

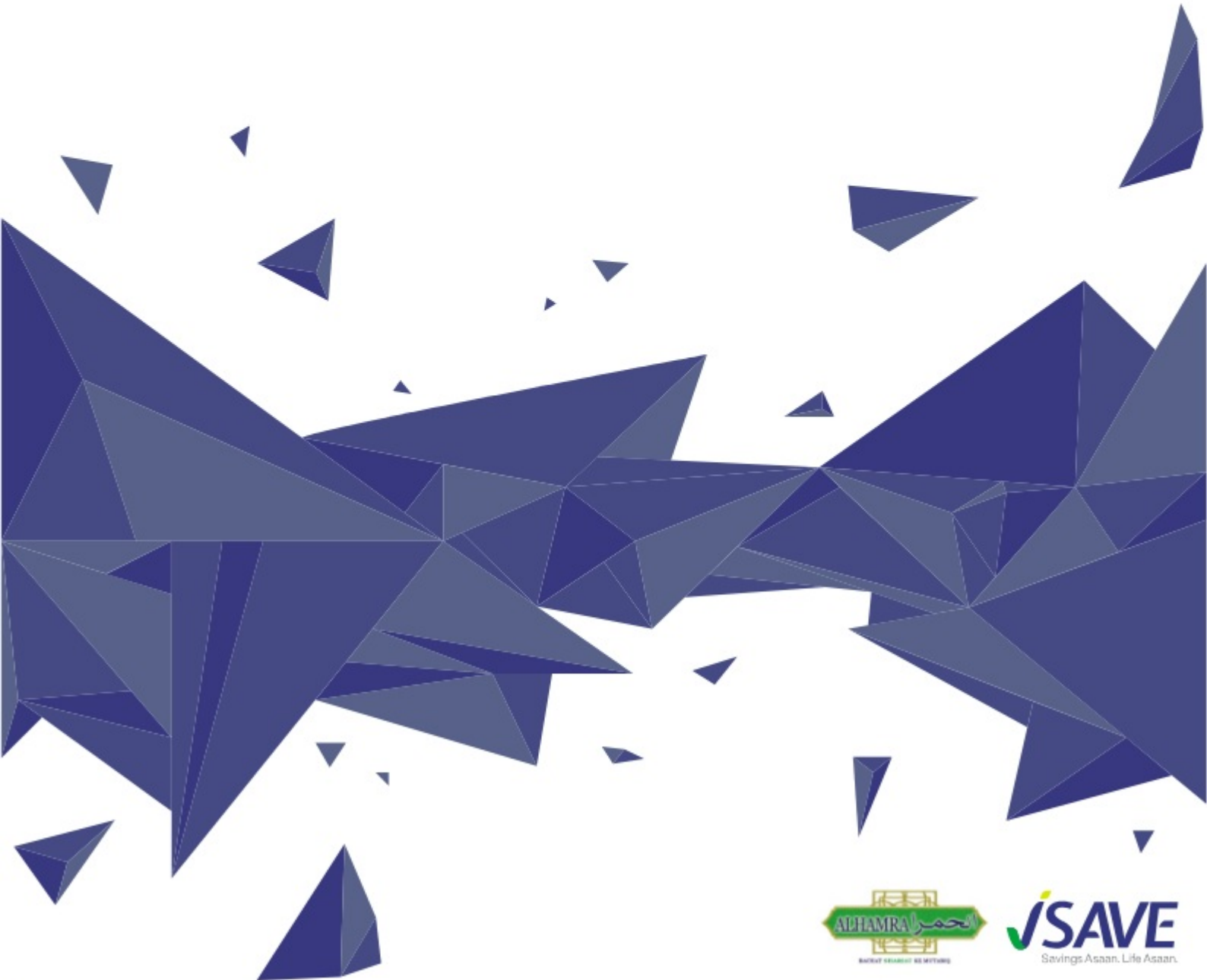


MCB FUNDS
Investments for Life

HALF YEARLY REPORT

DECEMBER
2024
(UNAUDITED)

Funds Under Management of
MCB Investment Management Limited



ALHAMRA GOVERNMENT SECURITIES 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. Muhammad Nauman Chughtai 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 Ms. Mavra Adil Khan Mr. Khawaja Khalil Shah Mr. Muhammad Nauman Chughtai	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 Ahmad Faisal	
Trustee	Central Depository Company of Pakistan Ltd. CDC House, 99-B, Block 'B' S.M.C.H.S Main Shahra-e-Faisal Karachi Tel: (92-21) 111-111-500 Fax: (92-21) 34326053 Web: www.cdcpakistan.com	
Bankers	Dubai Islamic Bank Limited Faysal Bank Limited	
Auditors	Yousuf Adil Chartered Accountants Cavish Court, A-35, Block 7 & 8 KCHSU, Shahrah-e-Faisal, Karachi-75350.	
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 HALF YEAR ENDED DECEMBER 31, 2024

Dear Investor,

On behalf of the Board of Directors, I am pleased to present **Alhamra Government Securities Plan's** (*Fund launched on Jun 25, 2024*) **accounts** review for the half-year ended December 31, 2024.

Economy Review

The fiscal year began on a positive note with the government securing a staff-level agreement with the IMF for a 37-month Extended Fund Facility (EFF) worth approximately USD 7.0 billion. After Pakistan fulfilled all the required preconditions the IMF Executive Board approved the program on September 27, 2024. Subsequently, the State Bank of Pakistan (SBP) received the first tranche of USD 1.0 billion, bolstering foreign exchange reserves and lending support to the the currency as the USD/PKR parity remained stable around 278.5 during the first half of the fiscal year.

The country posted a current account Surplus of USD 1.2bn in the first six months of the fiscal year 2025 (1HFY25) compared to a deficit of USD 1.4bn in the corresponding period last year. The major contributor towards improving current account was the remittances inflows which skyrocketed by 32.8% to USD 4.4bn. Trade Deficit increased by 12.6% YoY as exports rose by 7.2% while imports increased by 9.3% from a low base. The county's external position improved with SBP's foreign exchange reserves increasing to USD 11.7bn as of Dec-24 end compared to USD 9.4bn at the end of last fiscal year. This was on account of current account surplus and flows from IMF and multilateral sources.

