

MCB ARIF HABIB SAVINGS AND INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
As at 31 March 2022

		(Unaudited) 31 March, 2022	(Audited) 30 June, 2021
	Note		
(Rupees)			
ASSETS			
Non-current assets			
Fixed assets	4	347,783,014	358,789,899
Long-term investments	5	639,523,549	638,596,952
Long-term loans and prepayments	6	16,845,091	14,161,597
Long-term deposits		5,504,103	4,994,903
		1,009,655,757	1,016,543,351
Current assets			
Receivable from related parties	7	544,962,749	543,936,536
Loans and advances		44,075,999	2,377,576
Deposits, prepayments and other receivables	8	25,635,673	43,794,004
Accrued mark-up		35,514	22,487
Short-term investments	9	515,875,882	685,758,449
Advance tax - net of provision	10	40,958,839	39,149,452
Cash and bank balances		37,760,280	43,929,106
		1,209,304,936	1,358,967,610
TOTAL ASSETS		2,218,960,694	2,375,510,961
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised share capital 72,000,000 (30 June 2021: 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		725,956,900	883,129,589
Total equity		1,445,956,900	1,603,129,589
Liabilities			
Non-current liabilities			
Deferred taxation - net	11	66,324,652	67,176,622
Lease liability against right-of-use assets	4.4	22,600,832	18,001,467
Current liabilities			
Unclaimed dividend		5,455,400	4,672,994
Current Portion of lease liability against right-of-use assets	4.4	24,384,757	32,347,100
Trade and other payables	12	654,238,153	650,183,189
Total liabilities		773,003,794	772,381,372
TOTAL EQUITY AND LIABILITIES		2,218,960,694	2,375,510,961
CONTINGENCIES AND COMMITMENTS			
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The annexed notes form an integral part of this condensed interim financial information.

Chief Executive Officer

Chief Financial Officer

Director

MCB ARIF HABIB SAVINGS AND INVESTMENTS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Note	Nine months ended		Quarter ended	
		March 31	March 31	March 31	March 31
		2022	2021	2022	2021
-----Rupees-----					
Revenue					
Management fee / investment advisory fee	13	634,411,129	548,588,851	188,687,521	200,530,508
Processing and other related income		42,894,175	37,959,419	19,693,981	16,341,543
Profit on bank deposits		1,361,406	1,000,367	532,232	319,006
Dividend income		3,813,668	14,509,527	1,499,082	2,431,710
Capital gain / (loss) on sale of investments - net		10,144,503	27,200,111	3,603,860	15,480,250
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net		(711,280)	108,368,606	6,301,634	(2,124,707)
Total income		691,913,601	737,626,879	220,318,310	232,978,308
Expenses					
Administrative expenses	14	(351,260,433)	(322,380,795)	(125,521,215)	(116,449,759)
Selling and distribution expenses		(80,812,098)	(46,279,784)	(35,211,090)	(14,485,318)
Financial charges		(4,313,691)	(5,567,185)	(1,492,378)	(1,772,497)
		(436,386,222)	(374,227,764)	(162,224,683)	(132,707,574)
Other income		3,536,565	3,146,283	1,748,217	1,357,936
Profit for the period before taxation		259,063,945	366,545,399	59,841,845	101,628,670
Taxation					
- Current		(74,132,141)	(70,801,109)	(30,331,032)	(27,000,000)
- Prior		(925,070)	3,446,922	(925,070)	3,446,922
- Deferred		851,971	(11,400,000)	11,551,971	(700,000)
		(74,205,240)	(78,754,187)	(19,704,131)	(24,253,078)
Profit for the period after taxation		184,858,705	287,791,212	40,137,714	77,375,592
Earnings per share - basic and diluted (Rupees)		2.57	4.00	0.56	1.07

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

Chief Executive Officer

Chief Financial Officer

Director

MCB ARIF HABIB SAVINGS AND INVESTMENTS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Nine months ended		Quarter ended	
	March 31,	March 31,	March 31,	March 31,
	2022	2021	2022	2021
	Rupees			
Profit for the period after taxation	184,858,705	287,791,212	40,137,714	77,375,592
Other comprehensive income for the period				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net unrealised appreciation / (diminution) on re-measurement of 'available for sale' investments				
net of deferred tax	-	-	-	-
Total comprehensive income for the period	184,858,705	287,791,212	40,137,714	77,375,592

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

Chief Executive Officer

Chief Financial Officer

Director

	Capital				Reserves		
	Issued, subscribed and paid-up capital	Share premium	Deficit arising on amalgamation	Sub-total	Unappropriated profit	Sub-total	Total
	----- Rupees -----						
Balance as at July 01, 2020	720,000,000	396,000,000	(60,000,000)	336,000,000	494,695,426	494,695,426	1,550,695,426
Total comprehensive income for the nine months ended March 31, 2021	-	-	-	-	287,791,212	287,791,212	287,791,212
Final dividend for the year ended 30 June 2020 at Rs 2.25 per share	-	-	-	-	(162,000,000)	(162,000,000)	(162,000,000)
Interim dividend for the period ended 30 December 2020 at Rs 2.25 per share	-	-	-	-	(162,000,000)	(162,000,000)	(162,000,000)
	-	-	-	-	(36,208,788)	(36,208,788)	(36,208,788)
Balance as at March 31, 2021	720,000,000	396,000,000	(60,000,000)	336,000,000	458,486,638	458,486,638	1,514,486,638
Profit after taxation for the quarter ended 30 June 2021	-	-	-	-	88,611,557	88,611,557	88,611,557
Balance as at June 30, 2021	720,000,000	396,000,000	(60,000,000)	336,000,000	547,098,195	547,098,195	1,603,098,195
Comprehensive income for the nine months ended March 31, 2022				-	184,858,705	184,858,705	184,858,705
Other comprehensive income for the nine months ended March 31, 2022				-	-	-	-
Total comprehensive income for the nine months ended March 31, 2022	-	-	-	-	184,858,705	184,858,705	184,858,705
Final dividend for the year ended 30 June 2021 at Rs 2.75 per share	-	-	-	-	(198,000,000)	(198,000,000)	(198,000,000)
Interim dividend for the period ended 30 December 2021 at Rs 2.00 per share	-	-	-	-	(144,000,000)	(144,000,000)	(144,000,000)
Balance as at March 31, 2022	720,000,000	396,000,000	(60,000,000)	336,000,000	389,956,900	389,956,900	1,445,956,900

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

Chief Financial Officer

Director

MCB ARIF HABIB SAVINGS AND INVESTMENTS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

	Nine months ended	
	March 31, 2022	March 31, 2021
	-----Rupees-----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period before taxation	259,063,945	366,545,399
Adjustments for non cash items:		
Depreciation	11,440,542	15,481,916
Amortisation	6,573,217	9,039,788
Finance Cost on Lease Liabilities	4,142,603	5,069,835
Depreciation on right of use assets	24,013,113	21,305,112
(Gain) / Loss on sale of fixed assets	(6,166)	(2,461,340)
Capital gain on sale of marketable securities	(10,144,503)	(27,200,111)
Impairment of leasehold improvements	-	4,768,237
Unrealised appreciation on re-measurement of investments	711,280	(108,368,606)
classified as 'financial assets at fair value through profit or loss' - net	171,088	497,350
Financial charges	36,901,174	(81,867,817)
CASH FLOW FROM OPERATING ACTIVITIES BEFORE WORKING CAPITAL CHANGES	295,965,119	284,677,582
WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets		
Receivable from related parties	(1,026,213)	(21,200,009)
Loans and advances	(41,698,423)	(8,902,375)
Deposits, prepayments and other receivables	18,158,331	(24,123,049)
Mark-up accrued	(13,027)	4,777
	(24,579,332)	(54,220,656)
Increase / (decrease) in current liabilities		
Unclaimed Dividend	782,406	114,364
Trade and other payables	4,054,964	73,116,684
NET CASH USED IN WORKING CAPITAL CHANGES	(19,741,962)	19,010,392
CASH FLOW FROM OPERATING ACTIVITIES	276,223,156	303,687,974
Income tax paid	(76,866,597)	64,901,843
Finance cost paid	(171,088)	(497,350)
Dividend paid	(342,000,000)	(324,000,000)
Rentals paid	(30,078,041)	(25,702,806)
NET CASH FLOW FROM OPERATING ACTIVITIES	(172,892,569)	18,389,661
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(10,469,514)	(9,016,824)
Proceeds from sale of property plant and equipment	65,000	9,602,626
Net proceeds against redemption of investments	179,811,752	23,382,922
Long term loans and receivables	(2,174,294)	(5,877,343)
Long term deposits	(509,200)	419,326
NET CASH USED IN INVESTING ACTIVITIES	166,723,744	18,510,707
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(6,168,826)	36,900,368
Cash and cash equivalents at the beginning of the period	43,929,106	19,814,591
Cash and cash equivalents at the end of the period	37,760,280	56,714,959

