



MCB FUNDS
Investments for Life

ANNUAL REPORT 2024

Funds Under Management of
MCB Investment Management Limited



ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND

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FUND'S INFORMATION

Management Company	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	
Board of Directors	Mr. Haroun Rashid Mr. Shoaib Mumtaz Mr. Khawaja Khalil Shah Mr. Ahmed Jahangir Mr. Manzar Mushtaq Mr. Fahd Kamal Chinoy Syed Savail Meekal Hussain Ms. Mavra Adil Khan	Chairman Director Chief Executive Officer Director Director Director Director Director
Audit Committee	Syed Savail Meekal Hussain Mr. Ahmed Jahangir Mr. Manzar Mushtaq	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Fahd Kamal Chinoy Mr. Ahmed Jahangir Mr. Shoaib Mumtaz Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah	Chairman Member Member Member Member
Credit Committee	Mr. Ahmed Jahangir Mr. Manzar Mushtaq Syed Savail Meekal Hussain Mr. Khawaja Khalil Shah	Member Member Member Member
Chief Executive Officer	Mr. Khawaja Khalil Shah	
Chief Operating Officer & Chief Financial Officer	Mr. Muhammad Asif Mehdi Rizvi	
Company Secretary	Mr. Altaf Ahmiad Faisal	
Trustee	Digital Custodian Company Limited 4th Floor, Pardesi House, Old Queens Road, Karachi, Pakistan Ph: (92-21) 32419770 Fax: (92-21) 32416371 Web: www.digitalcustodian.co	
Bankers	MCB Bank Limited Dubai Islamic Bank Limited	
Auditors	BDO Ebrahim & Co. Chartered Accountants 2nd Floor, Block-C, Lakson Square, Building No.1 Sarwar Shaheed Road, Karachi	
Legal Advisor	Bawaney & Partners 3rd & 4th Floor, 68 C, Lane 13, Bukhari Commercial Area Phase VI, D.H.A., Karachi	
Rating	AM1 Asset Manager Rating assigned by PACRA	
Transfer Agent	MCB Investment Management Limited Adamjee House, 2nd Floor, I.I. Chundrigar Road, Karachi.	

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Smart Portfolio** accounts review for the year ended June 30, 2024.

Economy Review

Fiscal year 2024 marked a period of macroeconomic recovery for Pakistan, averting a looming default brought about by continued economic mismanagement. This turnaround was primarily attributed to Pakistan entering a new IMF program after several months of delay. The government secured a much-needed Stand-by Arrangement (SBA) facility of USD 3.0 billion from the IMF in June 23, and managed to receive timely rollovers from friendly countries. It also showed unwavering commitment to remain compliant with the IMF targets and as a result government was able to successfully complete the program.

The caretaker government took office in August 2023 and immediately faced speculative pressure on the currency, causing it to spike to a record high of 307 in the interbank market. Exchange rate in informal market reached a higher of near 330 PKR/USD reflecting an increase of speculative activity and rampant uncertainty. The government took decisive steps against smuggling of dollar, abuse of Afghan Transit and illegal money dealers in September 2023, which spurred a rapid recovery in the exchange rate. This helped in improving confidence and narrower spreads in open and interbank rates. The authorities also placed mechanisms to strictly monitor exchange rate payments to manage the overall external balance. Combination of both administration measures and steps to discipline external and fiscal accounts helped restore overall stability. The USD PKR close the year at 278.3 appreciating by 2.6% since the start of the year.

Country posted a current account deficit (CAD) of USD 464 million in the first eleven months of the fiscal year 2024 (11MFY24) declining by 88% YoY compared to a deficit of USD 3.8 billion in the corresponding period last year. Narrowing trade deficit was the major contributor towards improving CAD as 11.3% increase in exports coupled with an 2.3% drop in imports led to a 17.0% contraction in the trade deficit. The country's external position improved with SBP's foreign exchange reserves increasing to USD 9.4 billion as of June 2024 compared to USD 4.4 billion at the end of last fiscal year. This was on account of flows from the IMF, friendly countries and multilateral sources.

Headline inflation represented by CPI averaged 23.9% during the fiscal year 2024 compared to 29.0% last year. Inflation remained on the higher side as massive currency depreciation in the prior periods led to surge in food and energy prices. The government also hiked electricity base tariff and gas prices to comply with the IMF conditions, which led to further inflationary pressures. The SBP reduced the policy rate by 150bps to 20.5% in the last monetary policy of the year held on June 10, 2024. The monetary policy noted a significant decline in inflation, resulting in a substantially positive real interest rate, which justifies initiating a monetary easing cycle.

The country's GDP grew by 2.4% in the financial year 2023-24 as compared to -0.2% last year. Agriculture grew by 6.3%, Services and industrial sector witnessed a paltry increase of 1.2% each. Historic high interest rates coupled with political uncertainty were the major culprits behind the subdued industrial and services output. On the fiscal side, FBR tax collection increased by 29.6% in FY24 to PKR 9,285 billion, missing the target by a modest PKR 130 billion.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

Equity Market Review

The stock market witnessed exuberance in fiscal year 2024, as the benchmark KSE-100 increased by staggering 89.2% or 36,992 points, to close at all time high of 78,445 points. This also makes Pakistan the best performing market in the world with USD return of 94.4% in the year.

The bullish momentum continued throughout the year was on account of improvement in macroeconomic indicators after Pakistan entered into the new IMF program. Market participants also cheered the successful completion of all IMF reviews under SBA. Moreover, the successful conclusion of elections in February 2024 brought long due clarity amongst investors. In addition, reaffirmation by the incumbent government to continue structural reforms, along with the intention to enter a longer IMF program, further uplifted sentiment. Lastly, the strength of the local currency post-crackdown on currency smuggling and hoarding, strong corporate profitability, increase in taxes on other asset classes in the budget FY25, and start of monetary easing with 150bps cut, all contributed to the sustainable rally.

During FY24, Foreign investors, Insurance, and Corporates were net buyers with an inflow of USD 141 million, USD 126 million and USD 36 million, respectively. While major selling was witnessed from Banks and Mutual Funds with outflow of USD 141 million and USD 48 million, respectively. During FY24, average trading volumes for KSE-All Index saw an increase of 140.4% to 461 million shares compared to about 191 million shares in the same period last year. Similarly, the average trading value during the period saw a rise of 118.5% over previous year to near USD 55 million.

Banking, Fertilizer, and E&P sector were the major contributors to the index gain adding 13,262/5,074/4,300 points, respectively. Banking sector witnessed broad based rally as entry into the IMF program diminished the probability of local debt restructuring besides strong profitability. Fertilizer sector performed due to better than expected dividends while E&P rallied due to the news of clearance of gas circular debt, which would improve the sector cash flows.

FUND PERFORMANCE

During the period under review, the fund posted a return of 33.61% against 24.83% for the benchmark. The fund was 2.4% invested in Cash, 24.8% in Alhamra Islamic Stock Fund and 72.8% in Alhamra Islamic Income Fund as at June 30, 2024.

The Net Assets of the Fund as at June 30, 2024 stood at Rs. 139 million as compared to Rs. 115 million as at December 31, 2023 registering an increase of 20.87%.

The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 128.9095 as compared to opening NAV of Rs. 110.3383 per unit as at June 30, 2023 an increase of Rs. 18.5712 per unit.

Economy & Market – Future Outlook

Pakistan GDP is expected to rebound to 3.5% in FY25 after a disappointing performance last year where the GDP increased by only 2.4%. The outlook for industrial output is relatively optimistic with an expected growth of 4.0% compared to 1.2% last year. Macroeconomic stability, stable currency and decline in interest rates will help revive the industrial and service sector growth. Agriculture performance is likely to remain on the lower side due to high base effect.

A new staff-level loan agreement has been reached between Pakistan and the International Monetary Fund (IMF) under which the country will receive USD 7.0 billion over 37 months. The final approval of the loan will be given by the IMF Executive Board. Successful continuation of the

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. However, our external position still remains precarious due to debt outflows and our inability to raise funds through international Eurobond or Sukuk. Thus, we would continue to run a sustainable current account this year to stave off external concerns. We expect a CAD of USD 1.0 billion (0.2% of GDP) in FY25 as policy of consolidation is likely to continue under the IMF umbrella.

The USD PKR is expected to remain stable as the government is focusing on improving current account deficit on the back of recovery in export and remittances. Entry into the new IMF program will also increase visibility on the external funding. We expect USD/PKR to close the fiscal year around PKR 311.

The inflation reading has started to come down due to base effect and relatively stable currency. The headline inflation number in June 2024 clocked of 12.6% compared to a high of 38.0% in May 2023. The core inflation also registered a significant slowdown, clocking at 14.1% which is a low of 23 months. The inflation reading is expected to decline to single digits in 1HFY25. Keeping in view the inflationary trends, external and fiscal position we expect interest rate to decline to 14-15% by June 25.

From the capital market perspective particularly equities, the market is still trading at cheap valuations. Market cap to GDP ratio is at 9.8%, a discount of 48% from its historical average of 18.9%. Similarly, Earning Yield minus Risk Free Rate is close to 7.2%, compared to the historical average of 3.0% signifying a deep discount at which the market is trading. The resolution of challenges on external account will help to unlock market potential. We believe a micro view of sectors and stocks will remain important and investment selection should focus on companies, which trade at a deep discount to their intrinsic value. The market is currently trading at PER of 4.7x, while offering a dividend yield of 11.2%.

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

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 64.6% during FY24 to PKR 2,574 billion. Total money market funds grew by about 45.0% since June 2023. Within the money market sphere, conventional funds showed a growth of 33.0% to PKR 629 billion while Islamic funds increased by 58.2% to PKR 679 billion. In addition, the total fixed Income funds increased by about 104.7% since June 2023 to PKR 756 billion while Equity and related funds increased by 52.3% to PKR 255 billion.

In terms of the segment share, Money Market funds were the leader with a share of around 50.8%, followed by Income funds with 37.3% and Equity and Equity related funds having a share of 9.9% as at the end of June 30, 2024.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

Mutual Fund Industry Outlook

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

Our operations remained seamless and given our competitive edge in digital access and online customer experience, we are prepared to get benefits of the growing number of investors available online.

MANAGEMENT COMPANY

On April 18, 2023, MCB Bank Limited (MCB), being the parent company of MCB-Arif Habib Savings and Investments Limited, has acquired 21,664,167 (30.09%) shares of MCB-Arif Habib Savings & Investment Limited (MCB-AH) from Arif Habib Corporation Limited (AHCL). By virtue of this transaction MCB Bank Limited's shareholding in MCB-AH has increased from 36,956,768 (51.33%) shares to 58,620,935 (81.42%) and AHCL no longer holds any shares in MCB-AH.

Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 07, 2023 have resolved via special resolution that the name of the Company be changed from MCB-Arif Habib Savings and Investments Limited to MCB Investment Management Limited and Securities and Exchange Commission of Pakistan (SECP) has approved the change in name on August 15, 2023.

CORPORATE GOVERNANCE

The Fund is committed to implement the highest standards of corporate governance. The Board comprises of eight (8) members including the Chief Executive Officer (CEO) and has a diverse mix of gender and knowledge. The Board consists of 1 female and 7 male directors, categorized as follows:

- 4 Non – Executive Directors;
- 3 Independent Directors; and
- 1 Executive Director (CEO).

The details of above are as under:

Sr. No.	Name	Status	Membership in other Board Committees
1.	Mr. Haroun Rashid	Non-Executive Director	None
2.	Mr. Shoaib Mumtaz	Non-Executive Director	HR&R* Committee
3.	Mr. Ahmed Jahangir	Non-Executive Director	HR&R* Committee Audit Committee

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

4.	Mr. Manzar Mushtaq	Non-Executive Director	Audit Committee
5.	Syed Savail Meekal Hussain	Independent Director	Audit Committee (Chairman)
6.	Mr. Fahd Kamal Chinoy	Independent Director	HR&R* Committee (Chairman)
7.	Ms. Mavra Adil Khan	Independent Director	HR&R* Committee
8.	Mr. Khawaja Khalil Shah	Executive Director	HR&R* Committee

* HR&R stands for Human Resource and Remuneration

Management is continuing to comply with the provisions of best practices set out in the code of corporate governance. The Fund remains committed to conduct business in line with listing regulations of Pakistan Stock Exchange, which clearly defined the role and responsibilities of Board of Directors and Management.