Headline inflation represented by CPI averaged 7.3% during 1HFY25 compared to 28.8% in the corresponding period last year. This sharp decline was driven by the currency's stability over the past one year, which led to stable food and energy prices. Additionally, the large decline in wheat prices and base effect further contributed to the lower inflation figures.

The country's GDP grew by 0.9% in the first quarter of the financial year 2024-25 as compared to 2.3% in the corresponding period last year. Agriculture grew by 1.2%, Services sector grew by 1.4% while industrial sector witnessed a decline of 1.0%. Historic high interest rates and political uncertainty were the major culprits behind the subdued industrial output. On the fiscal side, FBR tax collection increased by 25.9% in 1HFY25 to PKR 5,623 billion, missing the target by PKR 386 billion. The shortfall is largely attributed to reduced tax collection from imports due to a slowdown in trade, sluggish growth and low inflation.

FUND PERFORMANCE

During the period under review, the fund generated an annualized return of 22.87% as against its benchmark return of 14.94%. WAM of the fund was 644 days. The fund was 20.7% invested in Cash as of December end. The Net Assets of the Fund as at December 31, 2024 stood at Rs. 8,956 million. The Net Asset Value (NAV) per unit as at December 31, 2024 was Rs. 111.5267.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

Economy & Market – Future Outlook

Pakistan's GDP growth is projected to inch up to 2.8% in FY25, compared to 2.5% last year. The industrial and services sectors are expected to expand by 3.1% and 3.0%, respectively, driven by a gradual recovery in demand and the base effect. However, agricultural growth is likely to remain modest at 2.2%, constrained by the high base effect and flood-related damage to the cotton crop.

The continuation of the IMF program is a key positive as it will allow us to tap funding from bilateral and multilateral sources. We expect SBP reserves to increase to USD 13.5bn by year end on the back of flows from friendly countries, IMF and multilateral agencies. Pakistan is on track to record the first annual surplus since FY11 on the back of rebound in exports and remittances along with controlled imports. We expect a current account surplus of USD 2.1bn (0.5% of GDP) in FY25 compared to deficit of USD 681mn (0.2% of GDP) in FY24. We are of the view that improvement in exports and remittances and increased comfort on the external will keep currency stable in the near term. We expect marginal currency depreciation this year with USD/PKR expected to close June 25 around 280.8.

The inflation reading has come down sharply mainly due to base effect and stable currency. The headline inflation number in December 2024 clocked in at 4.1% compared to a high of 38.0% in May 2023. This was the lowest reading in the last 80 months. The core inflation also remained on a declining trajectory, clocking at 9.2% (34 months low). We anticipate CPI to average around 6.1% in FY25 compared to 23.9% in FY24. The SBP has decreased interest rates by a cumulative 900bps since June-24 as interest rates have declined to 13.0% from a high of 22.0%. We believe after an interest rate cut of further 100bps, monetary policy committee may pause the easing cycle to evaluate the monetary transmission effect of the interest rate decline. In our base case, we have assumed the interest rate may remained anchored at 12.0% in near term. We do not rule out further rate cuts with lower than expected inflation along with a strong build up in Forex Reserves.

For debt holders, we expect Money Market Funds to continue to seamlessly mirror policy rates throughout the year.

Mutual Fund Industry Review

The Net Assets of the open-end mutual funds industry increased by about 68.1% during 1HFY25 to PKR 4,326bn. Total money market funds grew by about 45.8% since Jun-24. Within the money market sphere, conventional funds showed a growth of 85.9% to PKR 1,170bn while Islamic funds increased by 8.7% to PKR 738bn. In addition, the total fixed Income and Fixed Rate funds increased by about 96.5% since Jun-24 to PKR 1,889bn while Equity and related funds increased by 80.9% to PKR 462bn.

REPORT OF THE DIRECTOR OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2024

In terms of the segment share, Money Market funds were the leader with a share of around 44.1%, followed by Income and fixed return funds with 43.7% and Equity and Equity related funds having a share of 10.7% as at the end of December 2024.

Mutual Fund Industry Outlook

Money market funds should benefit from higher liquidity as they are ideal for investors with a short-term horizon and low risk profile. As economic recovery gains further traction and becomes broader based, the interest in capital markets particularly equities will continue to remain strong. 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.

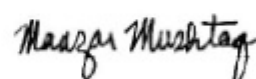
ACKNOWLEDGMENT

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
February 04, 2025



Manzar Mushtaq
Director
February 04, 2025

ڈائریکٹرز رپورٹ

اظہارِ تشکر

بورڈ فنڈ کے قابل قدر سرمایہ کاروں، سکیورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اور فنڈ کے ٹرسٹیز کا اُن کے مسلسل تعاون اور حمایت کے لیے شکریہ ادا کرتا ہے۔ ڈائریکٹرز انتظامی ٹیم کی کاوشوں کو بھی خراجِ تحسین پیش کرتے ہیں۔

منجانب ڈائریکٹرز

Masrur Mushtaq

منظر مشتاق

ڈائریکٹر

کراچی،

04 فروری 2025ء

خواجہ خلیل شاہ

خواجہ خلیل شاہ

چیف ایگزیکٹو آفیسر

کراچی،

04 فروری 2025ء

ڈائریکٹرز رپورٹ

مستقبل قریب میں 12.0 فیصد پر چھکی رہے گی، تاہم متوقع سے کم مہنگائی اور زر مبادلہ کے ذخائر میں بھرپور بڑھوتری کے ساتھ شرح سود میں مزید کمی خارج از امکان نہیں ہے۔
حاملین قرض کے لیے ہم سمجھتے ہیں کہ منی مارکیٹ فنڈز سال بھر بلا رکاوٹ پالیسی شرحوں کی عکاسی جاری رکھیں گے۔