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

Chief Executive Officer

Chief Financial Officer

Director

MCB ARIF HABIB SAVINGS AND INVESTMENTS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2022

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** MCB - Arif Habib Savings and Investments Limited ("the Company") was incorporated in the name of Arif Habib Investment Management Limited (AHIML) on 30 August 2000 as an unquoted public limited company under the requirements of the Companies Ordinance, 1984. During 2008, AHIML was listed on the Karachi Stock Exchange Limited (now integrated into 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 19 January 2011, a transfer agreement was signed between Arif Habib Corporation Limited (AHCL) [the then parent of AHIL] and MCB Bank Limited (MCB Bank) [the then parent 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 and to access 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 21 May 2011. The Scheme was also approved by the Securities and Exchange Commission of Pakistan (SECP) with the effective date of amalgamation being 27 June 2011 (the effective date). In accordance with the terms contained in the Scheme, the Company became a subsidiary of MCB Bank Limited from the end of the year ended 30 June 2011, which owns 51.33% ordinary shares in the Company till date. Pursuant to the merger of MCB AMC with and into AHIL, the name of AHIL has been changed to MCB - Arif Habib Savings and Investments Limited effective from 23 May 2013.
- 1.2** The registered office of the Company is situated at 2nd Floor, Adamjee House, I.I Chundrigar Road, Karachi, Pakistan.
- 1.3** The Company is registered as a Pension Fund Manager under the Voluntary Pension System Rules, 2005, as an Asset Management Company and an Investment Advisor under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003.
- 1.4** The Company has been assigned an Asset Manager rating of AM1 by the Pakistan Credit Rating Agency Limited (PACRA). The rating was determined by PACRA on 6 October 2021. Currently, the Company is managing the following funds under its management:

	Net assets value as at	
	31 March	30 June
<i>Note</i>	2022	2021
	(Rupees in million)	
Open-end Collective Investment Schemes (CISs)		
Pakistan Income Fund	4,922	9,595
MCB Pakistan Stock Market Fund	10,684	12,397
MCB Pakistan Sovereign Fund	638	738
Pakistan Capital Market Fund	436	467
Pakistan Cash Management Fund	15,329	3,119
Pakistan Income Enhancement Fund	1,054	630
MCB Pakistan Asset Allocation Fund	1,120	912
MCB DCF Income Fund	4,546	3,646
MCB Cash Management Optimizer	36,238	34,030
Alhamra Islamic Money Market Fund	9,566	15,258
Alhamra Islamic Asset Allocation Fund	1,966	2,335
Alhamra Islamic Stock Fund	2,905	3,410
Alhamra Islamic Income Fund	8,227	5,575
Alhamra Islamic Active Asset Allocation Fund Plan - I	-	-
Alhamra Islamic Active Asset Allocation Fund Plan - II	-	-
Alhamra Daily Dividend Fund	6,209	2,279
Alhamra Smart Portfolio	164	123
Pension Funds		
Pakistan Pension Fund	2,139	1,933
Alhamra Islamic Pension Fund	1,414	1,354
Discretionary portfolio	64,729	57,014
The Company is also managing investments under discretionary portfolio management agreements, the details of which are given below:		
	Net assets value as at	
	31 March	30 June
	2022	2021
	(Rupees in million)	
Number of clients	36	37
Total portfolio at cost (Rs. in millions)	55,302	46,869
Total portfolio at market value (Rs. in millions)	54,857	47,074
Fee earned (Rs. in millions)	52	54

- 1.5 In accordance with the requirements of Rule 9 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003, the Company has obtained insurance coverage from Jubilee General Insurance Company Limited against any loss that may be incurred as a result of employees' fraud or gross negligence. The insurance company has been assigned a credit rating of AA+ by the Pakistan Credit Rating Agency Limited (PACRA) (latest available rating).

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 as applicable in Pakistan for interim financial reporting comprise of:

- International Financial Reporting Standards (IFRS) 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
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), 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 IFRS, 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.

- 2.2 The disclosures made in these condensed interim financial statements are based on the requirements of the International Accounting Standard (IAS) 34: 'Interim Financial Reporting'. These condensed interim financial statements does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Company for the year ended 30 June 2020.
- 2.3 The comparative condensed interim statement of financial position presented in these condensed interim financial statements have been extracted from the audited annual financial statements of the Company for the year ended 30 June 2020, whereas, the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been extracted from the unaudited condensed interim financial statements for the period ended 31 March 2020.
- 2.4 These condensed interim financial statements are unaudited. However, a review has been performed by the statutory 56(1)/ 2016 dated January 28, 2016, the requirements of consolidation under section 237 of the repealed Companies Ordinance, 1984 (section 228 of the Companies Act, 2017) and IFRS 10 is not applicable in case of investment by companies in mutual funds established under trust structure. Accordingly, the mutual funds are not being consolidated by the Company.

2.5 Basis of measurement

These condensed interim financial statements have been prepared on the basis of historical cost convention, except that certain investments are carried at fair values.

2.6 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupee which is the Company's functional and presentation currency.

3 SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ESTIMATES, ASSUMPTIONS AND CHANGES THEREIN

- 3.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited annual financial statements of the Company as at and for the year ended 30 June 2021.

3.2 New standards, interpretations and amendments adopted by the Company

There are certain new and amended standards, interpretations and amendments that are mandatory for the Company's accounting periods beginning on or after 1 July 2021 but are considered not to be relevant or do not have any significant effect on the Company's operations and therefore are not detailed in these condensed interim financial statements.

3.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

In addition certain IFRS, amendments and interpretations to approved accounting standards are not yet effective. However, these are not likely to have any material effect on the Company's financial statements.

3.4 Critical management estimates and judgments

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reporting amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements as at and for the year ended 30 June 2021.

3.5 Financial risk management

The financial risk management objectives and policies are consistent with those disclosed in the annual published audited financial statements of the Company for the year ended 30 June 2021.