The Board of Directors is pleased to report that:

- a. The financial statements, present fairly the state of affairs, the results of operations, cash flows and changes in equity;
- b. Proper books of accounts of the fund have been maintained;
- c. Appropriate accounting policies as stated in the notes to the financial statements have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment;
- d. International Financial Reporting Standards, as applicable in Pakistan, provisions of the Non-Banking Finance Companies (Establishment & Regulations) Rules, 2003, Non-Banking Finance Companies and Notified Entities Regulations, 2008, requirements of the respective Trust Deeds and directives issued by the Securities & Exchange Commission of Pakistan have been followed in the preparation of financial statements.;
- e. The system of internal control is sound in design and has been effectively implemented and monitored with ongoing efforts to improve it further;
- f. There are no significant doubts upon the fund's ability to continue as going concern;
- g. There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations;
- h. The outstanding taxes, statutory charges and duties, if any, have been fully disclosed in the audited financial statements;

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE YEAR ENDED JUNE 30, 2024

- i. The statement as to the value of investments of provident/gratuity and pension fund is not applicable on the Fund but applies to the Management Company; hence no disclosure has been made in the Directors' Report.
- j. As at June 30, 2024, the Company is in compliance with the requirements of Directors' Training Program, as contained in Regulation No. 20 of the Code;
- k. The detailed pattern of shareholding as on June 30, 2024 is annexed;
- l. A formal and effective mechanism is put in place for an annual evaluation of the Board's own performance, members of the Board and Committees of the Board;
- m. The details of attendance of Board of Directors meeting is disclosed in financial statements. Below are the details of committee meetings held during the year ended June 30, 2024:

1. Meeting of the Audit Committee.

During the year, four (4) meetings of the Audit Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings held	Number of meetings		
		Attendance required	Attended	Leave granted
1. Syed Savail Meekal Hussain	4	4	4	0
2. Mr. Ahmed Jahangir	4	4	4	0
3. Mr. Manzar Mushtaq	4	4	4	0

2. Meeting of the Human Resource and Remuneration Committee.

During the year, two (2) meeting of the Human Resource and Remuneration Committee were held. The attendance of each participant is as follows:

Name of Persons	Number of meetings	Number of meetings		
		Attendance required	Attended	Leave granted
1. Mr. Fahd Kamal Chinoy	2	2	2	-
2. Mr. Shoaib Mumtaz	2	2	2	-
3. Mr. Ahmed Jahangir	2	2	1	1
4. Ms. Mavra Adil Khan	2	2	1	1

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- n. No trades in the Units of the Fund were carried out during the year by Directors, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Company Secretary, and Chief Internal Auditor of the Management Company and their spouses and minor children.

EXTERNAL AUDITORS

The Fund's external auditor's **M/s. BDO Chartered Accountants** have retired after completion of audit for Financial Year ended June 30, 2024. The Audit Committee has recommended re-appointment of **M/s. BDO Chartered Accountants** as external auditors of the Fund for financial year ending June 30, 2025 and the Board has also endorsed the recommendation of the Audit Committee. **M/s. BDO Chartered Accountants** has also expressed their willingness to act as the Fund's external auditors.

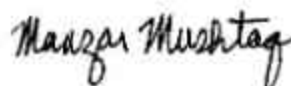
ACKNOWLEDGMENT

The Board is thankful to the Fund's valued investors, the Securities and Exchange Commission of Pakistan and the Trustees of the Fund for their continued cooperation and support. The Directors also appreciate the efforts put in by the management team.

On behalf of Directors,



Khawaja Khalil Shah
Chief Executive Officer
September 25, 2024



Manzar Mushtaq
Director
September 25, 2024

2025 کو ختم ہونے والے مالی سال کے لیے فنڈ کے بیرونی آڈیٹرز کے طور پر دوبارہ انتخاب کیا جائے اور بورڈ نے بھی آڈٹ کمیٹی کی سفارش کی توثیق کی ہے۔ ایم ایس بی ڈی او چارٹرڈ اکاؤنٹنٹس نے بھی فنڈ کے بیرونی آڈیٹرز کے طور پر کام کرنے پر آمادگی ظاہر کی ہے۔

اعتراف

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان اور فنڈ کے ٹرسٹیز کا مسلسل تعاون کا شکریہ ادا کرتا ہے۔ ڈائریکٹرز نے انتظامیہ کی ٹیم کی کوششوں کو بھی سراہا۔

ڈائریکٹرز کی جانب سے،

Mansur Mushtaq

منظر مشتاق

ڈائریکٹر

25 ستمبر 2024

خواجه خلیل شاہ

خواجه خلیل شاہ

چیف ایگزیکٹو آفیسر

25 ستمبر 2024

ڈائریکٹر رپورٹ

جون 2024 کے دوران منعقدہ کمیٹی کے اجلاسوں کی تفصیلات درج ہیں۔

1. آڈٹ کمیٹی کا اجلاس۔

سال کے دوران آڈٹ کمیٹی کے چار (4) اجلاس ہوئے۔ ہر شریک کی حاضری حسب ذیل ہے۔

ملاقاتوں کی تعداد	ملاقاتوں کی تعداد	منعقد ہونے والی	ملاقاتوں کی تعداد	افراد کے نام
مطلوبہ حاضری	حاضری	منظور شدہ رخصت		
4	4	0	4	1 سید سادیل میکان حسین
4	4	0	4	2 جناب احمد جہانگیر
4	4	0	4	3 جناب منظر مشتاق

2۔ ہیومن ریسورس اینڈ ریمونریشن کمیٹی کا اجلاس۔

سال کے دوران ہیومن ریسورس اینڈ ریمونریشن کمیٹی کے دو (2) اجلاس ہوئے۔ ہر شریک کی حاضری حسب ذیل ہے۔

ملاقاتوں کی تعداد	ملاقاتوں کی تعداد	منعقد ہونے والی	ملاقاتوں کی تعداد	افراد کے نام
مطلوبہ حاضری	حاضری	منظور شدہ رخصت		
2	2	-	2	1 جناب فہد کمال چنائے
2	2	-	2	2 جناب شعیب ممتاز
2	1	1	2	3 جناب احمد جہانگیر
2	1	1	2	4 محترمہ ماورا عادل خان

بیرونی آڈیٹرز

فنڈ کے بیرونی آڈیٹر ایم ایس بی ڈی او چارٹرڈ اکاؤنٹنٹس 30 جون 2024 کو ختم ہونے والے مالی سال کے آڈٹ کی تکمیل کے بعد اپنا کام مکمل کر چکے ہیں۔ آڈٹ کمیٹی نے سفارش کی ہے کہ ایم ایس بی ڈی او چارٹرڈ اکاؤنٹنٹس کا 30 جون

d. بین الاقوامی مالیاتی رپورٹنگ کے معیارات، جیسا کہ پاکستان میں لاگو ہوتا ہے، نان بینکنگ فنانس کمپنیز (اسٹیلشمنٹ اینڈ ریگولیشنز) رولز، 2003، نان بینکنگ فنانس کمپنیز اینڈ ٹیلیفونیکیشن 2008، متعلقہ ٹرسٹ ڈیڈز کے تقاضے اور سیکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی جاری کردہ ہدایات کی تعمیل کی گئی ہے۔

e. اندرونی کنٹرول کا نظام مستحکم خطوط پر اسٹوار ہے اور اسے مزید بہتر بنانے کے لیے جاری کوششوں کے ساتھ موثر طریقے سے نافذ اور نگرانی کی گئی ہے۔

f. فنڈ کے کاروبار جاری رکھنے کی صلاحیت میں قسم کے کوئی شبہات نہیں ہیں۔

g. لسٹنگ ریگولیشن میں واضح کردہ کارپوریٹ گورننس کی بہترین رہایات سے کوئی قابل ذکر انحراف نہیں ہوا ہے۔

h. واجب الادائیکس، قانونی چارجز اور ڈیویڈنڈز، اگر کوئی ہیں، مکمل طور پر آؤٹ شدہ مالیاتی گوشواروں میں ظاہر کیے گئے ہیں۔

i. پراویڈنٹ/گریجویٹ اور پنشن فنڈ کی سرمایہ کاری کی قدر کا بیان فنڈ پر لاگو نہیں ہوتا لیکن مینجمنٹ کمپنی پر لاگو ہوتا ہے۔ اس لیے ڈائریکٹرز کی رپورٹ میں کوئی انکشاف نہیں کیا گیا ہے۔

j. 30 جون 2024 تک، کمپنی ڈائریکٹرز کے تربیتی پروگرام کے تقاضوں کی تعمیل کر رہی ہے، جیسا کہ کود کے ریگولیشن نمبر 20 میں موجود ہے۔

k. 30 جون 2024 تک حصص یافتگی کا تفصیلی نمونہ منسلک ہے۔

l. بورڈ کی اپنی کارکردگی، بورڈ کے اراکین اور بورڈ کی کمیٹیوں کی سالانہ جانچ کے لیے ایک باضابطہ اور موثر نظام تقرر کیا گیا ہے۔

m. بورڈ آف ڈائریکٹرز کے اجلاس میں شرکت کی تفصیلات مالیاتی گوشواروں میں ظاہر کی گئی ہیں۔ ذیل میں سال مختصر 30

ڈائریکٹرز رپورٹ

مندرجہ بالا تفصیلات درج ذیل ہیں:

سیریل نمبر	نام	حیثیت	دیگر بورڈ کمیٹیوں میں رکنیت
1	بارون رشید صاحب	ٹان ایگزیکٹو ڈائریکٹر	کوئی نہیں
2	جناب شعیب ممتاز	ٹان ایگزیکٹو ڈائریکٹر	* ایچ آر اینڈ آر کمیٹی
3	جناب احمد جہانگیر	ٹان ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر کمیٹی آڈٹ کمیٹی
4	جناب منظر مشتاق	ٹان ایگزیکٹو ڈائریکٹر	آڈٹ کمیٹی
5	سید سادیل میکال حسین	خود مختار ڈائریکٹر	آڈٹ کمیٹی (چیئرمین)
6	جناب فہد کمال چنائے	خود مختار ڈائریکٹر	آڈٹ کمیٹی (چیئرمین)
7	محترمہ ماورا عادل خان	خود مختار ڈائریکٹر	ایچ آر اینڈ آر کمیٹی
8	جناب خواجہ خلیل شاہ	ایگزیکٹو ڈائریکٹر	ایچ آر اینڈ آر کمیٹی

* ایچ آر اینڈ آر کا مطلب ہیومن ریسورس اور معاوضہ ہے۔

انتظامیہ کارپوریٹ گورننس کے ضابطہ میں متعین بہترین طریقوں کی دفعات کی تعمیل جاری رکھے ہوئے ہے۔ فنڈ پاکستان اسٹاک ایکسچینج کے لسٹنگ قوانین کے مطابق کاروبار جاری رکھنے کے لیے پرعزم ہے، جس میں بورڈ آف ڈائریکٹرز اور انتظامیہ کے کردار اور ذمہ داریوں کی واضح وضاحت کی گئی ہے۔

بورڈ آف ڈائریکٹرز کو یہ اطلاع دیتے ہوئے خوشی ہو رہی ہے کہ:

a. مالیاتی بیانات کمپنی کے معاملات کی صورتحال، اس کی سرگرمیوں کے نتائج، نقد کے آمد و رفت اور ایکویٹی میں تبدیلیوں کی منصفانہ عکاسی کرتے ہیں۔

b. فنڈ کی درست بکس آف اکاؤنٹس تیار کی گئی ہیں۔

c. مالیاتی بیانات کی تیاری میں مناسب اکاؤنٹنگ پالیسیوں کا باقاعدگی کے ساتھ اطلاق کیا گیا ہے اور اکاؤنٹنگ تخمینہ معقول اور محتاط اندازوں پر مبنی ہیں؛

معاهدے کے بعد آمد کا امکان ہے۔ اس مدت کے دوران نسبتاً زیادہ شرح سود مئی مارکیٹ کے فنڈز میں مسلسل بہاؤ کی حوصلہ افزائی کرے گی کیونکہ یہ مختصر مدت کے افق اور کم رسک پروفائل والے سرمایہ کاروں کے لیے مثالی ہیں۔

