DIRECTOR'S REPORT

FOR THE HALF YEAR ENDED DECEMBER 31, 2023

The Board of Directors of MCB Investment Management Limited are pleased to present report on the affairs of the company for the half year ended December 31, 2023.

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 BUSINESS ENVIROMENT

Economy and Money Market Review

The first half of the fiscal year concluded with Pakistan's macros in a considerably better shape compared to the start of the fiscal year. The government secured a much-needed Stand-by Arrangement (SBA) facility of USD 3 billion from the IMF in June 23, of which USD 1.2bn was promptly disbursed. This was followed by additional inflows and timely rollovers from friendly countries, which led to an upgrade in Pakistan's sovereign rating by Fitch from CCC- to CCC due to the improved external outlook.

The new caretaker government, after facing speculative pressure on currency, took decisive steps against smuggling of dollar and abuse of Afghan Transit in September 2023, which spurred a rapid recovery in the exchange rate and reduction of the difference between open market and interbank rates. This led to improvement in remittances and export proceeds and helping the rupee to appreciate to PKR 281.9 against the USD by December end compared to a low of PKR 307.

Country posted a current account deficit (CAD) of USD 0.8 billion in the first half of the fiscal year 2024 (1HFY24) declining by 77% YoY compared to a deficit of USD 3.6 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 7.5% increase in exports coupled with a 14.7% drop in imports led to a 35.2% contraction in the trade deficit. The county's external position improved with SBP's foreign exchange reserves increasing to USD 8.2 billion as of December 2023 compared to USD 4.4 billion at the end of last fiscal year. This was on account of flows from the IMF, friendly countries and multilateral sources.

Headline inflation represented by CPI averaged 28.8% during first half of the fiscal year compared to 25% in the corresponding period last year. Inflation remained on the higher side as massive currency depreciation in the prior periods led to surge in food and energy prices. The government also hiked electricity base tariff and gas prices to comply with the IMF conditions, which led to further inflationary pressures. The SBP maintained status quo in the monetary policy held on December 12, 2023. The Committee assessed that the real interest rate continues to be positive on a 12-month forward-looking basis and inflation is expected to remain on a downward path.

The country's revised GDP growth recorded at -0.17% in FY23 with Agricultural and Services sector increasing by 2.3% and 0.1%, respectively, while industrial sector witnessed a drop of 3.8%. Historic high interest rates coupled with import restrictions were the major culprits behind the fall in industrial output. GDP grew by 2.13% in the first quarter of the financial year 2023-24 as compared to 0.96% in the same period last year. Agriculture, Industry and Services sectors grew by 5.1%, 2.5% and 0.8% respectively. On the fiscal side, FBR tax collection increased by 30.3% in 1HFY24 to PKR 4,468 billion compared to PKR 3,428 billion in the same period last year, outpacing the target by PKR 43 billion.

Equity Market Review

Stock market witnessed exuberance in the first half of fiscal year 2024 as the benchmark KSE-100 increased by 50.7% or 20,998 points to close at 62,451 points. The bullish momentum was on account on improvement in macroeconomic indicators after Pakistan entered into the new IMF program. Market participants also cheered the government's firm commitment to achieve the IMF targets as the government successfully completed IMF first review in November 2023. The strength of the local currency post crackdown on currency smuggling and hoarding, strong corporate profitability and market expectation of monetary easing in the second half of fiscal year all contributed to the sustainability the rally.

During 1HFY24, Foreign investors, Insurance, and Corporates were net buyers with an inflow of USD 71 million, USD 60.3 million and USD 52.4 million, respectively. While major selling was witnessed from Banks and Mutual Funds with outflow of USD 92.4 million and USD 51.0 million, respectively. During the half, average trading volumes for KSE-100 Index saw an increase of 194% to 244 million shares compared to about 89 million shares during the preceding half. Similarly, the average trading value during the quarter saw a rise of 119% over the last half to near USD 39 million.

Banking, E&P and Power sector were the major contributors to the index gain adding 6,584/2,675/2,232 points, respectively. Banking sector witnessed broad based rally as entry into the IMF program diminished the probability of local debt restructuring, which was hampering the sector's performance. Power sector performed due to better than expected dividends while E&P rallied due to the news of clearance of gas circular debt, which would improve the sector cash flows.

Economy & Market – Future Outlook

Pakistan GDP is expected to rebound to 3.4% in FY24 after a dismal performance last year. The industrial and services sector are expected to show growth as import restriction has been removed, which will help to normalize trade activities. Agriculture growth is likely to remain on the higher side due to base effect as the heavy floods last year affected agriculture output. The arrivals of crops have been encouraging with cotton arrival increasing to 8.2 million bales in 1HFY24 compared to 4.9 million bales in FY23.

Successful resumption 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 10.1 billion on the back of flows from friendly countries, IMF and multilateral agencies. However, our external position still remains precarious as we are unlikely to issue international Eurobond or Sukuk owing to the challenging global conditions. The proceeds from FDI and RDA are also likely to remain muted owing to the current economic challenges. Thus, we would have to ensure a sustainable current account this year to stave off external concerns. We expect a CAD of USD 3.1 billion (0.9% of GDP) in FY24 as policy of consolidation is likely to continue under the IMF umbrella.

The rupee has recovered from its recent low due to the administrative measures by the government to curb dollar smuggling and hoarding. The remittances and export proceeds have also recovered, which will help in stabilizing the currency. In addition, the flows from bilateral and multilateral sources and reserve building will be vital for external outlook. We expect USD/PKR to close the fiscal year around PKR 306 at an ending REER of 95.

We expect average FY24 inflation to ease to 24.8% compared to 29.0% in FY23 as the base effect will come into play. Inflation readings have peaked and inflation is expected to follow a downward trajectory with headline number falling sharply to 19.0% by June 2024. This coupled with the buildup of forex reserves during the period will allow the monetary easing cycle to start in the second half of the year. We expect a cumulative easing of around 4.0% till June 2024, however, its pace and timing would be determined by trend in FX reserves.

Risks to recovery also continue to remain high as the cushion in Forex reserves continues to remain low and remain dependent of continued need for rollovers on bilateral loans and support from multilateral institutions. Country desperately needs political stability for focus on steering economy through focus on long term policies. Post elections, winning the support of IMF in the form of another program would be one of biggest challenge for incumbent government requiring tough measures to address long term vulnerabilities. Conflict in Middle East, tensions on Palestinian and potential threat of a wider conflict continue to remain high.

From the capital market perspective particularly equities, the market is trading at cheap valuations. Market cap to GDP ratio has declined to 9.5%, a discount of 51% from its historical average of 19.3%. Similarly, Earning Yield minus Risk Free Rate is close to 8.7%, compared to the historical average of 3.0% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. 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 PER of 4.2x, while offering a dividend yield of 10.6%.

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

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 34.1% during 1HFY24 to PKR 2,097bn. Total money market funds grew by about 15.8% since June 2023. Within the money market sphere, conventional funds showed a growth of 16.6% to PKR 551 billion while Islamic funds increased by 15.0% to PKR 493 billion. In addition, the total fixed Income funds increased by about 80.7% since Jun 2023 to PKR 667 billion while Equity and related funds increased by 33.0% to PKR 223 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 49.8%, followed by Income funds with 31.8% and Equity and Equity related funds having a share of 10.6% as at the end of December 2023.

Mutual Fund Industry Outlook

Both Bonds and Equities are likely to do well in the next year on the back of cut in interest rates. During the year, significant interest of investors is already visible in Income Funds while equity fund are likely to see inflows post elections and new IMF agreement. High interest rates during the period would encourage sustained flows in the money market funds as they are ideal for investors with a short-term horizon and low risk profile. 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

Second quarter of FY 2023-24 started with success and during the six months the Company Assets Under Management (AUMs) grew by Rs. 23 billion (10.18%) and reached to Rs. 249 billion (June 30, 2023: Rs. 226 billion) and compared to corresponding period AUMs grew by Rs. 20 billion (8.73%); (December 31, 2022: Rs. 229 billion). Increased AUMs resulted in increase in Company's core revenue by over Rs. 843 million in the first six-months of FY 2023-2024 compared to Rs. 529 million in corresponding period FY 2022-2023. The Company recorded gross management fee/ advisory fee of Rs. 761 million in first six months of FY 2023-2024.

During the half year KSE 100 showed positive return of about 50.7% compared to -2.7% in the same corresponding period. Since the Company investments are placed in both equity funds and debt securities and/ or funds, with active management coupled with exceptional performance of PSX, the Company earned investment income of Rs. 326.8 million compared to Rs. 50.2 million in the same corresponding period.

Due to higher AUMs and increase in investment income, the Company earned profit after taxation of Rs. 487.7 million compared to Rs. 141.5 million in the corresponding period. During the six months period ended December 31, 2023 the Company's Earnings Per Share was Rs. 6.77 compared to Rs. 1.97 in the same corresponding period.

Acknowledgment

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 the Board

Khawaja Khalil Shah	Manzar Mushtaq
Chief Executive Officer	Director
Karachi: February 02, 2024	Karachi: February 02, 2024

ایم سی بی اِنویسٹمنٹ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے معاملات کے بارے میں رپورٹ برائے ششماہی مُختتمہ 31 دسمبر 2023ء پیشِ خدمت ہے۔

بنیادی کاروبار

کمپنی ایک غیر بینکاری مالیاتی ادارہ ہے جو اثاثہ جاتی انتظام کی کمپنی، مُشیر برائے سرمایہ کاری اور پینشن فنڈ کے مُنتظم کے طور پر سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کے قانونی دائرہ کار کے تحت لائسنس یافتہ ہے۔

کاروبار کا ماحول

معیشت اور بازارِ زر کا جائزہ

مالی سال کی پہلی ششماہی کے اختتام پر پاکستان کے مجموعی معاشی عوامل کی صورتحال آغازِ سال کے مقابلے میں کافی بہتر تھی۔ حکومت نے جون 2023ء میں آئی ایم ایف سے 3 بلیَن ڈالر کا اسٹینڈ بائے ارینجمنٹ (ایس بی اے) حاصل کرلیا جس میں سے 1.2 بلیَن ڈالر فوری طور پر جاری کر دیئے گئے۔ اس پیش رفت کے بعد دوست ممالک سے اضافی آمدات اور بروقت rollovers عمل میں آئے جس کے نتیجے میں خارجی سطح پر بہتر امکانات کی بدولت Fitch کی جاری کردہ پاکستان کی خودمختار درجہ بندی -CCC سے CCC کردی گئی۔

نئی نگراں حکومت نے روپے پر قیاس آرائی کے دباؤ کا سامنا کرنے کے بعد ستمبر 2023ء میں ڈالر کی اسمگلنگ اور افغان ٹرانزِٹ کے غلط استعمال کے خلاف فیصلہ کُن اقدام اُٹھائے جن کی بدولت زرِمبادلہ کی شرح میں تیزی سے بہتری آئی اور اوپن مارکیٹ اور اِنٹر بینک شرح کے فرق میں کمی ہوئی۔ اس کے نتیجے میں ترسیلاتِ زر اور برآمدات سے ہونے والی آمدنی میں بہتری آئی اور دسمبر کے اختتام پر روپے کی قدر ڈالر کے مقابلے میں 307 سے کم ہوکر 281.9 ہوگئی۔

مالی سال 2024ء کی پہلی ششماہی میں مُلک کا کرنٹ اکاؤنٹ کا خسارہ (سی اے ڈی) 0.8 بلیَن ڈالر تھا، جو گزشتہ سال کی مماثل مدّت میں 3.6 بلیَن ڈالر کے مقابلے میں 77 فیصد سال در سال (YoY) کمی ہے۔ سی اے ڈی میں کمی میں اہم ترین کردار تجارتی خسارے میں کمی کا تھا کیونکہ برآمدات میں 7.5 فیصد اضافے اور درآمدات میں 14.7 فیصد کمی کے نتیجے میں تجارتی خسارہ 35.2 فیصد سُکڑ گیا۔ ایس بی پی کے زرِمبادلہ کے ذخائر گزشتہ مالی سال کے اختتام پر 4.4 بلیَن ڈالر سے بڑھ کر دسمبر 2023ء تک 8.2 بلیَن ڈالر ہوگئے، جس کے نتیجے میں مُلک کی خارجی صورتحال بہتر ہوگئی۔ یہ آئی ایم ایف، دوست ممالک اور کثیر الجہتی ذرائع سے آمدات کی بدولت ممکن ہوا۔

ہیڈ لائن مہنگائی، جس کی ترجمانی صارفی قیمت کے انڈیکس (سی پی آئی) سے ہوتی ہے، کا اوسط مالی سال 2024ء کی پہلی ششماہی کے دوران 28.8 فیصد تھا، جبکہ گزشتہ سال مماثل مدّت میں 25 فیصد تھا۔ مہنگائی بلند سطح پر رہی کیونکہ گزشتہ مدّتوں میں روپے کی قدر میں

