

ALHAMRA ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES
AS AT MARCH 31, 2022

		(Un-audited) March 31, 2022	(Audited) June 31, 2021
Note		----- (Rupees in '000) -----	
ASSETS			
	Bank balances	4 4,700,423	2,722,889
	Investments	5 3,037,223	3,460,077
	Markup receivable	129,924	40,771
	Advances, deposits, prepayments and other receivables	385,468	16,409
	Total assets	8,253,039	6,240,146
LIABILITIES			
	Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	6 6,151	2,783
	Payable to Central Depository Company of Pakistan Limited - Trustee	616	515
	Payable to Securities and Exchange Commission of Pakistan	1,163	1,341
	Payable against purchase of investments	-	605,180
	Accrued expenses and other liabilities	7 17,652	55,211
	Total liabilities	25,583	665,030
NET ASSETS		8,227,456	5,575,116
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		8,227,456	5,575,116
CONTINGENCIES AND COMMITMENTS			
		8	
		----- (Number of units) -----	
	NUMBER OF UNITS IN ISSUE	75,999,431	54,679,036
		----- (Rupees) -----	
	NET ASSET VALUE PER UNIT	108.2568	101.9608

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Chief Financial Officer

Director

ALHAMRA ISLAMIC INCOME FUND
CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2022

	Nine Months ended March 31,		Quarter ended March 31,	
	2022	2021	2022	2021
Note	(Rupees in '000)			
INCOME				
Income from government securities	50,183	55,228	24,274	34,409
Capital (loss) / gain on sale of investments - net	127	(12,893)	(0)	(9,104)
Income from sukuk certificates	121,739	111,499	53,259	70,688
Profit on deposits with bank	210,630	152,285	94,631	109,945
Income on term deposits receipts and Bi Muajjal	84,548	19,480	27,841	19,480
Income on commercial paper	34,820	14,822	10,453	4,477
Unrealised appreciation / (diminution) in fair value of investments classified as 'at fair value through profit or loss' - net	(8,287)	15,339	(14,135)	5,154
Other income	629	22	29	22
Total income	494,389	355,780	196,352	235,070
EXPENSES				
Remuneration of MCB-Arif Habib Savings and Investments Limited - Management Company	24,797	16,792	10,333	11,010
Sindh Sales Tax on remuneration of Management Company	3,224	2,183	1,344	1,431
Allocated expenses	5,821	4,970	2,057	3,415
Remuneration of Central Depository Company of Pakistan Limited - Trustee	4,366	3,728	1,542	2,554
Sindh Sales Tax on remuneration of the Trustee	568	484	201	332
Annual fees of Securities and Exchange Commission of Pakistan	1,163	994	410	682
Auditors' remuneration	458	456	150	303
Security and transaction cost	58	520	(0)	305
Marketing and selling expenses	6,458	8,125	0	5,005
Settlement and bank charges	546	459	138	420
Fees and subscriptions	584	223	127	114
Legal and professional charges	469	580	42	546
Shariah advisory fee	541	558	178	353
Printing and related costs	25	31	14	30
Total expenses	49,076	40,102	16,534	26,500
Net income from operating activities	445,313	315,678	179,818	208,570
(Reversal) / Provision against Sindh Workers' Welfare Fund	(24,787)	6,314	(0)	4,171
Net income for the period before taxation	470,100	309,364	179,818	204,399
Taxation	-	-	-	-
Net income for the period after taxation	470,100	309,364	179,818	204,399
Allocation of net income for the period:				
Net income for the year after taxation	470,100	309,364		
Income already paid on units redeemed	(98,185)	(144,851)		
	371,916	164,513		
Accounting income available for distribution				
Relating to capital gains	-	877		
Excluding capital gains	371,916	163,636		
	371,916	164,513		

Earnings per unit

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The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Chief Financial Officer

Director

ALHAMRA ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2022

	Nine Months ended March 31,		Quarter ended March 31,	
	2022	2021	2022	2021
	----- (Rupees in '000) -----			
Net income for the period after taxation	470,100	309,364	179,818	204,399
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	470,100	309,364	179,818	204,399

