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ALHAMRA ISLAMIC STOCK FUND

CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE HALF YEAR ENDED 31 DECEMBER 2021

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INDEPENDENT AUDITORS' REVIEW REPORT

To the Unit holders of Alhamra Islamic Stock Fund

Report on Review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim Statement of Assets and Liabilities of **Alhamra Islamic Stock Fund** (the Fund) as at **31 December 2021**, and the related condensed interim Income Statement, condensed interim Statement of Comprehensive Income, condensed interim Statement of Movement in Unit Holders' Fund and condensed interim Cash Flow Statement, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management Company is responsible for the preparation and presentation of this 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 of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended 31 December 2021 and 31 December 2020 have not been subject to limited scope review by the external auditors as we are only required to review the cumulative figures for the six-months period ended 31 December 2021.

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 is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The condensed interim financial statements for the half year ended 31 December 2020 and the annual financial statements for the year ended 30 June 2021 of the Fund were reviewed and audited respectively by another firm of Chartered Accountants, whose review report dated 18 February 2021 and audit report dated 22 September 2021 expressed an unmodified conclusion and an unmodified opinion respectively, on the aforementioned financial statements.

The engagement partner on the review resulting in this independent auditors' review report is Shaikh Ahmed Salman.

Chartered Accountants

Date:

Karachi

ALHAMRA ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT DECEMBER 31, 2021

	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
		---------- (Rupees in '000) -----------	
ASSETS			
Balances with banks	4	**180,795**	126,051
Investments	5	**2,999,753**	3,343,373
Receivable against sale of investments		**21,280**	51,122
Dividend and markup receivables		**938**	794
Advances, deposits and other receivables		**5,035**	7,411
Total assets		**3,207,801**	3,528,751
LIABILITIES			
Payable to Management Company		**16,758**	17,960
Payable to Trustee		**389**	416
Payable to the Securities and Exchange Commission of Pakistan	6	**354**	691
Payable against purchase of investments		**30,603**	43,497
Accrued expenses and other liabilities	7	**22,850**	56,007
Total liabilities		**70,954**	118,571
NET ASSETS		**3,136,847**	3,410,180
Unit holders' fund (as per statement attached)		**3,136,847**	3,410,180
Contingencies and Commitments	8		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		**297,708,398**	301,982,760
		----------- (Rupees) -----------	
NET ASSET VALUE PER UNIT		**10.5400**	11.2900

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

ALHAMRA ISLAMIC STOCK FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2021

	Note	Half year ended December 31, 2021	Half year ended December 31, 2020	Quarter ended December 31, 2021	Quarter ended December 31, 2020
		(Rupees in '000)			
INCOME					
Markup on balances with banks		4,924	4,839	2,629	1,674
Dividend income		85,946	60,907	49,182	49,882
(Loss) / gain on sale of investments - net		(105,656)	296,872	(88,938)	164,338
Unrealised (loss) / gain on revaluation of investments classified as 'at fair value through profit or loss' - net	5.1	(173,626)	422,443	101,623	91,428
Total (loss) / income		(188,412)	785,061	64,496	307,322
EXPENSES					
Remuneration of the Management Company		35,353	33,696	16,209	17,308
Sindh Sales Tax on remuneration of the Management Company		4,596	4,381	2,107	2,249
Remuneration of the Trustee		2,272	2,184	1,063	1,115
Sindh Sales Tax on remuneration of the Trustee		295	285	138	146
Annual fee of the Securities and Exchange Commission of Pakistan		354	337	163	173
Allocated expenses	9	1,768	1,685	811	866
Selling and marketing expenses	10	22,978	21,902	10,535	11,250
Auditors' remuneration		223	257	109	144
Securities transaction cost		8,294	9,178	4,011	4,411
Settlement and bank charges		756	631	381	426
Legal and professional charges		472	68	36	34
Shariah advisory Fee		363	384	181	180
Printing and related charges		13	14	(12)	19
Donation / charity		2,623	2,633	1,326	2,312
Fees and subscriptions		14	26	6	20
(Reversal) / provision for Sindh Workers' Welfare Fund		(27,763)	14,148	-	5,333
Total expenses		52,611	91,809	37,064	45,986
Net (loss) / income for the period before taxation		(241,023)	693,252	27,433	261,336
Taxation	11	-	-	-	-
Net (loss) / income for the period		(241,023)	693,252	27,433	261,336
Earnings per unit	12				
Allocation of net income for the period after taxation					
Net income for the period		-	693,252		
Income already paid on units redeemed		-	(114,449)		
		-	578,803		
Accounting income available for distribution:					
- Relating to capital gains		-	599,609		
- Excluding capital gains		-	(20,806)		
		-	578,803		