میوچل فنڈ صنعت کا جائزہ

اوپن-اینڈ میوچل فنڈز صنعت کے نیٹ اثاثہ جات مالی سال 2025ء کے نصف اول کے دوران تقریباً 68.1 فیصد بڑھ کر 4,326 بلین روپے ہو گئے۔ منی مارکیٹ فنڈز میں جون 2024ء کے بعد مجموعی طور پر تقریباً 45.8 فیصد ترقی ہوئی۔ منی مارکیٹ کے دائرہ کار میں روایتی فنڈز 85.9 فیصد بڑھ کر 1.170 بلین روپے ہو گئے جبکہ اسلامک فنڈز 8.7 فیصد بڑھ کر 738 بلین روپے ہو گئے۔ مزید براں، فیکسڈ انکم اور فیکسڈ ریٹ فنڈز جون 2024ء کے بعد سے مجموعی طور پر تقریباً 96.5 فیصد بڑھ کر 1,889 بلین روپے ہو گئے، جبکہ ایکویٹی اور متعلقہ فنڈز 80.9 فیصد بڑھ کر 462 بلین روپے ہو گئے۔

زمرہ جاتی تقسیم کے اعتبار سے دسمبر 2024ء کے اختتام پر منی مارکیٹ فنڈز تقریباً 44.1 فیصد حصے کے ساتھ سب سے آگے تھے، جبکہ انکم اور فیکسڈ ریٹ فنڈز 43.7 فیصد، اور ایکویٹی اور اس سے متعلقہ فنڈز 10.7 فیصد حصے کے ساتھ دوسرے اور تیسرے نمبر پر رہے۔

میوچل فنڈ صنعت کے مستقبل کا منظر

منی مارکیٹ فنڈز کو بہتر نقدیت سے فائدہ اٹھانا چاہیے کیونکہ یہ فنڈز ایسے سرمایہ کاروں کے لیے موزوں ترین ہوتے ہیں جو مختصر مدت کے لیے اور خسارے کے کم خطرے کے ساتھ سرمایہ کاری کرنا چاہتے ہیں۔ معاشی بحالی کے مزید تیز اور وسیع ہونے کے ساتھ کپیٹل مارکیٹوں، خصوصاً ایکویٹیز، میں بھرپور دلچسپی کا سلسلہ جاری رہے گا۔ ہمارے کام کاج بلا رکاوٹ چلتے رہے، اور ڈیجیٹل رسائی اور صارفین کو آن لائن خدمات کی فراہمی میں مسابقتی فائدہ حاصل ہونے کی بدولت ہم آن لائن دستیاب سرمایہ کاروں کی بڑھتی ہوئی تعداد سے فائدہ اٹھانے کے لیے کمر بستہ ہیں۔

ڈائریکٹر رپورٹ

فنڈ کی کارکردگی

زیر جائزہ مدت کے دوران فنڈ کا ایک سال پر محیط منافع 22.87 فیصد تھا جو بینچمارک ریٹرن 14.94 فیصد کے بالمقابل ہے۔ فنڈ کی WAM 644 دن تھی۔ اختتام مدت پر فنڈ کی سرمایہ کاری نقد میں 20.7 فیصد تھی۔

31 دسمبر 2024ء کو فنڈ کے نیٹ اثاثہ جات 8,956 ملین روپے تھے۔ 31 دسمبر 2024ء کو فنڈ کی نیٹ اثاثہ جاتی قدر (NAV) فی یونٹ 111.5267 روپے تھی۔

معیشت اور مارکیٹ - مستقبل کا منظر

پاکستان کی 'جی ڈی پی' میں مالی سال 2025ء میں 2.8 فیصد اضافے کا امکان ہے، جو گزشتہ سال کی سطح 2.5 فیصد کے بالمقابل ہے۔ صنعتی شعبے میں 3.1 فیصد اور خدمات کے شعبے میں 3.0 فیصد ترقی متوقع ہے جس کی وجہ مانگ اور بنیادی اثر کی بتدریج بحالی ہے۔ تاہم زراعتی ترقی کا 2.2 فیصد کے درمیانے درجے پر رہنے کا امکان ہے جس کے عوامل اعلیٰ بنیادی اثر کا محدود ہونا اور کپاس کی فصل کو سیلاب کے باعث نقصان ہیں۔

آئی ایم ایف پروگرام کا تسلسل کلیدی مثبت پہلو ہے کیونکہ اس کی بدولت ہم دو طرفہ اور کثیر الجہتی ذرائع سے رقم حاصل کر سکیں گے۔ 'ایس بی پی' کے ذخائر کا دوست ممالک، آئی ایم ایف اور کثیر الجہتی ایجنسیوں سے آمدات کی بنیاد پر سال کے اختتام پر بڑھ کر 13.5 بلین ڈالر تک پہنچ جانے کا امکان ہے۔ پاکستان مالی سال 2011ء کے بعد پہلا سالانہ منافع ریکارڈ کرنے کی سمت میں رواں ہے، جس کے عوامل برآمدات اور ترسیلات میں بحالی بشمول درآمدات پر قابو ہیں۔ کرنٹ اکاؤنٹ میں مالی سال 2025ء میں 2.1 بلین ڈالر (جی ڈی پی کا 0.5 فیصد) منافع متوقع ہے، جو مالی سال 2024ء میں 681 ملین ڈالر (جی ڈی پی کا 0.2 فیصد) خسارے کے بالمقابل ہے۔ ہم سمجھتے ہیں کہ برآمدات اور ترسیلات میں بہتری اور خارجی جہت میں بڑھتے ہوئے اطمینان کی بدولت روپیہ مستقبل قریب میں مستحکم رہے گا۔ سال رواں میں روپے کی قدر میں معمولی کمی متوقع ہے اور ڈالر اور روپے کا تناسب جون 2025ء کے اختتام پر تقریباً 280.8 ہوگا۔