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Chief Financial Officer

Director

ALHAMRA ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Nine Months ended March 31,					
	2022			2021		
	(Rupees in '000)					
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
Net assets at beginning of the period	5,542,585	32,531	5,575,116	4,412,266	29,934	4,442,200
Issue of 89,290,585 units (2021: 137,848,793 units):						
- Capital value (at net asset value per unit at the beginning of the period)	9,104,134	-	9,104,134	14,039,238	-	14,039,238
- Element of income	230,375	-	230,375	213,988	-	213,988
	9,334,509	-	9,334,509	14,253,226	-	14,253,226
Redemption of 67,970,189 units (2021: 120,962,542 units):						
- Capital value (at net asset value per unit at the beginning of the period)	(6,930,292)	-	(6,930,292)	(12,319,454)	-	(12,319,454)
- Element of income	(123,793)	(98,185)	(221,978)	(82,897)	(144,851)	(227,748)
	(7,054,085)	(98,185)	(7,152,270)	(12,402,351)	(144,851)	(12,547,202)
Total comprehensive income for the period	-	470,100	470,100	-	309,364	309,364
Net assets as at the end of the period	7,823,009	404,447	8,227,456	6,263,141	194,447	6,457,589
Undistributed income brought forward						
- Realised		17,785			27,041	
- Unrealised		14,747			2,893	
		32,531			29,934	
Accounting income available for distribution						
- Relating to capital gains		-			877	
- Excluding capital gains		371,916			163,636	
		371,916			164,513	
Undistributed income carried forward		404,447			194,447	
Undistributed income carried forward						
- Realised		404,447			179,108	
- Unrealised		-			15,339	
		404,447			194,447	
		(Rupees)			(Rupees)	
Net assets value per unit as at beginning of the period		101.9608			101.8452	
Net assets value per unit as at end of the period		108.2568			106.7309	

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Chief Financial Officer

Director

ALHAMRA ISLAMIC INCOME FUND
CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Nine Months ended March 31,	
	2022	2021
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	470,100	309,364
Adjustments for non cash and other items:		
Unrealised (appreciation) / diminution in value of investments classified as 'at fair value through profit or loss' - net	8,287	(15,339)
	478,387	294,025
Decrease / (Increase) in assets		
Investments	414,567	187,660
Profit receivable	(89,153)	(12,136)
Advances, deposits and prepayments	(369,059)	(4,783)
	(43,645)	170,741
Increase / (decrease) in liabilities		
Payable to MCB-Arif Habib Savings and Investments Limited - Management Company	3,368	(248)
Payable to Central Depository Company of Pakistan Limited - Trustee	101	165
Payable to Securities and Exchange Commission of Pakistan	(178)	334
Dividend payable	-	(1)
Payable against purchase of investments	(605,181)	468,155
Accrued expenses and other liabilities	(37,559)	4,745
	(639,448)	473,150
Net cash generated from / (used in) operating activities	(204,707)	937,916
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts from issuance of units	9,282,274	14,253,226
Payments on redemption of units	(7,100,034)	(12,547,202)
Net cash generated from / (used in) financing activities	2,182,240	1,706,025
Net increase in cash and cash equivalents during the period	1,977,534	2,643,941
Cash and cash equivalents at beginning of the period	2,722,889	1,760,297
Cash and cash equivalents at end of the period	4,700,423	4,404,238

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

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

Chief Executive Officer

Chief Financial Officer

Director

ALHAMRA ISLAMIC INCOME FUND
NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

Alhamra Islamic Income Fund (the Fund) was established under a trust deed executed between MCB Asset Management Company Limited as the Management Company and the Central Depository Company of Pakistan Limited (CDC) as the Trustee. Pursuant to the merger of MCB Asset Management Limited and Arif Habib Investments Limited, the name of the Management Company has been changed from MCB Asset Management Company Limited to MCB-Arif Habib Savings and Investments Limited with effect from June 27, 2011. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on January 25, 2011 and was executed on March 7, 2011. According to the Trust Deed, the first accounting period of the Fund commenced from May 1, 2011 i.e. the date on which the trust property was first paid or transferred to the Trustee. The SECP has approved Supplemental Trust Deed, under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations), vide its letter No. SCD/AMCW/MCBAHSIL/MCBIIIF/396/2017 dated January 25, 2017 to modify and restate the previous Trust Deed to effectuate renaming of the Fund to Alhamra Islamic Income Fund. The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on August 12, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