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

ALHAMRA ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2021

	Half year ended December 31,		Quarter ended December 31,	
	2021	2020	2021	2020
	------------------ (Rupees in '000) ------------------			
Net (loss) / income for the period	**(241,023)**	693,252	**27,433**	261,336
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	**(241,023)**	693,252	**27,433**	261,336

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer | **Chief Financial Officer** | **Director**

ALHAMRA ISLAMIC STOCK FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Half year ended December 31, 2021			Half year ended December 31, 2020		
	Capital Value	Undistributed income / (loss)	Total	Capital Value	Undistributed (loss) / income	Total
	---------- (Rupees in '000) ----------					
Net assets at the beginning of the period	**3,385,741**	**24,439**	**3,410,180**	3,181,435	(525,162)	2,656,273
Issuance of 197,540,675 (2020: 340,607,437) units:						
- Capital value (at net asset value per unit at the beginning of the period) at Rs.11.29	**2,230,240**	-	**2,230,240**	2,959,880	-	2,959,880
- Element of (loss) / income	**(49,780)**	-	**(49,780)**	442,076	-	442,076
	2,180,460	-	**2,180,460**	3,401,956	-	3,401,956
Redemption of 201,815,037 (2020: 317,765,343) units:						
- Capital value (at net asset value per unit at the beginning of the period) at Rs.11.29	**2,278,498**	-	**2,278,498**	2,761,381	-	2,761,381
- Element of (loss) / income	**(65,728)**	-	**(65,728)**	317,921	114,449	432,370
	2,212,770	-	**2,212,770**	3,079,302	114,449	3,193,751
Total comprehensive (loss) / income for the period	-	**(241,023)**	**(241,023)**	-	693,252	693,252
Distributions during the period	-	-	-	-	-	-
Net (loss) / income for the period less distribution	-	**(241,023)**	**(241,023)**	-	693,252	693,252
Net assets as at the end of the period	**3,353,431**	**(216,584)**	**3,136,847**	3,504,089	53,641	3,557,730
Undistributed income / (loss) brought forward comprising of:						
- Realised		**(216,927)**			(455,508)	
- Unrealised		**241,366**			(69,654)	
		24,439			(525,162)	
Accounting income available for distribution:						
- Relating to capital gains		-			599,609	
- Excluding capital gains		-			(20,806)	
		-			578,803	
Net loss for the period after taxation		**(241,023)**			-	
Undistributed (loss) / income carried forward		**(216,584)**			53,641	
Undistributed (loss) / income carried forward comprising of:						
- Realised		**(42,958)**			(368,802)	
- Unrealised		**(173,626)**			422,443	
		(216,584)			53,641	
			(Rupees)			**(Rupees)**
Net assets value per unit as at beginning of the period			**11.2900**			8.6900
Net assets value per unit as at end of the period			**10.5400**			10.8300

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer	Chief Financial Officer	Director

ALHAMRA ISLAMIC STOCK FUND
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Note	Half year ended December 31, 2021	2020
		------- (Rupees in '000) -------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net (loss) / income for the period before taxation		**(241,023)**	693,252
Adjustments for non cash and other items:			
Markup on balances with banks		**(4,924)**	(4,839)
Dividend income		**(85,946)**	(60,907)
(Reversal) / provision for Sindh Workers' Welfare Fund		**(27,763)**	14,148
Loss / (gain) on sale of investments - net		**105,656**	(296,872)
Unrealised loss / (gain) on revaluation of investments classified as 'at fair value through profit or loss' - net		**173,626**	(422,443)
		(80,374)	(77,661)
Decrease / (increase) in assets			
Investments - net		**64,338**	(440,724)
Receivable against sale of investments		**29,842**	(48,118)
Advances, deposits and other receivables		**2,376**	(3,277)
		96,556	(492,119)
(Decrease) / increase in liabilities			
Payable to Management Company		**(1,202)**	5,302
Payable to Trustee		**(27)**	104
Payable to the Securities and Exchange Commission of Pakistan		**(337)**	(193)
Payable against purchase of investments		**(12,894)**	77,370
Accrued expenses and other liabilities		**(5,394)**	4,612
		(19,854)	87,195
Markup received on balances with bank		**4,369**	5,993
Dividend received		**86,357**	58,774
Net cash generated / (used in) from operating activities		**87,054**	(417,818)
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issuance of units		**2,180,460**	3,401,956
Amount paid on redemption of units		**(2,212,770)**	(3,193,751)
Net cash (used in) / generated from financing activities		**(32,310)**	208,205
Net increase / (decrease) in cash and cash equivalents during the period		**54,744**	(209,613)
Cash and cash equivalents at the beginning of the period		**126,051**	298,097
Cash and cash equivalents at the end of the period	4	**180,795**	88,484

The annexed notes 1 to 17 form an integral part of these condensed interim financial statements.