4 FIXED ASSETS

	Note	(Unaudited) 31 March 2022	(Audited) 30 June 2021
		(Rupees)	
Tangible			
Property and equipment	4.1	24,630,792	25,660,653
Right of use assets	4.3	45,445,116	47,018,584
		70,075,908	72,679,237
Intangible assets			
Computer software	4.2	3,580,173	10,153,390
Goodwill	4.2	192,000,000	192,000,000
Capital work in progress		-	1,830,339
Management rights	4.2	82,126,933	82,126,933
		277,707,106	286,110,662
		347,783,014	358,789,899

4.1 Property and equipment

Following is a statement of property and equipment:

	31 March 2022 (Unaudited)					
	Computers	Office equipments	Furniture and fixtures	Leasehold improvements	Vehicles	Total
	(Rupees)					
As at 1 July 2021						
Cost	61,402,064	19,252,265	8,182,368	13,388,935	4,237,270	106,462,902
Accumulated depreciation	(44,367,298)	(15,674,244)	(5,291,723)	(5,798,064)	(2,385,539)	(73,516,868)
Accumulated impairment losses	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	17,034,766	3,578,021	2,164,728	1,031,407	1,851,731	25,660,653
Nine months ended 31 March 2022						
Opening net book value	17,034,766	3,578,021	2,164,728	1,031,407	1,851,731	25,660,653
Additions during the period	5,703,818	1,902,870	521,977	2,340,849	-	10,469,514
Disposals during the period:						
- Cost	(1,393,538)	(89,310)	-	-	-	(1,482,848)
- Accumulated depreciation	1,337,998	86,016	-	-	-	1,424,014
- Accumulated impairment losses	-	-	-	-	-	-
	(55,540)	(3,294)	-	-	-	(58,834)
Depreciation for the period	(6,888,988)	(1,517,565)	(1,234,874)	(1,004,627)	(794,488)	(11,440,542)
Closing net book value	15,794,056	3,960,032	1,451,831	2,367,629	1,057,243	24,630,792
As at 31 March 2022						
Cost	67,105,882	21,155,135	8,704,345	15,729,784	4,237,270	115,449,568
Accumulated depreciation	(51,256,286)	(17,191,809)	(6,526,597)	(6,802,691)	(3,180,027)	(83,533,396)
Accumulated impairment loss	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	15,849,596	3,963,326	1,451,831	2,367,629	1,057,243	24,630,792
Depreciation rates (% per annum)	25%	20% - 50%	10%	10% - 20%	25%	
	30 June 2021 (Audited)					
	Computers	Office equipments	Furniture and fixtures	Leasehold improvements	Vehicles	Total
	(Rupees)					
As at 1 July 2020						
Cost	55,234,935	28,793,272	17,221,864	45,978,793	4,237,270	151,466,134
Accumulated depreciation	(35,925,068)	(21,960,664)	(9,542,085)	(24,138,932)	(1,328,060)	(92,894,809)
Net book value	19,309,867	6,832,608	4,431,392	12,442,117	2,909,210	45,363,804
Year ended 30 June 2021						
Opening net book value	19,309,867	6,271,218	4,431,392	12,442,117	2,909,210	45,363,804
Additions during the year	7,118,523	1,637,661	1,675,844	893,694	-	11,325,722
Disposals during the year						
Cost	(951,394)	(11,178,668)	(10,715,340)	(13,002,140)	-	(35,847,542)
Accumulated depreciation	948,407	8,741,313	5,964,183	7,130,213	-	22,784,116
Accumulated impairment losses	-	561,390	2,522,470	2,838,280	-	5,922,140
	(2,987)	(1,875,965)	(2,228,687)	(3,033,647)	-	(7,141,286)
Write offs during the year						
Cost	-	-	-	(20,481,412)	-	(20,481,412)
Accumulated depreciation	-	-	-	15,713,175	-	15,713,175
	-	-	-	(4,768,237)	-	(4,768,237)
Depreciation for the year	(9,390,637)	(2,454,893)	(1,713,821)	(4,502,520)	(1,057,479)	(19,119,350)
Closing net book value	17,034,766	3,578,021	2,164,728	1,031,407	1,851,731	25,660,653
As at 30 June 2021						
Cost	61,402,064	19,252,265	8,182,368	13,388,935	4,237,270	106,462,902
Accumulated depreciation	(44,367,298)	(15,674,244)	(5,291,723)	(5,798,064)	(2,385,539)	(73,516,868)
Accumulated impairment loss	-	-	(725,917)	(6,559,464)	-	(7,285,381)
Net book value	17,034,766	3,578,021	2,164,728	1,031,407	1,851,731	25,660,653
Depreciation rates (% per annum)	25%	20% - 50%	10%	10% - 20%	25%	

- 4.1.1 There were no disposal of fixed assets during the period, whose aggregate book value (cost minus accumulated depreciation and impairment loss) exceeds Rs. 5 million.
- 4.1.2 Included in the cost of property and equipment are fully depreciated items which are still in use, aggregating to Rs. 89.68 million as of March 31, 2022. (30 June 2021: Rs. 91.7 million).

4.2 Intangible assets

Following is a statement of intangible assets:

	31 March 2022 (Unaudited)			
	Computer software	Goodwill	Management rights	Total
	(Rupees)			
As at 1 July 2021				
Cost	83,033,817	82,126,933	192,000,000	356,600,007
Accumulated amortisation	(72,880,427)	-	-	(61,101,329)
Net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>295,498,678</u>
Nine months ended 31 March 2022				
Opening net book value	10,153,390	82,126,933	192,000,000	284,280,323
Additions during the period	-	-	-	-
Amortisation for the period	(6,573,217)	-	-	(6,573,217)
Closing net book value	<u>3,580,173</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>277,707,106</u>
As at 31 March 2022				
Cost	83,033,817	82,126,933	192,000,000	357,160,750
Accumulated amortisation	(79,453,644)	-	-	(79,453,644)
Net book value	<u>3,580,173</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>277,707,106</u>
Amortisation rates (% per annum)	<u>25% - 33%</u>			
	30 June 2021 (Audited)			
	Computer software	Goodwill	Management rights	Total
	(Rupees)			
As at 1 July 2020				
Cost	82,473,074	82,126,933	192,000,000	356,600,007
Accumulated amortisation	(61,101,329)	-	-	(61,101,329)
Net book value	<u>21,371,745</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>295,498,678</u>
Year ended 30 June 2021				
Opening net book value	21,371,745	82,126,933	192,000,000	295,498,678
Additions during the year	560,743	-	-	560,743
Amortisation for the year	(11,779,098)	-	-	(11,779,098)
Closing net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>284,280,323</u>
As at 30 June 2021				
Cost	83,033,817	82,126,933	192,000,000	357,160,750
Accumulated amortisation	(72,880,427)	-	-	(72,880,427)
Net book value	<u>10,153,390</u>	<u>82,126,933</u>	<u>192,000,000</u>	<u>284,280,323</u>
Amortisation rates (% per annum)	<u>25% - 33%</u>			

	(Unaudited) 31 March 2022	(Audited) 30 June 2021
	----- (Rupees) -----	
Opening written down value	47,018,584	60,884,879
Addition during the year	22,439,645	22,768,921
Effect of modification	-	(5,697,763)
Depreciation for the Period	(24,013,113)	(30,937,453)
Closing written down value	<u>45,445,116</u>	<u>47,018,584</u>

4.4 Finance lease liabilities are payable as follows:

	As at 31 March 2022 (Unaudited)		
	Minimum Lease Payments	Future Finance Cost	Present Value of Minimum Lease Payments
Not later than one year	27,844,510	3,459,753	24,384,757
Later than one year and not later than five years	26,289,207	3,688,375	22,600,832
	<u>54,133,717</u>	<u>7,148,127</u>	<u>46,985,589</u>
Less: Current portion			<u>(24,384,757)</u>
			<u>22,600,832</u>

	As at 30 June 2021 (Audited)		
	Minimum Lease Payments	Future Finance Cost	Present Value of Minimum Lease Payments
Not later than one year	36,357,777	4,010,677	32,347,100
Later than one year and not later than five years	18,814,995	813,528	18,001,467
	<u>55,172,772</u>	<u>4,824,205</u>	<u>50,348,567</u>
Less: Current portion			<u>(32,347,100)</u>
			<u>18,001,467</u>

4.5.1 Above balance have been discounted at the rates ranging between 8.01% to 14.95% (30 June 2021: 8.01% to 14.95%) per annum.