ہمارے کام بغیر کسی رکاوٹ کے رہے اور ڈیجیٹل رسائی اور آن لائن کسٹمرز کے تجربے میں مسابقتی برتری کے پیش نظر، ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد کے فوائد حاصل کرنے کے لیے تیار ہیں۔

مینجمنٹ کمپنی

18 اپریل 2023 کو ایم سی بی۔عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ (MCB-AH) کی کمپنی ایم سی بی بینک (MCB) نے عارف حبیب کارپوریشن لمیٹڈ (AHCL) سے ایم سی بی۔عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ کے 21,664,167 (30.09 فیصد) حصص حاصل کر لیے ہیں۔ اس پیش رفت کے بعد MCB کی MCB-AH میں حصص یافتگی 36,956,935 (81.42 فیصد) ہو گئی ہے اور AHCL اب MCB-AH میں حصص کا حامل نہیں ہے۔

نتیجاً، کمپنی کے اراکین نے 07 جولائی 2023 کو منعقدہ ایک غیر معمولی جنرل میٹنگ (EOGM) میں خصوصی قرارداد کے ذریعے فیصلہ کیا کہ کمپنی کا نام ایم سی بی۔عارف حبیب سیونکس اینڈ انویسٹمنٹس لمیٹڈ سے ایم سی بی انویسٹمنٹ مینجمنٹ لمیٹڈ میں تبدیل کر دیا جائے اور سکیورٹیز ایکچینج کمیشن آف پاکستان (SECP) نے 15 اگست 2023 کو نام میں تبدیلی کی منظوری دے دی ہے۔

کارپوریٹ گورننس

فنڈ کارپوریٹ گورننس کے اعلیٰ ترین معیارات کو نافذ کرنے کے لیے پرعزم ہے۔ بورڈ آف (8) اراکین پر مشتمل ہے جس میں چیف ایگزیکٹو آفیسر (CEO) شامل ہیں اور اس میں صنف اور علم کا متنوع امتزاج ہے۔ بورڈ (1) خاتون اور (7) حضرات ڈائریکٹرز پر مشتمل ہے، جن کی درجہ بندی درج ذیل ہے:

4. نان-ایگزیکٹو ڈائریکٹرز؛

3. خود مختار ڈائریکٹرز؛ اور

1. ایگزیکٹو ڈائریکٹر (CEO)۔

کینٹل مارکیٹ کے نقطہ نظر سے خاص طور پر ایکویٹیز، مارکیٹ اب بھی سستی قیمتوں پر ٹریڈ کر رہی ہے۔ مارکیٹ کیپ ٹو جی ڈی پی کا تناسب 9.8 فیصد پر ہے، جو اس کی تاریخی اوسط 18.9 فیصد سے 48 فیصد کی چھوٹ ہے۔ اسی طرح، ارنگ بینڈ مائنس رسک فری ریٹ 7.2 فیصد کے قریب ہے، جو کہ 3.0 فیصد کی تاریخی اوسط کے مقابلے میں ایک گہری رعایت کی نشاندہی کرتا ہے جس پر مارکیٹ ٹریڈ کر رہی ہے۔ بیرونی اکاؤنٹ پر چیلنجز کا حل مارکیٹ کی صلاحیت کو کھولنے میں مدد کرے گا۔ ہمیں یقین ہے کہ سیکٹرز اور اسٹاکس کا ایک مائیکرو ویو اہم رہے گا اور سرمایہ کاری کے انتخاب کو ان کمپنیوں پر توجہ مرکوز کرنی چاہیے، جو اپنی اصل قیمت پر گہری رعایت پر تجارت کرتی ہیں۔ مارکیٹ فی الحال 4.7x PER کے ٹریڈ کر رہی ہے، جبکہ 11.2 فیصد کی منافع بخش پیداوار پیش کر رہی ہے۔

قرض ہولڈرز کے لیے، ہم توقع کرتے ہیں کہ منی مارکیٹ فنڈز سال بھر پالیسی کی شرحوں کی بغیر کسی رکاوٹ کے آئینہ دار ہوتے رہیں گے۔ وسط سے طویل مدتی نقطہ نظر کے حامل سرمایہ کار بانڈ اور انکم فنڈز سے فائدہ اٹھا سکتے ہیں جہاں زیادہ مدت سود کی شرح کے نقطہ نظر کے تناظر میں سرمائے میں اضافے کے مواقع پیدا کرے گی۔ ہم نے انکم فنڈز میں سرکاری بانڈز شامل کیے ہیں تاکہ قریب کی مدت میں متوقع مالیاتی نرمی سے فائدہ اٹھایا جاسکے۔

میوچل فنڈ انڈسٹری کا جائزہ

اوپن اینڈ میوچل فنڈز انڈسٹری کے خالص اثاثے مالی سال 2024 کے دوران تقریباً 64.6 فیصد بڑھ کر 2,574 بلین روپے ہو گئے۔ جون 2023 کے بعد سے کل منی مارکیٹ فنڈز میں تقریباً 45.0 فیصد اضافہ ہوا۔ منی مارکیٹ کے دائرے میں، روایتی فنڈز نے 33.0 فیصد اضافے سے بڑھ کر 629 PKR بلین ہو گئے جبکہ اسلامک فنڈز 58.2 فیصد بڑھ کر 679 PKR بلین ہو گئے۔ اس کے علاوہ، کل فیکسڈ انکم فنڈز جون 2023 سے تقریباً 104.7 فیصد بڑھ کر 756 PKR بلین ہو گئے جبکہ ایکویٹی اور متعلقہ فنڈز 52.3 فیصد اضافے سے 255 PKR بلین ہو گئے۔

سیگمنٹ شیئر کے لحاظ سے، منی مارکیٹ فنڈز تقریباً 50.8 فیصد کے شیئر کے ساتھ سرفہرست تھے، اس کے بعد انکم فنڈز 37.3% کے ساتھ اور ایکویٹی اور ایکویٹی سے متعلق فنڈز کا حصہ 9.9 فیصد کے ساتھ 30 جون 2024 کا اختتام ہوا۔

میوچل فنڈ انڈسٹری آؤٹ لک

سود کی شرح میں کمی کی وجہ سے بانڈز اور ایکویٹیز دونوں اگلے سال میں اچھی کارکردگی کا مظاہرہ کریں گے۔ سال کے دوران، انکم فنڈز میں سرمایہ کاروں کی نمایاں دلچسپی پہلے ہی نظر آ رہی ہے جبکہ ایکویٹی فنڈز میں آئی ایم ایف کے نئے

30 جون 2023 کو پانچ میٹ اٹا (NAV) کی قیمت فی یونٹ 110.3383 روپے تھی جب کہ 30 جون 2024 کو یہ فی یونٹ 128.9095 روپے رہی جو 18.5712 روپے فی یونٹ کے اضافے کو ظاہر کرتی ہے۔

معیشت اور مارکیٹ - مستقبل کا آؤٹ لک

پاکستان کی جی ڈی پی گزشتہ سال کی مایوس کن کارکردگی جہاں جی ڈی پی میں صرف 2.4 فیصد اضافہ ہوا تھا اس سال FY24 میں 3.5 فیصد تک واپس آنے کی توقع ہے۔ گزشتہ سال 1.2 فیصد کے مقابلے میں 4.0 فیصد کی متوقع نمو کے ساتھ صنعتی پیداوار کے لیے آؤٹ لک نسبتاً پر امید ہے۔ معاشی استحکام، مستحکم کرنسی اور شرح سود میں کمی سے صنعتی اور سروس سیکٹر کی نمو کو بحال کرنے میں مدد ملے گی۔ اعلیٰ بنیاد کے اثر کی وجہ سے زراعت کی کارکردگی خچل طرف رہنے کا امکان ہے۔

پاکستان اور انٹرنیشنل مانیٹری فنڈ (آئی ایم ایف) کے درمیان عملے کی سطح پر قرض کا نیا معاہدہ طے پا گیا ہے جس کے تحت ملک کو 37 ماہ کے دوران 7.0 بلین امریکی ڈالر ملیں گے۔ قرض کی حتمی منظوری آئی ایم ایف کا ایگزیکٹو بورڈ دے گا۔ آئی ایم ایف پروگرام کا کامیاب تسلسل ایک اہم مثبت ہے کیونکہ یہ ہمیں دوطرفہ اور کثیر جہتی ذرائع سے فنڈنگ حاصل کرنے کی اجازت دے گا۔ تاہم، قرضوں کے اخراج اور بین الاقوامی یورو بانڈ یا سکوک کے ذریعے فنڈز اکٹھا کرنے میں ہماری ناکامی کی وجہ سے ہماری بیرونی پوزیشن اب بھی غیر یقینی ہے۔ اس طرح، ہم بیرونی خدشات کو دور کرنے کے لیے اس سال ایک پائیدار کرنٹ اکاؤنٹ چلاتے رہیں گے۔ ہمیں مالی سال 25 میں 1.0 USD بلین (GDP کا 0.2%) کی CAD کی توقع ہے کیونکہ IMF کی چھتری کے تحت استحکام کی پالیسی جاری رہنے کا امکان ہے۔

PKR USD کے مستحکم رہنے کی توقع ہے کیونکہ حکومت برآمدات اور ترسیلات زر میں بحالی کی پشت پر کرنٹ اکاؤنٹ خسارے کو بہتر بنانے پر توجہ دے رہی ہے۔ آئی ایم ایف کے نئے پروگرام میں داخلے سے بیرونی فنڈنگ کی نمائش میں بھی اضافہ ہوگا۔ ہمیں توقع ہے کہ PKR/USD مالی سال کو 311 PKR پر بند کرے گا۔

بنیادی اثر اور نسبتاً مستحکم کرنسی کی وجہ سے افراط زر کی شرح میں کمی آنا شروع ہو گئی ہے۔ جون 2024 میں ہیڈ لائن افراط زر کی تعداد مئی 2023 میں 38.0 فیصد کی بلند ترین سطح کے مقابلے میں 12.6 فیصد تک پہنچ گئی۔ بنیادی افراط زر میں بھی نمایاں کمی درج کی گئی، جو 14.1 فیصد پر پہنچ گئی جو کہ 23 ماہ کی کم ترین سطح ہے۔ 1HFY25 میں افراط زر کی ریڈنگ سنگل ہندسوں تک گرنے کی توقع ہے۔ افراط زر کے رجحانات، بیرونی اور مالیاتی پوزیشن کو مد نظر رکھتے ہوئے ہم توقع کرتے ہیں کہ 25 جون تک شرح سود 14-15 فیصد تک گر جائے گی۔

ایم ایف پروگرام میں داخل ہونے کے ارادے سے جذبات میں مزید اضافہ ہوا۔ آخر میں، کرنسی کی اسمگلنگ اور ذخیرہ اندوزی کے خلاف کریک ڈاؤن کے بعد مقامی کرنسی کی طاقت، مضبوط کارپوریٹ منافع، بجٹ FY25 میں دیگر اثاثہ جات پر ٹیکسوں میں اضافہ اور 150bps کی کٹوتی کے ساتھ مالیاتی نرمی کا آغاز، سبھی نے پائیدار ریلی میں حصہ ڈالا۔

مالی سال 24 کے دوران، غیر ملکی سرمایہ کار، انشورنس، اور کارپوریٹس بالترتیب 141 USD ملین، 126 USD ملین اور 36 USD ملین کے خالص خریدار تھے۔ جبکہ بینکوں اور میوچل فنڈز سے بالترتیب 141 USD ملین اور 48 USD ملین کی بڑی فروخت دیکھی گئی۔

FY24 کے دوران KSE-ALL INDEX کے لیے اوسط تجارتی حجم میں گزشتہ سال کی اسی مدت میں تقریباً 191 ملین شیئرز کے مقابلے میں 140.4 فیصد اضافے سے 461 پر جا پہنچی۔ اسی طرح، اس مدت کے دوران اوسط تجارتی قدر میں پچھلے سال کے مقابلے میں 118.5 فیصد اضافہ ہوا جو 55 ملین امریکی ڈالر کے قریب پہنچ گیا۔