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

The Fund is an open-end collective investment scheme categorised as a "Shariah Compliant (Islamic) Income" scheme by the Board of Directors of the Management Company pursuant to Circular 7 of 2009 dated March 6, 2009 issued by the SECP. The units of the Fund were initially offered for public subscription at a par value of Rs 100 per unit. Thereafter, the units are being offered for public subscription on a continuous basis. The units of the Fund are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The objective of the Fund is to seek to generate superior risk adjusted returns by investing in short, medium and long-term Shariah Compliant fixed income instruments.

The Pakistan Credit Rating Agency Limited (PACRA) has maintained management quality rating of AM1 dated October 06, 2021 to the Management Company and AA-(f) as stability rating dated March 09, 2022 to the Fund.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) 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), the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of the Trust Deed.

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

2.1.2 This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the financial statements for the year ended 30 June 2021. The comparative in the statement of assets and liabilities presented in the condensed interim financial information as at 31 March 2022 have been extracted from the audited financial statements of the Fund for the year ended 30 June 2021, where as the comparatives in the condensed interim income statement, condensed interim cash flow statement, condensed interim distribution statement and condensed interim statement of movement in unit holders' funds are stated from unaudited condensed interim financial information for the nine months ended 31 March 2021.

2.1.3 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information is unaudited.

2.1.4 In compliance with schedule V of the NBFC Regulations the Directors of the Management Company, hereby declare that this condensed interim financial statement give a true and fair view of the state of affairs of the Fund.

2.1.5 This condensed interim financial information is presented in Pak Rupees which is the functional and presentation currency of the Fund.

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

3.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2021.

3.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2020. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Funds for the year ended June 30, 2021.

		(Un-audited) March 31, 2022	(Audited) June 30, 2021
	Note	---- (Rupees in '000) ----	
4 BANK BALANCES			
Savings accounts	4.1	4,680,821	2,709,693
Current accounts	4.2	19,602	13,196
		<u>4,700,423</u>	<u>2,722,889</u>

4.1 These carry profit at the rates ranging between 10.2% to 11.25% (June 30, 2021: 5.75 to 6.75%) per annum and include Rs. 6.99 million (June 30, 2021: Rs. 1.8 million) maintained with MCB Islamic Bank Limited (a related party).

4.2 These include Rs 19.166 million (June 30, 2021: Rs 14.546 million) maintained with MCB Bank Limited, a related party / connected person.

5. INVESTMENTS

Financial assets at fair value through profit or loss

Sukuk certificates- Unlisted

Government of Pakistan (GoP) Ijara sukuks

Term Deposit Receipts

Commercial paper

	(Un-audited)	(Audited)
	March 31,	June 30,
	2022	2021
Note	---- (Rupees in '000) ----	
5.1	1,624,329	1,583,985
5.2	1,169,748	601,558
5.3	-	374,534
5.3	243,147	900,000
	3,037,223	3,460,077

5.1 Sukuk certificates- Unlisted

Certificates have a face value of Rs 100,000 each unless stated otherwise

Name of investee company	Number of certificates					As at March 31, 2022			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2021	Purchased during the period	Matured during the period	Disposed off during the period	As at March 31, 2022	Carrying value	Market value	Appreciation / (diminution)		
						----- (Rupees in '000) -----			----- % -----	
Chemical										
Ghani Chemical Industries (Formerly: Ghani Gases Limited)	1,000	-	-	-	1,000	29,038	30,667	1,629	0.37	1.01
Pharmaceutical										
Aspin Pharma (Private) Limited	1,853	180	-	-	2,033	70,561	71,449	888	0.87	2.35
Power										
Pak Energy Sukuk *	181,100		-	-	181,100	912,744	909,855	(2,889)	11.06	29.96
Pak Elektron Ltd. - SUK (15-11-21)	-	225	-	-	225	225,000	224,564	(436)	2.73	7.39
Miscellaneous										
International Brands Limited	4,180	-	-	-	4,180	18,561	18,595	34	0.23	0.61
Bank										
Meezan Bank Limited	355	-	-	-	355	368,313	369,200	888	4.49	12.16
As at March 31, 2022						1,624,216	1,624,329	113		
As at June 30, 2021						1,568,991	1,583,985	14,994		