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer **Chief Financial Officer** **Director**

ALHAMRA ISLAMIC STOCK FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

1.1 Alhamra Islamic Stock Fund (the Fund) was established under a Trust Deed executed between MCB-Arif Habib Savings and Investments Limited as "Management Company" and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on October May 26, 2004 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on February 28, 2002 in accordance with the Asset Management Companies Rules, 1995 (AMC Rules) repealed by Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).Formation of the Fund as a closed-end fund was authorized by SECP on May 13, 2004, however with effect from November 11, 2010 the Fund was converted into open-end fund.The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 12, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.

1.3 The Fund is categorised as "Shariah Compliant Islamic Equity Scheme" and is listed on the Pakistan Stock Exchange Limited. The Fund primarily invests in listed equity securities. It also invests in cash instruments and treasury bills not exceeding 90 days maturity. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund.

1.4 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2021 to the Management Company.

1.5 Title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited (CDC) as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. Such standards comprise of:

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;

- The NBFC rules, the Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed of Trust Deed.

Where provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ from IAS 34 Standards, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 The disclosures made in 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 published audited financial statements of the Fund for the year ended June 30, 2021.

2.3 In compliance with schedule V of the NBFC Regulations, the Directors of the Management Company, hereby declare that these condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2021.

2.4 These condensed interim financial statements are presented in Pakistani Rupee, which is the functional and presentation currency of the Fund.

3. ACCOUNTING POLICIES AND ESTIMATES

3.1 The accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the audited financial statements of the Fund for the year ended June 30, 2021.

The preparation of these condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.2 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2021 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these condensed interim financial statements.

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

The following standards, amendments and interpretations with respect to the approved accounting standards as applicable in Pakistan would be effective from the dates mentioned below against the respective standard or interpretation:

Standards, interpretations and amendments	Effective date
Property, Plant and Equipment: Proceeds before Intended Use - Amendments to IAS 16	01 January 2022
Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37	01 January 2022
Classification of liabilities as current or non-current - Amendment to IAS 1	01 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendment to IFRS 10 and IAS 28	Not yet finalized
Definition of Accounting Estimates - Amendments to IAS 8	01 January 2023
Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12	01 January 2023
IFRS 17 - Insurance Contracts	01 January 2023
IFRS 3 - Reference to the Conceptual Framework (Amendments)	January 01, 2022
IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities	January 01, 2022

Further, following new standards have been issued by IASB which are yet to be notified by the SECP for the purpose of applicability in Pakistan.

Standards	IASB Effective date (annual periods beginning on or after)
IFRS 1 - First-time Adoption of International Financial Reporting Standards	July 01, 2009

The above standards and amendments are not expected to have any material impact on the Fund's condensed interim financial statements in the period of initial application.

3.3 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the year ended June 30, 2021.

4. BALANCES WITH BANKS	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
		------- (Rupees in '000) -------	
In current accounts	4.1	**19,852**	18,146
In savings accounts	4.2	**160,943**	107,905
		180,795	126,051

4.1 These include a balance of Rs.6.87 (June 30, 2021: Rs.4.428) million maintained with MCB Bank Limited, a related party.

4.2 These carry markup at the rates ranging from 6.50% to 10.50% (June 30, 2020: 5.85% to 6.85%) per annum and include Rs.0.01 (June 30, 2021: Rs.0.010) million maintained with MCB Bank Limited, a related party which carries markup at the rate of 7.25% (June 30, 2021: 5.50%) per annum.

5. INVESTMENTS	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
		------- (Rupees in '000) -------	
At fair value through profit or loss			
Listed equity securities	5.1	**2,999,753**	3,343,373