مہنگائی کی سطح میں تیزی سے کمی آئی ہے جس کے اہم ترین عوامل بنیادی اثر اور روپے میں استحکام ہیں۔ ہیڈ لائن مہنگائی دسمبر 2024ء میں 4.1 فیصد تک پہنچ گئی تھی، جو مئی 2023ء میں 38.0 فیصد کی بلند سطح کے بالمقابل ہے۔ یہ گزشتہ 80 ماہ کی کم ترین سطح ہے۔ بنیادی مہنگائی میں بھی کمی کارہجان رہا جو 9.2 فیصد (34 ماہ کی کم ترین سطح) تک پہنچ گئی۔ 'سی پی آئی' کا اوسط مالی سال 2025ء میں متوقع طور پر تقریباً 6.1 فیصد ہوگا، جو مالی سال 2024ء میں 23.9 فیصد کے بالمقابل ہے۔ ایس بی پی نے سود کی شرحوں میں جون 2024ء سے اب تک مجموعی طور پر 900 بی پی ایس کمی کی ہے کیونکہ سود کی شرحیں 22.0 فیصد کی بلند سطح سے کم ہو کر 13.0 فیصد ہو گئے ہیں۔ ہم سمجھتے ہیں کہ شرح سود میں مزید 100 بی پی ایس کمی کے بعد مانیٹری پالیسی کمیٹی اس کمی کی مالیاتی منتقلی کے اثر کو جانچنے کے لیے تسہیل کے چکر کو کچھ عرصے کے لیے روک سکتی ہے۔ ہمارے base کے معاملے میں ہم فرض کر رہے ہیں کہ شرح سود

ڈائریکٹرز رپورٹ

عزیز سرمایہ کار،

بورڈ آف ڈائریکٹرز کی جانب سے الحمراء گورنمنٹ سیکورٹیز پلان (فنڈ متعارف کردہ 25 جون 2024ء) کے اکاؤنٹس کا جائزہ برائے نصف سال مختتمہ 31 دسمبر 2024ء پیش خدمت ہے۔

معیشت کا جائزہ

مالی سال کا آغاز مثبت انداز میں ہوا کیونکہ حکومت نے آئی ایم ایف سے 37 ماہ پر مبنی ایکسٹینڈڈ فنڈ فسیلسٹی (ای ایف ایف) کے لیے اسٹاف - لیول معاہدہ کر لیا جس کی مالیت تقریباً 7.0 بلین ڈالر ہے۔ پاکستان کے تمام مطلوبہ شرائط پوری کرنے کے بعد آئی ایم ایف ایگزیکٹو بورڈ نے 27 ستمبر 2024ء کو پروگرام کی منظوری دی۔ بعد ازاں، اسٹیٹ بینک آف پاکستان (ایس بی پی) کو 1.0 بلین ڈالر کی پہلی قسط موصول ہوئی جس کی بدولت غیر ملکی زرمبادلہ کے ذخائر پروان چڑھے اور روپے کو سہارا ملا، جیسا کہ مالی سال کے نصف اول کے دوران روپے اور ڈالر کے مابین تناسب سے ظاہر ہے جو تقریباً 278.5 روپے کی سطح پر مستحکم رہا۔

مالی سال 2025ء کے نصف اول (ابتدائی چھ ماہ) میں ملکہ کارنٹ اکاؤنٹ 1.2 بلین روپے منافع میں رہا، جو گزشتہ سال مماثل مدت میں 1.4 بلین ڈالر خسارے کے بالمقابل ہے۔ کرنٹ اکاؤنٹ کی بہتری میں سب سے بڑا حصہ ترسیلات کا ہے جو تیزی سے 32.8 فیصد بڑھ کر 4.4 بلین ڈالر تک پہنچ گئیں۔ تجارتی خسارہ 12.6 فیصد سال در سال (YoY) بڑھ گیا کیونکہ برآمدات میں 7.2 فیصد اضافہ ہوا جبکہ درآمدات گزشتہ پست سطح سے 9.3 فیصد بڑھ گئیں۔ ملکہ کی خارجی صورتحال میں بہتری آئی کیونکہ ایس بی پی کے زرمبادلہ کے ذخائر بڑھ کر دسمبر 2024ء کے اختتام تک 11.7 بلین ڈالر تک پہنچ گئے، جو گزشتہ مالی سال کے اختتام پر 9.4 بلین ڈالر کے بالمقابل تھے، جس کے عوامل کرنٹ اکاؤنٹ میں منافع اور آئی ایم ایف اور کثیرالجہتی ذرائع سے آمدات ہیں۔

ہیڈ لائن مہنگائی، جس کی ترجمانی 'سی پی آئی' سے ہوتی ہے، کا اوسط مالی سال 2025ء کے نصف اول میں 7.3 فیصد تھا، جو گزشتہ سال مماثل مدت میں 28.8 کے بالمقابل ہے۔ تیزی سے ہونے والی اس کمی کی وجہ گزشتہ ایک سال کے دوران روپے میں استحکام ہے جس کے نتیجے میں اشیائے خورد و نوش اور توانائی کی قیمتیں مستحکم ہوئیں۔ مزید برآں، گندم کی قیمتوں اور سالانہ گزشتہ کی سطح کے سال رواں پر اثر میں بھرپور کمی نے مہنگائی کم کرنے میں مزید کردار ادا کیا۔

ملکہ کے 'جی ڈی پی' میں مالی سال 2024-25ء کی پہلی سہ ماہی میں 0.9 فیصد ترقی ہوئی، جو گزشتہ سال مماثل مدت میں 2.3 فیصد کے بالمقابل ہے۔ زراعت میں 1.2 فیصد ترقی اور خدمات کے شعبے میں 1.4 فیصد ترقی ہوئی، جبکہ صنعتی شعبے میں 1.0 فیصد تسنزل ہوا۔ صنعتی پیداوار میں کمی کے سب سے بڑے عوامل سود کی اب تک کی بلند ترین شرحیں اور سیاسی عدم یقینی تھے۔ مالیاتی جہت میں ایف بی آر کی ٹیکس وصولی مالی سال 2025ء کے نصف اول میں 25.9 فیصد بڑھ کر 5,623 بلین روپے ہو گئی، جو ہدف سے 386 بلین روپے کم ہے۔ اس کمی کے بڑے عوامل درآمدات سے حاصل ہونے والے ٹیکس میں کمی بوجہ سست رفتار تجارت، ترقی کی سست روی اور مہنگائی میں کمی ہیں۔