* Face value of the certificate is Rs. 5,000

5.2 Government of Pakistan (GoP) Ijara sukuks

Name of investee company	Face Value					As at March 31, 2022			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2021	Purchased during the period	Matured / Sold during the period	Disposed off during the period	As at March 31, 2022	Carrying value	Market value	Appreciation / (diminution)		
----- (Rupees in '000) ----- % -----										
GoP Ijarah Sukuks - 5 years										
GoP Ijarah Sukuks (May 29, 2020 - May 29, 2025)	110,000		-	-	110,000	110,561	110,165	(396)	0.76	2.07
GoP Ijarah Sukuks (June 24, 2020 - June 24 , 2025)	425,000	700,000	-	700,000.00	425,000	427,235	425,213	(2,022)	5.17	14.00
GoP Ijarah Sukuks (July 29, 2020 - July 29, 2025)	63,500		-	500	63,000	63,257	62,931	(327)	0.76	2.07
GoP Ijarah Sukuks (Dec 15,2021- Dec 15,2026)	-	385,000			385,000	392,095	386,810	(5,285)	4.70	12.74
GoP Ijarah Sukuks (Oct 06,2021- Oct 06,2026)	-	185,000			185,000	185,000	184,630	(370)	2.24	6.08
As at March 31, 2022						1,178,147	1,169,748	(8,400)		
As at June 30, 2021						601,805	601,558	(247)		

5.3 Commercial paper

Particulars	Issue Rating	Profit rate	Issue date	Maturity date	Face value	Carrying value	Carrying value as a percentage of net assets	Carrying value as a percentage of total investments
					---- (Rupees in '000) ----		----- % -----	
MUGHAL IRON & STEEL INDUSTRIES LIMITED	AAA	9.44%	July 26, 2021	July 26, 2022	228,436	243,147	2.96	8.01
As at March 31, 2022					<u>228,436</u>	<u>243,147</u>		
As at June 30, 2021					<u>383,000</u>	<u>374,534</u>		

		(Un-audited) March 31, 2022	Audited June 30, 2021
6. PAYABLE TO MCB-ARIF HABIB SAVINGS AND INVESTMENTS LIMITED - MANAGEMENT COMPANY			
Management remuneration payable	6.1	3,571	1,587
Sindh sales tax payable on management remuneration	6.2	464	206
Sales load payable		1,205	325
Back end load payable		127	-
Payable against shariah advisory fee		59	59
Payable against allocated expenses		725	606
Payable against marketing and selling expenses		0	-
		6,151	2,783

6.1 'As per regulation 61 of the NBFC and Notified Entities Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the Offering Document subject to the total expense ratio limit. As per offering document, the Management Company can charge management fee up to 10% of the gross earnings of the fund, calculated on daily basis. Provided that fund is subject to a minimum fee of 0.25% of the average daily net asset of the scheme. The remuneration is payable to the Management Company monthly in arrears.

6.2 Subsequent to the period end, with effect from January 07, 2022, the minimum fee of 0.25% has been removed through supplement offering document dated December 31, 2021.

		(Un-audited) March 31, 2022	(Audited) June 30, 2021
	Note	(Rupees in '000)	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Sindh Workers' Welfare Fund	7.1	0	24,787
Provision for Federal Excise Duty and related tax on			
- Management fee	7.2	8,639	8,639
- Sales load		3,028	3,028
Sales load payable to - MCB Bank Limited (related party)			-
Auditors' remuneration		269	420
Capital gain tax		1,591	17,003
Printing charges payable		35	40
Others		4,089	1,294
		17,652	55,211

7.1 Provision for Sindh Workers' Welfare Fund

During the period, SRB through its letter dated August 12, 2021 has intimated MUFAP that the mutual funds do not qualify as Financial Institutions / Industrial Establishments and are therefore, not liable to pay the SWWF contributions. Accordingly all Asset Management Companies, in consultation with SECP, reversed the cumulative provision for SWWF, on August 13, 2021.