5	LONG-TERM INVESTMENTS	Note	(Unaudited) 31 March 2022	(Audited) 30 June 2021
			----- (Rupees) -----	

Investments in pension schemes - related parties

At fair value through profit or loss	5.1	<u>639,523,549</u>	<u>638,596,952</u>
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5.1 At fair value through profit or loss

Name of the Investee Fund	As at 1 July 2021	Purchased during the period	Redeemed / sold during the period	As at 31 March 2022	As at 31 March 2022 (Unaudited)		
					Carrying value	Market value	Unrealised diminution
					(Number of units)		
					(Rupees)		
Pakistan Pension Fund	805,305	-	-	805,305	311,872,289	317,161,179	5,288,890
Alhamra Islamic Pension Fund	876,129	-	-	876,129	326,724,664	322,362,370	(4,362,294)
					<u>638,596,953</u>	<u>639,523,549</u>	<u>926,596</u>

6	LONG-TERM LOANS AND PREPAYMENTS	Note	(Unaudited) 31 March 2022	(Audited) 30 June 2021
			----- (Rupees) -----	

Loans:

Secured - considered good

- to executives

6.1	<u>13,233,226</u>	4,306,289
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Unsecured - considered good

- to executives

6.2	<u>4,218,456</u>	5,875,024
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- to other employees

6.3	<u>17,451,682</u>	10,181,313
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Less: Current portion of loans

<u>(7,183,682)</u>	(1,869,422)
<u>10,268,000</u>	8,311,891

Prepayments:

Prepaid commission against bachat units

Less: Current portion

9	<u>23,786,978</u>	16,847,454
	<u>(17,209,887)</u>	(10,997,748)
	<u>6,577,091</u>	5,849,706

<u>16,845,091</u>	<u>14,161,597</u>
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6.1 These represent interest based housing finance loans given to executives at the rate ranging from 4.5% to 7.01% per annum for a period of upto 20 years secured against house mortgage.

6.2 These represent interest-free loans for a period of 5 years given to executives as per the terms of employment for the purchase of motor vehicles.

6.3 Based on month end balances, the maximum aggregate balance of loans to executives outstanding at any time during the year was Rs. 18.4 million (June 30, 2021: Rs. 10.55 million).

7	RECEIVABLE FROM RELATED PARTIES -net	Note	(Unaudited) 31 March 2022	(Audited) 30 June 2021
			----- (Rupees) -----	
	Unsecured - considered good			
	Pakistan Income Fund		14,736,461	18,431,896
	MCB Pakistan Stock Market Fund		114,860,804	122,311,547
	MCB Pakistan Sovereign Fund		34,296,529	34,215,894
	Pakistan Capital Market Fund		7,670,687	7,643,048
	Pakistan Pension Fund		8,975,446	8,524,272
	Alhamra Islamic Pension Fund		5,031,703	5,176,771
	Pakistan Cash Management Fund		12,491,805	12,243,674
	Pakistan Income Enhancement Fund		22,705,761	22,733,982
	Pakistan Sarmaya Mehfooz Fund		4,267,360	4,267,360
	MCB Pakistan Asset allocation Fund		38,902,889	37,456,312
	MCB Cash Management Optimizer		64,039,983	64,482,664
	MCB DCF Income Fund		140,042,887	137,055,740
	Alhamra Islamic Money Market Fund		4,697,849	4,532,405
	Alhamra Islamic Stock Fund		21,336,488	23,772,572
	Alhamra Islamic Asset Allocation Fund		14,813,175	15,909,125
	Alhamra Islamic Income Fund		17,821,753	14,454,260
	Alhamra Daily Dividend Fund		1,716,482	435,889
	Al-Hamra Smart Portfolio		20,560	9,888
		7.1	528,428,621	533,657,299
	Advisory fee on account of discretionary portfolio management			
	Adamjee Life Assurance Company Limited		16,534,128	10,279,237
			<u>544,962,749</u>	<u>543,936,536</u>
7.1	The above amounts includes Federal Excise Duty amounting to Rs 407.16 million (30 June 2021: Rs 407.16 million) which has been accrued by the Company and is receivable from the funds under its management. The matter is further explained in note 12 to the condensed interim financial statements.			
8	DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES	Note	(Unaudited) 31 March 2022	(Audited) 30 June 2021
			----- (Rupees) -----	
	Deposits		-	75,000
	Prepayment		21,427,767	28,700,309
	Other receivables			
	Advisory fee on account of discretionary portfolio management		15,975,484	23,005,861
	Commission receivable		422,938	4,217,311
	Others		211,601	197,640
			16,610,023	27,420,812
	Provision against advisory fee	8.1	(12,402,117)	(12,402,117)
			<u>25,635,673</u>	<u>43,794,004</u>
8.1	Movement in provision			
	Opening balance		12,402,117	12,402,117
	Provision made during the period		-	-
	Closing balance		<u>12,402,117</u>	<u>12,402,117</u>

9 SHORT-TERM INVESTMENTS

	Note	(Unaudited) 31 March 2022	(Audited) 30 June 2021
Investment in Collective Investment Schemes - related parties			
At fair value through profit or loss	9.1	515,610,882	685,758,449
Investment in Shares	9.2	<u>265,000</u>	<u>-</u>
		515,875,882	685,758,449

9.1 At fair value through profit or loss

Name of the Investee Fund	As at 1 July 2021	Purchased during the period	Redeemed / sold during the period	As at 31 March 2022	As at 31 March 2022 (Unaudited)		
					Carrying value	Market value	Unrealised appreciation / (diminution)
					----- (Rupees) -----		
----- (Number of units) -----					----- (Rupees) -----		
MCB Cash Management Optimizer	64,767	35,503,858	30,947,779	4,620,846	183,247,580	183,929,872	682,292
MCB Pakistan Stock Market Fund	1,415,390	742,947	1,415,391	742,946	75,000,000	73,241,858	(1,758,142)
Alhamra Islamic Stock Fund	2,164,502	-	-	2,164,502	24,437,229	22,554,113	(1,883,117)
Pakistan Income Fund	7,152,428	8,753,800	15,906,228	-	-	-	-
Alhamra Smart Portfolio	1,200,000	-	-	1,200,000	119,852,520	122,477,520	2,625,000
MCB Pakistan Sovereign Fund	-	1,802,776	1,802,776	-	-	-	-
Pakistan Cash Management Fund	-	8,671,793	5,894,856	2,776,938	6,145,929	6,145,929	-
Alhamra Islamic Money Market Fur	-	-	-	-	-	-	-
MCB Pakistan Asset Allocation Fur	-	1,572,494	307,912	1,264,582	108,565,501	107,261,590	(1,303,910)
					517,248,759	515,610,882	(1,637,877)

- 9.2 Mutual Funds Association of Pakistan (MUFAP) is in process of being converted into a Self-Regulatory Organisation (SRO) for the purpose of which Asset Management Companies (AMCs) being member of MUFAP contributed equally in the paid up capital. The Company has invested in 26,500 shares of MUFAP at Rs. 10 per share amounting to Rs. 265,000.

10 ADVANCE TAX - NET OF PROVISIONS

Income tax refundable includes assessed refunds for the tax years 2008, 2009, 2010, 2011 and 2013. The income tax returns upto the tax year 2021 have been filed under the self assessment scheme and are deemed to be finalised under section 120 of the Income Tax Ordinance, 2001.

	Note	(Unaudited) 31 March 2022	(Audited) 30 June 2021
11 DEFERRED TAX LIABILITY - NET		----- (Rupees) -----	
Deferred tax liability on taxable temporary differences			
- Intangible assets		77,184,171	75,190,106
- Right of use asset		13,197,625	13,635,390
- Investments at fair value through profit or loss		-	1,768,869
		90,381,796	90,594,365
Deferred tax asset on deductible temporary differences			
- Property and equipment		(5,854,248)	(4,328,055)
- Finance cost on discounted loans		(858,410)	(891,989)
- Provision against advisory fee		(3,596,614)	(3,596,614)
- Investments at fair value through profit or loss		(122,051)	-
- Intangible assets		-	-
- Lease liabilities		(13,625,821)	(14,601,085)
		(24,057,144)	(23,417,743)
		<u>66,324,652</u>	<u>67,176,622</u>

12 TRADE AND OTHER PAYABLES	Note	(Unaudited) March 31, 2022	(Audited) June 30, 2021
		-----Rupees-----	
Accrued expenses and other payables		102,532,139	123,429,377
Sindh Workers' Welfare Fund	12.1	54,169,050	48,669,050
Withholding tax payable		850,669	2,958,091
Indirect taxes and duties payable	0.0	450,310,333	419,057,465
Payable to facilitators / distributors		46,375,962	56,069,206
		<u>654,238,153</u>	<u>650,183,189</u>

- 12.1 Through Finance Act, 2008, the Federal Government introduced amendments to the Workers' Welfare Fund (WWF) Ordinance, 1971, whereby the definition of industrial establishment was extended. The amendments were challenged at various levels and conflicting judgments were rendered by the Lahore High Court, Sindh High Court and Peshawar High Court. Appeals against these orders were filed in the Supreme Court of Pakistan.

