the rate of 13% to 15% (December 31, 2023: 13%) effective July 1, 2024 vide Sindh Finance Act 2024.
- 17.2 The Company is also managing portfolio of investors under discretionary portfolio management agreements. Investment advisory fee from the discretionary portfolio is calculated on daily / monthly basis by charging specified rates to the net asset value of the portfolio as stated in the respective agreements with the clients. In addition, performance fee is charged to some investors based on the contractual rates at the end of the respective mandates. The details of this portfolio are given below:

	December 31, 2024 (Un-audited)	June 30, 2024 (Audited)
Discretionary portfolio		
Number of portfolios	22	31
Total portfolio at cost (in Rupees)	91,841,393,524	85,823,182,247
Net Assets of total portfolio	102,427,466,059	94,171,813,832

	Note	(Un-audited)		(Rupees)	
		Half year ended December 31, 2024	December 31, 2023	Quarter ended December 31, 2024	December 31, 2023
18 ADMINISTRATIVE EXPENSES					
Salaries, allowances and other benefits		492,545,445	296,975,189	290,892,939	127,712,432
Legal and professional charges		15,235,649	8,660,781	12,132,236	4,512,265
Shariah advisory fee		654,529	816,221	298,626	343,445
Utilities, communication, courier, taxes, etc.		20,996,914	20,896,676	10,178,259	11,623,767
Travelling and conveyance		1,244,972	2,098,186	(83,976)	836,469
Repairs and maintenance		50,331,676	37,997,809	29,715,246	20,616,430
Office supplies		1,788,207	2,092,761	858,821	3,343,118
Directors' meeting fee		5,125,000	5,250,000	1,750,000	2,500,000
Insurance		2,873,199	2,275,828	1,318,677	1,063,371
Depreciation	4.1.1	22,576,818	21,928,766	11,290,912	14,998,118
Amortisation	5.1	6,569,478	6,696,315	3,284,739	3,346,770
Stamp duty and taxes		613,718	504,998	249,999	249,999
Registrar fee		884,929	1,083,583	471,925	249,559
Printing and stationery		4,439,273	6,105,490	2,761,784	1,824,296
Telephone expenses		1,486,922	1,489,941	453,534	723,692
Entertainment expenses		4,075,588	4,512,753	2,269,626	2,909,172
Fees and subscription		18,225,478	21,264,510	10,318,544	12,048,686
		649,667,795	440,649,807	378,161,891	208,901,589
Reimbursement of expenses from Collective Investment Schemes (CISs)	9.3	(46,296,626)	(63,909,466)	(38,236,846)	(33,525,277)
		603,371,169	376,740,341	339,925,045	175,376,312
19 SELLING AND DISTRIBUTION EXPENSES					
Salaries, allowances and other benefits		150,105,223	134,305,794	70,701,809	91,844,768
Depreciation	4.1.1	7,280,052	7,458,321	3,656,442	3,770,676
Commission expense		377,372,644	237,752,869	219,510,235	131,334,043
Marketing and advertising expenses		93,184,793	16,456,284	72,096,823	1,036,426
Branch expenses		13,176,790	11,326,005	7,216,075	2,279,797
Entertainment expenses		624,773	759,182	332,392	1,157,194
		641,744,275	408,058,455	373,513,776	231,422,904
Reimbursement of expenses from Collective Investment Schemes (CISs)	9.4	-	(306,654,442)	-	(131,808,590)
		641,744,275	101,404,013	373,513,776	99,614,314
20 OTHER EXPENSES					
Sindh Workers' Welfare Fund		27,138,238	13,924,287	19,000,000	8,977,732
Auditors' remuneration		1,800,000	1,800,000	900,000	900,000
		28,938,238	15,724,287	19,900,000	9,877,732

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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		(Un-audited)			
		Half year ended		Quarter ended	
		December 31, 2024	December 31, 2023	December 31, 2024	December 31, 2023
		(Rupees)			
21	TAXATION - NET				
	Current				
	- for the year	443,000,000	182,998,000	304,000,000	97,332,000
	- for prior year	-	6,889,671	-	6,889,671
		<u>443,000,000</u>	<u>189,887,671</u>	<u>304,000,000</u>	<u>104,221,671</u>
	Deferred	9,886,324	4,709,062	8,986,324	11,995,249
		<u>452,886,324</u>	<u>194,596,733</u>	<u>312,986,324</u>	<u>116,216,920</u>

22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

22.1.1 On June 5, 2017, the Company received an Order dated May 26, 2017 passed by the Assistant Commissioner - Sindh Revenue Board [AC SRB] wherein a demand of Sindh sales tax of Rs.10.621 million along with penalty of Rs. 6.329 million and default surcharge (to be calculated at the time of payment) was established for short levy and payment of Sindh Sales Tax on its services and for claiming inadmissible input tax during tax periods from July 2011 to June 2015. An appeal against the aforesaid order was filed before the Commissioner Appeals-SRB who upheld the order of the Assistant Commissioner, SRB in its Appellate Order. The Company then filed an appeal before the Appellate Tribunal, SRB against aforesaid order of the Commissioner Appeals, SRB. The Appellate Tribunal, SRB remanded back the case to the Commissioner Appeals - SRB to pass fresh speaking order after verifying the records on merit.