خطیر کمی کے نتیجے میں اشیائے خوردونوش اور توانائی کی قیمتوں میں اضافہ ہوا۔حکومت نے آئی ایم ایف کی شرائط پوری کرنے کے لیے بجلی کی بنیادی قیمت اورگیس کی قیمتوں میں اضافہ کیا جس کے نتیجے میں مہنگائی کا دباؤ مزید بڑھا۔ایس بی پی نے 12 دسمبر 2023ء کو منعقدہ مانیٹری پالیسی میں جمود کو بنیادی طور پر برقرار رکھا۔کمیٹی نے اندازہ لگایا کہ سود کی حقیقی شرح اگلے 12 ماہ کے امکانات کی بنیاد پر مثبت رہے گی اور مہنگائی میں کمی کا رجحان برقرار رہے گا۔

نظر ثانی شدہ مجموعی مُلکی پیداوار(جی ڈی پی) کی ترقی مالی سال 2024ء میں 0.17- فیصد ریکارڈ ہوئی۔اس ضمن میں زراعت اور خدمات کے شعبوں میں بِالترتیب 2.3 فیصد اور 0.1 فیصد ترقی ہوئی جبکہ صنعت کے شعبے میں 3.8 فیصد گراوٹ ہوئی۔سُود کی اب تک کی بلند ترین شرحوں کے ساتھ ساتھ درآمداتی پابندیاں صنعتی پیداوار میں کمی کے سب سے بڑے عوامل تھے۔مالی سال 24-2023ء کی پہلی سہ ماہی میں جی ڈی پی میں 2.13 فیصد اضافہ ہوا، بِالمقابل گزشتہ سال مماثل مدّت میں 0.96 فیصد کے۔زراعت،صنعت اور خدمات کے شعبوں میں بِالترتیب 5.1 فیصد، 2.5 فیصد اور 0.8 فیصد ترقی ہوئی۔مالیاتی جہت میں دیکھا جائے تو ایف بی آر ٹیکس حصولی مالی سال 2024ء کی پہلی ششماہی میں 30.3 فیصد بڑھ کر 4,468 بلیَن روپے ہوگئی، بالمقابل گزشتہ سال مماثل مدّت میں 3,428 بلیَن روپے کے، چنانچہ ہدف سے 43 بلیَن روپے زیادہ ٹیکس وصولی ہوئی۔

ایکوٹی مارکیٹ کا جائزہ

مالی سال 2024ء کی پہلی ششماہی میں اسٹاک مارکیٹ میں جوش وخروش دیکھا گیا کیونکہ KSE-100 بنچ مارک 50.7 فیصد یعنی 20,998 پوائنٹس بڑھ کر 62,451 پوائنٹس پر بند ہوا۔ترقی کے اس رجحان کی وجہ مجموعی معاشی عوامل میں بہتری تھی جو پاکستان کے آئی ایم ایف کے نئے پروگرام میں داخل ہونے کے بعد ممکن ہوئی۔مارکیٹ کے شرکاء نے بھی حکومت کے آئی ایم ایف اہداف پورے کرنے کے مضبوط عزم کا خیر مقدم کیا اور حکومت نے نومبر 2023ء میں آئی ایم ایف کا پہلا جائزہ مکمل کرلیا۔مالی سال کے نصف آخر میں کرنسی کی غیر قانونی درآمد اور ذخیرہ اندوزی کے خلاف کارروائی، کارپوریٹ شعبے کی بھرپور قابلیتِ منافع، اور مارکیٹ کی مالیاتی تسہیل کی توقع کے نتیجے میں روپے کی قدر میں پائیداری آئی۔

مالی سال 2024ء کی پہلی ششماہی میں غیر مُلکی سرمایہ کار، بیمہ کمپنیاں اور کارپوریٹ ادارے net خریدار تھے جن کی بدولت بِالترتیب 71 ملیَن ڈالر، 60.3 ملیَن ڈالر اور 52.4 ملیَن ڈالر کی آمد ہوئی، جبکہ سب سے زیادہ فروخت بینکوں اور میوچل فنڈز کی طرف سے ہوئی جو بِالترتیب 92.4 ملیَن ڈالر اور 51.0 ملیَن ڈالر تھی۔دورانِ ششماہی KSE-100 کے لیے اوسط کاروباری حجم گزشتہ ششماہی میں تقریباً 89 ملیَن حصص کے مقابلے میں 194 فیصد بڑھ کر 244 ملیَن حصص ہوگئے۔اِسی طرح، اوسط کاروباری قدر گزشتہ سہ ماہی کے مقابلے میں 119 فیصد بڑھ کر 39 ملیَن ڈالر ہوگئی۔

انڈیکس کی بڑھوتری کے اہم ترین عوامل بینکاری، ای اینڈ پی یعنی (تیل اور گیس کی) دریافت اور پیداوار کے شعبے اور پاور سیکٹر (بجلی اور گیس کا شعبہ) تھے جنہوں نے بِالترتیب 6,584، 2675 اور 2232 پوائنٹس کا اضافہ کیا۔بینکاری کے شعبے میں وسیع پیمانے

پر ترقی دیکھنے میں آئی کیونکہ آئی ایم ایف پروگرام میں داخل ہونے کی بدولت مقامی قرض کی تشکیلِ نو کا امکان کم ہوگیا جو اس شعبے کی کارکردگی کو متاثر کر رہا تھا۔ پاور سیکٹر نے بہتر متوقع ڈیویڈنڈز کی بدولت کارکردگی کا مظاہر کیا، جبکہ ای اینڈ پی نے گیس کا گردشی قرض ختم ہوجانے کی خبر کی بدولت ترقی کی راہیں طے کیں جس سے اس شعبے میں نقد کی آمدورفت میں بہتری آئے گی۔

معیشت اور مارکیٹ - مستقبل کا منظرنامہ

پاکستان کی مجموعی مُلکی پیداوار (جی ڈی پی) میں گزشتہ سال مایوس کُن کارکردگی کے بعد مالی سال 2024ء میں 3.4 فیصد بہتری متوقع ہے۔ صنعت اور خدمات کے شعبے میں ترقی متوقع ہے کیونکہ درآمدات پر عائد پابندی ختم کردی گئی ہے جس کی بدولت کاروباری سرگرمیاں بحال ہوں گی۔ زراعت کے شعبے کی ترقی متوقع طور پر base کے اثر کی بدولت بلند سطح پر ہوگی کیونکہ گزشتہ سال سیلابوں کے باعث بڑے پیمانے پر زرعی پیداوار متاثر ہوئی تھی۔ فصلوں کی پیداوار حوصلہ افزا رہی، مثلاً کپاس کی فصل مالی سال 2024ء کی پہلی ششماہی میں بڑھ کر 8.2 ملین گانٹھیں ہوگئی، بِالمقابل مالی سال 2023ء میں 4.9 ملین گانٹھوں کے۔

آئی ایم ایف پروگرام کی کامیاب بحالی اہم ترین پیش رفت ہے کیونکہ اس سے پاکستان کو باہمی اور کثیر الجہتی ذرائع سے رقم کے حصول میں مدد ملے گی۔ دوست ممالک، آئی ایم ایف اور کثیر الجہتی ایجنسیوں سے آمدات کی بنیاد پر اسٹیٹ بینک آف پاکستان کے ذخائر متوقع طور پر بڑھ کر 10.1 بلین ڈالر ہوجائیں گے۔ تاہم ہماری خارجی صورتحال تاحال بے یقینی کا شکار ہے کیونکہ مشکل عالمی حالات کے باعث ہم متوقع طور پر بین الاقوامی یورو بانڈ اور سکُک جاری نہیں کرسکیں گے۔ غیر مُلکی براہِ راست سرمایہ کاری (ایف ڈی آئی) اور آر ڈی اے سے ہونے والی آمدنی بھی موجودہ معاشی مسائل کے باعث ممکنہ طور پر تعطّل کا شکار رہیں گی۔ چنانچہ ہمیں سالِ رواں میں ایک قابلِ بقاء کرنٹ اکاؤنٹ یقینی بنانا ہوگا تاکہ خارجی مسائل کا خطرہ ٹل سکے۔ مالی سال 2024ء میں کرنٹ اکاؤنٹ خسارہ (سی اے ڈی) متوقع طور پر 3.1 بلین ڈالر (جی ڈی پی کا 0.9 فیصد) ہوگا کیونکہ حصولِ استحکام کی پالیسی ممکنہ طور پر ایم ایف کی چھتری تلے جاری رہے گی۔

ڈالر کی غیر قانونی درآمد اور ذخیرہ اندوزی کی روک تھام کے حکومتی اقدامات کی بدولت روپے کی قدر اپنی حالیہ پستی سے بحال ہوئی ہے۔ ترسیلاتِ زر اور برآمداتی آمدنیاں بھی بحال ہوئی ہیں جس کی بدولت روپے کی قدر کو پائیدار بنانے میں مدد ملے گی۔ مزید براں، خارجی منظرنامے کے لیے باہمی اور کثیر الجہتی ذرائع سے آمدات اور ذخائر میں اضافہ اہمیت کے حامل ہیں۔ ڈالر/روپیہ مالی سال کے اختتام پر تقریباً 306 ہوگا اور اختتامی REER 95 ہوگی۔

مالی سال 2024ء کی اوسط مہنگائی متوقع طور پر مالی سال 2023ء کی سطح 29.0 فیصد سے کم ہوکر 24.8 فیصد ہوجائے گی کیونکہ base کا اثر اپنا کردار ادا کرے گا۔ مہنگائی کی سطحیں عروج پر پہنچ گئی ہیں اور اس میں بتدریج کمی متوقع ہے کیونکہ ہیڈ لائن عدد ماہِ جون 2024ء تک تیزی سے گِر کر 19.0 فیصد ہوجائے گا۔ اس کے ساتھ ساتھ دورانِ مدّت زرِمبادلہ کے ذخائر میں اضافے کی بدولت سال کے نصف آخر میں مالیاتی تسہیل کی گردش شروع ہوسکتی ہے۔ ماہِ جون 2024ء تک مجموعی طور پر تقریباً 4.0 فیصد مجموعی کمی متوقع

ہے، تاہم اس کی رفتار اور اس کے وقت کا انحصار زرِ مبادلہ کے ذخائر کے رجحان پر ہوگا۔
وصولی کو لاحق خطرات بھی بدستور بلند رہیں کیونکہ غیر مُلکی زرِ مبادلہ (فاریکس) کے ذخائر میں موجود cushion بدستور کم اور دوجہتی قرضوں اور کثیرالجہتی اداروں سے معاونت پر منحصر ہے۔ مُلک میں سیاسی استحکام کی اشد ضرورت ہے تاکہ طویل المیعاد پالیسیوں پر توجہ مرکوز کر کے معیشت کو ترقی کی راہ پر گامزن کیا جا سکے۔ انتخابات کے بعد آئی ایم ایف سے ایک اور پروگرام کی صورت میں معاونت کا حصول برسرِ اقتدار حکومت کے لیے سب سے بڑا چیلنج ہوگا کیونکہ طویل المیعاد خطرات پر توجہ دینے کے لیے سخت اقدامات کی ضرورت ہوگی۔ مشرقِ وسطیٰ میں تنازعہ، فلسطین میں جنگ، اور وسیع تر تصادم کا خطرہ بدستور بلند ہے۔
کیپیٹل مارکیٹ، خصوصًا ایکوٹیز، کے نقطہءِ نظر سے مارکیٹ میں سَستی valuations پر کاروبار ہو رہا ہے۔ مارکیٹ cap کا جی ڈی پی کے ساتھ تناسب کم ہو کر 9.5 فیصد ہو گیا ہے جو اس کے قدیم اوسط 19.3 فیصد سے 51 فیصد کمی ہے۔ اسی طرح Earning Yield مائنس محفوظ شرح 8.7 فیصد کے قریب ہے، جس کا 3.0 فیصد کے تاریخی اوسط سے موازنہ کرنے پر پتہ چلتا ہے کہ مارکیٹ میں بھرپور رعایت پر تجارت ہو رہی ہے۔ خارجی اکاؤنٹ کے مسائل حل کرنے سے مارکیٹ کی استعداد کار آمد بنانے میں مدد ملے گی۔ ہم سمجھتے ہیں کہ اسٹاک اور شعبہ جات کا مجموعی تناظر اہم رہے گا اور سرمایہ کاری کے انتخاب کے لیے اُن کمپنیز پر توجہ مرکوز کی جانی چاہیے جو اپنی اندرونی قدر میں بھرپور کمی پر تجارت کرتی ہیں۔ موجودہ طور پر مارکیٹ میں 4.2x کے PER پر تجارت ہو رہی ہے جبکہ ڈیویڈنڈ آمدنی 10.6 فیصد ہے۔
حاملینِ قرض کے لیے ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈ سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔ وسط سے طویل مدّتی نقطہءِ نظر کے حامل سرمایہ کار بانڈ اور انکم فنڈ سے فائدہ اُٹھا سکتے ہیں جہاں زیادہ مدّت سود کی شرح کے نقطہءِ نظر کے تناظر میں سرمایہ حاصل کرنے کے مواقع موجود ہیں۔ ہم ڈیٹا پوائنٹس کی نگرانی اور پُرکشش شرحوں پر انکم فنڈز میں حکومتی بانڈز شامل کرنے کے مواقع سے استفادہ جاری رکھیں گے تاکہ درمیانی مدّت میں متوقع مالیاتی تسہیل سے فائدہ اُٹھایا جا سکے۔