The Supreme Court of Pakistan vide its order dated November 10, 2016 has held that the amendments made in the law introduced by the Federal Government for the levy of Workers' Welfare Fund was not in the spirit of law as this is not in the nature of tax and therefore could not have been introduced through the money bill. The Federal Board of Revenue has filed review petitions against the above judgment which are currently pending with the Supreme Court of Pakistan.

In light of the judgment passed by the Supreme Court of Pakistan, the Management believes that the Company is not liable to pay any amounts under the Workers' Welfare Fund Ordinance, 1971, and accordingly an amount of Rs. 14.442 million was reversed on January 12, 2017. Further, as a consequence of the 18th Amendment to the Constitution, levy for Workers' Welfare was also introduced by the Government of Sindh (SWWF) which was effective from July 1, 2014. The Company believes that contribution to Workers' Welfare Fund under the Sindh Workers' Welfare Act, 2014 is not applicable on the Company as it is not a Financial Institution as required under SWWF Act, 2014.

However, out of abundant caution, the management has decided to provide for SWWF with effect from July 1, 2014 and has maintained a provision of Rs. 52.7 million as at December 31, 2021.

- 12.2 As per the requirements of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Management Company has been applied effective June 13, 2013 on assets under its management (related parties). The Management Company is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED may result in double taxation, which does not appear to be the spirit of law.

The matter has been collectively taken up by the Management Company jointly with other Asset Management Companies together with their respective Collective Investment Schemes through their trustees, through a Constitutional Petition filed in the Honorable Sindh High Court (SHC) on September 4, 2013 challenging the levy of FED. The Sindh High Court in its decision dated 16 July 2016 maintained the previous order passed against other constitutional petition whereby levy of FED has been declared to be 'Ultra Vires' the Constitution. The Deputy Commissioner Inland Revenue has filed an appeal against the said SHC order in the Honorable Supreme Court of Pakistan and thus the Company is carrying liability for Federal Excise Duty (FED) amounting to Rs. 412.88 million (June 30, 2021: Rs. 399.6 million) as a matter of abundant caution. This amount has also been classified as a balance receivable from related parties (in Note 7) and would be payable only after the final verdict as explained above and when received from the funds.

13 MANAGEMENT FEE / INVESTMENT ADVISORY FEE

Note	(Unaudited) Nine months ended		(Unaudited) Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Rupees		Rupees	
From Collective Investment Schemes - related parties	658,176,777	578,549,770	194,845,753	207,348,032
From Discretionary Portfolio	58,707,800	41,355,632	19,251,442	19,251,442
	716,884,577	619,905,402	214,097,195	226,599,474
Less: Indirect taxes and duties on management fees	(82,473,448)	(71,316,551)	(24,630,651)	(26,068,966)
	634,411,129	548,588,851	189,466,544	200,530,508

Note	(Unaudited) Nine months ended		(Unaudited) Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2022
	Rupees		Rupees	
13.1 From Collective Investment Schemes - related parties				
MCB Cash Management Optimizer	72,689,922	85,361,008	21,213,627	29,915,564
MCB Pakistan Asset Allocation Fund	27,710,333	24,607,254	7,265,196	8,524,468
MCB DCF Income Fund	53,318,704	51,343,969	17,714,913	15,969,726
Alhamra Islamic Income Fund	28,049,692	18,975,317	11,705,234	6,433,308
MCB Pakistan Sovereign Fund	6,111,987	10,127,898	1,993,717	2,488,654
Pakistan Capital Market Fund	11,854,938	8,973,553	3,048,629	3,660,607
Pakistan Cash Management Fund	9,696,876	2,874,641	3,229,264	1,457,427
Pakistan Income Enhancement Fund	8,589,444	5,176,797	2,731,006	2,336,145
Pakistan Income Fund	60,248,008	28,331,996	14,305,493	14,889,553
Alhamra Islamic Asset Allocation Fund	62,953,636	46,860,658	19,429,435	19,502,539
MCB Pakistan Stock Market Fund	195,438,556	191,495,120	58,512,192	65,709,606
Alhamra Islamic Stock Fund	56,852,505	58,774,424	16,905,685	20,698,835
Alhamra Islamic Money Market Fund (Formerly: MCB Pakistan)	15,072,865	-	-	-
Al Hamra Islamic Active Asset Allocation Fund - Plan I	-	1,789,570	-	1,485,639
Al Hamra Islamic Active Asset Allocation Fund - Plan II	-	38,678	-	0
Alhamra Daily Dividend Fund	6,114,490	36,246	2,264,542	5,518
Alhamra Smart Portfolio	49,879	5,093,413	19,189	1,226,225
	614,751,835	539,860,542	180,338,122	194,303,814
From Pension Schemes - related parties				
Pakistan Pension Fund	26,035,005	21,071,017	14,398,239	7,337,548
Pakistan Islamic Pension Fund	17,389,937	11,410,889	109,392	4,119,049
	43,424,942	32,481,906	14,507,631	11,456,597
13.2	658,176,777	572,342,448	194,845,753	205,760,411

13.2 Management fee from open-end Collective Investment Schemes is calculated by charging the specified rates to the net asset value / income of such schemes as at the close of business of each calendar day. In accordance with Regulation 61 of the NBFC Regulations, 2008, the fee so charged to Collective Investment Schemes shall be within allowed expense ratio limit and shall not exceed the maximum rate of management fee disclosed in the Offering Document.

13.3 The Company is managing investments under discretionary portfolio management agreement. Investment advisory fee from the discretionary portfolios is calculated on a daily / monthly basis by charging specified rates to the net asset value of the portfolios as stated in the respective agreements with the clients. The details of these portfolios are given in note 1.4 of these condensed interim financial statements.

14 ADMINISTRATIVE AND OPERATING EXPENSES

	(Unaudited) Nine months ended		(Unaudited) Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Rupees		Rupees	
Salaries, allowances and other benefits	234,831,510	231,506,311	78,668,579	82,216,676
Legal and professional charges	8,830,396	10,592,158	3,925,867	4,785,581
Traveling and conveyance charges	3,408,578	835,647	2,814,205	342,500
Rent, utilities, repairs and maintenance	65,840,242	51,407,384	17,016,236	19,651,629
Office supplies	2,091,525	1,529,615	1,266,856	522,120
Auditors' remuneration	2,150,546	2,732,536	675,144	700,844
Directors' meeting fee	6,825,000	7,200,000	2,475,000	1,575,000
Insurance	2,755,606	1,388,976	1,779,340	351,103
Depreciation	35,453,654	15,481,914	19,002,514	3,497,931
Amortisation	6,573,220	9,039,788	1,549,456	2,900,113
Stamp duty and taxes	-	6,750	-	-
Registrar fee	1,289,091	464,445	489,895	137,595
Printing and stationery	3,160,642	3,384,131	1,076,793	761,299
Telephone expenses	3,767,411	3,845,271	933,375	1,384,081
Entertainment expenses	3,362,208	2,425,078	1,541,692	843,493
Books, periodicals, subscription and training	15,322,694	17,193,577	4,700,119	4,239,085
Impairment on property and equipment	-	4,768,237	-	4,768,237
Sindh Workers' Welfare Fund	5,500,000	7,400,000	1,500,000	2,000,000
	401,162,323	371,201,819	139,415,071	130,677,286
Charged to Collective Investment Schemes (CISs)	(49,901,890)	(48,821,024)	(17,893,856)	(14,227,527)
	351,260,433	322,380,795	121,521,215	116,449,759

- 14.1 The SECP vide S.R.O No. 1160 (1) / 2015 dated 25 November 2015 as amended through SRO 639 (i) / 2019 dated 20 June 2019 introduced amendments in the NBFC Regulations. As a result of these amendments, the management company may charge fees and expenses pertaining to registrar services, accounting, operations and valuation services, related to Collective Investment Schemes (CISs). Accordingly, expenses amounting to Rs. 49.9 million (31 March 2021: Rs. 48.82 million) have been charged by the Company to the respective CISs under its management.

