

HBL

ASSET MANAGEMENT LTD.
ایسٹٹ مینجمنٹ لمیٹڈ

AMC Rating : AM2++ by JCR-VIS



HBL Pension Fund & HBL Islamic Pension Fund

HALF YEARLY REPORT 2021

For the Half Year Ended December 31, 2021

MOVING TOWARDS
EXCELLENCE

TABLE OF CONTENTS

| | |
|---|----|
| <i>Corporate Information</i> | 02 |
| <i>Report of the Directors of the Management Company</i> | 03 |
| | |
| HBL Pension Fund | |
| <i>Fund Information</i> | 07 |
| <i>Independent Auditors' Review Report to the unit holders</i> | 08 |
| <i>Condensed Interim Statement of Assets and Liabilities (Un-audited)</i> | 09 |
| <i>Condensed Interim Income Statement (Un-audited)</i> | 10 |
| <i>Condensed Interim Income Statement and Other Comprehensive Income (Un-audited)</i> | 11 |
| <i>Condensed Interim Statement of Movement in Unit Holders' Fund (Un-audited)</i> | 12 |
| <i>Condensed Interim Cash Flow Statement (Un-audited)</i> | 13 |
| <i>Notes to the Condensed Interim Financial Information (Un-audited)</i> | 14 |
| | |
| HBL Islamic Pension Fund | |
| <i>Fund Information</i> | 29 |
| <i>Independent Auditors' Review Report to the unit holders</i> | 30 |
| <i>Condensed Interim Statement of Assets and Liabilities</i> | 31 |
| <i>Condensed Interim Income Statement (Un-audited)</i> | 32 |
| <i>Condensed Interim Income Statement and Other Comprehensive Income (Un-audited)</i> | 33 |
| <i>Condensed Interim Statement of Movement in Unit Holders' Fund (Un-audited)</i> | 34 |
| <i>Condensed Interim Cash Flow Statement (Un-audited)</i> | 35 |
| <i>Notes to the Condensed Interim Financial Information (Un-audited)</i> | 36 |

CORPORATE INFORMATION

Management Company

HBL Asset Management Limited

Board of Directors (Composition as of February 11, 2022)

| | | |
|------------------|------------------------------|---------------------------|
| Chairman | Mr. Shahid Ghaffar | (Independent Director) |
| Directors | Mr. Mir Adil Rashid | (Chief Executive Officer) |
| | Ms. Ava Ardeshir Cowasjee | (Independent Director) |
| | Mr. Shabbir Hussain Hashmi | (Independent Director) |
| | Mr. Rayomond H. Kotwal | (Non-Executive Director) |
| | Mr. Tariq Masaud | (Non-Executive Director) |
| | Mr. Abrar Ahmed Mir | (Non-Executive Director) |
| | Mr. Abid Sattar ¹ | (Independent Director) |

1 Appointment subject to SECP approval.

Audit Committee

| | | |
|-----------------|----------------------------|--------------------------|
| Chairman | Mr. Shabbir Hussain Hashmi | (Independent Director) |
| Members | Ms. Ava Ardeshir Cowasjee | (Independent Director) |
| | Mr. Rayomond H. Kotwal | (Non-Executive Director) |

Human Resource & Remuneration Committee

| | | |
|-----------------|----------------------------|--------------------------|
| Chairman | Mr. Shahid Ghaffar | (Independent Director) |
| Members | Ms. Ava Ardeshir Cowasjee | (Independent Director) |
| | Mr. Shabbir Hussain Hashmi | (Independent Director) |
| | Mr. Rayomond H. Kotwal | (Non-Executive Director) |

Risk Management Committee

| | | |
|-----------------|---------------------|---------------------------|
| Chairman | Mr. Shahid Ghaffar | (Independent Director) |
| Members | Mr. Tariq Masaud | (Non-Executive Director) |
| | Mr. Mir Adil Rashid | (Chief Executive Officer) |

Technology Committee

| | | |
|-----------------|----------------------------|--------------------------|
| Chairman | Mr. Abrar Ahmed Mir | (Non-Executive Director) |
| Members | Mr. Shabbir Hussain Hashmi | (Independent Director) |

Company Secretary & Chief Financial Officer

Mr. Noman Qurban

AMC Rating

AM2++ (Positive Outlook)

Legal Advisor

Bawany & Partners,
Lane 13, D.H.A Phase 6, Bukhari Commercial Area,
Defense Housing Authority, Karachi.

Website

www.hblasst.com

Head Office & Registered Office

7th Floor, Emerald Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi.

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of HBL Asset Management Limited is pleased to present its report along with Financial Statements Report of HBL Pension Fund and HBL Islamic Pension Fund (the Funds) for the period ended December 31, 2021.

Economic Review

The Government adopted a pro-growth budget for FY22, whereby it projected GDP growth rate of 4.8% on the back of higher PSDP expenditure and incentives given to agriculture and industrial sectors. So far, the revival of domestic economic activities has remained on track; however, there are risks to economic growth in the form of rapid increase in Current Account (CA) Deficit and inflationary pressures on account of elevated international commodity prices.

The CA Deficit for Dec-21 clocked in at USD 1.93bn, taking 1HFY22 CAD to USD 9.09bn (-5.7% of GDP), compared to a Surplus of 1.25bn (0.9% of GDP) during the same period last year (SPLY). This was primarily driven by a higher trade deficit as the growth in imports (up 54%) outstripped the growth in exports (up 27%) due to increase in international commodity prices, higher machinery imports under TERF, and increase in import of food items and COVID-19 vaccines. The higher trade deficit was partially offset by increase in remittances, which amounted to USD 15.8bn (up 11.3%), compared to USD 14.2bn during the SPLY. In order to curtail the rapid increase in CAD, the Government has taken several measures, such as imposition of 100% cash margin requirement on import of certain items, and increasing regulatory duties on import of luxury items, among others.

CPI for Dec-21 clocked in at 12.28%, taking 1HFY22 average CPI to 9.81%, compared to 8.63% during the same period last year. The increase in CPI was largely driven by higher food and fuel prices, which have been on a rising trajectory owing to demand-side pressures as global economies begin to reopen, while supply-side constraints still persist.

During 5MFY22, FBR's net collection improved by 36.8% YoY to PKR 2,319bn from PKR 1,695bn during the SPLY, whereby net collection exceeded its target by PKR 303bn. Consequently, fiscal deficit was recorded at 1.1% of GDP, compared to 1.7% of GDP during the SPLY, while primary surplus remained flattish at 0.4% of GDP.

The recently introduced contractionary monetary and fiscal measures have resulted in stabilization in several high-frequency demand indicators, whereby LSM growth rate during Nov-21 decelerated to 0.3% YoY taking 5MFY22 LSM growth to 3.26% YoY. This was primarily driven by Wood Products (+200.5%), Automobiles (+34.5%), and Iron and Steel Products (+25.3%).

Stock Market Review

During 1HFY22, the KSE-100 index declined by 2,760 pts or 5.8% to close at 44,596 pts. The primary reasons for the market being under pressure were 1) rapid increase in CAD due to rising domestic demand and significant increase in international commodity prices, 2) weakening PKR against the USD (10.8% depreciation in 1HFY22), 3) commencement of monetary tightening with SBP's Monetary Policy Committee increasing the Policy Rate by 2.75% to 9.75%, 4) geo-political issues in the region with heightened uncertainty due to the situation in Afghanistan and a possible reset in US-Pakistan relations, 5) uncertainty surrounding the IMF program, and 6) continued foreign selling after Pakistan's reclassification from MSCI Emerging to Frontier Market Index.

Market performance was also dictated by news flow related to prior actions needed to be taken by the Government for resumption of IMF program, where major events included the announcement of Supplementary Finance Bill FY22, and SBP Amendment Act in the National Assembly.

During 1HFY22, average traded volume declined by 52% YoY to 128mn shares, while average traded value declined by 39% YoY to 7.4bn. On the flows side, foreigners were the net sellers during 1HFY22 and sold shares worth USD 250.3mn.

We expect the equity market to regain its positive momentum due to attractive valuations and revival in economic activities. The announcement of Supplementary Finance Bill FY22 and SBP Amendment Act has provided clarity regarding the authorities' intention to curtail the growth in imports, and increase tax collection to provide fiscal space to the Government. We also expect a reversal in international commodity prices, which should provide some relief on the external front. These developments should act as a positive trigger for the market. However, any delay in the resumption of the IMF program may keep the market range-bound in the near-term.

Money Market Review

In order to support economic recovery post COVID, the Monetary Policy Committee (MPC) kept the Policy Rate unchanged until 19-Sep-21. However, it gradually increased the Policy Rate by 2.75% to 9.75% as it shifted its focus from catalyzing economic recovery toward sustaining it. The MPC noted that the pace of domestic economic recovery had exceeded expectations and, coupled with higher international commodity prices, resulted in CAD increasing rapidly. This created the need to normalize monetary policy faster than initially planned to preserve growth stability.

Accordingly, during 1HFY22, secondary market yields on T-bills increased by an average of ~3.55%, while those on PIBs increased by an average of ~3.19%. The cut-off yields in the last T-Bill auction were 10.59%, 11.45% and 11.51% for 3M, 6M and 12M tenors, respectively. The cut-offs yields in the last PIBs auction were 11.50%, 11.57% and 11.76% for the 3Y, 5Y, and 10Y tenors, respectively.

GoP Ijarah Sukuk auction was held on 9-Dec-21 with a target of PKR 100bn (PKR 25bn Fixed Rental and PKR 75bn Variable Rental Rate) for a period of 5 years. Total participation of PKR 8.1bn and PKR 109.8bn was witnessed for the VRR and FRR Sukuk, respectively. The Ministry of Finance accepted bids worth PKR 68bn (11.40%) in FRR Sukuk and PKR 0.05bn in VRR Sukuk.

The central bank has provided forward guidance, whereby it has stated that the end goal of achieving mildly positive real interest rates on a forward-looking basis is now close to being achieved. Furthermore, the MPC expects monetary policy settings to remain broadly unchanged in the near-term.

Future Outlook

Moving ahead, we believe that GDP growth is likely to remain encouraging on account of sharp pick-up in economic activities. Recent measures to curtail the rapid increase in CAD should also ease pressure on the local currency. We expect CAD for FY22 to remain in the range of 4.0-4.5% of GDP, owing to increase in trade deficit due to strong rebound in domestic demand, higher international commodity prices, and resumption of international travel.

On the fiscal side, FBR's Tax Revenue for FY22 is projected to grow by 28% to PKR 6.1tn, while Non-Tax Revenue is projected to grow by 18% to PKR 1.8tn. We expect fiscal deficit to be in the range of 6.5-7.0% of GDP, which we believe should be manageable. Focus would remain on how the Government strikes a balance between achieving the desired economic growth rate, while keeping the external and fiscal accounts in check.

On the fixed income front, we expect average inflation for FY22 to be in the range of 10.75%-11.25%. Accordingly, SBP may increase the Policy Rate by another 50-75bps during FY22. However, inflation is expected to taper down from FY23 onwards due to high-base effect and expectation of easing in international commodity prices. Upside risks to our estimate remain in the form of elevated international commodity prices for an extended time. On the Islamic front, we expect Government to issue GoP Ijara Sukuk and other GOP Guaranteed Sukuk in FY22 to bridge the fiscal gap.

Our long-term view on Pakistan equities is positive due to cheap valuations and improvement in macroeconomic outlook following corrective measures taken by the authorities in a timely manner. The market is trading at an eye catching P/E multiple of 4.5x compared to regional average of 16.4x, and offers an attractive dividend yield of 8.7%, compared to regional average of 2.4%. Moreover, as a result of the recent decline, the spread between KSE-100 index earnings yield and 10Y PKRV has increased to 10.4%, compared to 5-year historical average spread of 5.5%, which implies further upside of ~29%. We believe Pakistan equities offer a good opportunity for long-term investors.

Fund's Performance

HBL Pension Fund

The Fund comprises of three sub funds namely Equity sub-fund, Debt sub-fund and Money Market sub-fund.

The Fund as a whole incurred a total and net loss of Rs. 7.16 million and Rs. 9.15 million respectively during the period under review. The fund size increased from Rs. 665 million as on June 30, 2021 to Rs. 693 million as at December 31, 2021 thereby showing an increase of 4% during the period under review. Performance review for each sub Fund is given below:

Equity Sub-Fund

During the period under review, the Equity sub-fund incurred a total and net loss of Rs. 27.08 million and Rs. 26.70 million respectively. The net assets of the Equity sub-fund was Rs. 197 million representing Net Asset Value (NAV) of Rs. 380.3569 per unit as at December 31, 2021. The Sub Fund earned a negative return of 12.23% for the period under review.