بینکنگ، فریٹلائزر، اور ای اینڈ پی سیکٹرائڈیکس کے اضافے میں بالترتیب 13,262 / 5,074 / 4,300 پوائنٹس کا اضافہ کرنے والے اہم شراکت دار تھے۔ بینکنگ سیکٹر میں وسیع الہیاد ریلی دیکھنے میں آئی کیونکہ آئی ایم ایف پروگرام میں داخلے نے مضبوط منافع کے علاوہ مقامی قرضوں کی تنظیم نو کے امکانات کو کم کر دیا۔ کھاد کے شعبے نے متوقع منافع سے بہتر کارکردگی کا مظاہرہ کیا جبکہ گیس سرکیور ڈیٹ کی منظوری کی خبروں کی وجہ سے ای اینڈ پی میں تیزی آئی، جس سے سیکٹر کیش فلو میں بہتری آئے گی۔

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران، فنڈ نے 24.83 فیصد کے نیچے مارک ریٹرن کے مقابلے میں 33.61 فیصد کا ریٹرن دیا۔ 30 جون 2024 تک فنڈ کی سرمایہ کاری 2.4 فیصد کیش میں، الحرا اسلامک اسٹاک فنڈ میں 24.8 فیصد اور الحرا اسلامک انکم فنڈ میں 72.8 فیصد کی گئی۔

30 جون 2023 تک فنڈ کے خالص اثاثے 115 ملین روپے تھے جب کہ 30 جون 2024 کو یہ 139 ملین روپے رہے جو 20.87 فیصد کے اضافے کو ظاہر کرتے ہیں۔

مقابلے میں ملک کی بیرونی صورتحال میں بہتری کو ظاہر کرتے ہیں۔ یہ آئی ایم ایف، دوست ممالک اور کثیر جہتی ذرائع سے آنے والے بہاؤ کی وجہ سے تھا۔

مالی سال 2024 کے دوران CPI کی طرف سے پیش کردہ ہیڈ لائن افراط زر کی اوسط 23.9 فیصد رہی جو گزشتہ سال 29.0 فیصد تھی۔ افراط زر کی شرح بلندی پر رہی کیونکہ سابقہ ادوار میں کرنسی کی قدر میں زبردست کمی کی وجہ سے توانائی اور خوراک کی قیمتوں میں اضافہ ہوا۔ حکومت نے آئی ایم ایف کی شرائط پر عمل کرنے کے لیے بجلی کے بنیادی ٹیرف اور گیس کی قیمتوں میں بھی اضافہ کیا، جس سے مہنگائی کا دباؤ مزید بڑھ گیا۔ اسٹیٹ بینک نے 10 جون 2024 کو منعقدہ سال کی آخری مانیٹری پالیسی میں پالیسی ریٹ کو 150bps سے کم کر کے 20.5 فیصد کر دیا۔ مانیٹری پالیسی نے افراط زر میں نمایاں کمی کو نوٹ کیا، جس کے نتیجے میں کافی حد تک مثبت حقیقی سود کی شرح ہوئی، جو مانیٹری سائیکل شروع کرنے کا جواز فراہم کرتی ہے۔

مالی سال 2023-24 میں ملک کی جی ڈی پی میں گزشتہ سال 0.2 فیصد کے مقابلے میں 2.4 فیصد اضافہ ہوا۔ زراعت میں 6.3 فیصد اضافہ ہوا، خدمات اور صنعتی شعبے میں ہر ایک میں 1.2 فیصد کا معمولی اضافہ ہوا۔ دبے ہوئے صنعتی اور خدمات کی پیداوار کے پیچھے سیاسی غیر یقینی صورتحال کے ساتھ تاریخی بلند شرح سود سب سے بڑے مجرم تھے۔ مالیاتی پہلو پر، FBR ٹیکس وصولی مالی سال 24 میں 29.6 فیصد بڑھ کر 9,285 بلین روپے تک پہنچ گئی، جس سے ہدف میں 130 بلین روپے کی معمولی کمی واقع ہوئی۔

ایکویٹی مارکیٹ کا جائزہ

مالی سال 2024 میں اسٹاک مارکیٹ میں جوش و خروش دیکھا گیا، کیونکہ بینچ مارک KSE-100 حیرت انگیز طور پر 89.2 فیصد یا 36,992 پوائنٹس کے اضافے سے 78,445 پوائنٹس کی بلند ترین سطح پر بند ہوا۔ یہ پاکستان کو سال میں 94.4 فیصد امریکی ڈالر کی واپسی کے ساتھ دنیا کی بہترین کارکردگی کا مظاہرہ کرنے والی مارکیٹ بھی بناتا ہے۔

پاکستان کے نئے آئی ایم ایف پروگرام میں داخل ہونے کے بعد میکرو اکنامک اشاریوں میں بہتری کی وجہ سے تیزی کی رفتار سال بھر جاری رہی۔ مارکیٹ کے شرکاء نے SBA کے تحت IMF کے تمام جائزوں کی کامیاب تکمیل پر بھی خوشی کا اظہار کیا۔ مزید برآں، فروری 2024 میں انتخابات کے کامیاب اختتام نے سرمایہ کاروں کے درمیان طویل واضح وضاحت کی۔ مزید برآں، موجودہ حکومت کی طرف سے ڈھانچہ جاتی اصلاحات جاری رکھنے کی تصدیق کے ساتھ ساتھ ایک طویل آئی

پیارے سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے مجھے الحمد للہ اسٹارٹ اپ رپورٹ فوئیو کے 30 جون 2024 کو ختم ہونے والے سال کے اکاؤنٹس کا جائزہ پیش کرنے پر خوشی ہے۔

معیشت کا جائزہ

مالی سال 2024 پاکستان کے لیے میکرو اکنامک بحالی کا ایک دور تھا، جس نے مسلسل معاشی بدانتظامی کی وجہ سے ہونے والے ڈیفالٹ کو روک دیا۔ یہ تبدیلی بنیادی طور پر پاکستان کے کئی ماہ کی تاخیر کے بعد آئی ایم ایف کے نئے پروگرام میں داخل ہونے کی وجہ سے تھی۔ حکومت نے 23 جون میں IMF سے 3.0 USD بلین کی انتہائی ضروری اسٹینڈ بائی آرینجمنٹ (SBA) کی سہولت حاصل کی، اور دوست ممالک سے بروقت رول اوور حاصل کرنے میں کامیاب ہوئی۔ اس نے آئی ایم ایف کے اہداف کی تعمیل کرنے کے لیے غیر متزلزل عزم کا بھی اظہار کیا اور اس کے نتیجے میں حکومت نے اس پروگرام کو کامیابی سے مکمل کر لیا۔

نگراں حکومت نے اگست 2023 میں اقتدار سنبھالا اور فوری طور پر کرنسی پر قیاس آرائی کے دباؤ کا سامنا کرتا ہوا، جس کی وجہ سے یہ انٹرنیٹ مارکیٹ میں 307 کی بلند ترین سطح پر پہنچ گئی۔ غیر رسمی مارکیٹ میں زر مبادلہ کی شرح 330 USD / PKR کے قریب پہنچ گئی جو قیاس آرائیوں کی سرگرمیوں میں اضافے اور غیر یقینی کی صورتحال کی عکاسی کرتی ہے۔ حکومت نے ستمبر 2023 میں ڈالر کی اسمگلنگ، افغان ٹرانزٹ کے غلط استعمال اور غیر قانونی کرنسی ڈیلرز کے خلاف فیصلہ کن اقدامات کیے، جس سے شرح مبادلہ میں تیزی سے بحالی ہوئی۔ اس سے اعتماد کو بہتر بنانے میں مدد ملی اور اوپن اور انٹرنیٹ ریٹ میں اسپرڈ کو کم کیا گیا۔ حکام نے مجموعی بیرونی توازن کو منظم کرنے کے لیے شرح مبادلہ کی ادائیگیوں کی سختی سے نگرانی کرنے کے لیے میکانزم بھی بنائے۔ انتظامیہ کے اقدامات اور بیرونی اور مالی کھاتوں کے نظم و ضبط کے اقدامات دونوں کے امتزاج نے مجموعی استحکام کو بحال کرنے میں مدد کی۔ PKR USD سال کے آغاز سے 2.6 فیصد اضافے کے ساتھ 278.3 پر سال کا اختتام ہوا۔

ملک نے مالی سال 2024 (11MFY24) کے پہلے گیارہ مہینوں میں 464 بلین امریکی ڈالر کا کرنٹ اکاؤنٹ خسارہ (CAD) پوسٹ کیا جو گزشتہ سال کی اسی مدت میں 3.8 USD بلین کے خسارے کے مقابلے میں 88 فیصد کم ہے۔ تجارتی خسارہ کم ہوتا CAD کو بہتر بنانے میں اہم کردار ادا کرنے والا تھا کیونکہ برآمدات میں 11.3 فیصد اضافہ اور درآمدات میں 2.3 فیصد کمی سے تجارتی خسارے میں 17.0 فیصد کمی واقع ہوئی۔ جون 2024 تک اسٹیٹ بینک کے زر مبادلہ کے ذخائر بڑھ کر 9.4 بلین امریکی ڈالر ہو گئے جو کہ گزشتہ مالی سال کے اختتام پر 4.4 بلین امریکی ڈالر کے

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

Fund Type and Category

Alhamra Smart Portfolio is a Shariah Compliant Islamic Asset Allocation Plan.

Fund Benchmark

The benchmark for ALHSP is KMI-30 Index and six (6) months average deposit rates of three (3) "A" rated Scheduled Islamic Banks or Islamic Windows of Conventional Banks as selected by the MUFAP on the basis of actual proportion held by the Scheme.

Investment Objective

Alhamra Smart Portfolio is a Shari'ah Compliant Islamic Asset Allocation Plan with an objective to earn a potentially high return through active asset allocation among Shari'ah Compliant Islamic Scheme based on the Fund Manager's outlook of the asset classes.

Manager's Review

The fund posted a return of 33.61% during the period under review against the benchmark return of 24.83%. Equity exposure of the fund at June end was 24.8% which was invested in Alhamra Islamic Stock Fund, while 72.8% of the fund was invested in Alhamra Islamic Income Fund, whereas cash exposure was 2.4%.

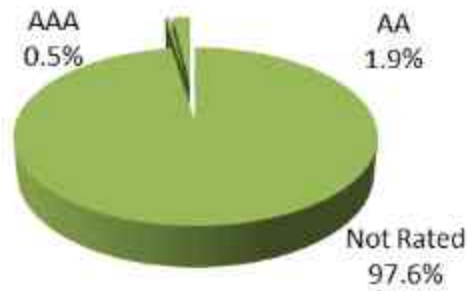
The Net Assets of the fund as at June 30, 2024 stood at Rs. 139 million as compared to Rs. 115 million as at June 30, 2023 registering an increase of 20.9%. The Net Asset Value (NAV) per unit as at June 30, 2024 was Rs. 128.9095 as compared to opening NAV of Rs. 110.3383 per unit as at June 30, 2023 registering an increase of 18.5712 per unit.

Asset Allocation as on June 30, 2024 (% of total assets)

Asset Allocation (%age of Total Assets)	Jun-24
Cash	2.4%
Alhamra Islamic Income Fund	72.8%
Others including receivables	0.0%
Alhamra Islamic Stock Fund	24.8%

REPORT OF THE FUND MANAGER FOR THE YEAR ENDED JUNE 30, 2024

Asset Quality as on June 30, 2024 (% of total assets)



Syed Muhammad Usama Iqbal
Fund Manager

TRUSTEE REPORT TO THE UNIT HOLDERS



REPORT OF THE TRUSTEE TO THE UNIT HOLDERS

ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND

Report of the Trustee Pursuant to Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

Al-Hamra Islamic Active Allocation Fund, an open-end Scheme established under a Trust Deed executed between MCB Investment Management Limited formerly MCB Arif Habib Savings and Investments Limited as Management Company and Digital Custodian Company Limited as Trustee on November 25, 2016. The scheme was approved by Securities & Exchange Commission of Pakistan on December 02, 2016.

1. MCB Investment Management Limited, the Management Company of Al-Hamra Islamic Active Allocation Fund has, in all material respects, managed Al-Hamra Islamic Active Allocation Fund during the year ended June 30, 2024 in accordance with the provisions of the following:
 - (i) Investment limitations imposed on the Asset Management Company and the Trustee under the trust deed and other applicable laws;
 - (ii) the valuation or pricing is carried out in accordance with the deed and any regulatory requirement;
 - (iii) the creation and cancellation of units are carried out in accordance with the deed;
 - (iv) and any regulatory requirement
2. Statement on the shortcoming(s) that may have impact on the decision of the existing or the potential unit holders remaining or investing in the Collective Investment Scheme; and

Statement

No short coming has been addressed during the year ended June 30, 2024.