7.2 Federal Excise Duty (FED) and related tax payable

There is no change in the status of the appeal filed by the Federal Board of Revenue in the Honorable Supreme Court of Pakistan in respect of levy of Federal Excise Duty as reported in the annual financial statements of the Fund for the year ended June 30, 2021. Had the said provision for FED not been recorded in the condensed interim financial information of the Fund, the net asset value of the Fund as at March 31, 2022 would have been higher by Re. 0.1535 per unit (June 30, 2021: Re.0.1580 per unit).

8. CONTINGENCIES AND COMMITMENTS

8.1 On December 17, 2020, the Federal Board of Revenue (FBR) issued an Order u/s 122 (5A) of the Income Tax Ordinance (ITO), 2001 for the Tax Year 2018 thereby raising a net tax demand of Rs.41 million. The Management Company on behalf of the Fund filed appeal before Commissioner Inland Revenue –Appeals (CIRA). The Management Company on behalf of the Fund obtained Stay Order from the Sindh High Court against the tax demanded by Commissioner in Assessment Order.

On February 24, 2022, Appellate Order passed by CIRA whereby the Assessment Order issued by ACIR has been remanded back by CIRA. Since then no Order has yet been issued from FBR.

8.2 There were no commitments as at March 31, 2022 (June 30, 2021 : Nil)

9. TAXATION

The Fund's income is exempt from Income Tax as per Clause 99 of Part I of the Second Schedule of the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders by way of cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders in cash. The management intends to distribute at least 90% of income to be earned during current year to the unit holders, therefore, no provision for taxation has been recorded in this condensed interim financial information.

10. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

11. TOTAL EXPENSE RATIO

The total annualized expense ratio of the Fund from July 1, 2021 to March 31, 2022 is 0.84% (March 31, 2021: 0.93%) and this includes 0.08% (March 31, 2021: 0.2%) representing government levy, Sindh Worker's Welfare Fund, sales taxes, federal excise duties, SECP fee etc

12. TRANSACTIONS WITH RELATED PARTY / CONNECTED PERSONS

Related parties / connected persons of the Fund include MCB-Arif Habib Savings and Investments Limited (being the Management Company) and its related entities, the Central Depository Company of Pakistan Limited (being the Trustee of the Fund), other collective investment schemes and pension schemes managed by the Management Company, any person or trust beneficially owning (directly or indirectly) ten percent or more of the capital of the Management Company or the net assets of the Fund and directors, key management personnel and officers of the Management Company.

Transactions with related parties / connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates.

Remuneration to the Management Company and Trustee are determined in accordance with the provisions of the NBFC Regulations and the Trust Deed of the Fund.

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

For the Nine Months ended March 31, 2022 (Un-audited)

As at July 01, 2021	Issued for cash	Redeemed	As at March 31, 2022	As at July 01, 2021	Issued for cash	Redeemed	As at March 31, 2022
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----- Units ----- (Rupees in '000) -----

Associated Companies / Undertakings:

Adamjee Insurance Company Limited Window Takaful Operations	508,711	508,711	508,711	508,711	51,869	53,885	53,885	55,071
Adamjee Life Assurance Company Limited (Tameen)	-	8,368,132	7,611,107	757,025	-	880,000	810,000	81,953
Adamjee Life Assurance Co. Ltd -Mazaaf	-	1,194,735	1,194,735	-	-	125,000	125,819	-
Hyundai Nishat Motor Private Limited Employees Provident Fund	177,940	4,767	182,707	-	18,143	500	18,767	-
Arif Habib Securities Limited Employees Provident Fund Trust	-	87,853	9,457	78,396	-	9,009	1,000	8,487
MCBFSL Trustee Alhamra Smart Portfolio	890,625	1,051,390	851,569	1,090,446	90,809	108,205	88,519	118,048

Mandate Under Discretionary Portfolio Services*	1,086,709	1,007,028	2,080,228	13,509	110,802	105,107	219,871	1,462
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Key management personnel*	59,539	348,634	355,737	52,436	6,071	36,408	37,248	5,677
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Unit Holder holding 10% or more*	8,773,314	110,357	-	8,883,671	-	11,400	-	961,718
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* This reflects the position of related party / connected persons status as at March 31, 2022.