Debt Sub-Fund

During the period under review, the Debt sub-fund earned a total income of Rs. 7.51 million and Rs. 7.01 million respectively. The net assets of the Debt sub-fund was Rs. 204 million representing Net Asset Value (NAV) of Rs. 223.4501 per unit as at December 31, 2021. The Fund yielded annualized return of 7.24% for the period under review.

Money Market Sub-Fund

During the period under review, the Money Market sub-fund earned total and net income of Rs. 12.40 million and Rs. 10.54 million respectively. The net assets of the Money Market sub-fund was Rs. 292 million representing Net Asset Value (NAV) of Rs. 194.0714 per unit as at December 31, 2021. An annualized return of 7.58% was earned by the Fund for the period under review.

HBL Islamic Pension Fund

The Fund comprises of three sub funds namely Equity sub-fund, Debt sub-fund and Money Market sub-fund.

The Fund as a whole incurred a total and net loss of Rs. 11.62 million and Rs. 12.17 million respectively during the period under review. The fund size decreased from Rs. 347 million as at June 30, 2021 to Rs. 341 million as at December 31, 2021 showing a decrease of 2%. Performance review for each sub Fund is given below:

Equity Sub-Fund

During the period under review, the Equity sub-fund incurred a total and net loss of Rs. 18.29 million and Rs. 17.86 million respectively. The net assets of the Equity sub-fund was Rs. 179 million representing Net Asset Value (NAV) of Rs. 422.6516 per unit as at December 31, 2021. The Fund yielded a negative return of 9.22% for the period under review.

Debt Sub-Fund

During the period under review, the Debt sub-fund earned total and net income of Rs. 3.94 million and Rs. 3.38 million respectively. The net assets of the Debt sub-fund was Rs. 91 million representing Net Asset Value (NAV) of Rs. 178.2364 per unit as at December 31, 2021. The Fund yielded annualized return of 7.01% for the period under review.

Money Market Sub-Fund

During the period under review, the Money Market sub-fund earned total and net income of Rs. 2.73 million Rs. 2.30 million respectively. The net assets of the Money Market sub-fund was Rs. 71 million representing Net Asset Value (NAV) of Rs. 173.4183 per unit as at December 31, 2021. An annualized return of 6.71% was earned by the Fund for the period under review.

Acknowledgement

The Board takes this opportunity to thank its valued unit-holders for their confidence and patronage. It would like to place on record its appreciation for the help and guidance provided by Securities & Exchange Commission of Pakistan, Central Depository Company of Pakistan as Trustee, the Pakistan Stock Exchange Limited and the State Bank of Pakistan.

The Board also wishes to place on record its appreciation for the hard work and dedication shown by the staff.

On behalf of the Board of
HBL Asset Management Limited

Chief Executive Officer

HBL

Pension Fund

FUND INFORMATION

| | |
|-----------------|---|
| Name of Fund | HBL Pension Fund |
| Name of Auditor | Yousuf Adil Chartered Accountants. |
| Name of Trustee | Central Depository Company of Pakistan Limited (CDC) |
| Bankers | Habib Bank Limited Faysal Bank Limited Allied Bank Limited JS Bank Limited NIB Bank Limited Sindh Bank Limited Soneri Bank Limited Zarai Taraqati Bank Limited |

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE PARTICIPANTS OF HBL PENSION FUND

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Pension Fund** (the "Fund") as at December 31, 2021, and the related condensed interim income statement and other comprehensive income, condensed interim statement of movement in participant's sub funds, condensed interim statement of cash flows and notes to and forming part of the condensed interim financial information for the six months period ended December 31, 2021 (here-in-after referred to as the 'condensed interim financial information'). **HBL Asset Management Limited** (the "Management Company") is responsible for the preparation and presentation of this condensed interim financial information in accordance with 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim income statement and other comprehensive income, for the quarter ended December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

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


Chartered Accountants

Place: Karachi
Date: February 23, 2022

HBL Pension Fund
Condensed Interim Statement of Assets and Liabilities (Un-Audited)
AS AT DECEMBER 31, 2021

| | | (Un-audited) | | | (Audited) | | | | |
|--|----|--------------------|------------------|-----------------------------|----------------|--------------------|------------------|-----------------------------|----------------|
| | | December 31, 2021 | | | June 30, 2021 | | | | |
| | | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| Note ----- (Rupees in '000) ----- | | | | | | | | | |
| ASSETS | | | | | | | | | |
| Bank balances | 4 | 2,761 | 122,705 | 238,169 | 363,635 | 11,229 | 75,173 | 105,269 | 191,671 |
| Investments | 5 | 192,185 | 79,903 | 52,637 | 324,725 | 208,734 | 117,488 | 157,867 | 484,089 |
| Dividend and profit receivable | 6 | 32 | 2,332 | 2,858 | 5,222 | 403 | 1,990 | 326 | 2,719 |
| Deposits, and other receivables | 7 | 2,847 | 469 | 209 | 3,525 | 2,631 | 205 | 179 | 3,015 |
| Total assets | | 197,825 | 205,409 | 293,873 | 697,107 | 222,997 | 194,856 | 263,641 | 681,494 |
| LIABILITIES | | | | | | | | | |
| Payable to HBL Asset Management Limited - Pension Fund Manager | 8 | 284 | 304 | 430 | 1,018 | 304 | 283 | 365 | 952 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | 31 | 31 | 43 | 105 | 32 | 27 | 35 | 94 |
| Payable to Securities and Exchange Commission of Pakistan | | 26 | 25 | 35 | 86 | 54 | 49 | 46 | 149 |
| Accrued expenses and other liabilities | 10 | 848 | 946 | 903 | 2,697 | 9,977 | 2,940 | 2,727 | 15,644 |
| Total liabilities | | 1,189 | 1,306 | 1,411 | 3,906 | 10,367 | 3,299 | 3,173 | 16,839 |
| NET ASSETS | | 196,636 | 204,103 | 292,462 | 693,201 | 212,630 | 191,557 | 260,468 | 664,655 |
| PARTICIPANTS' SUB FUNDS (AS PER CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS) | | 196,636 | 204,103 | 292,462 | 693,201 | 212,630 | 191,557 | 260,468 | 664,654 |
| Contingencies and commitments | 12 | | | | | | | | |
| Number of units in issue | 13 | 516,978 | 913,415 | 1,506,988 | 2,937,381 | 490,664 | 888,556 | 1,393,395 | 2,772,615 |
| Net assets value per unit | | 380.3569 | 223.4501 | 194.0714 | | 433.3512 | 215.5798 | 186.9322 | |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

CONDENSED INTERIM INCOME STATEMENT AND TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

| | December 31, 2021 | | | | December 31, 2020 | | | | |
|--|--------------------|------------------|-----------------------------|-----------------|--------------------|------------------|-----------------------------|---------------|---------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total | |
| Note ----- (Rupees in '000) ----- | | | | | | | | | |
| INCOME | | | | | | | | | |
| Dividend income | 4,365 | - | - | 4,365 | 3,641 | - | - | 3,641 | |
| (Loss) / gain on sale of investments - net | (11,042) | (688) | 70 | (11,660) | 18,321 | 4,187 | (42) | 22,466 | |
| Markup on bank deposits | 145 | 3,734 | 8,809 | 12,688 | 334 | 871 | 1,210 | 2,415 | |
| Mark-up / return on investments calculated using the effective interest method | - | 4,809 | 3,540 | 8,349 | - | 7,564 | 4,365 | 11,929 | |
| Net unrealised (loss) / gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss | (20,543) | (342) | (20) | (20,904) | 27,330 | (8,851) | 7 | 18,486 | |
| Total (loss) / Income | (27,075) | 7,513 | 12,399 | (7,162) | 49,626 | 3,771 | 5,540 | 58,937 | |
| EXPENSES | | | | | | | | | |
| Remuneration to HBL Fund Management Limited - Pension Fund Manager | 1,744 | 1,685 | 2,394 | 5,823 | 1,952 | 1,641 | 1,330 | 4,923 | |
| Remuneration to Central Depository Company of Pakistan Limited - Trustee | 175 | 169 | 240 | 584 | 196 | 165 | 133 | 494 | |
| Annual fee - Securities and Exchange Commission of Pakistan | 26 | 25 | 35 | 86 | 29 | 24 | 20 | 73 | |
| Auditors' remuneration | 59 | 59 | 54 | 172 | 75 | 61 | 43 | 179 | |
| Settlement and bank charges | 421 | 38 | 24 | 483 | 592 | 10 | 8 | 610 | |
| Other Expenses | 241 | 28 | 38 | 306 | 44 | 3 | 4 | 51 | |
| Total expenses | 2,666 | 2,004 | 2,785 | 7,454 | 2,888 | 1,904 | 1,538 | 6,330 | |
| Net (loss) / income from operating activities | (29,740) | 5,509 | 9,614 | (14,616) | 46,738 | 1,867 | 4,002 | 52,607 | |
| Reversal / (Provision) for Sindh Workers' Welfare Fund | 10.1 | 3,040 | 1,501 | 923 | 5,464 | (916) | (37) | (78) | (1,031) |
| Net (loss) / income for the period before taxation | (26,700) | 7,010 | 10,537 | (9,152) | 45,822 | 1,830 | 3,924 | 51,576 | |
| Taxation | 11 | - | - | - | - | - | - | - | |
| Net (loss) / income for the period after taxation | (26,700) | 7,010 | 10,537 | (9,152) | 45,822 | 1,830 | 3,924 | 51,576 | |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - | |
| Total comprehensive (loss) / income for the period | (26,700) | 7,010 | 10,537 | (9,152) | 45,822 | 1,830 | 3,924 | 51,576 | |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

CONDENSED INTERIM INCOME STATEMENT AND TOTAL COMPREHENSIVE (LOSS) / INCOME FOR THE PERIOD FOR THE QUARTER ENDED DECEMBER 31, 2021

| | December 31, 2021 | | | | December 31, 2020 | | | |
|---|-------------------|---------------|-----------------------|--------------|-------------------|---------------|-----------------------|---------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| Note ----- (Rupees in '000) ----- | | | | | | | | |
| INCOME | | | | | | | | |
| Dividend income | 2,618 | - | - | 2,618 | 3,079 | - | - | 3,079 |
| (Loss) / gain on sale of investments -net | (12,705) | (1,006) | (2) | (13,713) | 7,398 | 4,380 | (12) | 11,766 |
| Mark-up on bank deposits | 57 | 2,845 | 5,158 | 8,060 | 177 | 662 | 728 | 1,567 |
| Mark-up / return on investment | - | 1,936 | 1,713 | 3,649 | - | 3,375 | 2,208 | 5,583 |
| Net unrealised gain / (loss) on re-measurement of investments classified as financial assets at fair value through profit or loss | 5,209 | 559 | 4 | 5,772 | 7,062 | (5,167) | 18 | 1,913 |
| Total (loss) / Income | (4,821) | 4,334 | 6,873 | 6,386 | 17,716 | 3,250 | 2,942 | 23,908 |
| EXPENSES | | | | | | | | |
| Remuneration to HBL Fund Management Limited - Pension Fund Manager | 844 | 857 | 1,229 | 2,930 | 967 | 815 | 687 | 2,469 |
| Remuneration to Central Depository Company of Pakistan Limited - Trustee | 85 | 86 | 123 | 294 | 97 | 82 | 69 | 248 |
| Annual fee - Securities and Exchange Commission of Pakistan | 13 | 13 | 18 | 44 | 14 | 12 | 11 | 37 |
| Auditors' remuneration | 29 | 30 | 26 | 85 | 37 | 31 | 22 | 90 |
| Settlement and bank charges | 326 | 38 | 22 | 386 | 320 | 4 | 6 | 330 |
| Other Expense | 132 | 19 | 28 | 179 | 35 | 3 | 3 | 41 |
| Total expenses | 1,429 | 1,043 | 1,446 | 3,918 | 1,470 | 947 | 798 | 3,215 |
| Net (loss) / income from operating activities | (6,250) | 3,291 | 5,427 | 2,468 | 16,246 | 2,303 | 2,144 | 20,693 |
| Provision for Sindh Workers' Welfare Fund | 10.1 | - | - | - | (318) | (37) | (42) | (397) |
| Net (loss) / income for the period before taxation | (6,250) | 3,291 | 5,427 | 2,468 | 15,928 | 2,266 | 2,102 | 20,296 |
| Taxation | 11 | - | - | - | - | - | - | - |
| Net (loss) / income for the period after taxation | (6,250) | 3,291 | 5,427 | 2,468 | 15,928 | 2,266 | 2,102 | 20,296 |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - |
| Total comprehensive (loss) / income for the period | (6,250) | 3,291 | 5,427 | 2,468 | 15,928 | 2,266 | 2,102 | 20,296 |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