3. Disclosure of the steps taken to address the shortcoming(s) or to prevent the recurrence of the short coming(s).

Disclosure of the steps

We have critically examine the fund in accordance with circular, directives, NBFC Regulations 2008 and its constitutive documents. However, no shortcoming has been addressed.

D.K.L.

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TRUSTEE REPORT TO THE UNIT HOLDERS



4. Trustee's opinion regarding the calculation of the management fee, CIS Monthly Fee Payable to the Commission and other expenses in accordance with the applicable regulatory framework.

Trustee Opinion

"The Management fee, CIS monthly fee payable to the Commission and other expenses has been accurately calculated in accordance with the NBFC Regulations, 2008 and its constitutive documents".

Dabeer Khan
Manager Compliance
Digital Custodian Company Limited

Karachi: August 20, 2024

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REPORT OF THE SHARIAH ADVISORY BOARD

Karachi: September 23, 2024

REPORT OF THE SHARIAH ADVISORY BOARD

Alhamdulillah, We the Shariah Advisory Board of Alhamra Islamic Active Allocation (the Fund), are issuing this report in accordance with the Offering document of the Fund. The scope of the report is to express an opinion on the Shariah compliance of the Fund's activities.

It is the responsibility of M/s MCB Investment Management Limited, the management company of the fund, to establish and maintain a system of internal controls to ensure compliance with Shariah guidelines. Our responsibility is to express an opinion, based on our review of the representation made by the management, to the extent where such compliance can be objectively verified.

A review is limited primarily to inquire to the Management Company's personnel and review of various documents prepared by the management company to comply with prescribed criteria. In the light of the above, we hereby certify that:

- We have reviewed and approved the modes of investment of Alhamra Islamic Active Allocation Fund (ALHIAAP) in the light of the Shariah guidelines.
- All the provisions of the scheme and investments made on account of ALHIAAP by Management Company are Shariah Compliant and in accordance with the criteria established.
- On the basis of information provided by the Management Company, all the operations of ALHIAAP for the year ended June 30, 2024 have been in compliance with Shariah principles.

May Allah bless us with Tawfeeq to accomplish these cherished tasks, make us successful in this world and in the hereafter, and forgive our mistakes.



Dr Muhammad Zubair Usmani
(Shariah Advisor)



Dr Ejaz Ahmed Samadani
(Shariah Advisor)

For and on behalf of Shariah Advisory Board

SHARIAH COMPLIANCE AUDITOR'S REPORT TO THE UNIT HOLDERS



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Independent Assurance Report on Compliance with the Shariah Governance Regulations, 2023

To the unit holders of Alhamra Islamic Active Allocation Fund (the Fund)

1. Introduction

We have undertaken a reasonable assurance engagement that the Securities and Exchange Commission of Pakistan (SECP) has required in terms of its Shariah Governance Regulations, 2023 (the Regulations) - External Shariah Audit of **Alhamra Islamic Active Allocation Fund (the Fund)** for assessing compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles for the year ended June 30, 2024. This engagement was conducted by a multidisciplinary team including assurance practitioners and independent Shariah scholar(s).

2. Applicable Criteria

The criteria for the assurance engagement, against which the underlying subject matter (financial arrangements, contracts, and transactions having Shariah implications for the year ended June 30, 2024) is assessed, comprise the Shariah principles and rules as defined in the Regulations and reproduced as under.

- i. Legal and regulatory framework administered by the Commission;
- ii. Shariah standards issued by the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), as notified by Commission;
- iii. Islamic Financial Accounting Standards, developed by the Institute of Chartered Accountants of Pakistan, as notified by the Commission;
- iv. Guidance and recommendations of the Shariah advisory committee, as notified by Commission; and
- v. Approvals, rulings or pronouncements of the Shariah supervisory board or the Shariah advisor of the Islamic financial institution, in line with (i) to (iv) above.

The above criteria were evaluated for their implications on the financial statements of the Fund for the year ended June 30, 2024, which are annexed.

3. Management's Responsibility for Shariah Compliance

Management is responsible to ensure that the financial arrangements, contracts, and transactions having Shariah implications, entered into by the Fund with its customers, other financial institutions, and stakeholders, and related policies and procedures, are, in substance and in their legal form, in compliance with the requirements of Shariah rules and principles. The management is also responsible for the design, implementation, and maintenance of appropriate internal control procedures with respect to such compliance and maintenance of relevant accounting records.

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MEMBER OF THE
FORUM OF FIRMS

SHARIAH COMPLIANCE AUDITOR'S REPORT TO THE UNIT HOLDERS



4. Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Chartered Accountants issued by the Institute of Chartered Accountants of Pakistan, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behavior.

The firm applies International Standard on Quality Control 1 "Quality Control for Firms That Perform Audits and Reviews of Historical Financial Information, And Other Assurance and Related Services Engagements" and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

5. Our Responsibility and Summary of the Work Performed

Our responsibility in connection with this engagement is to express an opinion on the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles, in all material respects, for the year ended June 30, 2024, based on the evidence we have obtained. We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements 3000, 'Assurance Engagements other than audits or reviews of historical financial statements', issued by the International Auditing and Assurance Standards Board.

That standard requires that we plan and perform this engagement to obtain reasonable assurance about whether the compliance of the Fund's financial arrangements, contracts, and transactions having Shariah implications with Shariah principles is free from material misstatement.

The procedures selected by us for the engagement depended on our judgment, including the assessment of the risks of material non-compliance with the Shariah principles. In making those risk assessments, we considered and tested the internal control relevant to the Fund's compliance with the Shariah principles in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. We have designed and performed necessary verification procedures on various financial arrangements, contracts, and transactions having Shariah implications and related policies and procedures based on judgmental and systematic samples with regard to the compliance of Shariah principles (criteria specified in para 2 above).

We believe that the evidence we have obtained through performing our procedures was sufficient and appropriate to provide a basis for our opinion.

7. Conclusion

Based on our reasonable assurance engagement, we report that in our opinion, Fund's financial arrangements, contracts, and transactions for the year ended June 30, 2024 are in compliance with the Shariah principles (criteria specified in para 2 above), in all material respects.



UHY Hassan Naeem & Co,
Chartered Accountants
Engagement Partner: Arslan Ahmed
Dated: September 27, 2024

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



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INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS TO THE UNIT HOLDERS' OF ALHAMRA ISLAMIC ACTIVE ALLOCATION FUND

Opinion

We have audited the financial statements of Alhamra Islamic Active Allocation Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2024, and the income statement, the statement of comprehensive income, the statement of movement in unit holders' fund and the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2024, and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Fund in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Following are the Key audit matters:

S.No	Key audit matter(s)	How the matter was addressed in our audit
1.	Existence and valuation of investments As disclosed in note 6 to the accompanying financial statements of the fund for the year ended June 30, 2024, the investments held by the Fund (comprised of open-end mutual funds) amounting to Rs. 136 151 million which represent 98% of the Net Asset Value (NAV) of the Fund. As these investments represent a significant element of the statement of assets and liabilities, any discrepancy in the valuation or existence of investments could cause the NAV to be materially misstated.	Our audit procedures included the following: <ul style="list-style-type: none">We evaluated the design and implementation of key controls over investment, and tested controls over acquisition, disposals and periodic valuation of investments portfolio.We performed substantive audit procedures on year-end balance of open-end mutual funds including review of related reconciliations and re-performance of valuation based on Net Asset Value (NAV) from Mutual Fund Association of Pakistan (MUFAP).

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BDO Ebrahim & Co. Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



S.NO	Key audit matter(s)	How the matter was addressed in our audit
	In view of the significance of these investments in relation to the Fund's total assets and NAV, we considered the existence and valuation of such investments as a key audit matter.	<ul style="list-style-type: none">• We assessed the Fund's compliance with the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) in relation to the investment concentration and exposure limits.• We also evaluated the adequacy of the overall disclosures in the financial statements in respect of the investment, ensuring compliance with the NBFC Regulations and the relevant accounting requirements.

Information other than the financial statements and auditor's report thereon

Management is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management Company and its Board of Directors

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules); the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and accounting and reporting standards as applicable in Pakistan and for such internal control as management determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the management company is responsible for overseeing the Fund's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Management Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Company.
- Conclude on the appropriateness of the Management Company's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Fund to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors of the Management Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors of the Management Company with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors of the Management Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT TO THE UNIT HOLDERS



Report on other legal and regulatory requirements

Based on our audit, we further report that in our opinion the financial statements have been prepared in all material respects in accordance with the relevant provisions of the NBFC rules, the NBFC Regulations and the Trust Deed.

Other Matter

The financial statements of the Fund for the year ended June 30, 2023 were audited by another firm of Chartered Accountants, who expressed an unmodified opinion thereon vide their report dated September 16, 2023.

The engagement partner on the audit resulting in this independent auditor's report is Tariq Feroz Khan.

KARACHI

DATED: 03 OCT 2024

UDIN: AR202410166K1JDCsGgz


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

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BDO Ebrahim & Co. Chartered Accountants

BDO Ebrahim & Co., a Pakistan-registered partnership firm, is a member of BDO International Limited, a UK company limited by guarantee, and is a part of the international BDO network of independent member firms.

STATEMENT OF ASSETS AND LIABILITIES AS AT JUNE 30, 2024

	2024 Alhamra Smart Portfolio	2023 Alhamra Smart Portfolio
Note	(Rupees in '000)	
ASSETS		
Balances with banks	5 3,366	6,789
Investments	6 136,151	108,347
Profit receivable	7 50	85
Total assets	139,567	115,221
LIABILITIES		
Payable to the MCB Investments Management Limited - Management Company	8 6	18
Payable to the Trustee	9 23	24
Payable to the Securities and Exchange Commission of Pakistan	10 11	24
Accrued expenses and other liabilities	11 589	436
Total liabilities	629	502
NET ASSETS	138,938	114,719
REPRESENTED BY		
Unit holders' fund (as per statement attached)	138,938	114,719
Contingencies and commitments	13	
	— (Number of units) —	
NUMBER OF UNITS IN ISSUE	14 1,077,792	1,039,702
	— (Rupees) —	
NET ASSET VALUE PER UNIT	128.9095	110.3383

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

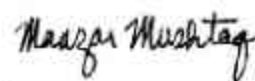
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

INCOME STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

		2024	2023
	Note	(Rupees in '000)	
INCOME			
Realized gain on sale of investments - net		20,006	2,309
Markup on balances with banks		677	884
Dividend income		-	9,434
Net unrealised gain on re-measurement of investments at fair value through profit or loss-net	6.2	16,955	549
Total income		37,638	13,176
EXPENSES			
Remuneration of MCB Investments Management Limited - Management Company	8.1	67	88
Sindh Sales Tax on remuneration to Management Company	8.2	9	11
Remuneration of Digital Custodian Company Limited - Trustee	9.1	250	250
Sindh sales tax on remuneration of the Trustee	9.2	32	32
Securities and Exchange Commission of Pakistan - Annual fee	10.1	119	24
Allocated expenses		29	122
Auditors' remuneration	12	669	519
Printing charges		34	40
Settlement and bank charges		5	4
Listing fee		-	28
Legal and professional charges		191	174
Total expenses		1,405	1,292
Net income for the year before taxation		36,233	11,884
Taxation	15	-	-
Net income for the year		36,233	11,884
Allocation of net income for the year:			
Net income for the year after taxation		36,233	11,884
Income already paid on units redeemed		(1,082)	(1,374)
		35,151	10,510
Accounting income available for distribution:			
- Relating to capital gains		35,151	1,439
- Excluding capital gains		-	9,071
		35,151	10,510

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

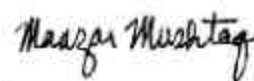
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023
	(Rupees in '000)	
Net income for the year	36,233	11,884
Other comprehensive income	-	-
Total comprehensive income for the year	36,233	11,884

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

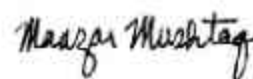
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS FOR THE YEAR ENDED JUNE 30, 2024