TRUSTEE REPORT TO THE UNIT HOLDERS

CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S., Main Shahra-e-Faisal
Karachi - 74400, Pakistan.
Tel : (92-21) 111-111-500
Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



TRUSTEE REPORT TO THE UNIT HOLDERS

ALHAMRA GOVERNMENT SECURITIES FUND

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

We Central Depository Company of Pakistan Limited, being the Trustee of Alhamra Government Securities Fund (the Fund) are of the opinion that MCB Investment Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2024 in accordance with the provisions of the following:

- (i) Limitations imposed on the investment powers of the Management Company under the constitutive documents of the Fund;
- (ii) The pricing, issuance and redemption of units are carried out in accordance with the requirements of the constitutive documents of the Fund;
- (iii) The management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework; and
- (iv) The Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the constitutive documents of the Fund.


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 21, 2025



AUDITOR'S REPORT TO THE UNIT HOLDERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS



Yousuf Adil
Chartered Accountants

Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan

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INDEPENDENT AUDITOR'S REVIEW REPORT To the Unit Holders of Alhamra Government Securities Fund

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **Alhamra Government Securities Fund** (the "Fund") as at December 31, 2024, and the related condensed interim income statement, the condensed interim statement of other comprehensive income, the condensed interim statement of movement in unit holders' fund, and the condensed interim statement of cash flow and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The Management of MCB Investment Management Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2024 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures of the condensed interim income statement and the condensed interim statement of other comprehensive income for the quarter ended December 31, 2024 have not been reviewed, as we are only required to review the cumulative figures for the half year ended December 31, 2024.

The engagement partner on the engagement resulting in this independent auditor's review report is **Hena Sadiq**.


Chartered Accountants

Place: Karachi
Date: February 21, 2025
UDIN: RR202410057s8zrbAedT

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CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2024

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	1,860,249	168,353
Investments	6	6,975,550	120,348
Profit receivable		94,415	6,190
Advances, deposits, prepayments and other receivables		46,808	30
Total assets		8,977,022	294,921
LIABILITIES			
Payable to MCB Investment Management Limited - Management Company	7	14,575	65
Payable to Central Depository Company of Pakistan Limited - Trustee		449	2
Payable to the Securities and Exchange Commission of Pakistan	8	532	2
Accrued expenses and other liabilities	9	5,480	187
Payable against purchase of investment		-	126,213
Total liabilities		21,036	126,469
NET ASSETS		8,955,986	168,452
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		8,955,986	168,452
CONTINGENCIES AND COMMITMENTS	10	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		80,303,529	1,682,271
		----- Rupees -----	
NET ASSETS VALUE PER UNIT		111.5267	100.1339

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Note	Half year ended December 31, 2024 ----- (Rupees in '000) -----	Quarter ended December 31, 2024
INCOME			
Income from government securities		123,080	112,209
Profit on deposits with banks		36,665	33,807
Capital gain on sale of investments - net		129	-
Other income		9	9
Unrealised gain on remeasurement of investments at fair value through profit or loss - net		86,431	80,741
Total income		246,314	146,016
EXPENSES			
Remuneration of MCB Investment Management Limited - Management Company	7.1	21,185	20,527
Sindh Sales Tax on remuneration of the Management Company	7.2	3,178	3,079
Allocated expenses	7.3	248	248
Sindh Sales Tax on allocated expense	7.4	37	37
Remuneration of Central Depository Company of Pakistan Limited - Trustee		710	667
Sindh Sales Tax on remuneration of the Trustee		106	100
Annual fees of Securities and Exchange Commission of Pakistan	8	968	910
Settlement and bank charges		302	302
Brokerage expense		1,361	1,269
Auditors' remuneration		503	390
Legal, professional and other charges		102	87
Shariah advisory fee		182	97
Fees and subscription		78	78
Printing charges		34	9
Total operating expenses		28,994	27,800
Net income from operating activities before taxation		217,320	118,216
Taxation	11	-	-
Net income for the period after taxation		217,320	118,216
Allocation of net income for the period			
Net income for the period after taxation		217,320	
Income already paid on units redeemed		(38,559)	
		178,761	
Accounting income available for distribution			
Relating to capital gains		71,554	
Excluding capital gains		107,207	
		178,761	
Earning per unit	12		

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

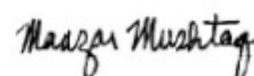
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2024**

	Half year ended December 31, 2024	Quarter ended December 31, 2024
	----- (Rupees in '000) -----	
Net income for the period after taxation	217,320	118,216
Other comprehensive income	-	-
Total comprehensive income for the period	<u>217,320</u>	<u>118,216</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

Half year ended December 31, 2024			
	Capital Value	Undistributed income	Total
	(Rupees in '000)		
Net assets at beginning of the period	168,343	109	168,452
Issue of 100,019,845 units :			
- Capital value (at net asset value per unit at the beginning of the period)	10,015,377	-	10,015,377
- Element of income	905,628	-	905,628
	10,921,005	-	10,921,005
Redemption 21,398,587 units :			
- Capital value (at net asset value per unit at the beginning of the period)	(2,142,724)	-	(2,142,724)
- Element of loss - net	(169,283)	(38,559)	(207,842)
	(2,312,007)	(38,559)	(2,350,566)
Total comprehensive income for the period	-	217,320	217,320
Interim dividend distribution on July 01, 2024 at the rate Re. 0.1339 per unit	-	(225)	(225)
	-	217,095	217,095
Net assets as at the end of the period	8,777,341	178,645	8,955,986
Undistributed income brought forward			
- Realised		121	
- Unrealised		(12)	
		109	
Accounting income available for distribution			
- Relating to capital gains		71,554	
- Excluding capital gains		107,207	
		178,761	
Distributions during the period		(225)	
Undistributed income carried forward		178,645	
Undistributed income carried forward			
- Realised		92,214	
- Unrealised		86,431	
		178,645	
		(Rupees)	
Net assets value per unit as at beginning of the period		100.1339	
Net assets value per unit as at end of the period		111.5267	