| | December 31, 2021 | | | | December 31, 2020 | | | |
|--|------------------------------|------------------|-----------------------------|----------|----------------------|------------------|-----------------------------|-----------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| Note | ----- (Rupees in '000) ----- | | | | | | | |
| Net assets at beginning of the period | 212,630 | 191,557 | 260,468 | 664,655 | 198,309 | 209,250 | 138,146 | 545,705 |
| Issuance of units | 20,006 | 24,996 | 42,564 | 87,567 | 23,811 | 58,147 | 71,939 | 153,897 |
| Redemption of units | (9,300) | (19,461) | (21,107) | (49,868) | (54,134) | (67,169) | (36,576) | (157,879) |
| | 10,706 | 5,535 | 21,457 | 37,699 | (30,323) | (9,022) | 35,363 | (3,982) |
| (Loss) / gain on sale of investments - net | (11,042) | (688) | 70 | (11,660) | 18,321 | 4,187 | (42) | 22,466 |
| Net unrealised (loss) / gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss | (20,543) | (342) | (20) | (20,904) | 27,330 | (8,851) | 7 | 18,486 |
| Other net income for the period | 4,884 | 8,040 | 10,487 | 23,411 | 171 | 6,494 | 3,959 | 10,624 |
| Total comprehensive (loss) / income for the period | (26,700) | 7,010 | 10,537 | (9,153) | 45,822 | 1,830 | 3,924 | 51,576 |
| Net assets at end of the period | 196,636 | 204,103 | 292,462 | 693,201 | 213,808 | 202,058 | 177,433 | 593,299 |
| | ----- (Rupees) ----- | | | | ----- (Rupees) ----- | | | |
| Net assets value per unit at beginning of the period | 433.3512 | 215.5798 | 186.9322 | | 324.3643 | 205.9216 | 177.6024 | |
| Net assets value per unit at end of the period | 380.3569 | 223.4501 | 194.0714 | | 400.0745 | 207.8574 | 182.0717 | |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

**For HBL Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund
Condensed Interim Cash Flow Statement (Un-audited)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

| | December 31, 2021 | | | | December 31, 2020 | | | |
|--|-------------------|---------------|-----------------------|----------------|-------------------|----------------|-----------------------|----------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| Note | (Rupees in '000) | | | | | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | | | | | |
| Net income for the period | (26,700) | 7,010 | 10,537 | (9,153) | 45,822 | 1,830 | 3,924 | 51,576 |
| Adjustments: | | | | | | | | |
| Net unrealised (loss) / gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss | 20,543 | 342 | 20 | 20,904 | (27,330) | 8,851 | (7) | (18,486) |
| Dividend Income | (4,365) | - | - | (4,365) | (3,641) | - | - | (3,641) |
| Mark-up on bank deposits | (145) | (3,734) | (8,809) | (12,688) | (334) | (871) | (1,210) | (2,415) |
| Mark-up / return from investments | - | (4,809) | (3,540) | (8,349) | - | (7,564) | (4,365) | (11,929) |
| (Reversal) / Provision for Sindh Workers' Welfare Fund (SWWF) | (3,040) | (1,501) | (923) | (5,464) | 916 | 37 | 78 | 1,031 |
| | (13,707) | (2,692) | (2,715) | (19,114) | 15,433 | 2,283 | (1,580) | 16,136 |
| (Increase) / decrease in assets | | | | | | | | |
| Investments -net | (3,994) | 37,243 | 105,210 | 138,459 | 11,076 | 53,801 | 7,876 | 72,753 |
| Deposits and other receivable | (216) | (264) | (30) | (510) | (2,505) | 2 | - | (2,503) |
| | (4,210) | 36,979 | 105,180 | 137,949 | 8,571 | 53,803 | 7,876 | 70,250 |
| Increase / (decrease) in liabilities | | | | | | | | |
| Payable to HBL Fund Management Limited - Pension Fund Manager | (20) | 21 | 65 | 66 | 38 | (25) | 36 | 49 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (1) | 4 | 8 | 11 | 5 | - | 6 | 11 |
| Payable to Securities and Exchange Commission of Pakistan | (28) | (24) | (11) | (63) | (30) | (26) | (16) | (72) |
| Accrued expenses and other liabilities | (6,089) | (493) | (901) | (7,483) | (1,478) | (52) | (36) | (1,566) |
| | (6,138) | (492) | (839) | (7,469) | (1,465) | (103) | (10) | (1,578) |
| Dividend received | 4,728 | - | - | 4,728 | 3,420 | - | - | - |
| Mark-up received on bank deposits | 153 | 2,754 | 6,667 | 9,574 | 348 | 649 | 996 | - |
| Mark-up received on investments | - | 5,448 | 3,150 | 8,598 | - | 8,173 | 4,290 | - |
| Net cash generated / (used in) from operating activities | (19,175) | 41,997 | 111,443 | 134,266 | 26,307 | 64,805 | 11,572 | 84,808 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | |
| Amount received on issuance of units | 20,006 | 24,996 | 42,564 | 87,567 | 23,811 | 58,147 | 71,939 | 153,897 |
| Amount paid on redemption of units | (9,300) | (19,461) | (21,107) | (49,868) | (54,134) | (67,169) | (36,576) | (157,879) |
| Reallocation among sub-funds | - | - | - | - | - | - | - | - |
| Net cash generated / (used in) from financing activities | 10,706 | 5,535 | 21,457 | 37,698 | (30,323) | (9,022) | 35,363 | (3,982) |
| Net (decrease) / increase in cash and cash equivalents during the period | | | | | | | | |
| | (8,468) | 47,532 | 132,900 | 171,964 | (4,016) | 55,783 | 46,935 | 80,826 |
| Cash and cash equivalents at beginning of the period | 11,229 | 75,173 | 105,269 | 191,671 | 8,088 | 19,604 | 55,999 | 83,691 |
| Cash and cash equivalents at end of the period | 4 | 2,761 | 122,705 | 238,169 | 363,635 | 4,072 | 75,387 | 102,934 |
| | | | | | | | | 182,393 |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Pension Fund

Notes to the Condensed Interim Financial Information (Un-audited)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011.

The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by SECP. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds

The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.

1.2 The Fund consists of three sub-funds namely, HBL Pension Fund Equity Sub-Fund (Equity Sub-Fund), HBL Pension Fund Debt Sub-Fund (Debt Sub-Fund) and HBL Pension Fund Money Market Sub-Fund (Money Market Sub-Fund) (collectively the Sub-Funds). The investment policy for each of the sub-funds are as follows:

- The Equity Sub-Fund consists of a minimum 90% of net assets invested in listed equity securities. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV or index weight, subject to a maximum of 35% of NAV. Remaining assets of the equity sub-fund shall be invested in any government security having less than one year time to maturity, or be deposited with scheduled commercial banks having at least 'A' rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Debt Sub-Fund consists of tradable debt securities with weighted average duration of the investment portfolio of the Sub-Fund not exceeding five years. At least twenty five percent (25%) of the assets in the Sub-Fund shall be invested in securities issued by the Federal Government. Upto fifteen percent (15%) may be deposited with banks having not less than 'AA+' rating with stable outlook. Exposure to securities issued by companies of a single sector shall not exceed twenty percent (20%) except for banking sector for which the exposure limit shall be up to thirty percent (30%) of net assets of a debt sub-fund. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Money Market Sub-Fund consists of short-term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposits with commercial banks having 'A+' or higher rating provided that deposit with any one bank shall not exceed 20% of net assets of Money Market Sub-Fund. Investment in securities issued by provincial government, city government, government corporate entities with 'A' or higher rating or a corporate entity with 'A+' or higher rating or a government corporation with A+ or higher rating shall be in proportion as defined in offering document.

The Fund offers five types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility & Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The allocation to the Sub-Funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

VIS Credit Rating Agency has assigned management quality rating of 'AM2++ (stable)' (June 2021:'AM2+') to the Pension Fund Manager while the Fund is currently not rated.

Title to the assets of the Fund are held in the name of CDC as the trustee of the Fund.

Pursuant to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021), the Trusts including Collective Investment Schemes, Private Funds, etc, being Specialized Trusts are required to be registered with the Assistant Directorate of Industries and Commerce (Trust Wing), Government of Sindh under Section 12 of the Sindh Trusts Act, 2020. In this regard, the Pension Fund Manager submitted restated Trust Deed of the Fund which was duly registered on September 08, 2021

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

- Interim Accounting Standard (IAS) 34, Interim Financial Reporting issued by International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of the Voluntary Pension System Rules, 2005 (the VPS Rules), Voluntary Pension System Part V (NBFC Regulations, 2008) and requirements of the trust deed; and
- Provisions of and or directives issued under the Companies Act, 2017 along with Part VIIIA of the repealed Companies Ordinance, 1984.

In case where requirements of the VPS Rules, or provisions of and/or directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984 differ from requirement of IAS 34 Interim Financial Reporting, the VPS Rules and the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984 and requirement of Trust Deed have been followed.

2.1.1 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.

2.1.2 This condensed interim financial information are being submitted to the participants as required under Regulation 7(f) of the VPS Rules, 2005.

2.2 This condensed interim financial information are presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

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

3.2 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that became effective during the period under review and are mandatory for the Fund's accounting periods. These standards, interpretations and amendments are either not relevant to the Fund's operation or are not expected to have a significant effect on this condensed interim financial information.

3.3 The preparation of condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2021.

3.4 The financial risk management objectives and policies are consistent with that disclosed in the financial statements as at and for the year ended June 30, 2021.

4. BANK BALANCES

| | Note | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|------------------|------|-----------------------------------|---------------|-----------------------|---------|----------------------------|---------------|-----------------------|---------|
| | | Equity sub fund | Debt sub fund | Money market sub fund | Total | Equity sub fund | Debt sub fund | Money market sub fund | Total |
| (Rupees in '000) | | | | | | | | | |
| Savings accounts | 4.1 | 2,761 | 122,705 | 238,169 | 363,635 | 11,229 | 75,173 | 105,269 | 191,671 |

4.1 This represents bank accounts held with various banks. This includes balances held with Habib Bank Limited (a related party), amounting to Rs. 239.03 million. Profit rates on these accounts range between 5.5% to 13.43% (June 30, 2021: 5.5% - 7.85%) per annum.

5. INVESTMENTS

| | Note | (Un-audited) December 31, 2021 | | | | Audited June 30, 2021 | | | |
|---|------|-----------------------------------|---------------|-----------------------|----------------|--------------------------|----------------|-----------------------|----------------|
| | | Equity sub fund | Debt sub fund | Money market sub-fund | Total | Equity sub fund | Debt sub fund | Money market sub-fund | Total |
| (Rupees in '000) | | | | | | | | | |
| Financial assets at fair value through profit and loss | | | | | | | | | |
| Listed equity securities | 5.1 | 192,185 | - | - | 192,185 | 208,734 | - | - | 208,734 |
| Government securities | | | | | | | | | |
| Market treasury bills | 5.2 | - | - | - | - | - | 29,801 | 148,944 | 178,745 |
| Pakistan investment bonds | 5.2 | - | - | - | - | - | 46,758 | - | 46,758 |
| Term finance certificate and sukuk bonds | 5.3 | - | 61,186 | 25,000 | 86,186 | - | 32,997 | - | 32,997 |
| Commercial Papers | 5.4 | - | 18,717 | 27,637 | 46,354 | - | 7,932 | 8,923 | 16,855 |
| | | <u>192,185</u> | <u>79,903</u> | <u>52,637</u> | <u>324,725</u> | <u>208,734</u> | <u>117,488</u> | <u>157,867</u> | <u>484,089</u> |

5.1 Listed Equity Securities - at fair value through profit or loss

5.1.1 Held by Equity sub fund

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise.