- 14.2 This includes depreciation charged on right of use assets pertaining to head office amounting to Rs. 13.3 million and Rs.4.4 million for nine months and quarter ended respectively.

15 SELLING AND DISTRIBUTION EXPENSES

SECP vide its Circular 40/2016 dated December 30, 2016, prescribed certain conditions on Asset Management Companies (AMCs) for charging of selling and marketing expenses to open end equity, asset allocation and index funds initially for a period of three years (from January 1, 2017 till December 31, 2019) for opening of new branches in cities, except Karachi, Lahore, Islamabad and Rawalpindi. The said condition was amended through Circular No. 11 of 2019 dated June 5, 2019, according to which an AMC may charge selling and marketing expenses to all types of open end mutual funds except for Fund of Funds against the cost pertaining to opening and maintenance of all branches in all cities. Under this circular, expenses amounting to Rs. Rs. 203.17 million (March 31, 2021: Rs. 208.3 million) have been charged by the Company to the aforesaid funds under its management.

16 CONTINGENCIES AND COMMITMENTS

The contingencies and commitments of the Company disclosed in the annual audited financial statements as at June 30, 2021 have remained unchanged during the period, except for the following:

During the year ended June 30, 2021, the Sindh Revenue Board (SRB) issued a Show Cause Notice (SCN) on April 15, 2021 on account of short payment of Sindh Sales Tax amounting to Rs. 9.97 million pertaining to tax periods July 2015 till June 2016. On December 13, 2021, Order was passed by Assistant Commissioner SRB whereby demand of Rs.10.4 million was raised. The Company, being aggrieved, filed an appeal with Commissioner Appeals SRB. The Company also filed Stay Application in front of Honourable High Court of Sindh (SHC) and the Stay Order was duly granted by SHC on January 17, 2022. On February 02, 2022, Commissioner Appeals SRB passed Order against the Company. The Company, being aggrieved with said Order, filed Appeal before Appellate Tribunal SRB along with filing of Stay Application before SHC which was duly granted by SHC.

On June 05, 2017, the Company received an Order passed by the Assistant Commissioner - Sindh Revenue Board [AC,SRB] wherein a demand of Sindh Sales Tax of Rs.10.62 million along with penalty of Rs. 6.33 million and default surcharges (to be calculated at the time of payment) was established for short levy and payment of Sindh Sales Tax on its services and for claiming inadmissible input tax during tax periods from July 2011 to June 2015. An appeal against the aforesaid order was filed before the Commissioner Appeals-SRB who upheld the order of the Assistant Commissioner, SRB in its Appellate Order. An appeal had been filed before the Appellate Tribunal, SRB against aforesaid Order of the Commissioner Appeals, SRB. The Appellate Tribunal, SRB has remanded back the case to the Commissioner Appeals - SRB to pass fresh speaking order after verifying the records on merit. During the year ended 30 June 2021, Commissioner Appeals - SRB issued an Order on June 28, 2021 whereby the demand raised by AC SRB amounting to Rs. 10.62 million was confirmed in totality. The Company, being aggrieved with said order, filed appeal before the Appellate Tribunal, SRB against aforesaid order. The Stay was granted by Appellate Tribunal on 06 July 2021. Since time period for which Stay could be granted by Appellate Tribunal was exhausted, during the period under review, the Company filed Stay Application in front of Sindh High Court (SHC) which was duly granted by SHC.

17 TRANSACTIONS WITH RELATED PARTIES

MCB Bank Limited (MCB) holds 51.33% ordinary shares of the Company as at the period end. Therefore, all subsidiaries and associated undertakings of MCB are related parties of the Company. Other related parties comprise of Arif Habib Corporation Limited with a holding percentage of 30%, companies having common directorship, collective investment schemes and voluntary pension schemes managed by the Company, directors, key management personnel and their close family members and retirement benefit plan. The transactions with related parties are in the normal course of business and are carried out at contracted rates and terms. Details of such transaction are as follows:

17.1 Transactions with related parties during the period

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	Half Year ended	
			31 Mar 2022	31 Mar 2021
			(Rupees)	
MCB Bank Limited	Parent company with 51.33% Holding	Commission and other expenses	26,410,444	24,205,878
		Profit on bank deposits	1,116,518	825,024
		Branch sharing expenses	2,648,124	2,188,530
		Rent as per rental agreement	3,840,000	2,400,000
		Dividend paid	175,544,648	166,305,456
		Sale proceeds on disposal of fixed assets	-	-
		Financial charges	165,438	397,567
MCB Islamic Bank Limited	Subsidiary of Parent Company	Bank charges	-	-
		Profit on bank deposits	11,067	8,288
Nishat Real Estate Development Company (Pvt) Limited	Group Company of Parent Company	Rent as per rental agreement	-	1,078,736
Adamjee Life Assurance Company Limited	Group Company of Parent Company	Investment advisory fee	23,934,083	20,979,998
		Amount paid against insurance	368,188	2,536,337
Adamjee Insurance Company Limited	Group Company of Parent Company	Amount paid against insurance	16,430,029	18,814,140
		Dividend paid	25,944,500	24,579,000
		Rent as per rental agreement	21,801,656	15,152,500
Dolmen City REIT	Group Company of Associated Company	Investment advisory fee	-	-
Nishat Mills Limited	Group Company of Parent Company	Gain on disposal	-	-
Arif Habib Corporation Limited	Associate with 30.09% Holding Company	Dividend paid	102,904,793	97,488,752
MCB Cash Management Optimizer	Funds under management	Management fee	64,327,364	85,361,008
		Investment in units	3,589,769,531	4,053,866,891
		Redemption of units	3,138,580,507	4,609,992,057
		Dividend Income	763,963	12,844,468
		Reimbursement of expenses	18,613,741	20,039,753
		Selling and marketing	26,835,866	-
MCB DCF Income Fund	Funds under management	Management fee	47,184,693	51,343,969
		Share of sales load	4,165,487	1,779,865
		Back end load	2,029,292	-
		Reimbursement of expenses	3,205,351	3,029,143
		Selling and marketing	13,226,275	11,813,657
		Investment in units	-	1,014,790
		Redemption of units	-	1,015,540
Alhamra Islamic Income Fund	Funds under management	Management fee	24,797,205	18,975,316
		Share of sales load	6,358,130	941,122
		Back end load	112,117	55,080
		Sharia fee paid on behalf of the fund	540,000	564,193
		Reimbursement of expenses	5,821,238	4,969,816
		Selling and marketing	6,457,756	8,123,665
		Investment in units	-	-
		Redemption of units	-	-
MCB Pakistan Asset Allocation Fund	Funds under management	Management fee	24,522,420	24,607,255
		Share of sales load	149,080	338,044
		Reimbursement of expenses	833,719	995,786
		Selling and marketing	-	11,084,595
		Back end load	18,090	16,391
		Investment in units	135,000,000	-
		Redemption of units	25,000,000	-
Alhamra Islamic Money Market Fund (Formerly: MCB Pakistan Frequent Payout Fund)	Funds under management	Management fee	13,338,819	1,789,569
		Reimbursement of expenses	141,248	20,640
		Selling and marketing	3,554,199	164,905
		Share of sales load	4,010	28,454
		Sharia fee paid on behalf of the fund	540,000	-
		Investment in units	-	1,867,665,457
		Redemption of units	-	1,867,631,544
		Dividend Income	-	1,388,096
		Other Expenses	1,216,507	1,888,703
Alhamra Islamic Stock Fund	Funds under management	Management fee	50,311,950	58,774,425
		Share of sales load	1,164,714	638,579
		Reimbursement of expenses	2,515,597	2,600,638
		Investment in units	-	-
		Selling and marketing	32,702,767	33,808,297
		Sharia fee paid on behalf of the fund	540,000	564,193
		Back end load	-	-
		Other Expenses	-	-