During the year ended June 30, 2021, Commissioner Appeals - SRB issued an order whereby the demand raised by AC SRB amounting to Rs. 10.621 million was upheld. The Company, being aggrieved with the said order, filed an appeal before the Appellate Tribunal, SRB. The stay was granted by Appellate Tribunal, SRB on July 6, 2021. Upon expiry of stay granted by Tribunal, the Company then filed for a stay application with Honourable Sindh High Court (SHC) which was duly granted by SHC.

During the year ended June 30, 2024, Appellate Tribunal, SRB issued an order dated March 26, 2024 whereby the Appellate Tribunal, SRB deleted the demand of Rs. 7.568 million on account of input tax adjustment disallowed to the Company and the remaining demand amounting to Rs. 3.053 million on account of short payment of Sindh Sales Tax was remanded back to AC SRB with specific directions to pass fresh assessment order after providing proper opportunity of being heard to the Company.

During the current period, the Company received a Show Cause Notice from the AC SRB, dated August 6, 2024, regarding the short payment of Sindh Sales Tax. Following the proceedings, AC SRB determined on September 20, 2024, that an amount of Rs. 0.931 million (which includes Rs. 0.08 million as penalty) was payable by the Company in relation to the short payment. Consequently, the Company settled the amount of Rs. 0.931 million with the SRB on October 15, 2024.

22.1.2 During the year ended June 30, 2024, SECP carried out an inspection of the Company and highlighted, among other matters, the mechanism of chargeability of selling and marketing expenses to the funds under its management and advised certain changes including the allocation of the aforementioned expenses between the funds for the period covered by the SECP. Subsequent to the year ended June 30, 2024, the Company agreed to credit the amount of Rs. 158.503 million to identified unit holders of the respective Funds and accordingly recognised a provision of Rs. 158.503 million in the books of the Company during the year ended June 30, 2024.

The SECP, through its communication dated September 23, 2024, granted the Company an extension until December 31, 2024, to implement its plan and reimburse the excess amount to the identified unit holders. In compliance with this directive, the Company reimbursed a total amount of Rs. 135.048 million (net of tax withheld) to the identified unit holders on December 30, 2024. Additionally, an amount of Rs. 23.453 million was paid to the Federal Board of Revenue on account of tax withheld on dividends subsequent to the half-year ended December 31, 2024.

The status of other contingencies excluding as mentioned in notes 22.1.1 and 22.1.2 remains unchanged as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2024.

22.2 Commitments

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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23 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties of the Company comprise of MCB Bank Limited (Parent Company), associated companies, staff retirement funds, collective investment and pension schemes managed by the Company, directors and key management personnel and their close family members. Transactions with related parties are entered into at negotiated prices at commercial terms. The aggregate value of transactions during the half year ended December 31, 2024 and outstanding balances as at December 31, 2024 with related parties other than those which have been disclosed elsewhere are as follows:

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited)	(Un-audited)
			Half year ended	
			December 31, 2024	December 31, 2023
(Rupees)				
MCB Bank Limited	Parent company with 81.47% shareholding (Dec. 2023: 81.47% shareholding)	Commission and other expenses paid	132,792,699	158,578,242
		Commission paid against issuance of bachel units	48,773,317	-
		Profit on savings account	9,079,442	4,732,102
		Branch sharing expenses	1,188,000	439,722
		Rent as per rental agreement	4,053,772	4,291,075
		Dividend paid	146,552,338	322,415,143
		Bank charges	164,583	131,091
MCB Islamic Bank Limited	Subsidiary of Parent Company	Profit on savings account	5,324	15,463
		Commission and other expenses	2,812,340	-
Adanjiw Life Assurance Company Limited	Group Company of Parent Company	Investment advisory fee	14,344,740	5,162,885
		Amount paid against insurance	4,058,788	-
Adanjiw Insurance Company Limited	Group Company of Parent Company	Amount paid against insurance	2,073,199	1,168,090
		Dividend paid	13,055,000	30,041,000
		Amount paid against utilities	8,981,620	7,786,155
		Rent as per rental agreement	16,586,754	14,743,781
Mutual Funds Association of Pakistan	Associated Company by virtue of common directorship of Mr. Khawaja Khalid Shah	Amount paid against membership fee	2,803,626	3,510,789
Collective Investment Schemes and Pension Schemes managed by the Company	Funds under management	Management fee	2,034,096,195	745,034,746
		Dividend income	1,240,892	15,047,767
		Reimbursement of allocated expenses	46,798,626	63,900,466
		Sales load income	143,585,399	80,618,243
		Investment in units of funds under management	5,454,432,523	4,943,471,786
		Bank charges paid on behalf of the Fund	95,461	123,196
		Shariah fee paid on behalf of the Fund	831,900	1,150,000
		Redemption in units of funds under management	5,727,234,769	5,373,501,308