میوچل فنڈ صنعت کا جائزہ

اوپن اینڈ میوچل فنڈ صنعت کے net اثاثہ جات مالی سال 2024ء کی پہلی ششماہی کے دوران تقریبًا 34.1 فیصد بڑھ کر 2,097 بلین روپے ہو گئے۔ منی مارکیٹ کے مجموعی فنڈ میں جون 2023ء سے اب تک تقریبًا 15.8 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرۂ کار میں روایتی فنڈز 16.6 فیصد بڑھ کر 551 بلین روپے ہو گئے، جبکہ اسلامک فنڈز 15.0 فیصد بڑھ کر 493 بلین روپے ہو گئے۔ مزید براں، فِکسڈ انکم کے مجموعی فنڈ جون 2023ء سے اب تک تقریبًا 80.7 فیصد بڑھ کر 667 بلین روپے ہو گئے، جبکہ ایکوٹی اور متعلقہ فنڈز 33.0 فیصد بڑھ کر 223 بلین روپے ہو گئے۔
شعبہ جاتی شراکت کے اعتبار سے دسمبر 2023ء کے اختتام پر منی مارکیٹ فنڈ تقریبًا 49.8 فیصد کے ساتھ سب سے آگے تھے، جبکہ انکم فنڈ 31.8 فیصد کے ساتھ دوسرے نمبر پر، اور ایکوٹی اور متعلقہ فنڈ 10.6 فیصد کے ساتھ تیسرے نمبر پر تھے۔

میوچل فنڈ صنعت کا نقطہ نظر

بانڈز اور ایکوٹیز، دونوں کا اگلے سال اچھی کارکردگی کا مظاہرہ کرنے کا امکان ہے کیونکہ سود کی شرحوں میں کمی ہوئی ہے۔ دورانِ سال انکم فنڈز میں سرمایہ کاروں کی قابلِ ذکر دلچسپی دیکھی گئی، جبکہ ایکوٹی فنڈز میں انتخابات اور نئے آئی ایم ایف معاہدے کے بعد آمدات متوقع ہیں۔ دورانِ مدّت سود کی بلند شرحوں کی بدولت منی مارکیٹ فنڈز میں پائیدار آمد و رفت کی حوصلہ افزائی ہوگی کیونکہ یہ مختصر المیعاد سرمایہ کاروں کے لیے موزوں ترین ہیں جو خطرے کی کم سطح پر رہنا چاہتے ہیں۔ ہمارے آپریشنز بلا رکاوٹ جاری رہے، اور ڈیجیٹل رسائی اور آن لائن سہولیات میں بھرپور سرمایہ کاری کے نتیجے میں ہمیں جو سبقت حاصل ہے اس کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے استفادہ کرنے کے لیے تیار ہیں۔

کمپنی کی کارکردگی کا جائزہ

سال 24-2023ء کی دوسری سہ ماہی کا آغاز کامیابی کے ساتھ ہوا اور چھ ماہ کے دوران کمپنی کے اثاثہ جات تحت الانتظامیہ (اے یو ایم) میں 23 بلیَن روپے (10.18 فیصد) اضافہ ہوا اور وہ 249 بلیَن روپے تک پہنچ گئے (30 جون 2023ء: 226 بلیَن روپے)، اور مماثل مدّت کے مقابلے (اے یو ایم) میں 20 بلیَن روپے (8.73 فیصد) اضافہ ہوا (31 دسمبر 2022ء: 229 بلیَن روپے)۔ اے یو ایم میں اضافے کے نتیجے میں مالی سال 24-2023ء کے ابتدائی چھ ماہ میں کمپنی کی اصل آمدنی میں 843 ملیَن روپے سے زیادہ کا اضافہ ہوا، بِالمقابل مالی سال 23-2022ء کی مماثل مدّت میں 529 ملیَن روپے کے۔ انتظامی فیس / مشاورتی فیس کی مد میں مالی سال 24-2023ء کے ابتدائی چھ ماہ میں کمپنی کی کُل آمدنی 761 ملیَن روپے تھی۔

زیرِ جائزہ ششماہی کے دوران KSE-100 نے تقریبًا 50.7 فیصد مثبت آمدنی کا مظاہرہ کیا، بِالمقابل مماثل مدّت میں 2.7- فیصد کے۔ چونکہ کمپنی کی سرمایہ کاریاں ایکوٹی فنڈز اور Debt سیکیورٹیز اور/یا فنڈز، دونوں میں لگی ہوئی ہیں، بمع مُتحرّک انتظامیہ اور پاکستان اسٹاک ایکسچینج کی غیر معمولی کارکردگی، کمپنی کی سرمایہ کارانہ آمدنی 326.8 ملیَن روپے ہوئی، بِالمقابل مماثل مدّت میں 50.2 ملیَن روپے کے۔

اثاثہ جات تحت الانتظامیہ کی بلند تر سطح اور بہتر سرمایہ کارانہ آمدنی کی بدولت کمپنی کا بعد از ٹیکس منافع 487.7 ملیَن روپے تھا، بِالمقابل مماثل مدّت میں 141.5 ملیَن روپے کی۔ 31 دسمبر 2023ء کو مکمل ہونے والے چھ ماہ کے دوران کمپنی کی آمدنی فی شیئر 6.77 روپے تھی، بِالمقابل مماثل مدت میں 1.97 روپے کے۔

اظہارِ تشکّر

ڈائریکٹرز حصص یافتگان کو کمپنی میں مسلسل اعتماد کے اظہار پر خراجِ تحسین پیش کرتے ہیں۔ علاوہ ازیں، ہم کمپنی کے ہر فرد کو اُس کے عزم، اخلاص اور جدّت پسندانہ سوچ کے لیے سراہتے ہیں اور اُمید کرتے ہیں کہ وہ مستقبل میں بھی اسی طرح سرگرمِ عمل رہیں گے۔

برائے اور منجانب ڈائریکٹرز

خواجہ خلیل شاہ
چیف ایگزیکٹو آفیسر
کراچی، 02 فروری 2024ء

منظر مشتاق
ڈائریکٹر
کراچی، 02 فروری 2024ء

MCB INVESTMENT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2023

	Note	(Un-audited) December 31, 2023	(Audited) June 30, 2023
		(Rupees)	
ASSETS			
Non-current assets			
Property and equipment	4	120,973,349	130,539,859
Intangible assets	5	290,702,528	297,398,843
Investment in associates	6	1,234,703,154	1,353,001,777
Long term investment	7	265,000	265,000
Long term loans and prepayments	8	40,776,026	28,994,766
Long term deposits		6,726,103	6,816,103
		1,694,146,160	1,817,016,348
Current assets			
Receivable from funds under management	9	782,793,437	707,420,040
Loans and advances	10	10,223,410	5,699,966
Prepayments and other receivables	11	105,035,060	115,747,891
Accrued mark-up on savings accounts		86,191	86,189
Short term investments	12	206,562,000	-
Taxation - net		18,502,869	-
Cash and bank balances	13	42,703,663	65,478,577
		1,165,906,630	894,432,663
Total assets		2,860,052,790	2,711,449,011
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital			
72,000,000 (June 30, 2023: 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		1,112,402,761	1,020,709,420
Total equity		1,832,402,761	1,740,709,420
Non-current liabilities			
Deferred taxation - net	14	101,920,919	97,211,857
Lease liability against right-of-use assets	15	51,597,926	56,628,776
Current liabilities			
Current portion of lease liability against right-of-use assets	15	37,131,663	30,947,036
Trade and other payables	16	831,260,340	744,192,086
Taxation - net		-	36,463,538
Unclaimed dividend		5,739,181	5,296,298
Total liabilities		1,027,650,029	970,739,591
Total equity and liabilities		2,860,052,790	2,711,449,011
CONTINGENCIES AND COMMITMENTS	22		

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

Mr-Eh

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

MCB INVESTMENT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

	Note	Half year ended December 31, 2023	Half year ended December 31, 2022	Quarter ended December 31, 2023	Quarter ended December 31, 2022
		(Rupees)			
REVENUE					
Management and investment advisory fee	17	761,099,994	487,137,013	425,310,907	262,468,610
Sales load and other related income		81,913,900	42,221,467	51,382,655	23,609,023
		843,013,894	529,358,480	476,693,562	286,077,633
Profit on savings accounts		5,202,398	2,250,295	3,631,943	1,175,489
Gain on sale of short term investments - net		6,699,543	-	6,699,543	-
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	12.1	425,250	-	425,250	-
Total revenue		855,341,085	531,608,775	487,450,298	287,253,122
EXPENSES					
Administrative expenses	18	(347,372,700)	(284,761,992)	(175,376,312)	(159,609,760)
Selling and distribution expenses	19	(130,771,654)	(75,566,104)	(99,614,314)	(32,962,700)
		(478,144,354)	(360,328,096)	(274,990,626)	(192,572,460)
Financial charges		(7,916,173)	(3,288,323)	(4,242,797)	(2,032,346)
Other expenses	20	(15,724,287)	(5,944,145)	(9,877,732)	(2,784,375)
		(23,640,460)	(9,232,468)	(14,120,529)	(4,816,721)
Other income		1,955,137	598,908	1,122,949	304,566
Share of profit from associates	6	326,778,666	50,190,097	235,553,140	17,775,900
Profit for the period before taxation		682,290,074	212,837,216	435,015,232	107,944,407
Taxation - net	21	(194,596,733)	(71,322,292)	(116,216,920)	(40,922,292)
Profit for the period after taxation		487,693,341	141,514,924	318,798,312	67,022,115
Earnings per share		6.77	1.97	4.43	0.93

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

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

MCB INVESTMENT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023

	Half year ended		Quarter ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	(Rupees)			
Profit for the period after taxation	487,693,341	141,514,924	318,798,312	67,022,115
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	487,693,341	141,514,924	318,798,312	67,022,115

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

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

MCB INVESTMENT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	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, 2022 (audited)	720,000,000	396,000,000	(60,000,000)	336,000,000	378,491,234	1,434,491,234
Profit after taxation for the half year ended December 31, 2022	-	-	-	-	141,514,924	141,514,924
Other comprehensive income for the half year ended December 31, 2022	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	141,514,924	141,514,924
Final dividend for the year ended June 30, 2022 at Re. 1 per share declared on November 02, 2022	-	-	-	-	(72,000,000)	(72,000,000)
Balance as at December 31, 2022 (un-audited)	720,000,000	396,000,000	(60,000,000)	336,000,000	448,006,158	1,504,006,158
Profit after taxation for the half year ended June 30, 2023	-	-	-	-	236,703,262	236,703,262
Other comprehensive income for the half year ended June 30, 2023	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	236,703,262	236,703,262
Balance as at June 30, 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. 5.50 per share declared on October 23, 2023	-	-	-	-	(396,000,000)	(396,000,000)
Balance as at December 31, 2023 (un-audited)	720,000,000	396,000,000	(60,000,000)	336,000,000	776,402,761	1,832,402,761

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

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

MCB INVESTMENT MANAGEMENT LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Note	Half year ended December 31, 2023	Half year ended December 31, 2022
		(Rupees)	(Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the period before taxation		682,290,074	212,837,216
Adjustments for non-cash and other items:			
Depreciation	4.1	29,387,087	27,675,077
Amortisation	5.1	6,696,315	8,366,259
Interest expense on lease liability against right-of-use assets		7,760,082	3,196,897
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	12.1	(425,250)	-
Gain on sale of short term investments - net		(6,699,543)	-
Share of profit from associates	6	(326,778,666)	(50,190,097)
Profit on savings accounts		(5,202,398)	(2,250,295)
		(295,262,373)	(13,202,159)
Operating cash inflow before working capital changes		387,027,701	199,635,057
Movement in working capital			
(Increase) / decrease in current assets			
Receivable from funds under management		(75,373,397)	(45,084,397)
Loans and advances		(4,523,444)	44,858
Prepayments and other receivables		10,712,831	7,114,550
		(69,184,010)	(37,924,989)
Increase / (decrease) in current liabilities			
Trade and other payables		87,068,254	(22,992,787)
Net cash generated from operations		404,911,945	138,717,281
Taxes paid		(244,854,078)	(71,283,179)
Profit received on savings accounts		5,202,396	1,833,512
Long term loans and prepayments		(11,781,260)	(1,497,841)
Long term deposits		90,000	(717,750)
		(251,342,942)	(71,665,258)
Net cash generated from operating activities		153,569,003	67,052,023
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(2,376,048)	(26,190,934)
Additions to intangible assets		-	(787,371)
Dividend received		15,047,767	5,572,531
Sale of investments - net		230,592,315	53,935,496
Net cash generated from investing activities		243,264,034	32,529,722
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid against right-of-use assets		(24,050,834)	(22,085,098)
Dividend paid		(395,557,117)	(71,914,205)
Net cash used in financing activities		(419,607,951)	(93,999,303)
Net (decrease) / increase in cash and cash equivalents during the period		(22,774,914)	5,582,442
Cash and cash equivalents at the beginning of the period		65,478,577	51,523,257
Cash and cash equivalents at the end of the period	13.3	42,703,663	57,105,699

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

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

MCB INVESTMENT MANAGEMENT LIMITED
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

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 Extra Ordinary 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 6, 2023 (June 30, 2023: 'AM1' dated October 6, 2022).