Name of the related party	Relationship and percentage of shareholding	Nature of transaction	Half Year ended	
			31 Mar 2022	31 Mar 2021
			(Rupees)	
MCB Pakistan Sovereign Fund	Funds under management	Management fee	5,408,837	10,127,898
		Share of sales load	85,845	8,572
		Reimbursement of expenses	537,745	1,054,863
		Selling and marketing	1,931,146	1,476,808
		Investment in units	100,000,000	590,222
		Redemption of units	100,054,083	590,660
MCB Pakistan Stock Market Fund	Funds under management	Management fee	172,954,475	191,495,121
		Share of sales load	3,531,997	3,141,743
		Reimbursement of expenses	8,755,534	8,473,235
		Selling and marketing	113,821,936	110,152,061
		Investment in units	75,000,000	397,420,886
		Redemption of units	140,830,439	235,000,000
		Back end load	-	-
		Other Expenses	-	-
Pakistan Capital Market Fund	Funds under management	Management fee	10,491,096	8,973,553
		Share of sales load	10,058	13,691
		Reimbursement of expenses	341,961	352,851
		Selling and marketing	-	3,879,305
		Other Expenses	-	-
		Redemption of units	-	-
Pakistan Cash Management Fund	Funds under management	Management fee	8,581,305	2,857,367
		Reimbursement of expenses	21,468	914,364
		Share of sales load	85,039	-
		Selling and marketing	2,146,595	-
		Dividend Income	3,049,705	-
		Investment in units	437,646,333	84
		Redemption of units	297,500,404	84
Pakistan Income Enhancement Fund	Funds under management	Management fee	7,601,277	5,176,798
		Share of sales load	878,255	130,784
		Reimbursement of expenses	818,479	520,144
		Investment in units	-	-
		Redemption of units	-	-
		Selling and marketing	165,353	3,195,090
		Back end load	-	-
Pakistan Income Fund	Funds under management	Management fee	53,316,822	28,331,996
		Share of sales load	2,742,610	1,053,307
		Reimbursement of expenses	5,991,169	2,754,708
		Dividend Income	-	-
		Other Expenses	-	-
		Selling and marketing	2,328,550	2,592,765
		Back end load	-	-
		Investment in units	486,000,000	600,237,744
		Redemption of units	881,428,303	338,317,732
Alhamra Islamic Asset Allocation Fund	Funds under management	Management fee	55,711,182	46,860,658
		Share of sales load	743,736	517,809
		Back end load	7,699,575	11,418,762
		Reimbursement of expenses	1,688,218	1,845,365
		Selling and marketing	-	19,427,449
		Sharia fee paid on behalf of the fund	540,000	564,194
Alhamra Islamic Pension Fund	Funds under management	Management fee	15,389,322	15,282,897
		Share of sales load	526,669	300,825
		Contribution to fund on behalf of the employees	18,385,862	15,114,489
Pakistan Pension Fund	Funds under management	Management fee	23,039,826	23,406,327
		Share of sales load	1,242,277	177,510
		Contribution to fund on behalf of the employees	5,437,891	5,230,316
Al-Hamra Islamic Active Asset Allocation Fund	Funds under management	Management fee	-	38,678
		Reimbursement of expenses	-	148,370
Al-Hamra Islamic Active Asset Allocation Fund	Funds under management	Management fee	-	36,245
		Reimbursement of expenses	-	115,582
Al-Hamra Smart Portfolio	Funds under management	Management fee	44,141	-
		Reimbursement of expenses	131,194	-
		Investment in units	-	-
		Share of sales load	790,672	-
Alhamra Daily Dividend Fund	Funds under management	Management fee	5,411,053	5,093,410
		Dividend income	-	276,963
		Investment in units	-	350,235,419
		Redemption of units	-	350,235,419
		Selling and marketing	-	2,587,207
		Reimbursement of expenses	485,230	985,766
		Bank Charges	467,047	574,033
		Share of sales load	3,215,159	60,305

* These are no related parties & are disclosed only for comparative purposes.

17.2 Amount outstanding as at period end

Name of the related	Relationship and percentage of shareholding	Nature of transaction	(Unaudited) 31 Mar 2022	(Audited) 30 June 2021
			(Rupees)	
MCB Bank Limited	Parent company with 51.33% Holding	Bank balance	8,182,572	11,755,764
		Other payable	-	4,380,075
		Commission payable	6,384,588	4,492,704
		Mark-up receivable	-	-
MCB Islamic Bank Limited	Subsidiary of Parent Company	Bank balance	348,991	519,878
		Mark-up receivable	1,422	1,212
Adamjee Life Assurance Company Limited	Group Company of Parent Company	Advisory fee receivable	3,275,745	2,736,923
		Other payable	-	-
Nishat Real Estate Development Company (Pvt.) Ltd.	Group Company of Parent Company	Rent Deposit	-	-
MCB DCF Income Fund	Funds under management	Remuneration receivable	6,557,535	5,605,112
		Sales load receivable	1,340,899	36,252
		Receivable against reimbursement of expenses	386,875	330,685
		Receivable against selling & marketing expenses	4,308,847	3,918,724
		Back end load receivable	455,304	171,540
		Closing balance of investment in units	-	-
		Federal excise duty on remuneration	99,060,437	99,060,437
		Federal excise duty on sales load	27,932,990	27,932,990
MCB Pakistan Asset Allocation Fund	Funds under management	Remuneration receivable	3,510,090	2,158,536
		Sales load receivable	98,365	16,558
		Back end load receivable	-	-
		Receivable against reimbursement of expenses	94,130	80,913
		Receivable against selling & marketing expenses	-	-
		Closing balance of investment in units	107,261,590	-
		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	6,877,466	9,201,283
		Sales load receivable	-	995,781
		Receivable against reimbursement of expenses	2,876,916	-
		Receivable against selling & marketing expenses	-	-
		Federal excise duty on remuneration	54,266,812	54,266,812
		Federal excise duty on sales load	18,788	18,788
		Closing balance of investment in units	183,929,873	6,538,775
Alhamra Islamic Income Fund	Funds under management	Remuneration receivable	4,035,042	1,793,235
		Sales load receivable	1,205,246	325,287
		Back end load receivable	126,693	-
		Receivable against reimbursement of expenses	727,203	608,189
		Receivable against Shariah Fee	60,000	60,000
		Receivable against selling & marketing expenses	-	-
		Federal excise duty on remuneration	8,639,183	8,639,183
		Federal excise duty on sales load	3,028,386	3,028,386
MCB Pakistan Stock Market Fund	Funds under management	Remuneration receivable	19,771,165	23,299,687
		Sales load receivable	449,208	836,859
		Other receivable	-	-
		Closing balance of investment in units	73,241,858	146,676,096
		Receivable against reimbursement of expenses	874,830	1,030,960
		Receivable against selling & marketing expenses	35,058,983	38,437,423
		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	4,558,838	7,651,531
		Sales load receivable	105,140	345,554
		Receivable against reimbursement of expenses	490,477	852,806
		Receivable against selling & marketing expenses	-	-
		Closing balance of investment in units	-	388,253,829
		Federal excise duty on remuneration	9,210,245	9,210,245
		Federal excise duty on sales load	239,199	239,199
		Other receivable	132,561	132,561
MCB Pakistan Sovereign Fund	Funds under management	Remuneration receivable	568,587	663,926
		Sales load receivable	14,167	8
		Receivable against reimbursement of expenses	54,946	63,516
		Receivable against selling & marketing expenses	461,016	290,630
		Federal excise duty on remuneration	29,027,974	29,027,974
		Federal excise duty on sales load	4,169,840	4,169,840
Pakistan Capital Market Fund	Funds under management	Remuneration receivable	1,369,436	1,338,866
		Sales load receivable	83	-
		Receivable against reimbursement of expenses	36,176	39,190
		Receivable against selling & marketing expenses	-	-
		Federal excise duty on remuneration	5,872,250	5,872,250
		Federal excise duty on sales load	392,742	392,742