5.1 Listed equity securities - at fair value through profit or loss

Name of the investee company	No. of shares: As at July 01, 2021	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2021	Balance as at December 31, 2021: Carrying Value	Market value	Unrealised (loss) / gain	Market value as a % of net assets of the Fund	% of paid-up capital of the investee company
						(Rupees in '000)			(%)	
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
Automobile assembler										
Gandhara Nissan Limited	-	150,000	-	150,000	-	-	-	-	-	-
Honda Atlas Cars (Pakistan) Limited	125,000	183,000	-	193,000	115,000	35,565	27,230	(8,336)	0.87%	0.08%
Millat Tractors Limited	30,000	-	-	30,000	-	-	-	-	-	-
Pak Suzuki Motors Company Limited	156,000	304,100	-	245,100	215,000	66,455	50,151	(16,304)	1.60%	0.26%
						102,020	**77,381**	**(24,640)**	**2.47%**	**0.34%**
Automobile parts and accessories										
Agriauto Industries Limited *	124,800	2,000	-	79,300	47,500	12,967	10,613	(2,354)	0.34%	0.33%
Panther Tyres Limited	483,452	288,000	-	596,452	175,000	6,520	7,308	788	0.23%	0.13%
Thal Limited *	126,000	26,000	-	72,000	80,000	33,408	30,615	(2,793)	0.98%	0.20%
						52,895	**48,536**	**(4,359)**	**1.55%**	**0.65%**
Cable and electrical goods										
Pak Elektron Limited	-	1,421,000	-	724,500	696,500	16,054	15,685	(369)	0.50%	0.14%
						16,054	**15,685**	**(369)**	**0.50%**	**0.14%**
Cement										
Cherat Cement Company Limited	-	897,000	-	349,900	547,100	84,245	81,140	(3,105)	2.59%	0.28%
D.G. Khan Cement Company Limited	573,616	528,515	-	332,131	770,000	74,752	63,864	(10,888)	2.04%	0.18%
Fauji Cement Company Limited	2,160,000	3,587,000	-	2,410,000	3,337,000	64,552	61,301	(3,251)	1.95%	0.24%
Kohat Cement Company Limited	668,250	129,800	-	328,000	470,050	97,224	88,651	(8,573)	2.83%	0.23%
Lucky Cement Limited	375,000	134,000	-	107,723	401,277	340,318	272,579	(67,739)	8.69%	0.12%
Maple Leaf Cement Factory Limited	4,000,000	2,030,603	-	2,030,603	4,000,000	173,864	143,800	(30,064)	4.58%	0.36%
						834,956	**711,336**	**(123,620)**	**22.68%**	**1.42%**
Chemical										
Dynea Pakistan Limited*	-	14,300	-	14,300	-	-	-	-	-	-
Engro Polymer and Chemicals Limited	1,075,000	703,500	-	778,500	1,000,000	51,421	54,210	2,789	1.73%	0.11%
						51,421	**54,210**	**2,789**	**1.73%**	**0.11%**
Commercial banks										
Bankislami Pakistan Limited	-	3,209,000	-	909,000	2,300,000	30,147	29,463	(684)	0.94%	0.21%
Meezan Bank Limited	2,100,000	846,332	299,925	1,196,257	2,050,000	228,810	274,926	46,116	8.76%	0.14%
						258,957	**304,389**	**45,432**	**9.70%**	**0.35%**
Engineering										
Agha Steel Industries Limited	-	1,278,500	48,750	327,000	1,000,250	26,702	26,177	(525)	0.83%	0.17%
Aisha Steel Mills Limited	-	3,334,500	-	1,834,500	1,500,000	22,919	22,590	(329)	0.72%	0.20%
Amreli Steels Limited	-	893,000	-	-	893,000	40,834	39,971	(864)	1.27%	0.30%
International Industries Limited	238,400	157,200	-	284,400	111,200	16,046	15,436	(610)	0.49%	0.08%
International Steels Limited	-	202,500	-	202,500	-	-	-	-	-	-
Mughal Iron & Steel Industries Limited	300,000	457,900	98,685	106,500	750,085	70,155	78,091	7,936	2.489%	0.26%
						176,657	**182,264**	**5,607**	**5.81%**	**1.01%**
Fertlizer										
Engro Corporation Limited	460,000	309,984	-	206,258	563,726	163,153	153,570	(9,583)	4.90%	0.10%
Fauji Fertilizer Bin Qasim Limited	1,000,000	2,638,000	-	2,383,000	1,255,000	28,100	31,099	2,998	0.99%	0.10%
						191,254	**184,669**	**(6,585)**	**5.89%**	**0.20%**