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

	Note	Half year ended December 31, 2024 - (Rupees in '000) -
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income from operating activities before taxation		217,320
Adjustments for:		
Unrealised gain on remeasurement of investments at fair value through profit or loss - net		(86,431)
		130,889
Increase in assets		
Investment		(6,768,771)
Profit receivable		(88,225)
Advances, deposits, prepayments and other receivables		(46,778)
		(6,903,774)
Decrease in liabilities		
Payable to MCB Investment Management Limited - Management Company		14,510
Payable to Central Depository Company of Pakistan Limited - Trustee		447
Payable to the Securities and Exchange Commission of Pakistan		530
Accrued expenses and other liabilities		5,293
Payable against purchase of investment		(126,213)
		(105,433)
Net cash used in operating activities		(6,878,318)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units		10,921,005
Amount paid against redemption of units		(2,350,566)
Distributions made during the period		(225)
Net cash generated from financing activities		8,570,214
Net increase in cash and cash equivalents during the period		1,691,896
Cash and cash equivalents at the beginning of the period		168,353
Cash and cash equivalents at the end of the period	5	1,860,249

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2024

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 Alhamra Government Securities Fund (the Fund / the Scheme / the Trust / the Unit Trust / ALHGSF) has been established through the Trust Deed (the Deed) dated January 25, 2024 under the Sindh Trust Act, 2020 executed between MCB Investment Management Limited, (the Management Company), and Central Depository Company of Pakistan Limited, (the Trustee). Under the Non-Banking Finance Company (Establishment and Regulation) Rules, 2003 (the "Rules") and Non-Banking Finance Companies and Notified Entities Regulations, 2008 (Regulation) the Securities and Exchange Commission of Pakistan (SECP) has authorised to offer units of Alhamra Government Securities Fund (ALHGSF) and has registered ALHGSF as a notified entity under the Regulations vide letter No SCD/AMCW/ALHGSF/2023/443 dated March 25, 2024. SECP has approved the Offering Document under the Regulations vide its Letter No. SCD/AMCW/ALHGSF/2023/458 dated April 08, 2024.
- 1.2 Management Company of the Fund has been licensed to act as an Asset Management Company under the the Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end collective investment scheme categorised as a "Shariah Compliant Government Securities Income Scheme". The Management Company has launched Alhamra Government Securities Plan I under Alhamra Government Securities Fund on June 24, 2024 i.e. IPO date of the Plan. The units of the Fund are transferable and can also be redeemed by surrendering to the Fund.
- 1.4 The objective of the Fund is to generate a competitive return by investing primarily in Shariah Compliant Government Securities, Islamic Banks and licensed Islamic Banking Windows of Conventional Banks.
- 1.5 The Pakistan Credit Rating Agency Limited (PACRA) has maintained asset manager rating of AM1 dated October 04, 2024 to the Management Company and a stability rating of 'AA(f)' dated November 12, 2024 to the Fund.
- 1.6 Title to the assets of the Fund is held in the name of the Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standard (IAS) 34, 'Interim Financial Reporting', issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017, along with Part VIIIA of the repealed Companies Ordinance, 1984; and
- the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the requirements of the Trust Deed.

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

The disclosures made in this condensed interim financial information are limited, based on the requirements of the IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the period ended June 30, 2024.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

In compliance with Schedule V of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2024.

This condensed interim financial information is presented in Pakistan Rupees which is the Fund's functional and presentation currency and rounded to the nearest thousand rupees, unless otherwise specified.

This condensed interim financial information does not include comparative amounts of the condensed interim income statement, condensed interim statement of other comprehensive income, condensed interim statement of cash flow and condensed interim statement of movement in unit holders' fund as the first plan of the Fund was launched on June 24, 2024.

3. SUMMARY OF MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies and methods of computation adopted in preparation of this condensed interim financial information are same as those applied in preparation of financial statements of the Fund as at and for the period ended June 30, 2024.

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the period ended June 30, 2024.

Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore, not disclosed in this condensed interim financial information.

4. FINANCIAL RISK MANAGEMENT

The Fund's risk management objective and policies are consistent with those disclosed in the annual audited financial statements of the Fund as at and for the period ended June 30, 2024.

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
5. BANK BALANCES			
In savings accounts	5.1	<u>1,860,249</u>	<u>168,353</u>
5.1	These carry profit at rates ranging between 9.50% to 11.50% per annum (June 30, 2024: 17.00% per annum).		

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
6. INVESTMENTS			
Financial assets at fair value through profit or loss - net			
Government of Pakistan (GoP) Ijara Sukuks			
- Government of Pakistan (GoP) Ijara Sukuks - Listed	6.1.1	<u>6,712,753</u>	-
- Government of Pakistan (GoP) Ijara Sukuks - Unlisted	6.1.2	<u>262,797</u>	<u>120,348</u>
		<u>6,975,550</u>	<u>120,348</u>