Name of the related	Relationship and percentage of shareholding	Nature of transaction	(Unaudited) 31 Mar 2022	(Audited) 30 June 2021
			----- (Rupees) -----	
Alhamra Islamic Stock Fund	Funds under management	Remuneration receivable	5,447,963	6,456,723
		Sales load receivable	48,802	81,700
		Receivable against reimbursement of expenses	241,060	285,696
		Receivable against selling & marketing expenses	9,724,508	11,074,298
		Receivable against Shariah Fee	60,000	60,000
		Closing balance of investment in units	22,554,113	24,437,229
		Federal excise duty on remuneration	5,689,242	5,689,242
		Federal excise duty on sales load	124,913	124,913
Pakistan Pension Fund	Funds under management	Remuneration receivable	2,995,354	2,547,807
		Sales load receivable	3,627	-
		Closing balance of investment in units	317,161,185	311,872,289
		Federal excise duty on remuneration	5,976,465	5,976,465

Alhamra Islamic Asset Allocation Fund	Funds under management	Remuneration receivable	6,177,070	7,384,899
		Sales load receivable	82,037	404,315
		Back end load receivable	1,282,272	815,726
		Receivable against reimbursement of expenses	165,650	198,040
		Receivable against selling & marketing expenses	-	-
		Receivable against Shariah Fee	60,000	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	1,997,123	1,874,842
		Sales load receivable	4,248	271,597
		Closing balance of investment in units	322,362,364	326,724,663
		Federal excise duty on remuneration	3,030,332	3,030,332
Pakistan Sarmaya Mahfooz Fund (Matured)	Funds under management	Remuneration receivable	-	-
		Sales load receivable	-	-
		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	558,921	217,783
		Receivable against reimbursement of expenses	-	62,402
		Sales load receivable	-	30,605
		Closing balance of investment in units	6,145,929	-
		Federal excise duty on remuneration	11,932,884	11,932,884
Pakistan Income Enhancement Fund	Funds under management	Remuneration receivable	1,021,998	1,188,734
		Sales load receivable	123,403	20,666
		Back end load receivable	-	-
		Other receivable	132,561	132,561
		Receivable against reimbursement of expenses	91,769	55,991
		Receivable against selling & marketing expenses	-	-
		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	172,378	-
		Sales load receivable	112	7,045
		Receivable against reimbursement of expenses	-	-
		Receivable against selling & marketing expenses	-	-
		Receivable against Shariah Fee	60,000	60,000
		Closing balance of investment in units	-	-
		Others Payable	(747,686)	(1,844,136)
		Federal excise duty on remuneration	840,741	840,741
Al-Hamra Smart Portfolio	Funds under management	Federal excise duty on sales load	3,624,619	3,624,619
		Remuneration receivable	6,587	3,298
		Receivable against reimbursement of expenses	13,973	6,590
		Closing balance of investment in units	122,477,520	119,852,520
Alhamra Daily Dividend Fund	Funds under management	Sales load receivable	-	-
		Remuneration receivable	1,035,957	433,744
		Payable against bank charges	(5,949)	(32,653)
		Receivable against reimbursement of expenses	-	-
		Receivable against selling & marketing expenses	-	-
		Closing balance of investment in units	-	-
		Sales load receivable	680,525	2,145

18 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and 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.

The fair values of investments in units of open-end collective investment schemes and pension schemes are based on the net assets value announced by the Company at each reporting date.

The estimated fair value of all other assets and liabilities is considered not to be significantly different from their carrying values as the items are either short-term in nature or are periodically repriced.

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 1];

- 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) [level 2]; and

- Level 3

inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) [level 3].

The table below analyses financial instruments measured at the end of the reporting period by the level in the fair value hierarchy into which the fair value measurement is categorized:

On-balance sheet financial instruments	31 March 2022 (Unaudited)				Fair value			
	Fair value through profit or loss	Carrying amount Amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
	(Rupees)							
Financial assets measured at fair value								
Long-term investments	639,523,549	-	-	639,523,549	639,523,549	-	-	639,523,549
Short-term investments	515,875,882	-	-	515,875,882	515,610,882	-	265,000	515,875,882
	<u>1,155,399,431</u>	<u>-</u>	<u>-</u>	<u>1,155,399,431</u>	<u>1,155,134,431</u>	<u>-</u>	<u>265,000</u>	<u>1,155,399,431</u>

Financial assets not measured at fair value

18.1								
Long-term loans	-	10,268,000	-	10,268,000				
Long-term deposits	-	5,504,103	-	5,504,103				
Receivable from related parties	-	544,962,749	-	544,962,749				
Loans and advances	-	44,075,999	-	44,075,999				
Deposits and other receivables	-	25,635,673	-	25,635,673				
Accrued mark-up	-	35,514	-	35,514				
Cash and Bank balances	-	37,760,280	-	37,760,280				
	<u>-</u>	<u>668,242,318</u>	<u>-</u>	<u>668,242,318</u>				

Financial liabilities not measured at fair value

18.1								
Trade & other payables	-	-	148,908,102	148,908,102				
Unclaimed dividend	-	-	5,455,400	5,455,400				
	<u>-</u>	<u>-</u>	<u>154,363,502</u>	<u>154,363,502</u>				

On-balance sheet financial instruments

Note	30 June 2021 (Audited)				Fair value			
	Fair value	Amortized	Other financial	Total	Level 1	Level 2	Level 3	Total
	(Rupees)							
Financial assets measured at fair value								
Long-term investments	638,596,952	-	-	638,596,952	638,596,952	-	-	638,596,952
Short-term investments	685,758,449	-	-	685,758,449	685,758,449	-	-	685,758,449
	<u>1,324,355,401</u>	<u>-</u>	<u>-</u>	<u>1,324,355,401</u>	<u>1,324,355,401</u>	<u>-</u>	<u>-</u>	<u>1,324,355,401</u>

Financial assets not measured at fair value

18.1								
Loans	-	10,181,313	-	10,181,313				
Long-term deposits	-	4,994,903	-	4,994,903				
Receivable from related parties	-	543,936,536	-	543,936,536				
Deposits and other receivables	-	15,093,695	-	15,093,695				
Accrued mark-up	-	22,487	-	22,487				
Cash and bank balances	-	43,929,106	-	43,929,106				
	<u>-</u>	<u>618,158,040</u>	<u>-</u>	<u>618,158,040</u>				

Financial liabilities not measured at fair value

18.1								
Trade & other payables	-	-	4,672,994	4,672,994				
Unclaimed dividend	-	-	179,498,583	179,498,583				
	<u>-</u>	<u>-</u>	<u>184,171,577</u>	<u>184,171,577</u>				

During the period ended 31 March 2022, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

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

19 GENERAL

19.1 Corresponding figures

Corresponding figures have been rearranged and reclassified for the purposes of comparison and better presentation. No significant reclassification was made in this condensed interim financial statements during the current period.

19.2 Date of authorisation for issue

This condensed interim financial information was authorised for issue on **16 April 2022** by the Board of Directors of the Company.

Chief Executive Officer

Chief Financial Officer

Director