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, 2023	June 30, 2023
	---------- Rupees ----------	
Open-end Collective Investment Schemes (CISs)		
Pakistan Income Fund	2,144,552,396	2,723,845,068
MCB Pakistan Stock Market Fund	5,948,259,200	4,820,727,885
MCB Pakistan Sovereign Fund	11,895,741,382	673,620,873
Pakistan Capital Market Fund	462,002,157	332,994,771
Pakistan Cash Management Fund	19,324,714,424	17,479,941,176
Pakistan Income Enhancement Fund	7,572,325,498	1,200,980,048
MCB Pakistan Asset Allocation Fund	638,985,190	610,650,003
MCB DCF Income Fund	12,669,231,118	7,706,469,389
MCB Cash Management Optimizer	29,386,088,899	58,153,430,555
Alhamra Islamic Money Market Fund	20,963,053,970	25,504,762,351
Alhamra Islamic Asset Allocation Fund	1,550,516,382	1,288,951,782
Alhamra Islamic Stock Fund	3,363,747,178	2,479,327,821
Alhamra Islamic Income Fund	10,532,447,623	4,275,124,538
Alhamra Daily Dividend Fund	2,782,587,453	2,990,631,415
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)	127,486,452	114,718,965
Alhamra Wada Fund (Alhamra Wada Plan VII)	1,808,371,427	2,021,170,937
Alhamra Wada Fund (Alhamra Wada Plan VIII)	302,234,569	-
Alhamra Wada Fund (Alhamra Wada Plan X)	1,113,645,035	-
Balance carried forward	132,585,990,353	132,377,347,577

	(Un-audited)	(Audited)
	Net asset value as at	
	December 31, 2023	June 30, 2023
	------------- Rupees -------------	
Balance brought forward	**132,585,990,353**	**132,377,347,577**
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VII)	-	225,019,452
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan IX)	-	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan X)	749,657,575	676,271,089
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XI)	2,409,247,837	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)	-	6,407,870,130
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIII)	5,255,229,447	4,759,238,091
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVI)	5,570,782,325	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVII)	1,017,125,790	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVIII)	3,511,504,793	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	305,548,456	208,937,784
Alhamra Cash Management Optimizer	7,173,031,125	4,337,850,120
Voluntary Pension Funds		
Pakistan Pension Fund	3,646,508,437	2,860,195,373
Alhamra Islamic Pension Fund	2,092,220,227	1,614,400,855
MCB Alhamra KPK Govt Employees Pension Fund	52,659,254	-
MCB KPK Govt Employees Pension Fund	34,112,960	-
	164,403,618,579	153,467,130,471

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 3, 2023 (2022: 'AA++ (ifs)' dated March 31, 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 VIIIA 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 VIIIA 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 VIIIA 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, 2023.

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.

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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 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, 2023. 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.

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

2.4.1 The following amendments with respect to the accounting and reporting standards would be effective from the dates mentioned below against the respective amendments:

Amendments	**Effective date (annual periods beginning on or after)**
- IAS 1 - 'Presentation of financial statements' (amendments)	January 1, 2024
- IFRS 16 - 'Leases' (amendments)	January 1, 2024
- IAS 21 - 'The effects of changes in foreign exchange rates' (amendments)	January 1, 2024

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

2.4.2 There are certain other standards, amendments and interpretations that are mandatory for the Company's accounting periods beginning on or after July 1, 2024 but are considered not to be relevant or will not have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGMENTS AND RISK MANAGEMENT POLICIES

3.1 The 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, 2023.

3.2 The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan 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 audited financial statements of the Company as at and for the year ended June 30, 2023. The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements of the Company for the year ended June 30, 2023.

4 PROPERTY AND EQUIPMENT	**Note**	**December 31, 2023 (Un-audited)**	**June 30, 2023 (Audited)**
		(Rupees)	
Operating fixed assets	4.1	120,973,349	128,081,651
Capital work-in-progress		-	2,458,208
		120,973,349	130,539,859

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4.1 Operating fixed assets

The following is the statement of operating fixed assets:

	December 31, 2023 (Un-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)	(228,984,155)
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
Half year ended December 31, 2023							
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)	-	1,557,105	42,000	3,235,151	-	17,444,529	22,278,785
Disposals							
Cost	-	-	-	-	-	-	-
Accumulated depreciation	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
Depreciation charge for the period	(5,860,393)	(1,078,131)	(427,824)	(1,337,707)	(900,381)	(19,782,651)	(29,387,087)
Closing net book value	23,067,271	7,264,276	755,555	4,295,972	3,338,868	82,251,407	120,973,349
As at December 31, 2023							
Cost	93,916,966	27,336,242	9,563,979	16,039,493	9,404,270	230,369,022	386,629,972
Accumulated depreciation	(70,849,695)	(20,071,966)	(8,082,507)	(5,184,057)	(6,065,402)	(148,117,615)	(258,371,242)
Accumulated impairment	-	-	(725,917)	(6,559,464)	-	-	(7,285,381)
Net book value	23,067,271	7,264,276	755,555	4,295,972	3,338,868	82,251,407	120,973,349
Depreciation rate (% per annum)	25%	20% - 50%	25% - 67%	25% - 50%	25%	20% - 33%	

	June 30, 2023 (Audited)						
	Computer equipment	Office equipment	Furniture and fixtures	Leasehold improvements	Vehicles	Right-of-use assets - Leasehold buildings	Total
	(Rupees)						
As at July 1, 2022							
Cost	66,335,011	21,860,420	10,131,415	17,196,518	4,237,270	135,033,401	254,794,035
Accumulated depreciation	(52,237,415)	(17,468,549)	(6,994,735)	(7,278,265)	(3,370,103)	(90,509,140)	(177,858,207)
Accumulated impairment	-	-	(725,917)	(6,559,464)	-	-	(7,285,381)
Net book value	14,097,596	4,391,871	2,410,763	3,358,789	867,167	44,524,261	69,650,447
Year ended June 30, 2023							
Opening net book value	14,097,596	4,391,871	2,410,763	3,358,789	867,167	44,524,261	69,650,447
Additions (at cost)	27,841,202	4,449,806	125,789	784,700	5,167,000	83,531,136	121,899,633
Disposals							
Cost	(259,247)	(531,089)	(735,225)	(5,176,876)	-	-	(6,702,437)
Accumulated depreciation	171,179	410,316	724,550	5,157,904	-	-	6,463,949
	(88,068)	(120,773)	(10,675)	(18,972)	-	-	(238,488)
Depreciation charge for the year	(12,923,066)	(1,935,602)	(1,384,498)	(1,725,989)	(1,794,918)	(37,825,824)	(57,589,897)
Effect of termination	-	-	-	-	-	(5,640,044)	(5,640,044)
Closing net book value	28,927,664	6,785,302	1,141,379	2,398,528	4,239,249	84,589,529	128,081,651
As at June 30, 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)	(228,984,155)
Accumulated impairment loss	-	-	(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
Depreciation rate (% per annum)	25%	20% - 50%	25% - 67%	25% - 50%	25%	20% - 33%	

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		Note	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
			(Rupees)	
4.1.1	**Depreciation charge for the period has been allocated as follows:**			
	Administrative expenses	18	21,928,766	19,876,852
	Selling and distribution expenses	19	7,458,321	7,798,225
			29,387,087	27,675,077

4.1.2 The operating fixed assets includes items costing Rs. 118.622 million (June 30, 2023: Rs. 100.547 million) which are fully depreciated as of December 31, 2023 but are still in active use of the Company.

		Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
5	**INTANGIBLE ASSETS**		(Rupees)	
	Definite life			
	Computer software	5.1	16,575,595	23,271,910
	Indefinite life			
	Goodwill	5.1	82,126,933	82,126,933
	Management rights	5.1	192,000,000	192,000,000
			274,126,933	274,126,933
			290,702,528	297,398,843

5.1 **Following is the statement of intangible assets:**

	Note	December 31, 2023 (Un-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		23,271,910	82,126,933	192,000,000	297,398,843
Half year ended December 31, 2023					
Opening net book value		23,271,910	82,126,933	192,000,000	297,398,843
Additions		-	-	-	-
Amortisation charge for the period	18	(6,696,315)	-	-	(6,696,315)
Closing net book value		16,575,595	82,126,933	192,000,000	290,702,528
As at December 31, 2023					
Cost		122,450,688	82,126,933	192,000,000	396,577,621
Accumulated amortisation		(105,875,093)	-	-	(105,875,093)
Net book value		16,575,595	82,126,933	192,000,000	290,702,528
Amortisation rate (% per annum)		25% - 33%			

	June 30, 2023 (Audited)			
	Computer software	Goodwill	Management rights	Total
	(Rupees)			
As at July 1, 2022				
Cost	121,663,317	82,126,933	192,000,000	395,790,250
Accumulated amortisation	(83,621,254)	-	-	(83,621,254)
Net book value	38,042,063	82,126,933	192,000,000	312,168,996
Year ended June 30, 2023				
Opening net book value	38,042,063	82,126,933	192,000,000	312,168,996
Additions	787,371	-	-	787,371
Amortisation charge for the year	(15,557,524)	-	-	(15,557,524)
Closing net book value	23,271,910	82,126,933	192,000,000	297,398,843
As at June 30, 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	23,271,910	82,126,933	192,000,000	297,398,843
Amortisation rate (% per annum)	25% - 33%			

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		Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
			(Rupees)	
6	**INVESTMENT IN ASSOCIATES**			
	Investment in associated undertakings			
	Investment in units of funds under management	6.1	1,234,703,154	1,353,001,777