Name of the investee company	No. of shares: As at July 01, 2021	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2021	Balance as at December 31, 2021: Carrying Value	Market value	Unrealised (loss) / gain	Market value as a % of net assets of the Fund	% of paid-up capital of the investee company
						(Rupees in '000)			(%)	
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
Food and personal care products										
Al Shaheer Corporation Limited	850,000	750,000	-	900,000	700,000	12,177	9,436	(2,741)	0.30%	0.23%
AT-Tahur Limited	-	591,500	33,420	89,000	535,920	13,635	12,332	(1,303)	0.39%	0.30%
The Organic Meat Company Limited	755,000	603,500	87,000	470,500	975,000	31,287	30,937	(350)	0.99%	0.87%
Unity Foods Limited	-	1,650,000	-	1,650,000	-	-	-	-	-	-
						57,099	**52,704**	**(4,394)**	**1.68%**	**1.41%**
Glass and ceramics										
Shabbir Tiles & Ceramics Limited *	328,000	512,500	-	328,000	512,500	14,121	11,962	(2,159)	0.38%	0.31%
Tariq Glass Industries Limited		70,000	-	-	70,000	7,326	7,596	270	0.24%	0.05%
						21,447	**19,558**	**(1,889)**	**0.62%**	**0.36%**
Miscellaneous										
Shifa International Hospitals Limited	158,600	62,900	4,430	51,600	174,330	36,120	33,023	(3,096)	1.05%	0.28%
Synthetic Products Enterprises Limited	380,164	410,577	30,413	321,000	500,154	9,959	9,028	(931)	0.29%	0.54%
Tri-Pak Films	70,200	-	-	70,200	-	-	-	-	0.00%	0.00%
						46,079	**42,051**	**(4,028)**	**1.34%**	**0.82%**
Oil and gas exploration companies										
Mari Petroleum Company Limited	146,500	49,160	-	52,160	143,500	222,255	237,382	15,127	7.57%	0.11%
Oil and Gas Development Company Limited	2,265,000	265,000	-	572,702	1,957,298	182,818	168,719	(14,099)	5.379%	0.05%
Pakistan Oilfields Limited	345,000	-	-	185,000	160,000	63,018	57,219	(5,798)	1.824%	0.06%
Pakistan Petroleum Limited	2,500,000	590,000	-	1,075,000	2,015,000	169,052	159,266	(9,786)	5.077%	0.07%
						637,142	**622,586**	**(14,556)**	**19.85%**	**0.28%**
Oil and gas marketing companies										
Attock Petroleum Limited	160,000	15,000	-	33,500	141,500	45,714	44,431	(1,283)	1.42%	0.14%
Hi-Tech Lubricants Limited	479,195	50,000	-	529,195	-	-	-	-	0.00%	0.00%
Pakistan State Oil Company limited	460,000	210,000	-	335,000	335,000	73,539	60,933	(12,606)	1.94%	0.07%
Shell (Pakistan) Limited	190,000	-	-	190,000	-	-	-	-	0.00%	0.00%
Sui Northern Gas Pipelines Limited	685,000	777,142	-	912,142	550,000	25,628	18,398	(7,231)	0.59%	0.09%
						144,881	**123,762**	**(21,119)**	**3.95%**	**0.30%**
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	86,450	-	-	64,450	22,000	17,432	15,785	(1,647)	0.50%	0.02%
Citi Pharma limited	-	350,000	-	-	350,000	11,210	12,516	1,306	0.40%	0.15%
Glaxosmithkline Consumer Healthcare Pakistan Limited	-	80,600	-	-	80,600	22,772	19,429	(3,342)	0.62%	0.07%
Glaxosmithkline Pakistan	-	120,100	-	35,300	84,800	12,686	11,576	(1,110)	0.37%	0.03%
Highnoon Laboratories Limited	57,400	4,100	-	35,500	26,000	15,606	16,324	718	0.52%	0.07%
The Searle Company Limited	123,000	332,853	-	236,002	219,851	32,007	31,597	(410)	1.01%	0.09%
						111,712	**107,228**	**(4,484)**	**3.42%**	**0.43%**
Power generation and distribution										
Hub Power Company Limited	1,607,193	865,786	-	872,979	1,600,000	125,625	114,144	(11,481)	3.64%	0.12%
K-Electric Limited **	7,000,000	-	-	7,000,000	-	-	-	-	0.00%	0.00%
						125,625	**114,143**	**(11,481)**	**3.64%**	**0.12%**
Paper and Board										
Century Paper & Board Mills Limited	-	50,000	-	-	50,000	3,850	3,955	105	0.13%	0.03%
Cherat Packaging Limited	-	50,000	-	50,000	-	-	-	-	0.00%	0.00%
Packages Limited	130,250	16,050	-	81,800	64,500	34,872	32,074	(2,798)	1.02%	0.07%
						38,722	**36,029**	**(2,693)**	**1.15%**	**0.10%**