| Name of the investee company | As at July 1, 2021 | Purchases during the period | Bonus shares issued during the period | Right shares purchased / subscribed during the period | Sales during the period | As at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of net assets of the sub fund | Market value as a percentage of investments of sub fund | Percentage of paid up capital of the investee company held |
|--------------------------------------|--------------------|-----------------------------|---------------------------------------|---|-------------------------|-------------------------|--------------------------------------|--|---|--|
| | | | | | | | | | | |
| | | | | | | | | | | |
| (Number of shares) (Rupees '000) (%) | | | | | | | | | | |
| CHEMICALS | | | | | | | | | | |
| Nimir Resins Limited | 50,000 | 60,000 | - | - | - | 110,000 | 2,075 | 1.06% | 1.08% | 0.16% |
| Engro Polymer & Chemicals Ltd | - | 53,000 | - | - | 18,000 | 35,000 | 1,897 | 0.96% | 0.99% | 0.00% |
| Descon Oxychem Limited | - | 137,000 | - | - | 50,000 | 87,000 | 2,001 | 1.02% | 1.04% | 0.05% |
| | <u>50,000</u> | <u>250,000</u> | <u>-</u> | <u>-</u> | <u>68,000</u> | <u>232,000</u> | <u>5,973</u> | <u>3.04%</u> | <u>3.11%</u> | <u>0.21%</u> |
| REFINERY | | | | | | | | | | |
| National Refinery Ltd * | 11,100 | 500 | - | - | 2,450 | 9,150 | 2,604 | 1.32% | 1.35% | 0.01% |
| Attock Refinery Limited | 7,000 | 3,500 | - | - | - | 10,500 | 1,512 | 0.77% | 0.79% | 0.01% |
| | <u>18,100</u> | <u>4,000</u> | <u>-</u> | <u>-</u> | <u>2,450</u> | <u>19,650</u> | <u>4,116</u> | <u>2.09%</u> | <u>0.79%</u> | <u>0.01%</u> |
| CEMENT | | | | | | | | | | |
| Cherat Cement Company Limited | 6,000 | - | - | - | 6,000 | - | - | 0.00% | 0.00% | 0.00% |
| D.G.Khan Cement Company Limited | 27,100 | - | - | - | 27,100 | - | - | 0.00% | 0.00% | 0.00% |
| Kohat Cement Limited | 8,700 | 6,300 | - | - | 4,000 | 11,000 | 2,075 | 1.06% | 1.08% | 0.01% |
| Lucky Cement Limited * | 20,050 | 5,910 | - | - | 3,300 | 22,660 | 15,392 | 7.83% | 8.01% | 0.01% |
| Attock Cement Pakistan Limited | 29,500 | 21,500 | - | - | - | 51,000 | 7,087 | 3.60% | 3.69% | 0.04% |
| Fauji Cement Company Limited | - | 40,000 | - | - | 40,000 | - | - | 0.00% | 0.00% | 0.00% |
| Poiner cement limited | 32,500 | 2,500 | - | - | 32,500 | 2,500 | 222 | 0.11% | 0.12% | 0.00% |
| Maple Leaf Cement Factory Limited | 85,500 | 151,500 | - | - | 129,000 | 108,000 | 3,883 | 1.97% | 2.02% | 0.01% |
| | <u>209,350</u> | <u>227,710</u> | <u>-</u> | <u>-</u> | <u>241,900</u> | <u>195,160</u> | <u>28,659</u> | <u>14.57%</u> | <u>14.91%</u> | <u>0.06%</u> |
| TEXTILE COMPOSITE | | | | | | | | | | |
| Gul Ahmed Textile Mills Limited | 55,800 | - | - | - | 18,000 | 37,800 | 1,779 | 0.90% | 0.93% | 0.01% |
| Kohinoor Textile Mills Limited | 40,500 | - | - | - | 8,000 | 32,500 | 2,256 | 1.15% | 1.17% | 0.01% |
| Nishat (Chunian) Limited. | 60,500 | - | - | - | 60,500 | - | - | 0.00% | 0.00% | 0.00% |
| Interloop Limited | 36,988 | - | 1,109 | - | - | 38,097 | 2,769 | 1.41% | 1.44% | 0.00% |
| Nishat Mills Limited * | 26,000 | - | - | - | - | 26,000 | 2,069 | 1.05% | 1.08% | 0.01% |
| | <u>219,788</u> | <u>-</u> | <u>1,109</u> | <u>-</u> | <u>86,500</u> | <u>134,397</u> | <u>8,873</u> | <u>4.51%</u> | <u>4.62%</u> | <u>0.05%</u> |

| Name of the investee company | As at July 1, 2021 | Purchases during the period | Bonus shares issued during the period | Right shares purchased / subscribed during the period | Sales during the period | As at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of net assets of the sub fund | Market value as a percentage investments of sub fund | Percentage of paid up capital of the investee company held |
|---|--------------------|-----------------------------|---------------------------------------|---|-------------------------|-------------------------|--------------------------------------|--|--|--|
| | (Number of shares) | | | | | | (Rupees '000) | (%) | | |
| FERTILIZERS | | | | | | | | | | |
| Engro Fertilizers Limited | - | 50,000 | - | - | 30,000 | 20,000 | 1,522 | 0.77% | 0.79% | 0.00% |
| Engro Corporation Limited | 24,402 | - | - | - | 24,402 | - | - | 0.00% | 0.00% | 0.00% |
| Fauji Fertilizer Company Limited | - | 50,000 | - | - | 50,000 | - | - | 0.00% | 0.00% | 0.00% |
| | 24,402 | 100,000 | - | - | 104,402 | 20,000 | 1,522 | 0.77% | 0.79% | 0.00% |
| GLASS & CERAMICS | | | | | | | | | | |
| Shabbir tiles and ceramics Limited | - | 29,000 | - | - | - | 29,000 | 677 | 0.34% | 0.35% | 0.02% |
| | - | 29,000 | - | - | - | 29,000 | 677 | 0.34% | 0.35% | 0.02% |
| PHARMACEUTICALS | | | | | | | | | | |
| Abbott Laboratories (Pakistan) Limited | - | 3,000 | - | - | 3,000 | - | - | 0.00% | 0.00% | 0.00% |
| Ferozsons Laboratories Limited | - | 6,000 | - | - | 800 | 5,200 | 1,694 | 0.86% | 0.88% | 0.01% |
| Hignnoon Laboratories Limited | 45 | 6,000 | - | - | 1,800 | 4,245 | 2,665 | 1.36% | 1.39% | 0.01% |
| The Searle Company Limited | 414 | 15,000 | 124 | - | - | 15,538 | 2,233 | 1.14% | 1.16% | 0.00% |
| | 459 | 30,000 | 124 | - | 5,600 | 24,983 | 6,592 | 3.35% | 3.43% | 0.03% |
| OIL & GAS EXPLORATION COMPANIES | | | | | | | | | | |
| Mari Petroleum Company Limited | 3,220 | 980 | - | - | 1,240 | 2,960 | 4,897 | 2.49% | 2.55% | 0.00% |
| Oil and Gas Development Company Limited * | 121,200 | 37,500 | - | - | 91,100 | 67,600 | 5,827 | 2.96% | 3.03% | 0.00% |
| Pakistan Oilfields Limited | 10,550 | - | - | - | 2,200 | 8,350 | 2,986 | 1.52% | 1.55% | 0.00% |
| Pakistan Petroleum Limited | 111,791 | 101,600 | - | - | 130,891 | 82,500 | 6,521 | 3.32% | 3.39% | 0.00% |
| | 246,761 | 140,080 | - | - | 225,431 | 161,410 | 20,231 | 10.29% | 10.53% | 0.01% |
| OIL & GAS MARKETING COMPANIES | | | | | | | | | | |
| Pakistan State Oil Company Limited * | 36,977 | 5,900 | - | - | - | 42,877 | 7,799 | 3.97% | 4.06% | 0.01% |
| Sui Northern Gas Pipelines Limited | - | 24,000 | - | - | - | 24,000 | 803 | 0.41% | 0.42% | 0.00% |
| | 36,977 | 29,900 | - | - | - | 66,877 | 8,602 | 4.37% | 4.48% | 0.01% |
| AUTOMOBILE ASSEMBLER | | | | | | | | | | |
| Pak Suzuki Motor Company Limited | 6,500 | - | - | - | 6,500 | - | - | 0.00% | 0.00% | 0.00% |
| Ghandara Industries Limited | - | 2,500 | - | - | - | 2,500 | 442 | 0.22% | 0.23% | 0.01% |
| Millat Tractors Limited | 3,812 | - | 762 | - | 4,574 | - | - | 0.00% | 0.00% | 0.00% |
| Honda Atlas Cars (Pakistan) Limited | 10,500 | - | - | - | 10,500 | - | - | 0.00% | 0.00% | 0.00% |
| Indus Motor Company Limited | 1,380 | - | - | - | 1,380 | - | - | 0.00% | 0.00% | 0.00% |
| | 22,192 | 2,500 | 762 | - | 22,954 | 2,500 | 442 | 0.22% | 0.23% | 0.01% |
| INSURANCE | | | | | | | | | | |
| IGI Life Insurance Limited | 32,000 | 2,500 | - | - | - | 34,500 | 1,314 | 0.67% | 0.68% | 0.02% |
| IGI Holdings Limited | 24,500 | 12,300 | - | - | - | 36,800 | 5,654 | 2.88% | 2.94% | 0.03% |
| | 56,500 | 14,800 | - | - | - | 71,300 | 6,968 | 3.54% | 3.63% | 0.05% |
| FOOD AND PERSONAL CARE PRODUCTS | | | | | | | | | | |
| The Organic Meat Limited | 185,515 | 5,000 | 13,801 | - | 66,500 | 137,816 | 4,373 | 2.22% | 2.28% | 0.11% |
| Unity Foods Limited | 149,500 | 56,000 | - | - | - | 205,500 | 5,440 | 2.77% | 2.83% | 0.02% |
| Unity Foods Limited (R3) | - | 41,346 | - | - | 10,000 | 31,346 | 33 | 0.02% | 0.02% | 0.02% |
| Al Shaheer Corporation Limited | - | 100,000 | - | - | 100,000 | - | - | 0.00% | 0.00% | 0.00% |
| | 335,015 | 202,346 | 13,801 | - | 176,500 | 374,662 | 9,846 | 5.01% | 5.12% | 0.00% |
| ENGINEERING | | | | | | | | | | |
| International Industries Limited | 13,700 | - | - | - | 13,700 | - | - | 0.00% | 0.00% | 0.00% |
| International Steels Limited | 20,000 | - | - | - | 20,000 | - | - | 0.00% | 0.00% | 0.00% |
| Aisha Steel Mills Limited | 78,000 | - | - | - | 78,000 | - | - | 0.00% | 0.00% | 0.00% |
| Amreli Steel Mills Limited * | - | 89,000 | - | - | 26,500 | 62,500 | 2,798 | 1.42% | 1.46% | 0.02% |
| Agha Steels Industries Limited | 93,000 | - | 4,650 | - | 47,000 | 50,650 | 1,326 | 0.67% | 0.69% | 0.01% |
| Mughal Iron and Steel Industries Limited * | 30,995 | 23,500 | 6,149 | - | 1,000 | 59,644 | 6,209 | 3.16% | 3.23% | 0.02% |
| | 235,695 | 112,500 | 10,799 | - | 186,200 | 172,794 | 10,333 | 5.25% | 5.38% | 0.05% |
| TECHNOLOGY AND COMMUNICATION | | | | | | | | | | |
| Systems Limited | - | 7,500 | - | - | 3,000 | 4,500 | 3,419 | 1.74% | 1.78% | 0.00% |
| Avanceon Limited | 27,000 | 13,000 | - | - | 15,500 | 24,500 | 2,232 | 1.14% | 1.16% | 0.01% |
| TPL Trakker Limited | 255,500 | 106,000 | - | - | - | 361,500 | 6,041 | 3.07% | 3.14% | 0.19% |
| TRG Pak Limited | 26,000 | 27,500 | - | - | 53,500 | - | - | 0.00% | 0.00% | 0.00% |
| Octopus Digital Limited | - | 7,000 | - | - | - | 7,000 | 544 | 0.28% | 0.28% | 0.01% |
| Netsol Tech | 18,000 | - | - | - | 4,000 | 14,000 | 1,314 | 0.67% | 0.68% | 0.02% |
| | 326,500 | 161,000 | - | - | 76,000 | 411,500 | 13,550 | 6.89% | 7.05% | 0.23% |
| AUTOMOBILE PARTS AND ACCESSORIES | | | | | | | | | | |
| General Tyre and Rubber Co. of Pakistan Limited | 45,000 | 25,000 | - | - | 20,000 | 50,000 | 2,318 | 1.18% | 1.21% | 0.04% |
| | 45,000 | 25,000 | - | - | 20,000 | 50,000 | 2,318 | 1.18% | 1.21% | 0.04% |
| POWER GENERATION AND DISTRIBUTION | | | | | | | | | | |
| Hub Power Company Limited | 78,340 | - | - | - | 20,700 | 57,640 | 4,112 | 2.09% | 2.14% | 0.00% |
| | 78,340 | - | - | - | 20,700 | 57,640 | 4,112 | 2.09% | 2.14% | 0.00% |