For the Nine Months ended March 31, 2021 (Un-audited)

As at July 01, 2020	Issued for cash	Redeemed	As at March 31, 2021	As at July 01, 2020	Issued for cash	Redeemed	As at March 31, 2021
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----- Units ----- (Rupees in '000) -----

Associated Companies:

MCB Islamic Bank Limited	-	2,201,298	2,201,298	-	-	225,000	225,384	-
Adamjee Insurance Company Limited Window Takaful Operations	-	481,119	-	481,119	-	50,000	-	51,350
Adamjee Life Assurance Company Limited (Tameen)	148,552	2,113,980	1,314,702	947,831	15,129	219,999	136,455	101,163
Adamjee Life Assurance Company Limited (Provident Fund)	49,244	-	49,244	-	5,015	-	-	-
Alhamra Islamic Active Allocation Fund (Plan I)	3,167,846	315,918	3,483,764	-	322,630	33,153	364,441	-
Alhamra Islamic Active Allocation Fund (Plan II)	1,630,629	424,082	772,180	1,282,531	166,072	-	80,000	136,886
Arif Habib Securities Limited Employees Provident Fund Trust	-	71,040	-	71,040	-	7,246	-	7,582
Mandate Under Discretionary Portfolio Services	881,384	972,811	1,396,777	457,418	89,765	101,708	145,828	48,821

Key management personnel	68,345	390,995	380,786	78,554	6,961	40,737	39,647	8,384
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Unit Holder holding 10% or more*	-	16,964,885	-	16,964,885	-	1,793,000	-	1,810,677
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* This reflects the position of related party / connected persons status as at March 31, 2021.

12.2 Details of transactions with the related parties / connected persons during the period are as follows:

	(Un-audited) March 31, 2022	(Un-audited) March 31, 2021
	----- (Rupees in '000) -----	
MCB-Arif Habib Savings and Investments Limited - Management Company		
Remuneration including indirect taxes	28,021	18,976
Shariah advisory fee	541	558
Allocated expenses	5,821	4,970
Marketing and selling expenses	6,458	8,125
MCB Bank Limited - Parent of the Management Company		
Bank charges	176	195
MCB Islamic Bank Limited - Subsidiary of Parent of the Management Company		
Profit on bank balances	20	6
Central Depository Company of Pakistan Limited		
Remuneration of the trustee (including indirect taxes)	4,934	4,212
CDC settlement charges	66	45
Arif Habib Limited		
Brokerage expense	-	25

12.3 Amount outstanding as at period / year end

	(Un-audited) March 31, 2022	(Audited) June 30, 2021
	----- (Rupees in '000) -----	
MCB - Arif Habib Savings & Investment Limited - Management Company		
Management remuneration payable	3,571	1,587
Sindh sales tax payable on management remuneration	464	206
Sale load payable	1,205	325
Back End Load Payable	127	-
Payable against Shariah advisory fee	59	59
Payable against allocated expenses	725	606
Marketing and selling expense payable	0	-
MCB Bank Limited - Parent of the Management Company		
Bank deposit	19,166	11,699
Sale load payable	-	-
MCB Islamic Bank Limited - Subsidiary of Parent of the Management Company		
Bank balances	6,992	1803
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	546	456
Sindh Sales tax payable on remuneration of Trustee	71	59
Security deposits	100	100

13 CORRESPONDING FIGURES

- 13.1** Figures have been rounded off to the nearest thousand Rupees unless otherwise stated.
- 13.2** Certain prior period's figures have been re-arranged / re-classified, wherever necessary, to facilitate comparison in the presentation in the current period. However, there are material re-arrangements / re-classifications to report.

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the close of trading i.e., period end. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value as these are short term in nature.

The following table shows financial instruments recognized at fair value based on:

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

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

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

15 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on _____ by the Board of Directors of the Management Company.

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

Chief Executive Officer

Chief Financial Officer

Director