6.1 Investments in units of funds under management

Name of the investee fund	Country of incorporation	Percentage holding	Investment as at the beginning of the period	Investment / (redemptions) during the period	Share of profit / (loss)	Dividend Income	Investment as at December 31, 2023
	December 31, 2023 (Un-audited)						
			Rupees				
Investment in associated undertaking							
Alhamra Islamic Pension Fund - Equity Sub-Fund	Pakistan	40.73%	161,356,380	-	87,782,311	-	249,138,691
Alhamra Islamic Pension Fund - Debt Sub-Fund	Pakistan	16.99%	86,851,243	-	9,391,276	-	96,242,519
Alhamra Islamic Pension Fund - Money Market Sub-Fund	Pakistan	9.44%	77,386,466	-	8,933,978	-	86,320,444
Pakistan Pension Fund - Equity Sub-Fund	Pakistan	20.46%	124,095,561	-	71,510,174	-	195,605,735
Pakistan Pension Fund - Debt Sub-Fund	Pakistan	9.84%	102,772,330	-	12,751,626	-	115,523,956
Pakistan Pension Fund - Money Market Sub-Fund	Pakistan	7.94%	108,231,000	-	12,204,000	-	120,435,000
Alhamra KPK Govt Employees Pension Fund - Money Market Sub- Fund	Pakistan	59.21%	-	30,000,000	288,600	-	30,288,600
Alhamra KPK Govt Employees Pension Fund - Equity Sub-Fund	Pakistan	99.95%	-	500,000	2,294	-	502,294
Alhamra KPK Govt Employees Pension Fund - Equity Index Sub-Fund	Pakistan	99.95%	-	500,000	2,294		502,294
Alhamra KPK Govt Employees Pension Fund - Debt Sub-Fund	Pakistan	99.95%	-	500,000	2,294	-	502,294
MCB KPK Govt Employees Pension Fund - Money Market Sub-Fund	Pakistan	92.87%	-	30,000,000	273,030	-	30,273,030
MCB KPK Govt Employees Pension Fund - Equity Sub-Fund	Pakistan	99.88%	-	500,000	4,789	-	504,789
MCB KPK Govt Employees Pension Fund - Equity Index Sub-Fund	Pakistan	99.89%	-	500,000	4,812	-	504,812
MCB KPK Govt Employees Pension Fund - Debt Sub-Fund	Pakistan	99.89%	-	500,000	4,790	-	504,790
MCB Cash Management Optimizer	Pakistan	-	367,723,741	(400,330,836)	33,575,847	(968,752)	-
MCB Pakistan Stock Market Fund *	Pakistan	-	-	(4,108,880)	4,108,880	-	-
Alhamra Islamic Income Fund	Pakistan	-	6,370,240	(6,785,288)	415,048	-	-
MCB Pakistan Sovereign Fund	Pakistan	0.47%	-	43,892,285	11,932,295	-	55,824,580
Alhamra Islamic Stock Fund *	Pakistan	-	-	(21,177,411)	21,177,411	-	-
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)	Pakistan	88.06%	95,483,539	7,423,295	18,097,156	(8,733,288)	112,270,702
Alhamra Wada Fund (Alhamra Wada Plan VII)	Pakistan	-	141,351,935	(144,346,333)	3,040,933	-	46,535
Alhamra Cash Management Optimizer	Pakistan	-	10,150,100	(10,788,219)	658,947	(20,828)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VII)	Pakistan	-	10,371,795	(11,304,482)	932,687	-	-
Pakistan Cash Management Fund *	Pakistan		-	-	35,080	(35,080)	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	Pakistan	45.73%	60,857,447	54,496,347	29,648,114	(5,289,819)	139,712,089
			1,353,001,777	(430,029,522)	326,778,666	(15,047,767)	1,234,703,154

Name of the investee fund	Country of incorporation	Percentage holding	Investment as at the beginning of the year	Investment / (redemptions) during the year	Share of profit / (loss)	Dividend Income	Investment as at June 30, 2023
	June 30, 2023 (Audited)						
			Rupees				
Investment in associated undertaking							
Alhamra Islamic Pension Fund - Equity Sub-Fund	Pakistan	37.20%	161,002,394	-	353,986	-	161,356,380
Alhamra Islamic Pension Fund - Debt Sub-Fund	Pakistan	19.18%	75,592,695	-	11,258,548	-	86,851,243
Alhamra Islamic Pension Fund - Money Market Sub-Fund	Pakistan	10.63%	66,639,755	-	10,746,711	-	77,386,466
Pakistan Pension Fund - Equity Sub-Fund	Pakistan	16.12%	122,602,561	-	1,493,000	-	124,095,561
Pakistan Pension Fund - Debt Sub-Fund	Pakistan	20.86%	87,843,968	-	14,928,362	-	102,772,330
Pakistan Pension Fund - Money Market Sub-Fund	Pakistan	6.77%	92,220,000	-	16,011,000	-	108,231,000
MCB Cash Management Optimizer	Pakistan	0.63%	-	334,539,890	34,753,240	(1,569,389)	367,723,741
MCB Pakistan Stock Market Fund	Pakistan	-	90,390,302	(99,367,952)	8,977,650	-	-
Alhamra Islamic Income Fund	Pakistan	0.15%	-	4,786,208	1,929,512	(345,480)	6,370,240
MCB Pakistan Sovereign Fund *	Pakistan	-	-	(4,410,292)	4,410,292	-	-
Alhamra Islamic Money Market Fund *	Pakistan	-	-	-	1,044,188	(1,044,188)	-
Alhamra Daily Dividend Fund *	Pakistan	-	-	-	616,275	(616,275)	-
Alhamra Islamic Stock Fund	Pakistan	-	17,398,169	(16,174,348)	(1,223,821)	-	-
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)	Pakistan	83.23%	120,895,058	(35,000,000)	9,588,481	-	95,483,539
Alhamra Wada Fund (Alhamra Wada Plan I)	Pakistan	-	50,033,787	(50,059,346)	377,769	(352,210)	-
Alhamra Wada Fund (Alhamra Wada Plan II) *	Pakistan	-	-	-	31,814	(31,814)	-
Alhamra Wada Fund (Alhamra Wada Plan III) *	Pakistan	-	-	-	112,517	(112,517)	-
Balance carried forward			884,618,689	134,314,160	115,297,007	(3,959,356)	1,130,270,500

Name of the investee fund	Country of incorpora-tion	Percentage holding	Investment as at the beginning of the year	Investment / (redemptions) during the year	Share of profit / (loss)	Dividend Income	Investment as at June 30, 2023
	June 30, 2023						
	---------- Rupees ----------						
Balance brought forward			884,618,689	134,314,160	115,297,007	(3,959,356)	1,130,270,500
Alhamra Wada Fund (Alhamra Wada Plan IV) *	Pakistan	-	-	-	783,980	(783,980)	-
Alhamra Wada Fund (Alhamra Wada Plan V) *	Pakistan	-	-	(53,076)	217,291	(164,215)	-
Alhamra Wada Fund (Alhamra Wada Plan VI) *	Pakistan	-	-	(520,023)	672,952	(152,929)	-
Alhamra Wada Fund (Alhamra Wada Plan VII)	Pakistan	6.99%	-	134,041,041	7,608,446	(297,552)	141,351,935
Alhamra Cash Management Optimizer	Pakistan	0.23%	-	10,150,100	176,587	(176,587)	10,150,100
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan I)	Pakistan	-	170,118,779	(170,119,601)	2,162,963	(2,162,141)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan II) *	Pakistan	-	-	(1,337,606)	1,359,918	(22,312)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan III) *	Pakistan	-	-	-	1,305,440	(1,305,440)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan IV) *	Pakistan	-	-	(381,280)	507,069	(125,789)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan V) *	Pakistan	-	-	(11,817)	67,766	(55,949)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VI) *	Pakistan	-	-	(103,984)	156,846	(52,862)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VII)	Pakistan	4.61%	-	8,569,393	2,111,128	(308,726)	10,371,795
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan IX) *	Pakistan	-	-	(15,329)	42,200	(26,871)	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XI) *	Pakistan	-	-	(602,119)	611,058	(8,939)	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	Pakistan	29.13%	59,812,260	(5,000,000)	6,045,187	-	60,857,447
			1,114,549,728	108,929,859	139,238,355	(9,716,165)	1,353,001,777

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

	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
7 LONG TERM INVESTMENT		---------- (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.

	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
8 LONG TERM LOANS AND PREPAYMENTS		---------- (Rupees) ----------	
Considered good - secured			
Loan to executive	8.1	4,087,891	4,136,901
Less: current portion	10	(108,099)	(101,653)
		3,979,792	4,035,248
Considered good - unsecured			
Loan to ex-director	8.2	-	10,962,158
Loans to executives	8.3	2,764,083	4,840,365
Loans to employees	8.3	10,141,045	266,974
Less: current portion	10	(1,994,455)	(4,526,518)
		10,910,673	11,542,979
		14,890,465	15,578,227
Prepayments			
Prepaid commission against bachat units		72,944,194	38,875,042
Less: current portion		(47,058,633)	(25,458,503)
	8.4	25,885,561	13,416,539
		40,776,026	28,994,766

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 rate of 12.36% per annum. This loan is 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 This represents loan given to ex-Chief Executive Officer at the rate of 1 year KIBOR minus 1% per annum with KIBOR to be reset annually from the date of disbursement and was initially recognised at its fair value using an effective rate of 17.09% per annum. This loan was advanced for the purpose of housing finance and was repayable in monthly installments having a maximum repayment period of up to four years. During the current period, the loan has been fully repaid by the ex-Chief Executive Officer upon his resignation.

8.3 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.

8.4 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, 2023 (Un-audited)	June 30, 2023 (Audited)
Considered good - unsecured		------ (Rupees) ------	
Open-end Collective Investment Schemes (CISs)			
Pakistan Income Fund		14,748,890	18,692,329
MCB Pakistan Stock Market Fund		81,397,865	85,933,241
MCB Pakistan Sovereign Fund		55,355,619	34,487,230
Pakistan Capital Market Fund		7,922,990	7,337,240
Pakistan Cash Management Fund		40,523,762	49,258,569
Pakistan Income Enhancement Fund		36,496,480	24,134,998
MCB Pakistan Asset Allocation Fund		37,503,352	37,120,908
MCB DCF Income Fund		166,722,197	153,747,001
MCB Cash Management Optimizer		105,003,759	156,755,809
Alhamra Islamic Money Market Fund		37,481,340	31,526,773
Alhamra Islamic Asset Allocation Fund		12,770,168	11,216,497
Alhamra Islamic Stock Fund		18,697,652	19,195,252
Alhamra Islamic Income Fund		37,724,748	18,419,359
Alhamra Daily Dividend Fund		7,029,592	8,126,716
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)		7,054	18,944
Alhamra Wada Fund (Alhamra Wada Plan VII)		25,247,509	5,659,431
Alhamra Wada Fund (Alhamra Wada Plan VIII)		1,765,605	-
Alhamra Wada Fund (Alhamra Wada Plan X)		3,382,773	-
Alhamra Wada Fund (Alhamra Wada Plan XI)		5,378,874	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan V)		325,494	9,956,991
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VI)		225,454	4,942,990
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VII)		-	984,229
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan IX)		-	6,048,332
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan X)		4,915,112	60,836
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XI)		-	1,265,348
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)		717,636	746,824
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIII)		31,594,154	537,707
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIV)		1,425,830	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XV)		7,492,696	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVI)		9,607,171	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVII)		1,664,824	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVIII)		608,743	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)		1,267,613	184,925
Pakistan Sarmaya Mehfooz Fund		4,267,360	4,267,360
Alhamra Cash Management Optimizer		8,065,208	3,231,186
		767,337,524	693,857,025
Voluntary Pension Funds			
Pakistan Pension Fund		10,148,342	8,773,410
Alhamra KPK Govt Employees Pension Fund		21,627	-
MCB KPK Govt Employees Pension Fund		14,447	-
Alhamra Islamic Pension Fund		5,271,497	4,789,605
		15,455,913	13,563,015
	9.1	782,793,437	707,420,040

Affer

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, selling and marketing expenses 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.

The Board of Directors of the Company had approved the annual plan for charging of selling and marketing expenses to the funds under the management of the Company and has given a discretion for charging of selling and marketing expenses directly to the Fund as proposed by the management as allowed under SECP Circular 11 dated July 5, 2019. The Company is charging the selling and marketing 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.

		Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
			(Rupees)	
10	**LOANS AND ADVANCES**			
	Considered good - secured			
	Current portion of loan to executive	8	108,099	101,653
	Considered good - unsecured			
	Current portion of loans to ex-director, executives and employees	8	1,994,455	4,526,518
	Advance to employees, suppliers and contractors		8,120,856	1,071,795
			10,223,410	5,699,966
11	**PREPAYMENTS AND OTHER RECEIVABLES**			
	Prepayments			
	Current portion of prepaid commission against bachat units	8	47,058,633	25,458,503
	Prepaid insurance		2,866,342	15,037,245
	Prepaid maintenance		894,607	560,294
	Prepaid IT service level agreements		5,025,026	15,656,728
	Prepaid license fee		245,215	408,703
	Others		2,922,824	213,044
			59,012,647	57,334,517

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	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
		(Rupees)	
Other receivables			
Considered good - unsecured			
Advisory fee on account of discretionary portfolio management			
Due from related party	11.1	13,258,335	15,437,414
Due from others	11.2	7,344,617	9,705,801
		20,602,952	25,143,215
Considered doubtful			
Due from others		12,402,117	12,402,117
Receivable from funds against ATM card redemptions		24,552,120	32,732,859
Others		867,341	537,300
		58,424,530	70,815,491
Provision against advisory fee	11.3	(12,402,117)	(12,402,117)
		105,035,060	115,747,891

11.1 This includes management fee receivable from Adamjee 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, 2023 (Un-audited)	June 30, 2023 (Audited)
11.3 Provision against advisory fee		(Rupees)	
Opening balance		12,402,117	12,402,117
Provision made during the period / year		-	-
Closing balance		12,402,117	12,402,117

12 SHORT TERM INVESTMENTS

	Note	December 31, 2023	June 30, 2023
At fair value through profit or loss			
Investment in government securities - Market Treasury Bills	12.1	206,562,000	-

12.1 Government securities - Market Treasury Bills

Issue date	Tenure	As at July 1, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation as at December 31, 2023
		Face value (Rupees)				(Rupees)		
October 19, 2023	12 months	-	100,000,000	100,000,000	-	-	-	-
November 16, 2023	3 months	-	100,000,000	100,000,000	-	-	-	-
November 16, 2023	6 months	-	100,000,000	100,000,000	-	-	-	-
November 16, 2023	12 months	-	100,000,000	100,000,000	-	-	-	-
November 30, 2023	12 months	-	300,000,000	300,000,000	-	-	-	-
December 14, 2023	12 months	-	480,000,000	480,000,000	-	-	-	-
December 28, 2023	12 months	-	250,000,000	-	250,000,000	206,136,750	206,562,000	425,250
Total as at December 31, 2023						206,136,750	206,562,000	425,250
Total as at June 30, 2023						-	-	-

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13 CASH AND BANK BALANCES

	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
		---- (Rupees) ----	
Cash in hand		95,088	5,588
Balances with banks in:			
Savings accounts	13.1	19,666,472	49,368,737
Current accounts	13.2	22,942,103	16,104,252
		42,608,575	65,472,989
		42,703,663	65,478,577

13.1 These include a balance of Rs. 13.624 million (June 30, 2023: Rs. 43.726 million) maintained with MCB Bank Limited (related party) that carries mark-up at the rate of 20.50% (June 30, 2023: 19.50%) per annum. Further, it also includes balances of Rs. 0.386 million (June 30, 2023: Rs. 0.373 million) maintained with MCB Islamic Bank Limited (related party) that carries mark-up at the rate of 7.90% (June 30, 2023: 7.66%) per annum. Other savings accounts of the Company carry mark-up at the rate of 20.50% (June 30, 2023: 19.50%) per annum.