| Name of the investee company | As at July 1, 2021 | Purchases during the period | Bonus shares issued during the period | Right shares purchased / subscribed during the period | Sales during the period | As at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of net assets of the sub fund | Market value as a percentage investments of sub fund | Percentage of paid up capital of the investee company held |
|--|--------------------|-----------------------------|---------------------------------------|---|-------------------------|-------------------------|--------------------------------------|--|--|--|
| | | | | | | | | | | |
| COMMERCIAL BANKS | | | | | | | | | | |
| Allied Bank Limited | - | 25,000 | - | - | 25,000 | - | - | 0.00% | 0.00% | 0.00% |
| Bank Al-Falah Limited * | - | 139,700 | - | - | - | 139,700 | 4,834 | 2.46% | 2.52% | 0.01% |
| Bank Al-Habib Limited | - | 58,000 | - | - | - | 58,000 | 4,003 | 2.04% | 2.08% | 0.01% |
| Habib Bank Limited * | - | 135,500 | - | - | 4,000 | 131,500 | 15,335 | 7.80% | 7.98% | 0.01% |
| Faysal Bank Limited | 840 | 205,000 | - | - | - | 205,840 | 4,734 | 2.41% | 2.46% | 0.01% |
| MCB Bank Limited | 40,100 | 7,000 | - | - | 6,500 | 40,600 | 6,226 | 3.17% | 3.24% | 0.00% |
| Meezan Bank Limited | 16,297 | 4,000 | 2,444 | - | 9,348 | 13,393 | 1,796 | 0.91% | 0.93% | 0.00% |
| Bank Islami Pakistan | - | 147,000 | - | - | 25,000 | 122,000 | 1,563 | 0.79% | 0.81% | 0.01% |
| Standard Chartered Bank (Pakistan) Limited | 185,000 | 25,000 | - | - | - | 210,000 | 7,661 | 3.90% | 3.99% | 0.01% |
| United Bank Limited * | 102,258 | 11,000 | - | - | 29,000 | 84,258 | 11,508 | 5.85% | 5.99% | 0.01% |
| | 344,495 | 757,200 | 2,444 | - | 98,848 | 1,005,291 | 57,659 | 29.32% | 30.00% | 0.06% |
| CABLE AND ELECTRICAL GOODS | | | | | | | | | | |
| Waves Singer Pakistan Limited | 79,000 | - | - | - | 79,000 | - | - | 0.00% | 0.00% | 0.00% |
| Pak Elektron Limited | 57,500 | 18,500 | - | - | - | 76,000 | 1,712 | 0.87% | 0.89% | 0.02% |
| | 136,500 | 18,500 | - | - | 79,000 | 76,000 | 1,712 | 0.87% | 0.89% | 0.02% |
| | 2,386,074 | 2,104,536 | 29,039 | - | 1,414,485 | 3,105,164 | 192,185 | 97.74% | 98.65% | 0.86% |

5.1.2 *The above investments include shares with market value aggregating to Rs. 30.594 million (June 2021: Rs. 10.2 million) which have been pledged with the National Clearing Company of Pakistan Limited (NCCPL) as collateral for guaranteeing settlement of the fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

5.1.2 Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Pension Fund Manager of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, have filed a petition in the Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 57(3)(viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee companies have withheld the share equivalent to 5% of bonus announcement amounting Rs.0.246 million (June 2021: 0.188 million) and not yet deposited with Government Treasury. Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis.

5.2 Investment in Government Securities - at fair value through profit or loss

Held by Debt Sub-Fund

| Issue date | Face value | | | As at December 31, 2021 | Amortised Cost as at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of Total investments of sub-fund | Net assets of sub-fund |
|--|--------------------|-----------------------------|-----------------------------------|-------------------------|--|--------------------------------------|---|------------------------|
| | As at July 1, 2021 | Purchases during the period | Sales / matured during the period | | | | | |
| (Rupees in '000) | | | | | | | | |
| Market Treasury Bills | | | | | | | | |
| Treasury Bill - 6 months | March 25, 2021 | 30,300 | - | 30,300 | - | - | - | - |
| Treasury Bill - 3 months | August 12, 2021 | - | 100,000 | 100,000 | - | - | - | - |
| Treasury Bill - 3 months | May 20, 2021 | - | 2,000 | 2,000 | - | - | - | - |
| Treasury Bill - 6 months | May 20, 2021 | - | 79,000 | 79,000 | - | - | - | - |
| Treasury Bill - 6 months | March 25, 2021 | - | 45,300 | 45,300 | - | - | - | - |
| Treasury Bill - 3 months | August 26, 2021 | - | 80,000 | 80,000 | - | - | - | - |
| | | 30,300 | 306,300 | 336,600 | - | - | - | - |
| Pakistan Investment Bonds | | | | | | | | |
| Pakistan Investment Bonds 5 years October 15, 2020 | | 50,000 | - | 50,000 | - | - | - | - |
| Pakistan Investment Bonds 3 years August 20, 2020 | | - | 50,000 | 50,000 | - | - | - | - |
| Pakistan Investment Bonds 3 years October 10, 2020 | | - | 100,000 | 100,000 | - | - | - | - |
| | | 50,000 | 150,000 | 200,000 | - | - | - | - |

Held by Money Market Sub-Fund

| Issue date | Face value | | | As at December 31, 2021 | Amortised Cost as at December 31, 2021 | Market value as a percentage of | | |
|--------------------------------|--------------------|-----------------------------|-----------------------------------|-------------------------|--|--------------------------------------|-------------------------------|------------------------|
| | As at July 1, 2021 | Purchases during the period | Sales / matured during the period | | | Market value as at December 31, 2021 | Total investments of sub-fund | Net assets of sub-fund |
| (Rupees in '000) ----- % ----- | | | | | | | | |
| Treasury bill | | | | | | | | |
| Treasury Bill - 3 months | May 20, 2021 | 42,000 | - | 42,000 | - | - | - | - |
| Treasury Bill - 3 months | April 22, 2021 | 19,000 | - | 19,000 | - | - | - | - |
| Treasury Bill - 6 months | April 22, 2021 | 70,000 | - | 70,000 | - | - | - | - |
| Treasury Bill - 3 months | May 6, 2021 | 20,000 | - | 20,000 | - | - | - | - |
| Treasury Bill - 6 months | August 12, 2021 | - | 51,000 | 51,000 | - | - | - | - |
| Treasury Bill - 3 months | August 12, 2021 | - | 260,000 | 260,000 | - | - | - | - |
| Treasury Bill - 3 months | May 20, 2021 | - | 9,000 | 9,000 | - | - | - | - |
| Treasury Bill - 6 months | May 20, 2021 | - | 2,000 | 2,000 | - | - | - | - |
| Treasury Bill - 6 months | March 25, 2021 | - | 115,000 | 115,000 | - | - | - | - |
| Treasury Bill - 3 months | July 29, 2021 | - | 20,000 | 20,000 | - | - | - | - |
| Treasury Bill - 6 months | June 3, 2021 | - | 230,000 | 230,000 | - | - | - | - |
| Treasury Bill - 3 months | August 26, 2021 | - | 7,000 | 7,000 | - | - | - | - |
| Treasury Bill - 6 months | August 26, 2021 | - | 125,000 | 125,000 | - | - | - | - |
| | | 151,000 | 819,000 | 970,000 | - | - | - | - |

5.3 Term finance certificate and sukuk bonds - at fair value through profit or loss

Held by Debt Sub-Fund

| Name of the Investee Company | As at July 1, 2021 | Purchases during the period | Sales / Matured during the period | As at December 31, 2021 | Amortised Cost as at December 31, 2021 | Market value as a percentage of | | |
|---|--------------------|-----------------------------|-----------------------------------|-------------------------|--|--------------------------------------|-------------------|---------------|
| | | | | | | Market value as at December 31, 2021 | Total Investments | Net Assets |
| (Number of certificates) ----- (Rupees in '000) ----- % ----- | | | | | | | | |
| Commercial Banks | | | | | | | | |
| Bank of Punjab * | 60 | - | - | 60 | 5,930 | 6,237 | 7.81% | 3.06% |
| Bank Alfalah * | 2,400 | - | - | 2,400 | 12,000 | 11,147 | 13.95% | 5.46% |
| | 2,460 | - | - | 2,460 | 17,930 | 17,384 | 21.76% | 8.52% |
| Multiutilities | | | | | | | | |
| Water and Power Development Authority ** | 798 | - | 798 | - | - | - | - | - |
| K-Electric Limited ** | 1,200 | - | - | 1,200 | 600 | 605 | 0.76% | 0.30% |
| Hub Power Company Limited ** | - | 18 | - | 18 | 18,000 | 18,000 | 22.53% | 8.82% |
| | 1,998 | 18 | 798 | 1,218 | 18,600 | 18,605 | 23.28% | 9.12% |
| Miscellaneous | | | | | | | | |
| Pak Electron Limited ** | - | 12 | - | 12 | 12,000 | 12,000 | 15.02% | 5.88% |
| OBS AGP ** | - | 20 | - | 20 | 2,000 | 2,000 | 2.50% | 0.98% |
| International Brands Limited ** | 40 | - | - | 40 | 671 | 671 | 0.84% | 0.33% |
| TPL Trakker Limited ** | 40 | - | - | 40 | 3,778 | 3,797 | 4.75% | 1.86% |
| Jahangir Siddiqui and Company Limited ** | 2,000 | - | - | 2,000 | 5,000 | 6,729 | 8.42% | 3.30% |
| | 2,080 | 32 | - | 2,112 | 23,449 | 25,197 | 31.53% | 12.35% |
| Total | 6,538 | 50 | 798 | 5,790 | 59,979 | 61,186 | 76.58% | 29.98% |
| Held by Money Market Sub-Fund | | | | | | | | |
| Multiutilities | | | | | | | | |
| Hub Power Company Limited ** | - | 25 | - | 25 | 25,000 | 25,000 | 47.50% | 8.55% |
| | - | - | - | 25 | 25,000 | 25,000 | 47.50% | 8.55% |

* Term Finance Certificates (TFC)

** Sukuk Bonds

5.3.1 Significant terms and conditions of term finance certificates and sukuk bonds outstanding as at December 31, 2021 are as follows:

| Name of security | Remaining principal (Rupees per TFC) | Mark-up rate (per annum) | Issue date | Maturity date |
|---------------------------------------|---|-----------------------------|------------|---------------|
| Bank of Punjab | 99,860 | 6 Months KIBOR+1% | 23-Dec-16 | 23-Dec-26 |
| K-Electric Limited | 500 | 3 Months KIBOR + 1% | 17-Jun-15 | 17-Jun-22 |
| Bank Alfalah Limited | 5,000 | 6 Months KIBOR + 0.75% | 15-Jan-21 | 15-Jan-24 |
| OBS AGP Private Limited | 100,000 | 3 Month KIBOR + 1% | 15-Jul-21 | 15-Jul-26 |
| Pak Electron Limited | 1,000,000 | 3 Month KIBOR + 1% | 15-Nov-21 | 15-Feb-23 |
| International Brands Limited | 16,783 | 12 Months KIBOR + 0.5% | 15-Nov-17 | 19-Feb-22 |
| Jahangir Siddiqui and Company Limited | 3,333 | 6 Months KIBOR + 1.4% | 6-Mar-18 | 6-Mar-23 |
| Hub Power Company Limited | 100,000 | 12 Months KIBOR + 1.9% | 19-Mar-20 | 19-Mar-24 |
| TPL Trakker Limited | 1,000,000 | 3 Months KIBOR + 3% | 30-Mar-21 | 30-Mar-26 |

5.4 Commercial papers - at fair value through profit or loss

5.4.1 Held by Debt Sub-Fund

| Maturity Date | Face Value | | | | Market value as at December 31, 2021 | Percentage of total value of investments of | Percentage of Net Assets of sub-fund |
|--------------------|--------------------|----------------------------------|----------------------------------|-------------------------|--------------------------------------|---|--------------------------------------|
| | As at July 1, 2021 | Placement made during the period | Matured / Sold during the period | As at December 31, 2021 | | | |
| | Rupees in '000 | | | | | | (%) |
| K-Electric Limited | 8,000 | - | 8,000 | - | - | - | - |
| K-Electric Limited | - | 7,000 | - | 7,000 | 6,921 | 8.66% | 3.39% |
| K-Electric Limited | - | 5,000 | - | 5,000 | 4,975 | 6.23% | 2.44% |
| K-Electric Limited | - | 4,000 | - | 4,000 | 3,912 | 4.90% | 1.92% |
| K-Electric Limited | - | 3,000 | - | 3,000 | 2,909 | 3.64% | 1.43% |
| | 8,000 | 19,000 | 8,000 | 19,000 | 18,717 | 23.42% | 9.17% |