	2024		2023			
	Capital Value	Undistributed Income / (loss)	Total	Capital Value	Undistributed Income / (loss)	Total
Net Assets at the beginning of the year	104,077	10,642	114,719	145,277	132	145,409
Issues of 119,498 units of Alhamra Smart Portfolio (2023: 46,493 units of Alhamra Smart Portfolio)						
- Capital value	11,979	-	11,979	6,059	-	6,059
- Element of income	964	-	964	335	-	335
	12,943	-	12,943	6,394	-	6,394
Redemption of 81,407 units of Alhamra Smart Portfolio (2023: 472,558 units of Alhamra Smart Portfolio)						
- Capital value	(8,161)	-	(8,161)	(47,331)	-	(47,331)
- Element of loss	(4)	(1,052)	(1,056)	(253)	(3,274)	(3,527)
	(8,165)	(1,052)	(9,247)	(47,584)	(3,274)	(48,968)
Total comprehensive income for the year	-	36,233	36,233	-	11,884	11,884
Distributions during the year	-	(15,710)	(15,710)	-	-	-
Net Income for the year less distribution	-	20,523	20,523	-	11,884	11,884
Net assets at end of the year	108,855	30,083	138,938	104,077	10,642	114,719
Undistributed Income brought forward comprising of:						
- Realised	10,093				3,131	
- Unrealised	549				(2,599)	
	10,642				332	
Accounting Income available for distribution:						
- Relating to capital gains	55,151				1,439	
- Excluding capital gains	-				9,071	
	55,151				10,510	
Distributions during the year						
Undistributed Income carried forward	(15,710)				-	
	30,083				10,642	
Undistributed Income carried forward comprising of:						
- Realised	13,128				10,093	
- Unrealised	16,955				549	
	30,083				10,642	
Net assets value per unit at beginning of the year						
Net assets value per unit at end of the year						
	128.9095				110.3383	

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

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

CASH FLOW STATEMENT FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
Note	(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the year	36,233	11,884
Adjustments for non cash and other items:		
Realized gain on sale of investments - net	(20,006)	(2,309)
Net unrealised gain on re-measurement of investments at fair value through profit or loss	(16,955)	(549)
Profit on balances with banks	(677)	(884)
Dividend income	-	(9,434)
	(37,638)	(13,176)
Decrease in assets		
Investments - net	9,157	32,831
	9,157	32,831
Increase/ (Decrease) in liabilities		
Payable to the MCB Investments Management Limited - Management Company	(12)	(3)
Payable to the Trustee	(1)	-
Payable to the Securities and Exchange Commission of Pakistan	(13)	(10)
Accrued expenses and other liabilities	153	3
	127	(10)
Profit received on balances with banks	712	868
Dividend received	-	9,434
Net cash generated from operating activities	8,591	41,831
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issuance of units	12,943	6,394
Amount paid on redemption of units	(9,247)	(48,968)
Dividend paid	(15,710)	-
Net cash outflow from financing activities	(12,014)	(42,574)
Net decrease in cash and cash equivalents during the year	(3,423)	(743)
Cash and cash equivalents at the beginning of the year	6,789	7,532
Cash and cash equivalents at the end of the year	3,366	6,789

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

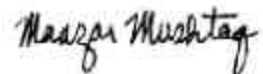
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Al-Hamra Islamic Active Allocation Fund (the Fund) was established under a Trust Deed dated, November 25, 2016, executed between MCB Investment Management Limited as Management Company and Digital Custodian Company Limited as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 02, 2016 under the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations 2008). 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 13, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.2 The Management Company of the Fund has been licensed to act as an Asset Management Company under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the Rules) through a certificate of registration issued by the SECP. The registered office of the Management Company is 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 In April 2023, MCB Bank Limited acquired the entire shareholding of Arif Habib Corporation Limited (AHCL) in MCB Arif Habib Savings and Investments Limited after which the shareholding of MCB Bank Limited has increased from 51.33% to 81.42% in the Company and AHCL no longer holds any shares in the Company. Consequently, members of the Company in an Extra Ordinary General Meeting (EOGM) held on July 7, 2023 resolved via special resolution that the name of the Company be changed from MCB Arif Habib Savings and Investments Limited to MCB Investments Management Limited. Thereafter, the Company applied to SECP, for approval of change of name, which was granted on August 15, 2023 and as such, the change of name became effective from that date.
- 1.4 The Fund commenced its operations from December 29, 2016. The Fund is an open-end Shariah Compliant Fund of Funds that shall invest in other Shariah compliant Collective Investment Schemes as specified in the Investment Policy contained in the offering document and SECP circular No. 7 of 2009, as may be amended or substituted from time to time. The units of the Fund are redeemable subject to a contingent load.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

- 1.5 The duration of the Fund is perpetual however, Allocation Plans launched may have a set time frame. The Fund commenced its operations from December 29, 2016 and on that date, had offered one type of Allocation Plan (Plan-I) which matured on December 28, 2020. On June 16, 2017, the Fund launched Allocation Plan-II which matured on June 16, 2021. The Management Company has settled the unit holders of Plan-I and Plan-II. On June 10, 2021, the Fund launched Alhamra Smart Portfolio. The Fund is allowed to invest in Shariah Compliant Collective Investment Schemes or in cash and / or near cash instruments as allowed under circular no. 7 of 2009 dated March 06, 2009 issued by the SECP.
- 1.6 The Pakistan Credit Rating Agency (PACRA) Limited has assigned Management quality rating of 'AM1' dated October 06, 2023 to the Management Company.
- 1.7 Title to the assets of the Fund is held in the name of Digital Custodian Company Limited as

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984;
- Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC rules), the Non-Banking Finance Companies, Notified Entities Regulations, 2008 (the NBFC Regulations) and the requirements of Trust Deed.

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, unless stated otherwise.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

These financial statements have been prepared under accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

These financial statements are presented in Pak Rupees, which is the Fund's functional and presentation currency.

2.4 Significant accounting estimates and judgements

The preparation of these financial statements in accordance with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the year in which the estimates are revised if the revision affects only that year, or in the year of revision and future years if the revision affects both current and future years.

The areas involving a higher degree of judgement or complexity, or areas where estimates and assumptions are significant to the financial statements as a whole are as follows:

Classification and valuation of investments

For details please refer notes 4.2.1.1 to these financial statements.

Impairment of investment

For details please refer notes 4.2.1.2 to these financial statements.

Provision for taxation

For details please refer notes 4.4 and 15 to these financial statements.

Other assets

Judgement is involved in assessing the reliability of other assets balances.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

3 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2024

The following standards, amendments and interpretations are effective for the year ended June 30, 2024. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IAS 1 'Presentation of Financial Statements' and IFRS Practice	January 01, 2023
Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' - Definition of Accounting Estimates	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Deferred Tax related to Assets and Liabilities arising from a single transaction	January 01, 2023
Amendments to IAS 12 'Income Taxes' - Temporary exception to the requirements regarding deferred tax assets and liabilities related to pillar two income taxes.	January 01, 2023

The Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2023. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

The amendments require the disclosure of 'material' rather than 'significant' accounting policies. The amendments also provide guidance on the application of materiality to disclosure of accounting policies, assisting the Company to provide useful entity-specific accounting policy information that users need to understand other information in the financial statements.

Management reviewed the accounting policies and updates to the information disclosed in Note 4 Material accounting policies (2023: Significant accounting policies) in certain instances in line with the amendments and concluded that all its accounting policies are material for disclosure.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

3.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
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Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
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Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
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Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
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Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
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Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
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Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024
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Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
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IFRS 17 Insurance Contracts	January 01, 2026
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IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by SECP.

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2026.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These accounting policies have been consistently applied, unless otherwise stated.

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less.

4.2 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1 Financial assets

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.2.1.1 Classification and measurement of financial assets

4.2.1.1.1 Debt instruments

A debt instrument is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment

The Fund determines its business model at the level that best reflects how it manages groups of financial assets to achieve its business objective.

The Fund's business model is not assessed on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- The objectives for the portfolio, in particular, whether management's strategy focuses on earning contractual revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realizing cash flows through the sale of the assets;
- How the performance of the business model and the financial assets held within that business model are evaluated and reported to the entity's key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the Fund's original expectations, the Fund does not change the classification of the remaining financial assets held in that business model, but incorporates such information when assessing newly originated or newly purchased financial assets going forward.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Assessments whether contractual cash flows are solely payments of principal and interest (SPPI)

As a second step of its classification process the Fund assesses the contractual terms of financial assets to identify whether they meet the SPPI test.

‘Principal’ for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortization of the premium/discount).

The most significant elements of interest within a lending arrangement are typically the consideration for the time value of money and credit risk. To make the SPPI assessment, the Fund applies judgement and considers relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest rate is set.

In contrast, contractual terms that introduce a more than de minimis exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are solely payments of principal and interest on the amount outstanding. In such cases, the financial asset is required to be measured at FVTPL.

Initial Measurement

Investments are initially measured at their fair value except in the case of financial assets recorded at FVTPL, transaction costs are added to, or subtracted from, this amount.

4.2.1.1.2 Equity instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

An equity instrument held for trading purposes is classified as measured at FVTPL.

Subsequent Measurement

Debt instruments at amortized cost

After initial measurement, such debt instruments are subsequently measured at amortized cost. Amortized cost is calculated by taking into account any discount or premium on issue funds, and costs that are an integral part of the effective interest rate.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

Debt instruments at fair value through profit or loss

Financial assets at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recorded in profit and loss.

Debt instruments at fair value through other comprehensive income

Financial assets at FVOCI are recorded in the statement of financial position at fair value. Changes in fair value are recorded in other comprehensive income.

On initial recognition, a financial asset is classified as measured at: amortized cost or fair value through profit and loss (FVTPL). The classification of financial assets is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. On initial recognition, the Fund may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

A financial asset is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

4.2.1.2 Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

The guiding principle of the expected credit loss (ECL) model is to reflect the general pattern of deterioration or improvement in the credit quality of financial instruments. The amount of ECLs recognised as a loss allowance or provision depends on the extent of credit deterioration since initial recognition. Under the general approach, there are two measurement bases:

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

- 12-month ECLs (Stage 1), which applies to all items (from initial recognition) as long as there is no significant deterioration in credit quality.
- Lifetime ECLs (Stages 2 and 3), which applies when a significant increase in credit risk has occurred on an individual or collective basis.

The Fund's financial assets include mainly investment, advances and deposits, dividend and mark-up receivable and bank balances.

4.2.1.3 Regular way contracts

Regular purchases and sales of financial assets are recognised on the trade date - the date on which the Fund commits to purchase or sell the asset.

4.2.1.4 Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Fund has transferred substantially all risks and rewards of ownership.

4.2.1.5 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.2.1.6 Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statement of assets and liabilities when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

4.3 Derivatives

Derivative instruments are initially recognized at fair value and subsequent to initial measurement each derivative instrument is remeasured to its fair value and the resultant gain or loss is recognized in the income statement.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.4 Provisions

Provisions are recognized when the Fund has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of obligation can be made. Provisions are regularly reviewed and adjusted to reflect the current best estimate.

4.5 Taxation

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realized or unrealized, is distributed to the unit holders.

The Fund is also exempt from the Provisions of Section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund does not account for deferred tax in these financial statements as the Fund intends to continue availing the tax exemption in future years by distributing in cash at least 90% of its accounting income for the year as reduced by capital gains, whether realized or unrealized, to its unit holders.

4.6 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are not recognized before the reporting date.

4.7 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that date. The offer price represents the net asset value per unit as of the close of the business day plus the allowable sales load and any provision for duties and charges, if applicable. The sales load is payable to investment facilitators, distributors and the Management Company.

Units redeemed are recorded at the redemption price, applicable to units for which the distributors receive redemption applications during business hours of that day. The redemption price represents the net assets value per unit as of the close of the business day less any back-end load (if applicable), any duties, taxes, charges on redemption and any provision for transaction costs, if applicable. Redemption of units is recorded on acceptance of application for redemption.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.8 Element of income

Element of income represents the difference between net assets value per unit on the issuance or redemption date, as the case may be, of units and the net assets value per unit at the beginning of the relevant accounting year. Element of income is a transaction of capital nature and the receipt and payment of element of income is taken to unit holders' fund. However, to maintain the same ex-dividend net asset value of all units outstanding on the accounting date, net element of income contributed on issue of units lying in unit holders fund is refunded on units in the same proportion as dividend bears to accounting income available for distribution.