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

6.1 Government of Pakistan (GoP) Ijara Sukuks

Tenure	Issue Date	Face value			As at December 31, 2024			Market value as a percentage of net assets	Market value as a percentage of total investments	
		As at July 01, 2024	Purchased during the period	Sold / matured during the period	As at December 31, 2024	Carrying value	Market value			Unrealised gain / (loss)
6.1.1 Government of Pakistan (GoP) Ijara Sukuks - Listed										
GOP Ijara Sukuk - 1 Year - (Fixed)*	January 24, 2024	-	1,610	-	1,610	1,598	1,600	2	0.0179	0.0229
GOP Ijara Sukuk - 1 Year - (Fixed)*	March 15, 2024	-	5	-	5	5	5	-	0.0001	0.0001
GOP Ijara Sukuk - 1 Year - (Fixed)*	April 26, 2024	-	10	-	10	10	10	-	0.0001	0.0001
GOP Ijara Sukuk - 1 Year - (Fixed)*	May 10, 2024	-	30	-	30	29	29	-	0.0003	0.0004
GOP Ijara Sukuk - 1 Year - (Fixed)*	May 24, 2024	-	190,805	-	190,805	181,346	183,955	2,609	2.0540	2.8371
GOP Ijara Sukuk - 1 Year - (Fixed)*	July 26, 2024	-	50,065	-	50,065	46,570	47,236	666	0.5274	0.8772
GOP Ijara Sukuk - 1 Year - (Fixed)*	August 16, 2024	-	150,010	50,000	100,010	93,849	94,339	490	1.0534	1.3524
GOP Ijara Sukuk - 1 Year - (Fixed)*	September 18, 2024	-	250,015	-	250,015	227,777	234,514	6,737	2.6165	3.3619
GOP Ijara Sukuk - 1 Year - (Fixed)*	October 21, 2024	-	864,005	-	864,005	886,065	894,211	8,126	9.9845	12.8192
GOP Ijara Sukuk - 1 Year - (Fixed)*	November 7, 2024	-	2,051,010	-	2,051,010	1,890,300	1,900,261	19,961	21.2179	27.2417
GOP Ijara Sukuk - 1 Year - (Fixed)*	December 4, 2024	-	250,000	-	250,000	227,188	229,050	1,862	2.5575	3.2836
GOP Ijara Sukuk - 3 Year - (Variable)*	June 28, 2024	-	25,000	-	25,000	25,362	25,700	318	0.2870	0.3684
GOP Ijara Sukuk - 3 Year - (Variable)*	October 21, 2024	-	600,000	-	600,000	605,808	609,000	3,192	6.7999	8.7305
GOP Ijara Sukuk - 3 Year - (Fixed)*	June 28, 2024	-	25,000	-	25,000	25,089	27,413	2,344	0.3061	0.3930
GOP Ijara Sukuk - 3 Year - (Fixed)*	September 18, 2024	-	40,000	-	40,000	40,000	41,400	1,400	0.4623	0.5935
GOP Ijara Sukuk - 3 Year - (Fixed)*	October 21, 2024	-	537,500	-	537,500	542,310	544,004	1,694	6.0742	7.7987
GOP Ijara Sukuk - 5 Year - (Variable)*	June 28, 2024	-	65,000	-	65,000	66,397	66,950	553	0.7475	0.9598
GOP Ijara Sukuk - 5 Year - (Variable)*	October 21, 2024	-	737,500	-	737,500	746,070	759,625	13,555	8.4818	10.8898
GOP Ijara Sukuk - 5 Year - (Fixed)*	June 28, 2024	-	65,000	-	65,000	65,966	73,177	7,211	0.8171	1.0490
GOP Ijara Sukuk - 5 Year - (Fixed)*	September 18, 2024	-	40,000	-	40,000	40,000	42,680	2,680	0.4766	0.6119
GOP Ijara Sukuk - 5 Year - (Fixed)*	October 21, 2024	-	912,500	-	912,500	927,443	937,594	10,151	10.4689	13.4411
Government of Pakistan (GoP) Ijara Sukuks - Unlisted						6,629,202	6,712,753	83,551		
GOP Ijara Sukuk - 1 Year - (Variable)	October 9, 2023	120,000	-	120,000	-	-	-	-	-	-
GOP Ijara Sukuk - 3 Year - (Variable)*	January 5, 2023	-	11,000	-	11,000	11,097	11,108	11	0.1240	0.1592
GOP Ijara Sukuk - 3 Year - (Variable)*	December 4, 2023	-	15,200	-	15,200	15,569	15,527	(42)	0.1734	0.2226
GOP Ijara Sukuk - 3 Year - (Fixed)*	December 4, 2023	-	100,000	50,000	50,000	50,450	53,325	2,835	0.5954	0.7645
GOP Ijara Sukuk - 5 Year - (Variable)*	October 6, 2021	-	45,800	-	45,800	46,817	46,711	(106)	0.5216	0.6696
GOP Ijara Sukuk - 5 Year - (Variable)*	October 29, 2021	-	133,000	-	133,000	135,944	136,126	182	1.5199	1.9515
As at December 31, 2024						259,917	262,797	2,880		
As at June 30, 2024						6,899,119	6,975,550	86,431		
As at June 30, 2024						120,360	120,348	(12)		

* These carry effective yield of ranging between 12% to 19.69% (June 30, 2024: 20.94%) per annum.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
	Note	----- (Rupees in '000) -----	
7. PAYABLE TO MCB INVESTMENT MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Management remuneration payable	7.1	11,850	19
Sindh sales tax payable on management remuneration	7.2	1,777	2
Payable against allocated expenses	7.3	248	2
Sindh sales tax payable on allocated expenses	7.4	37	-
Payable against marketing and selling expenses	7.5	-	1
Sales load payable		589	-
Other payable		41	41
Payable to shariah advisor		33	-
		<u>14,575</u>	<u>65</u>

7.1 Management Company has charged management fee at the rate upto 2% (June 30, 2024: 2%) of the average net assets of the Fund, calculated on a daily basis. The remuneration is paid to the Management Company on a monthly basis in arrears.

7.2 Sindh sales tax on remuneration of the Management Company has been charged at the rate of 15% (June 30, 2024: 13%).

7.3 The SECP has allowed the Asset Management Companies to charge allocated expenses to the Fund on its discretion. This is subject to the condition that the expense charged remains within the Fund's total expense ratio limit, as defined under the NBFC Regulations and not being higher than the actual expenses.

7.4 The Sindh Finance Act, 2024 has introduced an amendment to the Sindh Sales Tax on Services Act, 2011, whereby it is clarified that "consideration in money" also includes any amount of reimbursable expenditure and charged in the course of provision of a service. Accordingly, during the period, the Fund charge sales tax on allocated expenses in the course of provision of service at the rate of 15% and is paid to the Management Company which acts as a collecting agent. During the period, sales tax has been charged at the rate of 15% (June 30, 2024: nil).