5.4.2 Held by Money Market Sub-Fund

| Name of Company | Maturity Date | Face Value | | | | Market value as at December 31, 2021 | Percentage of total value of investments of sub-fund | Percentage of Net Assets of sub-fund |
|--------------------|-------------------|--------------------|----------------------------------|----------------------------------|-------------------------|--------------------------------------|--|--------------------------------------|
| | | As at July 1, 2021 | Placement made during the period | Matured / Sold during the period | As at December 31, 2021 | | | |
| | | Rupees in '000 | | | | | | (%) |
| K-Electric Limited | August 9, 2021 | 9,000 | - | 9,000 | - | - | - | - |
| K-Electric Limited | February 22, 2022 | - | 11,000 | - | 11,000 | 10,876 | 20.66% | 3.72% |
| K-Electric Limited | May 3, 2022 | - | 6,000 | - | 6,000 | 5,817 | 11.05% | 1.99% |
| K-Electric Limited | January 23, 2022 | - | 11,000 | - | 11,000 | 10,944 | 20.79% | 3.74% |
| | | 9,000 | 28,000 | 9,000 | 28,000 | 27,637 | 52.51% | 9.45% |

6. DIVIDEND AND PROFIT RECEIVABLE

| | (Un-audited) | | | | (Audited) | | | |
|---|-------------------|---------------|-----------------------|--------------|-----------------|---------------|-----------------------|--------------|
| | December 31, 2021 | | | | June 30, 2021 | | | |
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | (Rupees '000) | | | | | | | |
| Dividend receivable | 20 | - | - | 20 | 384 | - | - | 384 |
| Profit receivable on bank deposits | 12 | 1,217 | 2,468 | 3,697 | 19 | 237 | 326 | 582 |
| Profit accrued on TFC and sukuk bonds | - | 1,115 | 390 | 1,505 | - | 717 | - | 717 |
| Profit accrued on government securities | - | - | - | - | - | 1,036 | - | 1,036 |
| | 32 | 2,332 | 2,858 | 5,222 | 403 | 1,990 | 326 | 2,719 |

7. DEPOSITS AND OTHER RECEIVABLES

| | | | | | | | | |
|--|--------------|------------|------------|--------------|--------------|------------|------------|--------------|
| Security deposit with the Central Depository Company of Pakistan Limited | 100 | 100 | 100 | 300 | 100 | 100 | 100 | 300 |
| Security deposit with National Clearing Company of Pakistan | 2,500 | - | - | 2,500 | 2,500 | - | - | 2,500 |
| Receivable against sale of investments | 194 | - | - | 194 | - | - | - | - |
| Other receivables | 53 | 369 | 109 | 531 | 31 | 105 | 79 | 215 |
| | 2,847 | 469 | 209 | 3,525 | 2,631 | 205 | 179 | 3,015 |

8. PAYABLE TO HBL ASSET MANAGEMENT LIMITED - PENSION FUND MANAGER

| | Note | (Un-audited) | | | | (Audited) | | | |
|--------------------|------|--------------------|------------------|-----------------------------|--------------|--------------------|------------------|-----------------------------|------------|
| | | December 31, 2021 | | | | June 30, 2021 | | | |
| | | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | | (Rupees '000) | | | | | | | |
| Management fee | 8.1 | 244 | 258 | 370 | 872 | 263 | 234 | 305 | 802 |
| Sindh Sales Tax | 8.2 | 32 | 33 | 48 | 113 | 34 | 30 | 40 | 104 |
| Sales load payable | | 8 | 13 | 12 | 33 | 7 | 19 | 20 | 46 |
| | | 284 | 304 | 430 | 1,018 | 304 | 283 | 365 | 952 |

8.1 As per Rule 11 of the Voluntary Pension System Rules, 2005, the Pension Fund Manager of the Fund is allowed to charge an annual management fee of 1.5% of the average of the values of the net assets of each of the Sub-Fund calculated during the year. Accordingly, the management fee has been accrued at 1.5% per annum of the average daily net assets of the Sub-Funds.

8.2 The Sindh Government has levied Sindh Sales Tax at the rate of 13% (2020: 13%) on the remuneration of the Management Company through Sindh Sales Tax Act, 2011 effective from July 01, 2017.

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

| | Note | (Un-audited) | | | | (Audited) | | | |
|--|------|--------------------|------------------|-----------------------------|------------|--------------------|------------------|-----------------------------|-----------|
| | | December 31, 2021 | | | | June 30, 2021 | | | |
| | | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | | (Rupees '000) | | | | | | | |
| Trustee remuneration | | 27 | 27 | 38 | 92 | 28 | 24 | 31 | 83 |
| Sindh Sales Tax on remuneration of Trustee | | 4 | 4 | 5 | 13 | 4 | 3 | 4 | 11 |
| | | 31 | 31 | 43 | 105 | 32 | 27 | 35 | 94 |

10. ACCRUED EXPENSES AND OTHER LIABILITIES

| | Note | (Un-audited) | | | | (Audited) | | | |
|---|------|--------------------|------------------|-----------------------------|--------------|--------------------|------------------|-----------------------------|---------------|
| | | December 31, 2021 | | | | June 30, 2021 | | | |
| | | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | | (Rupees '000) | | | | | | | |
| Auditors' remuneration | | 59 | 58 | 53 | 170 | 92 | 82 | 73 | 247 |
| Payable against purchase of investments | | - | - | - | - | 6,007 | - | - | 6,007 |
| Payable against redemption of units | | - | - | - | - | 71 | 476 | 892 | 1,439 |
| Provision for Sindh Workers' Welfare Fund | 10.1 | - | - | - | - | 3,040 | 1,501 | 923 | 5,464 |
| Federal Excise Duty | 10.2 | 763 | 878 | 836 | 2,477 | 763 | 878 | 836 | 2,477 |
| Other payable | | 26 | 10 | 14 | 50 | 4 | 3 | 3 | 10 |
| | | 848 | 946 | 903 | 2,697 | 9,977 | 2,940 | 2,727 | 15,644 |

10.1 PROVISION FOR SINDH WORKERS' WELFARE FUND

The Government of Sindh introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The MUFAP, in the previous years based on opinion obtained from the tax consultants, concluded that SWWF is not applicable on mutual funds. MUFAP also wrote to the Sindh Revenue Board (SRB) that mutual funds are not establishments and are pass through vehicles; therefore, they do not have any worker and, as a result, no SWWF is payable by them. SRB responded back that as mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, and thus SWWF is payable by them.

During the current period, SRB through its letter dated August 12, 2021 (received on August 13, 2021) to MUFAP has clarified that Asset Management Company's (AMCs) are covered under the term "financial institutions" as per the Sindh WWF Act 2014 and are therefore subject to SWWF charge whereas as the Mutual Funds/Pension Funds managed by those AMCs do not qualify as "financial institutions" as per SWWF Act 2014.

In the wake of the aforesaid clarification of SRB, the MUFAP called its Extraordinary General Meeting on August 13, 2021, wherein the MUFAP recommended to its members that effective from August 13, 2021, SWWF recognised earlier should be reversed in light of the clarification issued by SRB. Subsequently, MUFAP approached SECP and obtained the clarification with respect to this matter as well.

The Fund ceased to charge further provision for SWWF and has reversed full provision for SWWF amounting to Rs. 3.04 million , 1.501 million , 0.923 million of Pension Equity Sub Fund, Pension Debt Sub Fund & Pension Money Market Sub Fund respectively charged till June 30, 2021.

10.2 PROVISION FOR FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is the same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2021, and the appeal filed by tax authorities with Supreme Court of Pakistan is pending for decision.

In view of the above, the Management Company, being prudent, is carrying provision for FED for the period from January 13, 2013 to June 30, 2019 aggregating to Rs. 0.763 million, 0.878 million and 0.836 million (June 30, 2021: Rs. 0.763 million, Rs. 0.878 million and Rs. 0.836 million), for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made, the Net Assets Value per unit of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at December 31, 2021 would have been higher by Rs. 1.4759, Rs. 0.9612 and Rs. 0.5547 (June 30, 2021: Rs. 1.25, Rs. 0.86 and Rs. 1.07) per unit respectively.

11 TAXATION

No provision for taxation for the year ended June 30, 2021 has been made in view of the exemption available under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A Part IV to Second Schedule of the Income Tax Ordinance 2001. Accordingly Super Tax and any other taxes introduced in Finance Act 2015 is also not applicable on fund.

12 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31, 2021 and June 30, 2021.

13 NUMBER OF UNITS IN ISSUE

| | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|---|-----------------------------------|------------------|-----------------------------|------------------|----------------------------|------------------|-----------------------------|------------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | ----- (Number of units) ----- | | | | | | | |
| Opening units in issue | 490,664 | 888,556 | 1,393,395 | 2,772,615 | 611,379 | 1,016,164 | 777,841 | 2,405,384 |
| Units issued during the period / year | 48,050 | 113,955 | 224,983 | 386,987 | 447,945 | 1,343,433 | 2,183,674 | 3,975,052 |
| Units redeemed during the period / year | (21,736) | (89,096) | (111,390) | (222,221) | (556,333) | (1,479,625) | (1,584,751) | (3,620,709) |
| Reallocation during the year | - | - | - | - | (12,327) | 8,584 | 16,631 | 12,888 |
| Total units in issue at end of the period / year | 516,978 | 913,415 | 1,506,988 | 2,937,381 | 490,664 | 888,556 | 1,393,395 | 2,772,615 |

14 CONTRIBUTION TABLE

Contribution received during the period / year is as follows:

| | | (Un-audited) December 31, 2021 | | | | | | | |
|-------------|--|-----------------------------------|----------------|---------------|----------------|-----------------------|----------------|---------|----------------|
| | | Equity sub fund | | Debt sub fund | | Money Market sub fund | | Total | |
| From: | | Units | Rupees in '000 | Units | Rupees in '000 | Units | Rupees in '000 | Units | Rupees in '000 |
| Individuals | | 48,050 | 20,006 | 113,955 | 24,996 | 224,983 | 42,564 | 386,988 | 87,567 |

| | | (Audited) June 30, 2021 | | | | | | | |
|-------------|--|----------------------------|----------------|---------------|----------------|-----------------------|----------------|-----------|----------------|
| | | Equity sub fund | | Debt sub fund | | Money Market sub fund | | Total | |
| From: | | Units | Rupees in '000 | Units | Rupees in '000 | Units | Rupees in '000 | Units | Rupees in '000 |
| Individuals | | 447,945 | 178,258 | 1,343,433 | 281,762 | 2,183,674 | 401,535 | 3,975,052 | 861,555 |

15.1 Transactions during the period

| | | Six months period ended December 31, 2021 | | | | Six months period ended December 31, 2020 | | | |
|---|--------|---|---------------|-----------------------|-------|---|---------------|-----------------------|---------|
| | | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | | (Rupees '000) | | | | | | | |
| HBL Asset Management Limited - Pension Fund Manager | | | | | | | | | |
| Management fee | | 1,744 | 1,685 | 2,394 | 5,823 | 1,952 | 1,641 | 1,330 | 4,923 |
| Habib Bank Limited - Sponsor | | | | | | | | | |
| Bank charges | | 20 | 38 | 24 | 82 | 15 | 8 | 8 | 31 |
| Profit on bank deposits received | | 77 | 1,154 | 4,552 | 5,783 | 334 | 871 | 1,210 | 2,415 |
| Directors and Executives of the Pension Fund Manager and their relatives | | | | | | | | | |
| Executives and their relatives | | | | | | | | | |
| Issuance of units | Number | - | - | - | - | 212 | 3,054 | - | 3,266 |
| Amount of units issued | | - | - | - | - | 70 | 630 | - | 700 |
| Reallocation of units | Number | - | - | - | - | 1,707 | (2,739) | - | (1,032) |
| Amount of units reallocated | | - | - | - | - | 565 | (565) | - | - |
| Central Depository Company of Pakistan Limited - Trustee | | | | | | | | | |
| Remuneration | | 175 | 169 | 240 | 584 | 196 | 165 | 133 | 494 |
| Central Depository System Charges | | 16 | 3 | 3 | 22 | 16 | 3 | 3 | 22 |