Name of the investee company	No. of shares: As at July 01, 2021	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2021	Balance as at December 31, 2021: Carrying Value	Market value	Unrealised (loss) / gain	Market value as a % of net assets of the Fund	% of paid-up capital of the investee company
						(Rupees in '000)			(%)	
Shares of listed companies - fully paid ordinary shares of Rs.10 each unless stated otherwise										
Refinery										
Attock Refinery Limited	130,000	100,000	-	230,000	-	-	-	-	-	-
Cnergyico PK Limited	-	2,000,000	-	2,000,000	-	-	-	-	-	-
						-	-	-	**0.00%**	**0.00%**
Technology and communication										
Air Link Communication Ltd		426,500	-	-	426,500	27,591	24,763	(2,828)	0.79%	0.11%
Avanceon Limited	-	702,000	-	522,000	180,000	15,213	16,402	1,189	0.52%	0.07%
Octopus Digital Limited		369,299	-	169,000	200,299	12,736	15,575	2,839	0.50%	0.15%
Pakistan Telecommunication Company Limited	-	2,750,000	-	2,206,500	543,500	6,493	4,728	(1,764)	0.15%	0.01%
Systems Limited	115,000	43,477	-	42,322	116,155	74,595	88,259	13,664	2.81%	0.08%
Trg Pakistan	200,000	375,000	-	575,000	-	-	-	-	-	-
						136,627	**149,727**	**13,100**	**4.77%**	**0.42%**
Textile composite										
Interloop Limited	900,172	162,500	29,145	435,172	656,645	44,813	47,732	2,919	1.52%	0.08%
Kohinoor Textile Mills Limited	450,300	479,500	-	33,500	896,300	69,678	62,221	(7,457)	1.98%	0.30%
Nishat (Chunain) Limited	-	350,000	-	-	350,000	14,746	15,943	1,196	0.51%	0.15%
Nishat Mills Limited	-	517,200	-	517,200	-	-	-	-	-	-
						129,237	**125,895**	**(3,342)**	**4.01%**	**0.52%**
Transport										
Pakistan International Bulk Terminal Limited	2,850,000	1,390,000	-	490,000	3,750,000	40,595	27,600	(12,995)	0.88%	0.21%
						40,595	**27,600**	**(12,995)**	**0.88%**	**0.21%**
Total as at December 31, 2021 (Un-audited)						**3,173,380**	**2,999,753**	**(173,626)**		
Total as at June 30, 2021 (Audited)						3,102,007	3,343,373	241,366		

* These have a face value of Rs.5 per share.
** These have a face value of Rs.3.5 per share.

5.1.1 Following shares have been pledged with National Clearing Company of Pakistan Limited (NCCPL) security against settlement of the Fund's trades in terms of Circular No. 11 dated October 23, 2007 issued by SECP:

	(Un-audited) December 31, 2021	(Audited) June 30, 2021	(Un-audited) December 31, 2021	(Audited) June 30, 2021
	(Number of shares)		(Rupees in '000)	
The Hub Power Company Limited	**650,000**	650,000	**46,371**	51,786
Oil & Gas Development Company Limited	**700,000**	700,000	**60,340**	66,521
	1,350,000	1,350,000	**106,711**	118,307

5.1.2 The Finance Act, 2015 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the company declaring bonus shares which shall be considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Funds Association of Pakistan, has filed a petition in Honorable Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the mutual funds based on the premise of exemptions available to mutual funds under clause 99 of Part I and clause 47B of Part IV of Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. Certain investee companies of the Fund, in pursuance of the aforesaid amendment, withheld shares equivalent to 5% of bonus entitlement of the Fund having fair market value of Rs.Rs.0.04 million (June 30, 2021: Rs.0.07 million). Such shares have not been deposited by the investee company in CDC account in Income Tax department. The Fund has included the shares withheld in its investments and recorded them at fair market value at year end. Furthermore, the Finance Act 2018 has brought an amendment in the Income Tax Ordinance 2001, whereby the 5% withholding tax on bonus shares has been withdrawn. Therefore, the bonus shares received during the half year ended December 31, 2021 are not liable to withholding of Income Tax.

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

This represents annual fee payable to SECP in accordance with Regulation 62 of the NBFC Regulations, whereby the Fund is required to pay SECP an amount at the rate of 0.02% (June 30, 2021: 0.02%) of the average daily net assets of the Fund.

7. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	(Un-audited) December 31, 2021	(Audited) June 30, 2021
		------- (Rupees in '000) -------	
Provision for Sindh Workers' Welfare Fund	7.1	-	27,763
Federal Excise Duty payable on management remuneration	7.2	**5,689**	5,689
Federal Excise Duty payable on sales load		**125**	125
Unclaimed dividends		**12,236**	12,236
Brokerage payable		**832**	2,495
Auditors' remuneration		**227**	313
Withholding tax payable		**373**	2,263
Printing and related charges payable		**30**	40
Payable to legal advisor		**436**	30
Charity Payable		**2,623**	4,775
Others		**279**	278
		22,850	56,007

7.1 Sindh Revenue Board (SRB) through its letter dated August 12, 2021 received on August 13, 2021 has intimated Mutual Funds Association of Pakistan's (MUFAP) that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the Sindh Workers' Welfare Fund (SWWF) contributions. This development was discussed at MUFAP level and was also been taken up with the Securities and Exchange Commission of Pakistan (SECP). All the Asset Management Companies, in consultation with SECP, have reversed the cumulative provision for SWWF recognised in the financial statements of the Funds till August 12, 2021 on August 13, 2021.

SECP has also given its concurrence for recording reversal of provision of SWWF on the day letter was received by MUFAP. This reversal of provision has contributed towards an unusual increase in NAV of the Fund on August 13, 2021. This is one-off event and is not likely to be repeated in the future. Going forward, no provision for SWWF would be recognised in the financial statements of the Fund.