4.9 Net assets value per unit

The Net Asset Value (NAV) per unit, as disclosed in the statement of assets and liabilities, is calculated by dividing the net assets of the Fund by the number of units in circulation at the year end.

4.10 Revenue recognition

- Realized gain / (loss) on sale of investment is accounted for in the income statement in the period in which it arises.
- Unrealised gain / (loss) arising on revaluation of investments classified as 'at fair value through profit or loss' is included in the income statement in the period in which it arises.
- Dividend income is recognised when the right to receive the dividend is established.
- Markup on bank balances, term deposit receipts and government securities is recognised on effective interest rate method.

4.11 Expenses

All expenses chargeable to the Fund including remuneration of the Management Company, Trustee fee and annual fee of the SECP are recognised in the Income Statement on an accrual basis.

4.12 Earnings / (loss) per unit

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

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

4.13 Transactions with related parties / connected persons

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

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

	Note	2024 ———— (Rupees in '000) ————	2023
5 BALANCES WITH BANKS			
In current accounts	5.1	664	1,382
In savings accounts	5.2	2,702	5,407
		<u>3,366</u>	<u>6,789</u>

5.1 This account is maintained with MCB Bank Limited, a related party.

5.2 These carry markup ranging from 17% to 18.5% (2023: 12.25% to 19%) per annum.

6 INVESTMENTS

At fair value through profit or loss

- Units of open-end mutual funds 6.1 136,151 108,347

6.1 Units of open-end mutual funds

Name of the fund	Number of units				Balances as at June 30, 2024			Market value as a percentage of net assets	Market value as a percentage of total investment
	As at July 01, 2023	Purchased during the year	Redemption during the year	As at June 30, 2024	Carrying Value	Market Value	Unrealised gain		
(Rupees in '000) %									
Alhamra Smart Portfolio with related party									
Alhamra Islamic Stock Fund	2,905,771	2,291,164	2,905,771	2,291,164	26,216	34,665	8,449	24.95%	25.46%
Alhamra Islamic Income Fund	798,631	1,076,796	899,283	976,144	92,980	101,486	8,506	73.04%	74.54%
Total as at June 30, 2024					119,196	136,151	16,955		
Total as at June 30, 2023					107,798	108,347	549		

6.2 Net unrealised gain on re-measurement of investments at fair value through profit or loss-net

Market value of investments	6.1	136,151	108,347
Less: carrying value of investments	6.1	(119,196)	(107,798)
		<u>16,955</u>	<u>549</u>

7 PROFIT RECIEVABLE

On saving accounts 50 85

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

	2024	2023
Note	(Rupees in '000)	(Rupees in '000)
8 PAYABLE TO MCB INVESTMENT MANAGEMENT COMPANY LIMITED		
Management remuneration payable	5	8
Sindh sales tax payable on management remuneration	1	1
Payable against allocated expenses	-	9
	6	18

8.1 As per the offering document, the Management Company has charged management fee at the rate of 10% (2023: 10%) on accrued bank mark-up calculated on daily basis.

In Alhamra Islamic Active Allocation Plan - II, the Management Company has charged

8.2 During the year, Sindh Sales Tax on management fee has been charged at 13% (2023: 13%).

8.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme (CIS) as per SECP vide SRO 639 dated June 20, 2019. The Management Company has charged allocated expenses to the fund to the extent as it has think expedient on its discretion subject to not being higher than actual expenses.

9 PAYABLE TO DIGITAL CUSTODIAN COMPANY LIMITED - TRUSTEE

Trustee remuneration payable	9.1	20	21
Sindh sales tax payable on trustee remuneration	9.2	3	3
		23	24

9.1 Under the provisions of the Trust Deed, the Trustee is entitled to a remuneration, to be paid monthly in arrears as per the following tariff structure.

Net Assets Value (NAV)	Tariff per annum
Up to Rs.1 billion	Rs.0.09% per annum of Daily Net Assets or Rs.0.25 million per annum, whichever is higher
Over Rs.1 billion	Rs.0.9 million plus 0.065% per annum of Daily Net Assets exceeding Rs.1 billion

9.2 Sindh Sales Tax at 13% (2023: 13%) is charged on Trustee fee.

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

		2024	2023
	Note	(Rupees in '000)	
10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)			
Annual fee	10.1	11	24

10.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay annual fee to the Securities and Exchange Commission of Pakistan (SECP).

In accordance with the SRO No. 592(I)/2023 dated May 17, 2023 issued by SECP, the Fund has charged SECP fee at the rate of 0.095% (2023: 0.02%) of the average daily net assets of the Fund during the year.

11 ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration payable	510	356
Payable to legal advisor	39	39
Others	40	41
	<u>589</u>	<u>436</u>

12 AUDITORS' REMUNERATION

Annual audit fee	310	300
Half yearly review fee	140	135
Other certification and services	125	-
Out of pocket expenses and other taxes	94	84
	<u>669</u>	<u>519</u>

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2024 (2023: Nil)

14 NUMBER OF UNITS IN ISSUE

	2024	2023
	Units	
Total units in issue at the beginning of the year	1,039,702	1,451,767
Add: Units issued	119,498	60,493
Less: Units redeemed	(81,407)	(472,558)
Total units in issue at the end of the year	<u>1,077,793</u>	<u>1,039,702</u>

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

15 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than ninety percent of its accounting income for the year, as reduced by capital gains, whether realised or unrealised, is distributed to the unit holders as cash dividend. Furthermore, regulation 63 of the NBFC Regulations requires the Fund to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded any tax liability in respect of income relating to the current year as the Management Company has distributed cash dividend subsequent to the year end that is at least 90 percent of the Fund's accounting income for the year ended June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders in the form of cash.

	Note	2024 ————(Rupees in '000)————	2023
16 CASH AND CASH EQUIVALENTS			
Balances with banks	5	3,366	6,789

17 TOTAL EXPENSE RATIO

Total Expense Ratio of the Alhamra Smart Portfolio is 1.12% (2023: 1.06%) as on June 30, 2024 and these include 0.13% (2023: 0.06%) representing Government Levy and SECP fee respectively.

18 TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / OTHER RELATED PARTIES

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

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

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

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

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

2024 2023
————— (Rupees in '000) —————

18.1 Transactions during the year:

MCB Investment Management Limited - Management Company

Remuneration of the Management Company	67	88
Sindh sales tax on remuneration of the Management Company	9	11
Allocated expense	29	122

Digital Custodian Company Limited - Trustee

Remuneration of the Trustee	250	250
Sindh sales tax on remuneration of Trustee	33	32

Alhamra Islamic Stock Fund

Purchase of 2,291,164 (2023: 374,671) units	34,207	3,327
Redemption of 2,905,771 (2022: 1,338,434) units	45,521	12,297

Alhamra Islamic Income Fund

Purchase of 1,076,796 (2023: 265,110) units	112,364	27,107
Redemption of 899,283 (2023: 475,721) units	110,208	50,968

MCB Bank Limited - Parent of the Management Company

Bank Charges	2	-
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18.2 Balances outstanding at year end:

MCB Investment Management Limited - Management Company

Management remuneration payable	5	8
Sindh sales tax payable on remuneration of the Management Company	1	1
Payable against allocated expenses	-	9

Digital Custodian Company Limited - Trustee

Trustee remuneration payable	21	21
Sindh sales tax payable on trustee remuneration	3	3

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

	2024	2023
	(Rupees in '000)	
MCB Bank Limited -		
Parent of the Management Company		
Balances with bank - current account	664	1,382
Alhamra Islamic Stock Fund -		
Fund under common management		
Outstanding 2,291,164 and (2023: 2,905,771) units (investments made by the Fund)	34,665	26,210
Alhamra Islamic Income Fund -		
Fund under common management		
Outstanding 976,144 and (2023: 798,631) units (investments made by the Fund)	101,486	82,137

18.3 Transactions during the year with connected persons / related parties in units of the Fund:

	2024							
	As at July 01, 2023	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at June 30, 2024	As at July 01, 2023	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at June 30, 2024
	(Number of units)				(Rupees in '000)			
Group / associated companies								
MCB Investment Management Limited	865,359	105,186	-	970,545	86,749	11,416	-	125,112
	2023							
	As at July 01, 2022	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at June 30, 2023	As at July 01, 2022	Issued for cash / conversion in / transfer in	Redeemed / conversion out / transfer out	As at June 30, 2023
	(Number of units)				(Rupees in '000)			
Group / associated companies								
MCB Investment Management Limited	1,207,021	-	341,662	865,359	120,895	-	35,000	95,482

19 FINANCIAL INSTRUMENTS BY CATEGORY

	2024		
	At amortised cost	At fair value through profit or loss	Total
	(Rupees in '000)		
Financial assets			
Balances with banks	3,366	-	3,366
Investments	-	136,151	136,151
Profit receivable	50	-	50
	3,416	136,151	139,567

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

2024		
At amortised cost	At fair value through profit or loss	Total
(Rupees in '000)		

Financial liabilities

Payable to the MCB Investment Management Limited - Management Company	6	-	6
Payable to Digital Custodian Company Limited - Trustee	23	-	23
Accrued and other liabilities	589	-	589
	618	-	618

2023		
At amortised cost	At fair value through profit or loss	Total
(Rupees in '000)		

Financial assets

Balances with banks	6,789	-	6,789
Investments	-	108,347	108,347
Profit receivable	85	-	85
	6,874	108,347	115,221

Financial liabilities

Payable to the MCB Investment Management Limited Limited - Management Company	18	-	18
Payable to Digital Custodian Company Limited - Trustee	24	-	24
Accrued and other liabilities	436	-	436
	478	-	478

20 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance.

The Fund's activities expose it to a variety of financial risks: market risk (including currency risk, interest rate and other price risk), credit risk and liquidity risk. Risk of the Fund are being managed by the Management Company in accordance with the approved policies of the investment committee which provide broad guidelines for management of above mention risks. The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

The Fund primarily invests in Sharia compliant Islamic schemes of the Management Company and Sharia compliant Islamic schemes of other asset management companies subject to the prior approval of the Commission and the Sharia Advisor, Islamic Bank and Islamic banking windows of conventional bank account.

20.1 Market risk

Market risk is the risk that the fair value or the future cash flows of a financial instrument may fluctuate as a result of changes in market prices.

The Management Company manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP and the NBFC Regulations, 2008, the NBFC Rules, 2003.

Market risk comprises of three types of risk: currency risk, profit rate risk and other price risk.

(i) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund does not have any financial instruments in foreign currencies and hence is not exposed to such risk.

(ii) Yield / Profit rate risk

Yield / profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market profit rates. As of June 30, 2024, the Fund is exposed to such risk on its balances held with banks. The Investment Committee of the Fund reviews the portfolio of the Fund on a regular basis to ensure that the risk is managed within the acceptable limits.

a) Sensitivity analysis of variable rate instruments

As at June 30, 2024, the Fund is exposed to cash flow profit rate risk on bank deposits. In case of 100 basis points increase / decrease as on June 30, 2024, with all other variables held constant, the net assets value of the Fund and the net income for the year would have been lower / higher by Rs 0.027 million (2023: Rs 0.054 million).

b) Sensitivity analysis for fixed rate instruments

Presently, the Fund does not hold any fixed rate instruments that may expose the Fund to any material interest rate risk.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

The composition of the Fund's investment may change over time. Accordingly, the sensitivity analysis prepared as at June 30, 2024 is not necessarily indicative of the impact on the Fund's net assets of future movements in interest rates.

Yield rate sensitivity position for on-balance sheet financial instruments is based on the earlier of contractual repricing or maturity date and for off-balance sheet financial instruments is based on settlement date.