13.2 These include a balance of Rs. 5.100 million (June 30, 2023: Rs. 6.469 million) maintained with MCB Bank Limited (related party).

13.3 Cash and cash equivalents

	Note	December 31, 2023 (Un-audited)	December 31, 2022 (Un-audited)
		---- (Rupees) ----	
Cash and bank balances	13	42,703,663	57,105,699

14 DEFERRED TAXATION - NET

	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	---- (Rupees) ----	
Deferred tax assets arising on deductible temporary differences		
- Provision against advisory fee	(4,836,826)	(4,836,826)
- Finance cost on loans to executive and ex-director	(925,017)	(1,034,455)
- Lease liability against right-of-use assets	(34,604,540)	(34,154,567)
	(40,366,383)	(40,025,848)
Deferred tax liabilities arising on taxable temporary differences		
- Intangible assets	106,387,837	105,842,066
- Property and equipment (including right-of-use assets)	24,459,338	26,575,341
- Investment in associates	11,333,814	4,820,298
- Short term investments	106,313	-
	142,287,302	137,237,705
	101,920,919	97,211,857

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 23.77% 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, 2023 (Un-audited)	June 30, 2023 (Audited)
	---- (Rupees) ----	
Present value of minimum lease payments	88,729,589	87,575,812
Less: current portion	(37,131,663)	(30,947,036)
	51,597,926	56,628,776

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	December 31, 2023 (Un-audited)		June 30, 2023 (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	49,750,859	36,899,251	43,053,256	30,947,036
Later than one year and not later than five years	58,132,234	51,830,338	64,520,498	56,628,776
	107,883,093	88,729,589	107,573,754	87,575,812
Less: finance cost allocated to future periods	(19,153,504)	-	(19,997,942)	-
Present value of minimum lease payments	88,729,589	88,729,589	87,575,812	87,575,812
Less: current portion	(37,131,663)	(37,131,663)	(30,947,036)	(30,947,036)
	51,597,926	51,597,926	56,628,776	56,628,776

16 TRADE AND OTHER PAYABLES

	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
		---------- (Rupees) ----------	
Accrued expenses and other liabilities		53,047,231	70,091,592
Bonus payable		96,834,838	117,682,516
Sindh Workers' Welfare Fund	16.1	81,947,132	68,022,845
Sales tax payable		25,237,565	16,750,992
Federal Excise Duty payable	16.2	412,892,880	412,892,880
Withholding tax payable		47,704,761	14,046,540
Payable to facilitators / distributors		113,595,933	44,704,721
		831,260,340	744,192,086

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 contested 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 July 1, 2014).

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.

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

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

In view of the above, the 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.

17 MANAGEMENT AND INVESTMENT ADVISORY FEE

	Note	(Un-audited) Half year ended December 31, 2023	Half year ended December 31, 2022	Quarter ended December 31, 2023	Quarter ended December 31, 2022
		(Rupees)			
Management fee from collective investment schemes - related parties					
MCB Cash Management Optimizer		177,412,649	134,631,074	75,608,092	81,229,598
MCB Pakistan Asset Allocation Fund		11,489,824	15,306,935	5,417,710	7,422,666
MCB DCF Income Fund		83,716,052	44,038,096	48,770,339	23,466,827
Alhamra Islamic Income Fund		35,243,775	18,560,394	27,594,128	8,840,148
MCB Pakistan Sovereign Fund		33,414,997	2,521,552	30,267,049	944,228
Pakistan Capital Market Fund		7,178,587	7,056,757	3,737,797	3,389,874
Pakistan Cash Management Fund		80,993,907	38,225,307	34,277,411	25,562,822
Pakistan Income Enhancement Fund		28,527,329	3,311,988	26,683,198	1,511,006
Pakistan Income Fund		15,925,863	9,511,889	11,935,163	3,953,351
Alhamra Islamic Asset Allocation Fund		25,225,972	29,295,070	12,606,461	13,875,461
MCB Pakistan Stock Market Fund		74,270,192	94,784,129	47,202,669	43,973,565
Alhamra Islamic Stock Fund		43,470,961	28,692,288	27,708,021	14,909,936
Alhamra Islamic Money Market Fund		82,928,595	51,604,906	38,661,968	29,765,599
Alhamra Daily Dividend Fund		12,501,584	10,861,657	6,751,241	5,845,699
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)		41,156	48,286	20,653	24,156
Alhamra Wada Fund (Alhamra Wada Plan I)		-	576,636	-	-
Alhamra Wada Fund (Alhamra Wada Plan II)		-	1,987,611	-	-
Alhamra Wada Fund (Alhamra Wada Plan III)		-	719,796	-	-
Alhamra Wada Fund (Alhamra Wada Plan IV)		-	2,370,674	-	1,560,526
Alhamra Wada Fund (Alhamra Wada Plan V)		-	170,404	-	170,404
Alhamra Wada Fund (Alhamra Wada Plan VII)		3,940,956	-	530,865	-
Alhamra Wada Fund (Alhamra Wada Plan VIII)		1,314,984	-	742,289	-
Alhamra Wada Fund (Alhamra Wada Plan X)		2,337,462	-	1,637,376	-
Alhamra Wada Fund (Alhamra Wada Plan XI)		3,794,285	-	3,794,285	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)		2,275,038	650,598	1,750,842	330,351
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan I)		-	458,424	-	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan II)		-	1,704,920	-	1,704,920
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan III)		-	241,817	-	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan IV)		-	1,548,981	-	1,424,580
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VII)		221,158	333,372	53,941	333,372
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 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)		5,918,273	-	5,918,273	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVII)		1,115,751	-	1,115,751	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVIII)		417,032	-	417,032	-
Alhamra Cash Management Optimizer		18,718,092	-	10,350,350	-
		813,170,419	499,213,561	455,523,534	270,239,089
Management fee from pension schemes - related parties					
Pakistan Pension Fund		18,656,673	13,111,856	10,166,922	6,758,332
Alhamra KPK Govt Employees Pension Fund		21,627	-	21,627	-
MCB KPK Govt Employees Pension Fund		14,446	-	14,446	-
Alhamra Islamic Pension Fund		10,930,098	8,899,110	5,832,682	4,540,474
		29,622,844	22,010,966	16,035,677	11,298,806
Investment advisory fee from separately managed accounts	17.2	17,249,730	29,240,298	9,042,114	15,051,635
		860,042,993	550,464,825	480,601,325	296,589,530
Less: Sindh Sales Tax	17.1	(98,942,999)	(63,327,812)	(55,290,418)	(34,120,920)
		761,099,994	487,137,013	425,310,907	262,468,610

17.1 This pertains to Sindh Sales Tax levied by the Provincial Government of Sindh at the rate of 13% (December 31, 2022: 13%) through the Sindh Sales Tax on Services Act, 2011.

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, 2023 (Un-audited)	June 30, 2023 (Audited)
Discretionary portfolio		
Number of portfolios	32	34
Total portfolio at cost (in Rupees)	85,749,949,106	73,259,480,820
Total portfolio at market value (in Rupees)	84,298,222,081	72,073,197,923

			------------- (Un-audited) -------------		
		Half year ended		Quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	Note	------------- (Rupees) -------------			
18 ADMINISTRATIVE EXPENSES					
Salaries, allowances and other benefits		267,607,548	205,100,308	127,712,432	114,042,164
Legal and professional charges		9,477,002	5,280,780	4,855,710	473,860
Travelling and conveyance		2,098,186	1,127,640	836,469	665,192
Rent, utilities, repairs and maintenance		58,894,485	43,732,382	32,240,197	18,938,624
Office supplies		4,544,951	834,494	3,343,118	241,433
Directors' meeting fee		5,250,000	6,050,000	2,500,000	3,125,000
Insurance		2,275,828	3,346,099	1,063,371	1,545,074
Depreciation	4.1.1	21,928,766	19,876,852	14,998,118	14,495,138
Amortisation	5.1	6,696,315	8,366,259	3,346,770	4,213,032
Stamp duty and taxes		504,998	501,478	249,999	-
Registrar fee		1,083,583	387,200	249,559	180,000
Printing and stationery		3,653,300	2,260,997	1,824,296	1,030,767
Telephone expenses		1,489,941	2,772,703	723,692	1,098,842
Entertainment expenses		4,512,753	3,039,318	2,909,172	1,967,740
Fees and subscription		21,264,510	12,635,885	12,048,686	6,940,687
		411,282,166	315,312,395	208,901,589	168,957,553
Reimbursement of expenses from Collective Investment Schemes (CISs)	9.3	(63,909,466)	(30,550,403)	(33,525,277)	(9,347,793)
		347,372,700	284,761,992	175,376,312	159,609,760
19 SELLING AND DISTRIBUTION EXPENSES					
Salaries, allowances and other benefits		163,541,435	118,710,679	91,844,768	47,264,641
Depreciation	4.1.1	7,458,321	7,798,225	3,770,676	3,883,307
Commission expense		237,752,869	85,865,806	131,334,043	47,189,163
Marketing and advertising expenses		16,456,284	34,696,140	1,036,426	15,301,747
Branch expenses		10,837,436	7,628,843	2,279,797	3,050,514
Printing and stationery		1,379,751	837,869	1,157,194	837,869
		437,426,096	255,537,562	231,422,904	117,527,241
Reimbursement of expenses from Collective Investment Schemes (CISs)	9.4	(306,654,442)	(179,971,458)	(131,808,590)	(84,564,541)
		130,771,654	75,566,104	99,614,314	32,962,700
20 OTHER EXPENSES					
Sindh Workers' Welfare Fund		13,924,287	4,350,000	8,977,732	2,000,000
Auditors' remuneration		1,800,000	1,594,145	900,000	784,375
		15,724,287	5,944,145	9,877,732	2,784,375
21 TAXATION					
Current					
- for the year		182,998,000	64,547,725	97,332,000	33,347,725
- for prior year		6,889,671	-	6,889,671	-
		189,887,671	64,547,725	104,221,671	33,347,725
Deferred		4,709,062	6,774,567	11,995,249	7,574,567
		194,596,733	71,322,292	116,216,920	40,922,292

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22 CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

The status of contingencies remains unchanged as disclosed in the annual audited financial statements of the Company for the year ended June 30, 2023.

22.2 Commitments

There were no commitments outstanding as at December 31, 2023 and June 30, 2023.