7.2 There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty, as reported in note 11.2 to the annual financial statements of the Fund for the year ended June 30, 2021.Had the provision for FED not been recorded in the condensed interim financial statements of the Fund, the net assets value of the Fund as at December 31, 2021 would have been higher by Re.0.02 (2020: Re.0.02) per unit.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at the December 31, 2021 (June 30, 2021: Nil).

9. ALLOCATED EXPENSES

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

The Management Company has charged actual expenses related to registrar services, accounting, operations and valuation services to the CIS as per SECP vide SRO 639 dated June 20, 2019.

10. SELLING AND MARKETING EXPENSES

The Management Company has charged actual expenses to the extent as it has think expedient as per SECP circular 11 dated July 05, 2019.

11. TAXATION

The Fund's income is exempt from income tax as per clause (99) of part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income available for distribution for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulation, 2008, the Fund is required to distribute 90% of the net accounting income available for distribution other than capital gains to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded any tax liability in respect of income relating to current period as the Management Company intends to distribute in cash the required minimum percentage of the Fund's accounting income for the period ending June 30, 2022 as reduced by capital gains (whether realised or unrealised) to its unitholders in the form of cash.

12. EARNINGS PER UNIT

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

13. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

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

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

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

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

13.1 Unit Holder's Fund

	For the half year ended December 31, 2021 (Un-audited)							
	As at July 01, 2021	Issued for cash / conversion in transferred in	Redeemed / conversion out / transfer out	As at December 31, 2021	As at July 01, 2021	Issued for cash / conversion in / transferred	Redeemed / conversion out / transfer out	As at December 31, 2021
	(Number of units)				(Rupees in '000)			
MCB-Arif Habib Savings and Investments Limited - Management Company	2,164,502	-	-	2,164,502	24,437	-	-	22,814
Group / associated companies / undertakings								
Adamjee Insurance Company Limited - Amanat Fund	17,293,090	2,835,183	2,922,374	17,205,899	195,239	30,500	32,000	181,350
Adamjee Life Assurance Company Limited - IMF	99,292,172	-	26,443,182	72,848,990	1,121,009	-	288,000	767,828
Adamjee Life Assurance Company Limited - Non-Listed Investment Linked Fund	10,803,462	-	10,803,462	-	121,971	-	121,000	-
Adamjee Insurance Company Limited - MAZAAF	30,061,811	11,782,136	4,566,210	37,277,737	339,398	126,000	50,000	392,907
D.G. Khan Cement Company Limited - Employees Provident Fund Trust	462,336	-	-	462,336	5,220	-	-	4,873
Hyundai Nishat Motor Private Limited	-	1,920,274	45,455	1,874,819	-	21,467	500	19,761
Nishat Mills Limited	1,121,411	-	-	1,121,411	12,661	-	-	11,820
Asghari Beg Memorial Trust	387,764	-	-	387,764	4,378	-	-	4,087
MCBFSL Trustee Alhamra Smart Portfolio Fund	2,681,101	2,239,685	1,119,979	3,800,807	30,270	25,055	12,063	40,061
Directors And Key Management Personnel	1,834,806	7,049,785	6,507,059	2,377,532	20,715	77,144	71,093	25,059
Mandate under discretionary portfolio services	18,418,246	13,243,095	6,773,334	24,888,007	207,942	145,071	73,610	262,320

	For the half year ended December 31, 2020 (Un-audited)							
	As at July 01, 2020	Issued for cash / conversion in transferred in	Redeemed / conversion out / transfer out	As at December 31, 2020	As at July 01, 2020	Issued for cash / conversion in / transferred	Redeemed / conversion out / transfer out	As at December 31, 2020
	(Number of units)				(Rupees in '000)			
MCB-Arif Habib Savings and Investment Limited - Management Company	-	-	-	-	-	-	-	-
Group / associated companies / undertakings								
Adamjee Insurance Company Limited - Amanat Fund	22,726,705	1,038,422	4,964,375	18,800,752	197,495	10,000	49,300	203,612
Adamjee Life Assurance Company Limited - IMF	94,010,563	5,281,609	-	99,292,172	816,952	55,000	-	1,075,334
Adamjee Life Assurance Company Limited - Non-Listed Investment Linked Fund	8,941,197	1,862,265	-	10,803,462	77,699	19,000	-	117,001
Adamjee Insurance Company Limited - MAZAAF	27,585,782	2,868,403	-	30,454,185	239,720	30,000	-	329,819
D.G. Khan Cement Company Limited - Employees Provident Fund Trust	462,336	-	-	462,336	4,018	-	-	5,007
Nishat Mills Limited	1,121,411	-	-	1,121,411	9,745	-	-	12,145
Asghari Beg Memorial Trust	428,413	-	-	428,413	3,723	-	-	4,640
Alhamra Islamic Active Allocation Fund Plan I	-	3,075,397	3,075,397	-	-	31,000	33,153	-
Alhamra Islamic Active Allocation Fund Plan II	-	4,028,447	-	4,028,447	-	41,000	-	43,628
Directors And Key Management Personnel	3,038,499	11,213,998	10,674,397	3,578,100	26,405	111,010	104,753	38,751
Mandate under discretionary portfolio services	16,348,080	6,100,875	3,671,067	18,777,888	142,065	62,541	35,573	203,365