15.2 Balances outstanding as at period end

| | | December 31, 2021 | | | | June 30, 2021 | | | |
|---|--------|-------------------|---------------|-----------------------|---------|-----------------|---------------|-----------------------|---------|
| | | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| HBL Asset Management Limited - Pension Fund Manager | | | | | | | | | |
| Management fee payable | | 244 | 258 | 370 | 872 | 263 | 234 | 305 | 802 |
| Sindh Sales tax Payable | | 32 | 33 | 48 | 113 | 34 | 30 | 40 | 104 |
| Sales load payable | | 8 | 13 | 12 | 33 | 7 | 19 | 20 | 46 |
| Federal Excise Duty payable | | 763 | 878 | 836 | 2,477 | 763 | 878 | 836 | 2,477 |
| Habib Bank Limited - Sponsor | | | | | | | | | |
| Units held | Number | 203,077 | - | - | 203,077 | 203,077 | - | - | 203,077 |
| Amount of units held | | 77,241 | - | - | 77,241 | 88,003 | - | - | 88,003 |
| Profit receivable on bank deposits | | - | - | - | - | - | - | - | - |
| Bank balances | | 1,661 | 1,306 | 236,054 | 239,021 | 3,880 | 37,666 | 53,992 | 95,538 |
| Directors and Executives of the Pension Fund Manager and their relatives | | | | | | | | | |
| Directors and their relatives | | | | | | | | | |
| Units held | Number | 13,796 | 51,540 | 14,684 | 80,020 | 13,796 | 51,540 | 14,684 | 80,020 |
| Amount of units held | | 5,247 | 11,517 | 2,850 | 19,614 | 5,978 | 11,111 | 2,745 | 19,834 |
| Executives and their relatives | | | | | | | | | |
| Units held | Number | 1,977 | 2,421 | - | 4,398 | 1,954 | 2,421 | - | 4,375 |
| Amount of units held | | 752 | 541 | - | 1,293 | 847 | 522 | - | 1,369 |
| Central Depository Company of Pakistan Limited - Trustee | | | | | | | | | |
| Remuneration payable | | 31 | 31 | 43 | 105 | 32 | 27 | 35 | 94 |
| Security deposit receivable | | 100 | 100 | 100 | 300 | 100 | 100 | 100 | 300 |
| Directors of connected persons | | | | | | | | | |
| Units held | Number | - | - | - | - | 818 | - | 83,369 | 85,015 |
| Amount of units held | | - | - | - | - | 354 | 178 | 15,584 | 16,116 |

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. The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Fund is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. IFRS 13, 'Fair Value Measurements' requires the Fund to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| | | Held by Equity sub-fund | | | | | | |
|---|------|--------------------------------------|----------------|---------|------------|---------|---------|---------|
| | | December 31, 2021 | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | | At fair value through profit or loss | Amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Note | | (Rupees in '000) | | | | | | |
| On-balance sheet financial instruments | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| - Listed equity securities | | 192,185 | - | 192,185 | 192,185 | - | - | 192,185 |
| | | 192,185 | - | 192,185 | 192,185 | - | - | 192,185 |
| Financial assets not measured at fair value | | | | | | | | |
| - Bank balances | 16.1 | - | 2,761 | 2,761 | - | - | - | - |
| - Dividend and profit receivable | | - | 32 | 32 | - | - | - | - |
| - Deposits and other receivable | | - | 2,847 | 2,847 | - | - | - | - |
| | | - | 5,640 | 5,640 | - | - | - | - |
| | | 192,185 | 5,640 | 197,825 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| - Payable to the Pension Fund Manager | 16.1 | - | 284 | 284 | - | - | - | - |
| - Payable to the Trustee | | - | 31 | 31 | - | - | - | - |
| - Accrued expenses and other liabilities | | - | 85 | 85 | - | - | - | - |
| | | - | 400 | 400 | - | - | - | - |
| | | Held by Equity sub-fund | | | | | | |
| | | June 30, 2021 | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | | At fair value through profit or loss | Amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Note | | (Rupees in '000) | | | | | | |
| On-balance sheet financial instruments | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| - Listed equity securities | | 208,734 | - | 208,734 | 208,734 | - | - | 208,734 |
| | | 208,734 | - | 208,734 | 208,734 | - | - | 208,734 |
| Financial assets not measured at fair value | | | | | | | | |
| - Bank balances | 16.1 | - | 11,229 | 11,229 | - | - | - | - |
| - Dividend and profit receivable | | - | 403 | 403 | - | - | - | - |
| - Deposits and other receivable | | - | 2,631 | 2,631 | - | - | - | - |
| | | - | 14,263 | 14,263 | - | - | - | - |
| | | 208,734 | 14,263 | 222,997 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| - Payable to the Pension Fund Manager | 16.1 | - | 304 | 304 | - | - | - | - |
| - Payable to the Trustee | | - | 32 | 32 | - | - | - | - |
| - Accrued expenses and other liabilities | | - | 6,174 | 6,174 | - | - | - | - |
| | | - | 6,510 | 6,510 | - | - | - | - |

| | | Held by Debt sub-fund | | | | | | |
|---|--|-------------------------------|---------|---------|------------|---------|--------|---------|
| | | December 31, 2021 | | | | | | |
| On-balance sheet financial instruments | | Carrying Amount | | | Fair Value | | | |
| | At fair value through profit or loss | Amortised cost | Total | Level 1 | Level 2 | Level 3 | Total | |
| Note | (Rupees in '000) | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| | - Investments- Term finance certificates and sukuk bonds | 61,186 | - | 61,186 | - | 61,186 | - | 61,186 |
| | - Investments-Commercial Papers | 18,717 | - | 18,717 | - | - | 18,717 | 18,717 |
| | | 79,903 | - | 79,903 | - | 61,186 | 18,717 | 79,903 |
| Financial assets not measured at fair value | | | | | | | | |
| 16.1 | - Bank balances | - | 122,705 | 122,705 | - | - | - | - |
| | - Dividend and profit receivable | - | 2,332 | 2,332 | - | - | - | - |
| | - Deposits and other receivable | - | 469 | 469 | - | - | - | - |
| | | - | 125,506 | 125,506 | - | - | - | - |
| | | 79,903 | 125,506 | 205,409 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| 16.1 | - Payable to the Pension Fund Manager | - | 304 | 304 | - | - | - | - |
| | - Payable to the Trustee | - | 31 | 31 | - | - | - | - |
| | - Accrued expenses and other liabilities | - | 68 | 68 | - | - | - | - |
| | | - | 403 | 403 | - | - | - | - |
| | | Held by Debt sub-fund | | | | | | |
| | | June 30, 2021 | | | | | | |
| On-balance sheet financial instruments | | Carrying Amount | | | Fair Value | | | |
| | At fair value through profit or loss | Amortised cost | Total | Level 1 | Level 2 | Level 3 | Total | |
| Note | (Rupees in '000) | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| | - Investments- Government securities | 76,559 | - | 76,559 | - | 76,559 | - | 76,559 |
| | - Investments- Term finance certificates and sukuk bonds | 32,997 | - | 32,997 | - | 32,997 | - | 32,997 |
| | - Investments-Commercial Papers | 7,932 | - | 7,932 | - | - | 7,932 | 7,932 |
| | | 117,488 | - | 117,488 | - | 109,556 | 7,932 | 117,488 |
| Financial assets not measured at fair value | | | | | | | | |
| 16.1 | - Bank balances | - | 75,173 | 75,173 | - | - | - | - |
| | - Dividend and profit receivable | - | 1,990 | 1,990 | - | - | - | - |
| | - Deposits and other receivable | - | 205 | 205 | - | - | - | - |
| | | - | 77,368 | 77,368 | - | - | - | - |
| | | 117,488 | 77,368 | 194,856 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| 16.1 | - Payable to the Pension Fund Manager | - | 283 | 283 | - | - | - | - |
| | - Payable to the Trustee | - | 27 | 27 | - | - | - | - |
| | - Accrued expenses and other liabilities | - | 561 | 561 | - | - | - | - |
| | | - | 871 | 871 | - | - | - | - |
| | | Held by Money Market sub-fund | | | | | | |
| | | December 31, 2021 | | | | | | |
| On-balance sheet financial instruments | | Carrying Amount | | | Fair Value | | | |
| | At fair value through profit or loss | Amortised cost | Total | Level 1 | Level 2 | Level 3 | Total | |
| Note | (Rupees in '000) | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| | - Investments- Term finance certificates and sukuk bonds | 25,000 | - | 25,000 | - | 25,000 | - | 25,000 |
| | - Investments-Commercial Papers | 27,637 | - | 27,637 | - | - | 27,637 | 27,637 |
| | | 52,637 | - | 52,637 | - | 25,000 | 27,637 | 52,637 |
| Financial assets not measured at fair value | | | | | | | | |
| 16.1 | - Bank balances | - | 238,169 | 238,169 | - | - | - | - |
| | - Dividend and profit receivable | - | 2,858 | 2,858 | - | - | - | - |
| | - Deposits and other receivable | - | 209 | 209 | - | - | - | - |
| | | - | 241,236 | 241,236 | - | - | - | - |
| | | 52,637 | 241,236 | 293,873 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| 16.1 | - Payable to the Pension Fund Manager | - | 430 | 430 | - | - | - | - |
| | - Payable to the Trustee | - | 43 | 43 | - | - | - | - |
| | - Accrued expenses and other liabilities | - | 67 | 67 | - | - | - | - |
| | | - | 540 | 540 | - | - | - | - |

| On-balance sheet financial instruments | | Held by Money Market sub-fund | | | | | | |
|---|--|-------------------------------|---------|---------|------------|---------|-------|---------|
| | | June 30, 2021 | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | At fair value through profit or loss | Amortised cost | Total | Level 1 | Level 2 | Level 3 | Total | |
| Note | | (Rupees in '000) | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| | Investments- Government securities | 148,944 | - | 148,944 | - | 148,944 | - | 148,944 |
| | Investments- Commercial papers | 8,923 | - | 8,923 | - | - | 8,923 | 8,923 |
| | | 157,867 | - | 157,867 | - | 148,944 | 8,923 | 157,867 |
| Financial assets not measured at fair value | | | | | | | | |
| 16.1 | - Bank balances | - | 105,269 | 105,269 | - | - | - | - |
| | - Dividend and profit receivable | - | 326 | 326 | - | - | - | - |
| | - Deposits and other receivable | - | 179 | 179 | - | - | - | - |
| | | - | 105,774 | 105,774 | - | - | - | - |
| | | 157,867 | 105,774 | 263,641 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| 16.1 | - Payable to the Pension Fund Manager | - | 365 | 365 | - | - | - | - |
| | - Payable to the Trustee | - | 35 | 35 | - | - | - | - |
| | - Accrued expenses and other liabilities | - | 968 | 968 | - | - | - | - |
| | | - | 1,368 | 1,368 | - | - | - | - |

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

17. TOTAL EXPENSE RATIO

In accordance with the S.R.O 1068 (I) / 2021 dated August 23, 2021 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the equity sub fund, debt sub fund and money market sub fund for the six months period ended December 31, 2021 is 1.31%, 1.02% and 0.99% respectively which includes 0.12%, 0.12% and 0.11% respectively representing Government levy and SECP fee.

18. GENERAL

18.1 Figures have been rounded off to the nearest thousands.

18.2 This condensed interim financial information are unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2021 have not been reviewed.

18.3 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure, effect of which is not material.

18.4 In March 2020, the World Health Organization ('WHO') declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, stay-at-home or shelter-in-place' orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic. The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund for the period ended December 31, 2021 due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations.

However, to reduce the impact on the economy and business. regulators / government across the country have introduced a host of measures on both the fiscal and economic fronts from time to time. The Management Company is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

The Management Company expects that going forward these uncertainties would reduce as the impact of COVID- 19 on overall economy subsides and have concluded that there is no impact on this condensed interim financial information.

19. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on February 11, 2022 by the Board of directors of the Pension Fund Manager.

**For HBL Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Pension Fund

FUND INFORMATION

| | |
|-----------------|---|
| Name of Fund | Islamic Pension Fund |
| Name of Auditor | Yousuf Adil Chartered Accountants. |
| Name of Trustee | Central Depository Company of Pakistan Limited (CDC) |
| Bankers | Habib Bank Limited Faysal Bank Limited Bank Islami Pakistan Limited Soneri Bank Limited Bank Al Habib Limited Meezan Bank Limited Dubai Islamic Bank Summit Bank Limited Allied Bank Limited Habib Metropolitan Bank Limited |

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE
PARTICIPANTS OF HBL ISLAMIC PENSION FUND****Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Islamic Pension Fund** (the "Fund") as at December 31, 2021, and the related condensed interim income statement and other comprehensive income, condensed interim statement of movement in participants' sub funds, condensed interim statement of cash flows and notes to and forming part of the condensed interim financial information for the six months period ended December 31, 2021 (here-in-after referred to as the 'condensed interim financial information'). **HBL Asset Management Limited** (the "Management Company") is responsible for the preparation and presentation of this condensed interim financial information in accordance with 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 is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim income statement and other comprehensive income, for the quarter ended December 31, 2021 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2021.