23 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties of the Company comprise of MCB Bank Limited (Parent Company), MCB Islamic Bank Limited being the subsidiary of the 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 and defined contribution plan. Transactions with related parties are entered into at negotiated prices at commercial terms. The aggregate value of transactions and outstanding balances as at December 31, 2023 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) Half year ended December 31, 2023	(Un-audited) Half year ended December 31, 2022
			------------- (Rupees) -------------	
MCB Bank Limited	Parent company with 81.42% shareholding	Commission and other expenses	158,578,242	25,865,723
		Profit on savings account	4,732,102	1,849,989
		Branch sharing expenses	439,722	1,794,840
		Rent as per rental agreement	4,391,075	2,772,000
		Dividend paid	322,415,143	36,956,768
		Bank charges	131,091	91,426
MCB Islamic Bank Limited	Subsidiary of Parent Company	Profit on savings account	15,463	14,760
Hyundai Nishat Motor (Private) Limited	Group Company of Parent Company	Purchase of fixed assets	-	5,167,000
Adamjee Life Assurance Company Limited	Group Company of Parent Company	Investment advisory fee	5,182,865	18,156,871
Adamjee Insurance Company Limited	Group Company of Parent Company	Amount paid against insurance	1,168,890	1,021,277
		Dividend paid	-	5,462,000
		Rent as per rental agreement	14,743,781	12,994,266
Arif Habib Corporation Limited *	Associate with 30.09% shareholding	Dividend paid	-	21,664,167
Mutual Funds Association of Pakistan	Associated Company	Amount paid against membership fee	3,510,789	5,055,165
MCB Cash Management Optimizer	Funds under management	Management fee	157,002,344	119,142,543
		Investment in units of funds under management	3,083,561,619	2,565,704,403
		Redemption in units of funds under management	3,483,892,454	2,375,022,116
		Dividend income	968,752	467,112
		Reimbursement of allocated expenses	14,625,040	8,203,092
		Reimbursement of selling and marketing expenses	95,972,627	55,940,158
MCB DCF Income Fund	Funds under management	Management fee	74,085,002	38,971,767
		Sales load	44,221,302	12,324,884
		Back end load	11,480,382	3,504,812
		Reimbursement of allocated expenses	4,047,931	2,598,118
		Reimbursement of selling and marketing expenses	28,977,097	10,132,659

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Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) Half year ended December 31, 2023	(Un-audited) Half year ended December 31, 2022
			------------- (Rupees) -------------	
Alhamra Islamic Income Fund	Funds under management	Management fee	31,189,181	16,425,127
		Sales load	4,834,006	3,266,528
		Back end load	2,505,540	1,098,430
		Sharia fee paid on behalf of the Fund	287,500	360,000
		Reimbursement of allocated expenses	2,720,435	3,014,964
		Reimbursement of selling and marketing expenses	12,407,902	806,529
		Investment in units of funds under management	-	66,016,146
		Redemption in units of funds under management	6,785,288	35,613,140
MCB Pakistan Asset Allocation Fund	Funds under management	Management fee	10,167,986	13,545,960
		Sales load	70	336,812
		Reimbursement of allocated expenses	265,433	408,650
		Reimbursement of selling and marketing expenses	403,919	-
Alhamra Islamic Money Market Fund	Funds under management	Management fee	73,388,137	45,668,058
		Reimbursement of allocated expenses	5,264,690	2,483,982
		Reimbursement of selling and marketing expenses	35,498,198	6,524,294
		Sales load	336,017	111,165
		Sharia fee paid on behalf of the fund	287,500	360,000
		Investment in units of funds under management	-	75,196,800
		Redemption in units of funds under management	-	75,196,800
		Dividend income	1,044,188	231,529
Alhamra Islamic Stock Fund	Funds under management	Management fee	38,469,877	25,391,405
		Sales load	379,595	34,069
		Reimbursement of allocated expenses	1,894,128	1,269,570
		Redemption in units of funds under management	121,177,411	18,086,448
		Investment in units of funds under management	100,000,000	-
		Reimbursement of selling and marketing expenses	10,042,613	16,504,413
		Sharia fee paid on behalf of the fund	287,500	360,000
MCB Pakistan Sovereign Fund	Funds under management	Management fee	29,570,794	2,231,462
		Sales load	2,232,812	81,125
		Reimbursement of allocated expenses	2,589,218	467,370
		Reimbursement of selling and marketing expenses	10,602,492	1,065,842
		Investment in units of funds under management	1,433,721,473	510,359,360
		Redemption in units of funds under management	659,329,188	514,769,652
MCB Pakistan Stock Market Fund	Funds under management	Management fee	65,725,834	83,879,761
		Sales load	989,974	105,003
		Reimbursement of allocated expenses	3,253,620	4,193,988
		Reimbursement of selling and marketing expenses	17,302,868	54,521,845
		Investment in units of funds under management	50,000,000	50,000,000
		Redemption in units of funds under management	54,108,880	145,322,860
Pakistan Capital Market Fund	Funds under management	Management fee	6,352,732	6,244,918
		Sales load	8	29
		Reimbursement of allocated expenses	165,301	185,370
		Reimbursement of selling and marketing expenses	298,020	-
Pakistan Cash Management Fund	Funds under management	Management fee	71,676,024	33,827,705
		Sales load	8,773,667	2,099,223
		Reimbursement of allocated expenses	1,999,043	49,441
		Reimbursement of selling and marketing expenses	8,006,680	-
Pakistan Income Enhancement Fund	Funds under management	Management fee	25,245,424	2,930,962
		Sales load	707,533	4,624,095
		Reimbursement of allocated expenses	1,906,927	773,509
		Reimbursement of selling and marketing expenses	8,568,003	1,680,636

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) Half year ended December 31, 2023	(Un-audited) Half year ended December 31, 2022
			------------ (Rupees) ------------	
Pakistan Income Fund	Funds under management	Management fee	14,093,684	8,417,600
		Sales load	707,533	4,618,200
		Reimbursement of allocated expenses	1,906,927	2,318,784
		Reimbursement of selling and marketing expenses	8,568,003	6,223,643
Alhamra Islamic Asset Allocation Fund	Funds under management	Management fee	22,323,869	25,924,841
		Sales load	100,662	147,091
		Back end load	87,204	3,970,540
		Reimbursement of allocated expenses	588,455	785,601
		Reimbursement of selling and marketing expenses	984,243	-
		Sharia fee paid on behalf of the fund	287,500	360,000
Alhamra Islamic Pension Fund	Funds under management	Management fee	9,672,653	7,875,318
		Sales load	1,020,337	333,584
Pakistan Pension Fund	Funds under management	Management fee	16,510,330	11,603,415
		Sales load	1,734,088	971,216
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)	Funds under management	Management fee	36,421	42,731
		Reimbursement of allocated expenses	29,170	64,821
		Redemption in units of funds under management	-	35,000,000
		Investment in units of funds under management	7,423,295	-
		Dividend income	7,423,295	-
Alhamra Daily Dividend Fund	Funds under management	Management fee	11,063,349	9,612,086
		Reimbursement of selling and marketing expenses	7,601,703	8,413,643
		Reimbursement of allocated expenses	716,814	897,565
		Bank charges	123,196	285,553
		Sales load	2,424,198	4,780,315
Alhamra Wada Fund (Alhamra Wada Plan I)	Funds under management	Management fee	-	510,297
		Dividend income	-	352,210
		Investment in units of funds under management	-	299,379
		Reimbursement of selling and marketing expenses	-	242,895
		Redemption in units of funds under management	-	50,358,725
Alhamra Wada Fund (Alhamra Wada Plan II)	Funds under management	Management fee	-	1,758,947
		Dividend income	-	31,814
		Investment in units of funds under management	-	40,441,673
		Redemption in units of funds under management	-	40,441,673
		Reimbursement of selling and marketing expenses	-	1,365,810
Alhamra Wada Fund (Alhamra Wada Plan III)	Funds under management	Management fee	-	636,988
		Dividend income	-	112,517
		Investment in units of funds under management	-	19,191,314
		Redemption in units of funds under management	-	19,191,314
		Reimbursement of selling and marketing expenses	-	1,265,981
Alhamra Wada Fund (Alhamra Wada Plan IV)	Funds under management	Management fee	-	2,097,941
		Dividend income	-	783,980
		Investment in units of funds under management	-	46,264,623
		Redemption in units of funds under management	-	46,264,623
		Reimbursement of selling and marketing expenses	-	863,665
		Reimbursement of allocated expenses	-	66,023
Alhamra Wada Fund (Alhamra Wada Plan V)	Funds under management	Management fee	-	150,800
		Investment in units of funds under management	-	25,000,000
		Redemption in units of funds under management	-	9,569,829
		Reimbursement of allocated expenses	-	397,687

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) Half year ended December 31, 2023	(Un-audited) Half year ended December 31, 2022
			------------ (Rupees)	------------
Alhamra Wada Fund (Alhamra Wada Plan VII)	Funds under management	Management fee	3,487,572	-
		Dividend income	16,127,272	-
		Investment in units of funds under management	13,010,997	-
		Redemption in units of funds under management	160,473,604	-
		Reimbursement of allocated expenses	2,636,265	-
Alhamra Wada Fund (Alhamra Wada Plan VIII)	Funds under management	Management fee	1,163,703	-
		Reimbursement of selling and marketing expenses	198,917	-
		Reimbursement of allocated expenses	251,711	-
Alhamra Wada Fund (Alhamra Wada Plan X)	Funds under management	Management fee	2,068,550	-
		Reimbursement of selling and marketing expenses	725,550	-
		Reimbursement of allocated expenses	312,131	-
Alhamra Wada Fund (Alhamra Wada Plan XI)	Funds under management	Management fee	3,357,774	-
		Reimbursement of selling and marketing expenses	1,558,527	-
		Reimbursement of allocated expenses	25,977	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan I)	Funds under management	Management fee	-	405,685
		Dividend income	-	2,162,141
		Investment in units of funds under management	-	1,837,820
		Redemption in units of funds under management	-	171,957,421
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan III)	Funds under management	Management fee	-	213,998
		Dividend income	-	1,305,440
		Investment in units of funds under management	-	41,109,624
		Redemption in units of funds under management	-	41,109,624
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan IV)	Funds under management	Management fee	-	1,370,780
		Dividend income	-	125,789
		Investment in units of funds under management	-	20,711,118
		Redemption in units of funds under management	-	21,092,242
		Reimbursement of allocated expenses	-	322,085
		Reimbursement of selling and marketing expenses	-	7,516
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan II)	Funds under management	Management fee	-	1,508,779
		Investment in units of funds under management	-	25,000,000
		Reimbursement of selling and marketing expenses	-	504,520
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VII)	Funds under management	Management fee	195,715	295,019
		Investment in units of funds under management	5,094,362	100,700,335
		Redemption in units of funds under management	16,398,743	37,771,623
		Reimbursement of selling and marketing expenses	147,961	38,808
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan X)	Funds under management	Management fee	3,221,491	-
		Reimbursement of allocated expenses	729,590	-
		Reimbursement of selling and marketing expenses	483,564	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)	Funds under management	Management fee	12,462,688	-
		Reimbursement of allocated expenses	6,234,653	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIII)	Funds under management	Management fee	19,725,723	-
		Reimbursement of allocated expenses	5,370,265	-
		Reimbursement of selling and marketing expenses	3,396,224	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIV)	Funds under management	Management fee	5,306,499	-
		Reimbursement of allocated expenses	2,399,279	-

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Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) Half year ended December 31, 2023	(Un-audited) Half year ended December 31, 2022
			------------ (Rupees) ------------	
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XV)	Funds under management	Management fee	13,067,621	-
		Reimbursement of allocated expenses	627,865	-
		Reimbursement of selling and marketing expenses	2,720,419	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVI)	Funds under management	Management fee	5,237,410	-
		Reimbursement of allocated expenses	60,093	-
		Reimbursement of selling and marketing expenses	3,628,811	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVII)	Funds under management	Management fee	987,390	-
		Reimbursement of allocated expenses	13,109	-
		Reimbursement of selling and marketing expenses	535,968	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVIII)	Funds under management	Management fee	369,055	-
		Reimbursement of allocated expenses	191,712	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	Funds under management	Management fee	2,013,308	575,750
		Dividend income	4,496,347	5,000,000
		Investment in units of funds under management	54,496,347	10,000,000
		Redemption in units of funds under management	51,119	-
Alhamra KPK Govt Employees Pension Fund	Funds under management	Management fee	19,139	-
MCB KPK Govt Employees Pension Fund	Funds under management	Management fee	12,784	-

* Current year figures have not been presented as the person is not classified as a related party as at December 31, 2023.