13.2 Transactions during the period:	Half year ended December 31, 2021	2020
	------ (Rupees in '000) ------	
MCB - Arif Habib Savings and Investments Limited - Management Company		
Remuneration of the Management Company including indirect taxes	39,949	38,077
Shariah Advisory Fee	363	384
Marketing and Selling expense	22,978	21,902
Allocated Expenses	1,768	1,685
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee (including indirect taxes)	2,567	2,469
Central Depository Service charges	212	205
Arif Habib Capital Limited - Subsidiary of Associated Company		
Brokerage expense*	227	626
MCB Bank Limited- Parent of the Management Company		
Bank charges	35	38
MCB Islamic Bank Limited - Subsidiary of Parent of the Management Company		
Markup on bank balances	-	346
DG Khan Cement Company Limited - Group Company of Parent Company		
Purchase 528,515 (2020: 1,336,000) shares	44,436	138,191
Sales of 332,131 (2020: 1,336,000) shares	31,663	144,682
Dividend Income	530	-
Nishat Mills Limited - Group Company of Parent Company		
Purchase of 517,200 (2020: 835,000) shares	47,898	81,587
Sales of 517,200 (2020: 457,000) shares	44,234	46,602
Dividend Income	1,514	2,540
Fatima Fertilizer Company Limited - Group Company of Associated Company		
Sales of Nil (2020: 1,060,500) shares	-	29,694
Aisha Steel Mills Limited - Group Company of Associated Company		
Purchase 3,334,500 (2020: Nil) shares	54,023	-
Sales of 1,834,500 (2020: Nil) shares	30,989	-
Nishat (Chunian) Limited - Group Company of Associated Company		
Purchase 350,000 shares (2020: Nil) shares	14,746	-

13.3 Balances outstanding at period end:

	(Un-audited) December 31, 2021	(Audited) June 30, 2021
	------ (Rupees in '000) ------	
Management Company		
MCB - Arif Habib Savings and Investment Limited - Management Company		
Remuneration payable	5,180	5,715
Sindh sales tax payable on remuneration	673	743
Sales load payable including related taxes	49	82
Shariah advisory fee payable	63	60
Payable against allocated expense	259	286
Payable against marketing and selling expenses	10,534	11,074
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	344	368
Sindh sales tax payable on remuneration	45	48
Security deposit	300	300
Group / associated companies		
Arif Habib Limited - Brokerage House		
Brokerage payable *	1	203
MCB Bank Limited		
Bank balance	6,868	4,428
MCB Islamic Bank Limited		
Bank balance	10	10
Aisha Steel Limited		
1,500,000 shares (2021: Nil) shares	22,590	-
D.G. Khan Cement Company Limited		
770,000 shares (2021: 573,616) shares	63,864	67,641
Nishat (Chunian) Limited		
350,000 shares (2020: Nil shares)	15,943	-

* The amount disclosed represents the amount of brokerage paid to connected persons and not the purchase or sale value of securities transacted through them. The purchase or sale value has not been treated as transactions with connected persons as the ultimate counter parties are not connected persons.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

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

Level 2: those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and

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

As at December 31, 2021 and June 30, 2021, the Fund held the following instruments measured at fair values:

	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
December 31, 2021 (Un-audited)				
At fair value through profit or loss				
Listed Equity Securities	**2,999,753**	**-**	**-**	**2,999,753**
June 30, 2021 (Audited)				
At fair value through profit or loss				
Listed Equity Securities	3,343,373	-	-	3,343,373

During the period ended December 31, 2021, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

The Fund has not disclosed the fair values of other financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are a reasonable approximation of their fair values.

15. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund is 4.54% as on December 31, 2021 (December 31, 2020: 5.46%) and this includes 0.29% (December 31, 2020: 1.16%) representing Government Levy, Sindh Workers' Welfare Fund (SWWF) and SECP fee.

16. GENERAL

16.1 Prior period's figures have been rearranged / reclassified wherever necessary for better presentation and comparison. However, there were no material reclassifications to report.

16.2 Figures have been rounded off to the nearest thousand rupee unless otherwise stated.

17. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statement were authorised for issue by the Board of Directors of the Management Company in the meeting held on ______________________.

For MCB-Arif Habib Savings and Investments Limited
(Management Company)

Chief Executive Officer	**Chief Financial Officer**	**Director**