2024						
Profit rate (%)	Exposed to profit rate risk			Not exposed to profit rate risk	Total	
	Up to three months	More than three months and upto one year	More than one year			
	(Rupees in '000)					
On-balance sheet financial instruments						
Financial assets						
Bank balances	17% to 18.5%	2,702	-	-	664	3,366
Investments		-	-	-	136,151	136,151
Profit receivable		-	-	-	50	50
		2,702	-	-	136,865	139,567
Financial liabilities						
Payable to the MCB Investments Management Limited - Management Company		-	-	-	5	5
Payable to Digital Custodian Company Limited - Trustee		-	-	-	20	20
Accrued and other liabilities		-	-	-	589	589
		-	-	-	614	614
On-balance sheet gap (a)		2,702	-	-	136,251	138,953
Off-balance sheet financial instruments						
		-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-
Total profit rate sensitivity gap (a+b)		2,702	-	-		
Cumulative profit rate sensitivity gap		2,702	2,702	2,702		

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

2023					
Profit rate (%)	Exposed to profit rate risk			Not exposed to profit rate risk	Total
	Up to three months	More than three months and upto one year	More than one year		
	(Rupees in '000)				

On-balance sheet financial instruments

Financial assets

Bank balances	12.5% to 19%	5,407	-	-	1,382	6,789
Investments		-	-	-	108,347	108,347
Profit receivable		-	-	-	85	85
		5,407	-	-	109,814	115,221

Financial liabilities

Payable to the MCB Investments Management Limited - Management Company

Payable to Digital Custodian Company Limited - Trustee

Accrued and other liabilities

-	-	-	17	17
-	-	-	21	21
-	-	-	436	436
-	-	-	474	474

On-balance sheet gap (a)

5,407	-	-	109,340	114,747
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Off-balance sheet financial instruments

-	-	-	-	-
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Off-balance sheet gap (b)

-	-	-	-	-
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Total profit rate sensitivity gap (a+b)

5,407	-	-	-	-
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Cumulative profit rate sensitivity gap

5,407	5,407	5,407	-	-
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20.2 Credit risk

Credit risk represents the risk of a loss if counterparties fail to perform as contracted and arises principally from bank balances, investments, markup and other receivable.

The Fund's policy is to enter into financial contracts in accordance with the internal risk management policies and investment guidelines approved by the Investment Committee. In addition, the risk is managed through assignment of credit limits and by following strict credit evaluation criteria laid down by the Management Company. The Fund does not expect to incur material credit losses on its financial assets.

The main concentration to which the Fund is exposed arises from the Fund's bank balances. The Fund is also exposed to counterparty credit risk on deposits and other receivable balances. The Fund's maximum exposure to credit risk related to receivables at June 30, 2024 and June 30, 2023 is the carrying amounts of following financial assets.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

The Fund's maximum exposure to credit risk related to receivables at June 30, 2024 and June 30, 2023 is the carrying amounts of following financial assets.

The maximum exposure to credit risk as at June 30, 2024 and June 30, 2023 were as follows:

	2024		2023	
	Balance as per statement of assets and liabilities	Maximum exposure to credit risk	Balance as per statement of assets and liabilities	Maximum exposure to credit risk
	(Rupees in '000)			
Bank balances	3,366	3,366	6,789	6,789
Investments	136,151	136,151	108,347	108,347
Profit receivable	50	50	85	85
	<u>139,567</u>	<u>139,567</u>	<u>115,221</u>	<u>115,221</u>

Bank balances by rating category

The Fund held bank balances and investments at June 30, 2024 and June 30, 2023 with banks having following credit ratings:

Rating

	2024		2023	
	Rupees in '000	%	Rupees in '000	%
Balances with banks				
AAA	664	19.73%	1,382	20.36%
AA	2,702	80.27%	5,407	79.64%
	<u>3,366</u>	<u>100.00%</u>	<u>6,789</u>	<u>100.00%</u>

Investment -

Units of open-end mutual funds

AA-(f)	<u>136,151</u>	<u>100.00%</u>	<u>108,347</u>	<u>100.00%</u>
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Above rates are on the basis of available ratings assigned by PACRA and VIS as of June 30, 2024 and June 30, 2023.

The unrated balances including deposits and other receivables have been assessed by the investment manager to have credit quality consistent with a bond can have and still be considered investment-grade. An investment grade bond is a bond considered to have a relatively low risk of default.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Fund is exposed to daily cash redemptions, if any, at the option of unit holders. The Fund's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. Its policy is therefore to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund has the ability to borrow in the short-term to ensure settlement. During the current year, the Fund did not availed any borrowing. As per the NBFC Regulations the maximum amount available to the Fund from the borrowing would be limited to fifteen percent of the net assets upto 90 days and would be secured by the assets of the Fund and bear interest at commercial rates.

In order to manage the Fund's overall liquidity, the Fund also has the ability to withhold daily redemption requests in excess of ten percent of the units in issue and such requests would be treated as redemption requests qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. The Fund did not withhold any redemptions during the year.

The table below analyses the Fund's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts in the table are the contractual undiscounted cash flows.

2024						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000 —						
Financial liabilities						
Payable to MCB Investment Management Limited	5	-	-	-	-	5
Payable Digital Custodian Company Limited - Trustee	20	-	-	-	-	20
Accrued expenses and other liabilities	589	-	-	-	-	589
	614	-	-	-	-	614

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

2023						
Within 1 month	More than one month and upto three months	More than three months and upto one year	More than one year and upto five years	More than 5 years	Financial instruments with no fixed maturity	Total
Rupees in '000						
Financial liabilities						
Payable to MCB Investment Management Limited	17	-	-	-	-	17
Payable Digital Custodian Company Limited - Trustee	21	-	-	-	-	21
Accrued and other liabilities	436	-	-	-	-	436
	474	-	-	-	-	474

21. Unit holders' fund risk management

The Fund's objective when managing unit holders' funds is to safeguard the Fund's ability to continue as a going concern so that it can continue to provide optimum returns to its unit holders, to maintain a strong base of assets to meet unexpected losses or opportunities and to ensure reasonable safety of capital. The Fund manages its investment portfolio and other assets by monitoring return on net assets and makes adjustments to it in the light of changes in markets' conditions. The capital structure depends on the issuance and redemption of units.

The Fund has no restrictions on the subscription and redemption of units. As required under the NBFC Regulations, every open end scheme shall maintain fund size (i.e. net assets of the Fund) of Rs.100 million at all times during the life of the scheme. The Fund has maintained and complied with the requirement of minimum fund size during the current year.

In accordance with the risk management policies as stated above, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption requests, such liquidity being augmented by short-term borrowings or disposal of investments where necessary.

22. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Fund 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.

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2024

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

Fair value hierarchy

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

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

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

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

As at June 30, 2024, the Fund held the following financial instruments measured at fair values:

2024				
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Alhamra Smart Portfolio				
At fair value through profit or loss	-	136,151	-	136,151
	-	136,151	-	136,151

2023				
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Alhamra Smart Portfolio				
At fair value through profit or loss	-	108,347	-	108,347
	-	108,347	-	108,347

- 22.1 Fair values of investments in units of mutual funds are determined based on redemption prices disclosed at the MUFAP as at the close of the business days.

During the year ended June 30, 2024, there were no transfers between level 1 and level 2 fair value measurements, and no transfer into and out of level 3 fair value measurements.

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

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

23 PARTICULARS OF INVESTMENT COMMITTEE AND FUND MANAGER

Details of members of Investment Committee of the Fund are as follows:

S. No.	Name	Designation	Experience in years	Qualification
1	Khawaja Khalil Shah	Chief Executive Officer	32	MBA
2	Muhammad Asim	Chief Investment Officer	21	MBA & CFA
3	Awais Abdul Sattar	Portfolio Manager Equities	13	MBA & CFA
4	Saad Ahmed	Head of Fixed Income	18	MBA
5	Syed Abid Ali	Head of Equities	16	MBA
6	Syed Mohammad Usama Iqbal	Fund Manager	20	Graduate

23.1 Other funds managed by the fund manager

Mr. Syed Muhammad Usama Iqbal is the Manager of the Fund as at year end. Other funds being managed by him are as follows:

- Pakistan Income Fund
- Alhamra Islamic Income Fund
- Alhamra Islamic Money Market Fund
- MCB Pakistan Fixed Return Plan XIX
- MCB Pakistan Fixed Return Plan XVI
- MCB Pakistan Fixed Return Plan XVII
- MCB Pakistan Fixed Return Plan XVIII
- MCB DCF Fixed Return Plan I
- MCB DCF Fixed Return Plan II
- MCB DCF Fixed Return Plan III
- Alhamra Wada Plan VIII
- Alhamra Wada Plan IX
- Alhamra Wada Plan X
- Alhamra Wada Plan XI

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

24. PATTERN OF UNIT HOLDING

Detail of pattern of unitholding

2024				
	Number of unit holders	Number of units held	Net assets value of the amount invested	Percentage of total investment
(Rupees in '000)				
Individuals	13	107,247	13,826	9.95%
Associated Companies	1	970,545	125,112	90.05%
	14	1,077,792	138,938	100.00%

2023				
	Number of unit holders	Number of units held	Net assets value of the amount invested	Percentage of total investment
(Rupees in '000)				
Individuals	16	174,331	19,235	16.77%
Asset Management Company	1	865,359	95,482	83.23%
Other	2	12	1	0.00%
	19	1,039,702	114,719	100.00%

25. ATTENDANCE AT THE MEETINGS OF THE BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

The 189th, 190th, 191th, 192nd, 193rd, 194th, 195th & 196th meeting of the Board of Directors were held on July 21, 2023, July 26, 2023, September 28, 2023, October 12, 2023, October 18, 2023, February 02, 2024, April 19, 2024 and April 22, 2024 respectively. Information in respect of attendance by the directors and other persons in the meetings is given below:

**NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2024**

S. No.	Name	Number of meetings				Meetings not attended
		Number of meetings held	Attendance required	Attended	Leave granted	
Directors						
1	Mr. Haroon Rashid	8	8	8	-	-
2	Mr. Ahmed Jahangir	8	8	8	-	-
3	Syed Savail Meekal Hussain	8	8	7	1	195
7	Ms. Mavra Adil Khan	8	8	6	2	192,195
8	Mr. Muhammad Saqib Saleem (Resigned on October 31, 2023)	8	5	5	-	-
9	Mr. Fahd Kamal Chinoy	8	8	5	3	190,192,195
10	Mr. Manzar Mushtaq	8	8	8	-	-
11	Mr. Shoaib Mumtaz	8	8	5	3	190,192,195
12	Mr.Khawaja Khalil Shah (Appointed on November 01, 2023)	8	3	3	-	-

26. CORRESPONDING FIGURES

Corresponding figures have also been rearranged and reclassified, wherever necessary, for better presentation. However, there has been no material reclassification to report.

27. GENERAL

27.1 Figures have been rounded off to the nearest thousand rupee unless otherwise specified.

28. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on September 25, 2024 by the Board of Directors of the Management Company.

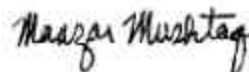
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**PATTERN OF UNITS HOLDING BY SIZE
FOR THE YEAR ENDED JUNE 30, 2024**

No. of Unit Holders	Unit holdings	Total units held
7	A. 001-10,000	51
3	B. 10,001 – 100,000	731
1	C. 100,001 – 1000,000	2,407
3	D. 1000,001 & Above	1,074,603
14		1,077,792

PERFORMANCE TABLE FOR THE YEAR ENDED JUNE 30, 2024

Performance Information	2024	2023	2022	2021
Total Net Assets Value – Rs. in million	138.9380	114.7190	145.4089	123.0590
Net Assets value per unit – Rupees	128.9095	110.3383	100.1599	99.8771
Closing Offer Price	133.2795	114.0788	103.5553	103.2629
Closing Repurchase Price	128.9095	110.3383	100.1599	99.8771
Highest offer price per unit	138.1578	114.2728	106.4141	103.8610
Lowest offer price per unit	103.6431	102.7317	102.1542	100.0000
Highest Redemption price per unit	133.6278	110.5260	102.9249	100.4556
Lowest Redemption price per unit	100.2448	99.3633	98.8047	99.6280
Distribution per unit – Rs. *	15.0921	-	0.6881	-
Average Annual Return - %				
One year	33.61	10.16	0.97	-0.12
Two year	21.89	5.57	0.43	NA
Three year	14.91	3.67	NA	NA
Net (loss) / Income for the period – Rs. in million	36.2330	11.8840	1.3706	(0.1412)
Distribution made during the year – Rs. in million	16.7920	-	1.0984	-
Accumulated Capital Growth – Rs. in million	19.4410	11.8840	0.2722	(0.1412)

* Date of Distribution

2024	
Date	Rate
July 01, 2023	10.0921
June 30, 2024	5.0000

2023	
Date	Rate
Nil	

2022	
Date	Rate
June 30, 2022	0.6881

Disclaimer

The past performance is not necessarily indicative of future performance and unit prices and investments and returns may go down, as well as up.

MCB INVESTMENT MANAGEMENT LIMITED

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