7.5 The SECP has allowed the Asset Management Companies to charge selling and marketing expenses to the Fund on its discretion. This is subject to the condition that the expense charged remains within the Fund's total expense ratio limit, as defined under the NBFC Regulations and not being higher than the actual expenses. The management company has not charged selling and marketing expenses during the period.

8. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

The Fund has charged SECP fee at the rate of 0.075% (June 30, 2024: 0.075%) of the average daily net assets of the Fund calculated on daily basis and payable to SECP on monthly basis.

		(Un-audited) December 31, 2024	(Audited) June 30, 2024
		----- (Rupees in '000) -----	
9. ACCRUED EXPENSES AND OTHER LIABILITIES			
Printing charges payable		50	20
Payable to legal advisor		46	17
Auditors' remuneration		226	150
Brokerage payable		1,165	-
Withholding tax on capital gain		3,993	-
		<u>5,480</u>	<u>187</u>

10. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2024 and June 30, 2024.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

11. 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 90% of the accounting income for the year as reduced by accumulated losses and capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute at least 90% of the Fund's accounting income to be earned during current year to the unit holders, therefore, no provision for taxation has been made in this condensed interim financial information during the period. 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.

12. EARNINGS PER UNIT

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

13. TOTAL EXPENSE RATIO

The total annualised expense ratio of the Fund based on current period results is 2.25% as on December 31, 2024 and this includes 0.35% representing government levy on the Fund such as sales taxes, annual fee to the SECP etc.

14. TRANSACTIONS WITH RELATED PARTIES / CONNECTED PERSONS

Related parties / connected persons of the Fund include the Management Company, other collective investment schemes managed by the Management Company, MCB Bank Limited being the Holding Company of the Management Company, MCB Islamic Bank Limited (being 100% subsidiary of the Holding 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.

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 of the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations, 2008 and the Trust Deed respectively.

The details of transactions carried out by the Fund with connected persons / related parties and balances with them at the period end are as follows:

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

For the half year ended December 31, 2024 (Un-audited)							
As at July 1, 2024	Issued for cash	Redeemed	As at December 31, 2024	As at July 1, 2024	Issued for cash	Redeemed	As at December 31, 2024
Units				(Rupees in '000)			
Group / associated company							
MCB Investment Management Limited	500,000	502	500,502	-	50,067	50	50,995
Adamjee Insurance Company Limited	-	2,318,613	-	2,318,613	-	254,498	258,587
Adamjee Insurance Co.Ltd - Employees Provident Fund	-	354,012	-	354,012	-	39,468	39,482
	500,000	2,673,127	500,502	2,672,625	50,067	294,016	50,995
							298,069
Units Holders Holding							
Directors and Key Management Personnel	-	249,373	194,320	55,053	-	26,959	21,378
							6,140

* This reflects the position of related party / connected persons status as at December 31, 2024.

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

		(Un-Audited) December 31, 2024 (Rupees in '000)	
14.2	Details of transactions with related parties / connected persons during the period		
	MCB Investments Management Limited - Management Company		
	Remuneration including indirect taxes		24,363
	Allocated expenses includes indirect taxes		285
	Central Depository Company of Pakistan Limited - Trustee		
	Remuneration including indirect taxes		816
	settlement charges		108
		(Un-audited) December 31, 2024	(Audited) June 30, 2024
		----- (Rupees in '000) -----	
14.3	Details of balances with related parties / connected persons as at year end		
	MCB Investment Management Limited - Management Company		
	Management remuneration payable	11,850	19
	Sindh Sales Tax payable on management remuneration	1,777	2
	Allocated expense payable	248	2
	Sindh Sales Tax payable on allocated expenses	37	-
	Other payable to the Management Company	41	41
	Marketing and selling payable	-	1
	Sales load payable	589	-
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee remuneration payable	391	159
	Sindh Sales Tax payable on Trustee remuneration	58	21
	Security deposit	100	100

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

The following table show the carrying amount and fair values of financial assets and financial liabilities including the levels in the fair value hierarchy.

	December 31, 2024 (Un-audited)						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)						
Financial assets measured at fair value							
Government of Pakistan (GoP) Ijara Sukuks - Listed	6,712,753	-	6,712,753	6,712,753	-	-	6,712,753
Government of Pakistan (GoP) Ijara Sukuks - Unlisted	262,797	-	262,797	262,797	-	-	262,797
	6,975,550	-	6,975,550	6,975,550	-	-	6,975,550
Financial assets not measured at fair value							
Bank balances	-	1,860,249	1,860,249				
Profit receivable	-	94,415	94,415				
Advances, deposits, prepayments and other receivables	-	46,711	46,711				
	-	2,001,375	2,001,375				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	12,761	12,761				
Payable to the Trustee	-	391	391				
Accrued expenses and other liabilities	-	1,470	1,470				
	-	14,623	14,623				

	June 30, 2024 (Audited)						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)						
Financial assets measured at fair value							
Government of Pakistan (GoP) Ijara Sukuks - Unlisted	120,348	-	120,348	120,348	-	-	120,348
	120,348	-	120,348	120,348	-	-	120,348
Financial assets not measured at fair value							
Bank balances	-	168,353	168,353				
Profit receivable	-	6,190	6,190				
Advances, deposits, prepayments and other receivables	-	30	30				
	-	174,573	174,573				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	63	63				
Payable to the Trustee	-	2	2				
Payable against purchase of investment	-	126,213	126,213				
Accrued expenses and other liabilities	-	176	176				
	-	126,454	126,454				

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2024**

16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on February 04, 2025 by the Board of Directors of the Management Company.

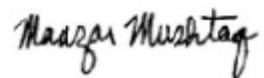
For MCB Investment Management Limited
(Management Company)



Chief Executive Officer



Chief Financial Officer



Director

MCB INVESTMENT MANAGEMENT LIMITED

Head Office: 2nd Floor, Adamjee House, I.I. Chundrigar Road, Karachi

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