Amount outstanding as at period / year end

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) December 31, 2023	(Audited) June 30, 2023
			------------ (Rupees) ------------	
MCB Bank Limited	Parent company with 81.42% shareholding	Bank balances	18,724,977	50,194,668
		Other payable	-	5,699,242
		Commission payable	23,353,661	16,890,569
MCB Islamic Bank Limited	Subsidiary of Parent Company	Bank balance	386,088	372,945
Adamjee Insurance Company Limited	Group Company of Parent Company	Prepaid insurance	2,755,605	13,533,586
Adamjee Life Assurance Company Limited	Group Company of Parent Company	Advisory fee receivable	-	7,893,781
Mutual Funds Association of Pakistan	Associated Company	Investment in shares	265,000	265,000
MCB DCF Income Fund	Funds under management	Remuneration receivable	17,523,762	10,246,441
		Sales load receivable	9,276,113	7,169,969
		Receivable against reimbursement of allocated expenses	1,033,850	604,510
		Receivable against selling and marketing expenses	10,628,020	7,833,175
		Back end load receivable	1,267,025	899,479
		Federal excise duty on remuneration	99,060,437	99,060,437
		Federal excise duty on sales load	27,932,990	27,932,990

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Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) December 31, 2023	(Audited) June 30, 2023
			(Rupees)	
MCB Pakistan Asset Allocation Fund	Funds under management	Remuneration receivable	1,843,876	1,868,822
		Sales load receivable	79	1,665
		Receivable against reimbursement of allocated expenses	55,173	50,116
		Receivable against selling and marketing expenses	403,919	-
		Federal excise duty on remuneration	19,027,350	19,027,350
		Federal excise duty on sales load	16,172,955	16,172,955
MCB Cash Management Optimizer	Funds under management	Remuneration receivable	18,529,375	40,986,709
		Receivable against reimbursement of allocated expenses	2,376,453	-
		Receivable against selling and marketing expenses	29,812,331	61,483,500
		Federal excise duty on remuneration	54,266,812	54,266,812
		Federal excise duty on sales load	18,788	18,788
		Investment in units of funds under management	-	367,723,741
Alhamra Islamic Income Fund	Funds under management	Remuneration receivable	14,323,369	2,736,856
		Sales load receivable	3,216,709	652,538
		Back end load receivable	796,803	464,787
		Receivable against reimbursement of allocated expenses	930,058	352,036
		Receivable against shariah advisor fee	37,500	60,000
		Receivable against selling and marketing expenses	6,752,740	2,485,573
		Federal excise duty on remuneration	8,639,183	8,639,183
		Federal excise duty on sales load	3,028,386	3,028,386
		Investment in units of funds under management	-	6,370,240
MCB Pakistan Stock Market Fund	Funds under management	Remuneration receivable	17,805,398	9,264,259
		Sales load receivable	563,887	1,691
		Receivable against reimbursement of allocated expenses	532,781	409,923
		Receivable against selling and marketing expenses	3,789,181	17,550,750
		Federal excise duty on remuneration	54,773,935	54,773,935
		Federal excise duty on sales load	3,932,683	3,932,683
Pakistan Income Fund	Funds under management	Remuneration receivable	3,628,782	1,362,782
		Sales load receivable	88,952	2,718,489
		Receivable against reimbursement of allocated expenses	179,967	350,034
		Receivable against selling and marketing expenses	1,401,745	4,811,580
		Federal excise duty on remuneration	9,210,245	9,210,245
		Federal excise duty on sales load	239,199	239,199
MCB Pakistan Sovereign Fund	Funds under management	Remuneration receivable	15,353,638	315,354
		Sales load receivable	376,747	21,677
		Receivable against reimbursement of allocated expenses	873,973	80,540
		Receivable against selling and marketing expenses	5,553,447	871,845
		Federal excise duty on remuneration	29,027,974	29,027,974
		Federal excise duty on sales load	4,169,840	4,169,840
		Investment in units of funds under management	55,824,580	-
Pakistan Capital Market Fund	Funds under management	Remuneration receivable	1,320,562	1,044,652
		Receivable against reimbursement of allocated expenses	39,416	27,596
		Receivable against selling and marketing expenses	298,020	-
		Federal excise duty on remuneration	5,872,250	5,872,250
		Federal excise duty on sales load	392,742	392,742
Alhamra Islamic Stock Fund	Funds under management	Remuneration receivable	9,963,415	4,634,835
		Sales load receivable	360,370	1,822
		Receivable against reimbursement of allocated expenses	298,130	205,081
		Receivable against selling and marketing expenses	2,224,082	8,479,359
		Receivable against shariah advisor fee	37,500	60,000
		Federal excise duty on remuneration	5,689,242	5,689,242
		Federal excise duty on sales load	124,913	124,913

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Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) December 31, 2023	(Audited) June 30, 2023
			---------------- (Rupees)	----------------
Pakistan Pension Fund	Funds under management	Remuneration receivable	3,769,496	2,622,426
		Sales load receivable	402,381	174,519
		Investment in units of funds under management	431,564,691	335,098,891
		Federal excise duty on remuneration	5,976,465	5,976,465
Alhamra Islamic Asset Allocation Fund	Funds under management	Remuneration receivable	4,467,665	4,002,939
		Sales load receivable	13,728	67
		Back end load receivable	87,204	-
		Receivable against selling and marketing expenses	984,243	-
		Receivable against reimbursement of allocated expenses	133,683	107,346
		Receivable against shariah advisor fee	37,500	60,000
		Federal excise duty on remuneration	5,910,300	5,910,300
		Federal excise duty on sales load	1,135,845	1,135,845
Alhamra Islamic Pension Fund	Funds under management	Remuneration receivable	2,103,413	1,540,395
		Sales load receivable	137,752	218,878
		Investment in units of funds under management	431,701,654	325,594,089
		Federal excise duty on remuneration	3,030,332	3,030,332
Alhamra KPK Govt Employees Pension Fund	Funds under management	Remuneration receivable	21,627	-
		Investment in units of funds under management	31,795,482	-
MCB KPK Govt Employees Pension Fund	Funds under management	Remuneration receivable	14,447	-
		Investment in units of funds under management	31,787,424	-
Pakistan Sarmaya Mahfooz Fund	Funds under management	Federal excise duty on remuneration	1,960,082	1,960,082
		Federal excise duty on sales load	2,307,278	2,307,278
Pakistan Cash Management Fund	Funds under management	Remuneration receivable	10,638,715	12,529,356
		Receivable against reimbursement of allocated expenses	1,346,543	1,074,115
		Receivable against selling and marketing expenses	16,605,620	23,722,214
		Federal excise duty on remuneration	11,932,884	11,932,884
Pakistan Income Enhancement Fund	Funds under management	Remuneration receivable	7,829,293	592,919
		Sales load receivable	1,065,863	337,033
		Receivable against reimbursement of allocated expenses	798,460	151,198
		Receivable against selling and marketing expenses	5,466,834	1,717,818
		Federal excise duty on remuneration	16,589,808	16,589,808
		Federal excise duty on sales load	4,746,222	4,746,222
Alhamra Islamic Money Market Fund	Funds under management	Remuneration receivable	7,891,630	12,368,372
		Sales load receivable	15,889	111,737
		Receivable against reimbursement of allocated expenses	2,133,621	-
		Receivable against selling and marketing expenses	22,937,340	14,560,974
		Receivable against shariah advisor fee	37,500	60,000
		Federal excise duty on remuneration	840,741	840,741
		Federal excise duty on sales load	3,624,619	3,584,949
Alhamra Islamic Active Allocation Fund (Alhamra Smart Portfolio)	Funds under management	Remuneration receivable	7,054	9,553
		Receivable against reimbursement of allocated expenses	-	9,391
		Investment in units of funds under management	112,270,702	95,483,539
Alhamra Daily Dividend Fund	Funds under management	Remuneration receivable	2,544,280	1,807,636
		Payable against bank charges	36,811	11,679
		Receivable against reimbursement of allocated expenses	256,344	-
		Receivable against selling and marketing expenses	3,113,925	5,736,906
		Sales load receivable	1,078,232	582,174
Alhamra Wada Fund (Alhamra Wada Plan VII)	Funds under management	Remuneration receivable	7,903,117	3,962,205
		Receivable against reimbursement of allocated expenses	4,333,392	1,697,226
		Receivable against selling and marketing expenses	13,011,000	-
		Investment in units of funds under management	46,535	141,351,935

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) December 31, 2023	(Audited) June 30, 2023
			(Rupees)	
Alhamra Wada Fund (Alhamra Wada Plan VIII)	Funds under management	Remuneration receivable	1,314,984	-
		Receivable against reimbursement of allocated expenses	251,712	-
		Receivable against selling and marketing expenses	198,909	-
Alhamra Wada Fund (Alhamra Wada Plan X)	Funds under management	Remuneration receivable	2,337,502	-
		Receivable against reimbursement of allocated expenses	319,732	-
		Receivable against selling and marketing expenses	725,539	-
Alhamra Wada Fund (Alhamra Wada Plan XI)	Funds under management	Remuneration receivable	3,794,387	-
		Receivable against reimbursement of allocated expenses	25,977	-
		Receivable against selling and marketing expenses	1,558,510	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan V)	Funds under management	Receivable against reimbursement of allocated expenses	325,494	6,003,485
		Receivable against selling and marketing expenses	-	3,953,506
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VI)	Funds under management	Receivable against selling and marketing expenses	-	1,932,614
		Receivable against reimbursement of allocated expenses	225,454	3,010,376
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan VII)	Funds under management	Remuneration receivable	-	851,498
		Receivable against selling and marketing expenses	-	132,731
		Investment in units of funds under management	-	10,371,795
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan IX)	Funds under management	Receivable against reimbursement of allocated expenses	-	4,379,689
		Receivable against selling and marketing expenses	-	1,668,643
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan X)	Funds under management	Remuneration receivable	3,677,516	36,650
		Receivable against reimbursement of allocated expenses	754,040	24,186
		Receivable against selling and marketing expenses	483,556	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XI)	Funds under management	Receivable against reimbursement of allocated expenses	-	1,265,348
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XII)	Funds under management	Remuneration receivable	-	522,849
		Receivable against reimbursement of allocated expenses	717,636	223,975
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIII)	Funds under management	Remuneration receivable	22,666,464	376,396
		Receivable against reimbursement of allocated expenses	5,531,531	161,311
		Receivable against selling and marketing expenses	3,396,159	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XIV)	Funds under management	Receivable against reimbursement of allocated expenses	1,425,830	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XV)	Funds under management	Remuneration receivable	4,144,412	-
		Receivable against reimbursement of allocated expenses	627,865	-
		Receivable against selling and marketing expenses	2,720,419	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVI)	Funds under management	Remuneration receivable	5,918,296	-
		Receivable against reimbursement of allocated expenses	60,093	-
		Receivable against selling and marketing expenses	3,628,782	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVII)	Funds under management	Remuneration receivable	1,115,751	-
		Receivable against reimbursement of allocated expenses	13,109	-
		Receivable against selling and marketing expenses	535,964	-
MCB Pakistan Fixed Return Fund (MCB Pakistan Fixed Return Plan XVIII)	Funds under management	Remuneration receivable	417,031	-
		Receivable against selling and marketing expenses	191,712	-
MCB Pakistan Opportunity Fund (MCB Pakistan Dividend Yield Plan)	Funds under management	Remuneration receivable	1,008,495	184,925
		Investment in units of funds under management	139,712,089	60,857,447
		Receivable against reimbursement of allocated expenses	30,259	-
		Receivable against selling and marketing expenses	201,535	-
		Sales load receivable	27,324	-

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Name of the related party	Relationship and percentage of shareholding	Nature of transaction	(Un-audited) December 31, 2023	(Audited) June 30, 2023
			---------- (Rupees) ----------	
Alhamra Cash Management Optimizer	Funds under management	Remuneration receivable	2,251,618	1,651,119
		Sales load receivable	7,319	595,667
		Receivable against reimbursement of allocated expenses	473,056	79,506
		Receivable against selling and marketing expenses	5,295,715	904,894
		Investment in units of funds under management	-	10,150,100
		Receivable against shariah advisor fee	37,500	-
Muhammad Saqib Saleem	Ex-Chief Executive Officer	Loan outstanding	-	10,962,158

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 97.99% and 2.01% (December 31, 2022: 94.69% and 5.31%) 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 debt instrument prices and PKRV rates as published at the close of each business day by the Mutual Funds Association of Pakistan.

As at December 31, 2023 and June 30, 2023, the Company held the following financial instruments measured at fair value:

	(Un-audited) As at December 31, 2023			
	Level 1	Level 2	Level 3	Total
	---------- (Rupees) ----------			
Financial assets 'at fair value through profit or loss'				
Investments in government securities - Market Treasury Bills	-	206,562,000	-	206,562,000
Investment in shares *	-	-	265,000	265,000
	-	206,562,000	265,000	206,827,000

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	(Audited)			
	As at June 30, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'	---------- (Rupees) ----------			
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.

26 NON-ADJUSTING EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors in its meeting held on February 2, 2024 have proposed an interim cash dividend in respect of the half year ended December 31, 2023 of Rs. 3.50 per share (35%) [(June 30, 2023: Rs. 5.50 per share (55%)]. 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 ____________________ by the Board of Directors of the Company.

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