Amount outstanding as at period end

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited)	(Audited)
			December 31, 2024	June 30, 2024
			(Rupees)	
MCB Bank Limited	Parent company with 81.47% shareholding (Jan 2024: 81.47% shareholding)	Bank balances	15,087,516	17,989,102
		Other payable	8,282,038	7,084,138
		Commission payable	82,465,572	61,912,722
		Mark-up receivable	147	-
MCB Islamic Bank Limited	Subsidiary of the Parent Company	Bank balances	36	391,224
		Mark-up receivable	45	2,626
		Commission payable	3,062,186	222,244
Adanjiw Life Assurance Company Limited	Group Company of Parent Company	Advisory fee receivable	230,002	339,000
		Prepaid insurance	466,667	1,742,822
		Other payable	2,800,000	1,740,757
Adanjiw Insurance Company Limited	Group Company of Parent Company	Prepaid insurance	1,607,817	12,502,263
		Maintenance Payable	1,592,523	-
Mutual Funds Association of Pakistan	Associated Company by virtue of common directorship of Mr. Khawaja Khalid Shah	Investment in shares	265,000	265,000
Collective Investment Schemes and Pension Schemes managed by the Company	Funds under management	Receivable against management fee	665,992,085	213,346,641
		Receivable against sales load	45,761,803	20,142,353
		Receivable against reimbursement of allocated expenses	42,503,203	208,221,173
		Receivable against reimbursement of selling and marketing expenses	-	258,482,348
		Receivable against shariah advisor fee	223,167	180,000
		Federal excise duty on remuneration	321,808,040	321,808,040
		Federal excise duty on sales load	67,786,790	67,786,790
		Payable against bank charges	24,440	43,149
		Other receivable	-	300,000
		Investments in units of funds under management	1,911,056,280	1,790,686,810

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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24 OPERATING SEGMENTS

The Company functions as a single operating segment. The income derived from the management fee of open-ended collective investment schemes and voluntary pension schemes and income derived from investment advisory fee from separately managed accounts constituted 98.67% and 1.33% (December 31, 2023: 97.99% and 2.01%) respectively of the total income earned from management and investment advisory fee during the year.

25 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 Company 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 tradeable in an open market are revalued at market prices prevailing on the reporting date. The estimated fair value of all other financial assets and liabilities is considered not to be significantly different from carrying values as the items are either short-term in nature or are periodically repriced.

25.1 Fair value hierarchy

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

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs).

Valuation techniques used in determination of fair values within level 2

Items	Valuation technique
Market Treasury Bills	The fair value of investments in Market Treasury Bills is determined based on the PKRV rates as published at the close of each business day by the Mutual Funds Association of Pakistan.

As at December 31, 2024 and June 30, 2024, the Company held the following financial instruments measured at fair value:

	(Un-audited)			
	As at December 31, 2024			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Financial assets 'at fair value through profit or loss'				
Investments in government securities -				
Market Treasury Bills	-	448,804,601	-	448,804,601
Investment in shares *	-	-	265,000	265,000
	-	448,804,601	265,000	449,069,601
	(Audited)			
	As at June 30, 2024			
	Level 1	Level 2	Level 3	Total
	(Rupees)			
Financial assets 'at fair value through profit or loss'				
Investment in shares *	-	-	265,000	265,000

* These represent shares of Mutual Funds Association of Pakistan which have been carried at cost since their fair value is not considered to be materially different from its carrying amount. Accordingly, the disclosures with respect to level 3 financial assets have not been given.

There were no transfers between levels 1, 2 and 3 of fair value hierarchy during the period.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
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26 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on February 4, 2025 have proposed an interim cash dividend in respect of the half year ended December 31, 2024 of Rs. 3.5 per share (35%) [(June 30, 2024: Rs. 2.50 per share (25%)). These condensed interim financial statements do not include the effect of these appropriations which will be accounted for subsequent to the period end.

27 GENERAL

27.1 Figures have been rounded off to the nearest Rupee, unless otherwise specified.

27.2 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions. There have been no significant reclassifications or rearrangements in these condensed interim financial statements during the current period.

28 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 Company.


Chief Executive Officer


Chief Financial Officer


Director

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