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


Chartered Accountants

Place: Karachi

Date: February 23, 2022

HBL Islamic Pension Fund
Condensed Interim Balance Sheet
AS AT DECEMBER 31, 2021

| | Note | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|---|------|-----------------------------------|------------------|-----------------------------|----------------|----------------------------|------------------|-----------------------------|----------------|
| | | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| (Rupees '000) | | | | | | | | | |
| ASSETS | | | | | | | | | |
| Bank balances | 4 | 3,529 | 56,472 | 53,866 | 113,867 | 10,208 | 39,787 | 50,267 | 100,262 |
| Investments | 5 | 173,636 | 34,062 | 16,885 | 224,583 | 188,120 | 47,124 | 14,628 | 249,872 |
| Dividend and profit receivable | 6 | 15 | 1,003 | 911 | 1,929 | 69 | 1,019 | 713 | 1,801 |
| Deposits and other receivables | 7 | 3,531 | 414 | 127 | 4,072 | 2,693 | 294 | 133 | 3,120 |
| Total assets | | 180,711 | 91,951 | 71,789 | 344,451 | 201,090 | 88,224 | 65,741 | 355,055 |
| LIABILITIES | | | | | | | | | |
| Payable to HBL Asset Management Limited - Pension Fund Manager | 8 | 258 | 154 | 122 | 534 | 266 | 135 | 99 | 500 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | 9 | 29 | 15 | 11 | 55 | 29 | 14 | 11 | 54 |
| Payable to Securities and Exchange Commission of Pakistan | | 24 | 11 | 8 | 43 | 40 | 21 | 17 | 78 |
| Accrued expenses and other liabilities | 10 | 1,154 | 697 | 513 | 2,364 | 4,722 | 1,210 | 1,095 | 7,027 |
| Total liabilities | | 1,464 | 877 | 654 | 2,995 | 5,057 | 1,380 | 1,222 | 7,659 |
| NET ASSETS | | 179,247 | 91,074 | 71,135 | 341,456 | 196,033 | 86,844 | 64,519 | 347,396 |
| PARTICIPANTS' SUB FUNDS (AS PER CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUBFUNDS) | | | | | | | | | |
| | | 179,247 | 91,074 | 71,135 | 341,456 | 196,033 | 86,844 | 64,519 | 347,396 |
| Contingencies and commitment | | | | | | | | | |
| (Number of Units) | | | | | | | | | |
| Number of units in issue | 14 | 424,101 | 510,973 | 410,191 | | 421,065 | 504,466 | 384,622 | |
| (Rupees) | | | | | | | | | |
| Net assets value per unit | | 422.6516 | 178.2364 | 173.4183 | | 465.5652 | 172.1510 | 167.7456 | |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Income Statement And Other Comprehensive Income (Un-audited)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

| | December 31, 2021 | | | | December 31, 2020 | | | |
|--|--------------------|------------------|-----------------------------|-----------------|--------------------|------------------|-----------------------------|---------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| Note ----- (Rupees in '000) ----- | | | | | | | | |
| INCOME | | | | | | | | |
| Dividend income | 3,352 | - | - | 3,352 | 2,950 | - | - | 2,950 |
| (Loss) / gain on sale of investments - net | (7,866) | 462 | 168 | (7,235) | 10,809 | - | (84) | 10,725 |
| Markup on bank deposits | 91 | 1,434 | 1,936 | 3,460 | 161 | 1,417 | 1,383 | 2,961 |
| Mark-up on investments calculated using the effective interest method | - | 2,018 | 624 | 2,642 | - | 1,242 | 517 | 1,759 |
| Net unrealised (loss) / gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net | (13,863) | 25 | - | (13,838) | 22,347 | (137) | (95) | 22,115 |
| Total (loss) / Income | (18,286) | 3,939 | 2,728 | (11,619) | 36,267 | 2,522 | 1,721 | 40,510 |
| EXPENSES | | | | | | | | |
| Remuneration to HBL Asset Management Limited - Pension Fund Manager | 1,597 | 755 | 570 | 2,922 | 1,274 | 661 | 510 | 2,446 |
| Remuneration to Central Depository Company of Pakistan Limited - Trustee | 160 | 76 | 57 | 293 | 128 | 66 | 51 | 245 |
| Annual fee - Securities and Exchange Commission of Pakistan | 24 | 11 | 8 | 43 | 19 | 10 | 8 | 36 |
| Auditors' remuneration | 82 | 49 | 39 | 170 | 58 | 50 | 37 | 145 |
| Settlement and bank charges | 352 | 22 | 12 | 387 | 390 | 14 | 19 | 422 |
| Other Expenses | 431 | 26 | 24 | 480 | 127 | 3 | 3 | 134 |
| Total expenses | 2,646 | 939 | 710 | 4,295 | 1,996 | 804 | 628 | 3,428 |
| Net (loss) / income from operating activities | (20,932) | 3,000 | 2,017 | (15,914) | 34,271 | 1,718 | 1,093 | 37,082 |
| Reversal / (Provision) for Sindh Workers' Welfare Fund | 3,077 | 381 | 282 | 3,740 | (672) | (34) | (21) | (727) |
| Net (loss) / income for the period before taxation | (17,855) | 3,380 | 2,300 | (12,174) | 33,599 | 1,684 | 1,072 | 36,355 |
| Taxation | - | - | - | - | - | - | - | - |
| Net (loss) / income for the period after taxation | (17,855) | 3,380 | 2,300 | (12,174) | 33,599 | 1,684 | 1,072 | 36,355 |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - |
| Total comprehensive (loss) / income for the period | (17,855) | 3,380 | 2,300 | (12,174) | 33,599 | 1,684 | 1,072 | 36,355 |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Income Statement And Other Comprehensive Income (Un-audited)
FOR THE QUARTER ENDED DECEMBER 31, 2021

| | December 31, 2021 | | | | December 31, 2020 | | | |
|---|--------------------|------------------|-----------------------------|----------------|--------------------|------------------|-----------------------------|---------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| INCOME | | | | | | | | |
| Dividend income | 2,447 | - | - | 2,447 | 2,340 | - | - | 2,340 |
| (Loss) / gain on sale of investments - net | (8,972) | (120) | 11 | (9,080) | 6,156 | - | (84) | 6,072 |
| Mark-up on bank deposits | 16 | 881 | 1,145 | 2,041 | 44 | 613 | 690 | 1,347 |
| Mark-up return on investments calculated using the effective interest method | - | 1,039 | 370 | 1,409 | - | 723 | 371 | 1,094 |
| Net unrealised (loss) / gain on re-measurement of investments as financial assets at fair value through profit or loss | 4,288 | 14 | - | 4,302 | 6,353 | (218) | (58) | 6,077 |
| Total (loss) / Income | (2,221) | 1,814 | 1,526 | 1,119 | 14,893 | 1,118 | 919 | 16,930 |
| EXPENSES | | | | | | | | |
| Remuneration to HBL Asset Management Limited - Pension Fund Manager | 772 | 382 | 299 | 1,453 | 626 | 337 | 284 | 1,247 |
| Remuneration to Central Depository Company of Pakistan Limited - Trustee | 77 | 39 | 30 | 146 | 63 | 33 | 28 | 124 |
| Annual fee to Securities and Exchange Commission of Pakistan | 12 | 5 | 4 | 21 | 9 | 5 | 5 | 19 |
| Auditors' remuneration | 41 | 24 | 20 | 85 | 28 | 25 | 19 | 72 |
| Settlement and bank charges | 352 | 18 | 12 | 383 | 192 | 8 | 15 | 215 |
| Other Expense | 325 | 16 | 14 | 354 | 95 | 3 | 3 | 101 |
| Total expenses | 1,579 | 484 | 379 | 2,442 | 1,013 | 411 | 354 | 1,788 |
| Net (loss) / income from operating activities | (3,800) | 1,330 | 1,146 | (1,323) | 13,880 | 707 | 565 | 15,142 |
| Provision for Sindh Workers' Welfare Fund | 10.2 | - | - | - | (74) | (34) | 15 | (93) |
| Net (loss) / income for the period before taxation | (3,800) | 1,330 | 1,146 | (1,323) | 13,805 | 673 | 580 | 15,052 |
| Taxation | 12 | - | - | - | - | - | - | - |
| Net (loss) / income for the period after taxation | (3,800) | 1,330 | 1,146 | (1,323) | 13,805 | 673 | 580 | 15,052 |
| Other comprehensive income for the period | - | - | - | - | - | - | - | - |
| Total comprehensive (loss) / income for the period | (3,800) | 1,330 | 1,146 | (1,323) | 13,805 | 673 | 580 | 15,052 |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Statement Of Movement In Participants' Sub Funds (Un-audited)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

| | December 31, 2021 | | | | December 31, 2020 | | | |
|--|---------------------------|------------------|-----------------------------|-----------------|--------------------|------------------|-----------------------------|----------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| Note | ----- (Rupees '000) ----- | | | | | | | |
| Net assets at beginning of the period | 196,033 | 86,844 | 64,519 | 347,396 | 123,319 | 71,853 | 52,127 | 247,299 |
| Amount received on issuance of units | 11,126 | 16,415 | 26,844 | 54,385 | 25,163 | 25,533 | 23,088 | 73,784 |
| Amount paid on redemption of units | (10,057) | (15,565) | (22,528) | (48,150) | (22,853) | (17,951) | (9,088) | (49,892) |
| | 1,069 | 850 | 4,316 | 6,235 | 2,310 | 7,582 | 14,000 | 23,892 |
| (Loss) / gain on sale of investments - net | (7,866) | 462 | 168 | (7,235) | 10,809 | - | (84) | 10,725 |
| Net unrealised (loss) / gain on re-measurement of investments classified as 'financial assets at fair value through profit or loss | (13,863) | 25 | - | (13,838) | 22,347 | (137) | (95) | 22,115 |
| Other net income for the period | 3,874 | 2,893 | 2,132 | 8,899 | 443 | 1,821 | 1,251 | 3,515 |
| Total comprehensive (loss) / income for the period | (17,855) | 3,380 | 2,300 | (12,174) | 33,599 | 1,684 | 1,072 | 36,355 |
| Net assets at end of the period | 179,247 | 91,074 | 71,135 | 341,457 | 159,228 | 81,119 | 67,199 | 307,546 |
| Net assets value per unit at beginning of the period | 465.5652 | 172.1510 | 167.7456 | | 343.4056 | 163.5160 | 160.7700 | |
| Net assets value per unit at end of the period | 422.6516 | 178.2364 | 173.4183 | | 434.7055 | 167.1168 | 163.7023 | |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund
Condensed Interim Cash Flow Statement (Un-audited)
FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

| | December 31, 2021 | | | | December 31, 2020 | | | |
|---|---------------------------------------|---------------|-----------------------|----------------|-------------------|-----------------|-----------------------|-----------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| CASH FLOWS FROM OPERATING ACTIVITIES | Note ----- (Rupees '000) ----- | | | | | | | |
| Net (loss) / income for the period before taxation | (17,855) | 3,380 | 2,300 | (12,174) | 33,599 | 1,684 | 1,072 | 36,355 |
| Adjustments: | | | | | | | | |
| Net unrealized (gain) / loss on re-measurement of investments classified as 'financial assets at fair value through profit or loss' | 13,863 | (25) | - | 13,838 | (22,347) | 137 | 95 | (22,115) |
| Dividend Income | (3,352) | - | - | (3,352) | (2,950) | - | - | (2,950) |
| Mark-up on bank deposits | (91) | (1,434) | (1,936) | (3,460) | (161) | (1,417) | (1,383) | (2,961) |
| Mark-up from investments | - | (2,018) | (624) | (2,642) | - | (1,242) | (517) | (1,759) |
| (Reversal) / Provision for Sindh Workers' Welfare Fund | (3,077) | (381) | (282) | (3,740) | 672 | 34 | 21 | 727 |
| | (10,512) | (476) | (542) | (11,530) | 8,813 | (804) | (712) | 7,297 |
| (Increase) / decrease in assets | | | | | | | | |
| Investments -net | 620 | 13,087 | (2,257) | 11,450 | (13,032) | (26,214) | (12,627) | (51,874) |
| Deposits and other receivable | (838) | (120) | 6 | (952) | (2,505) | 382 | (1) | (2,124) |
| | (217) | 12,967 | (2,251) | 10,498 | (15,537) | (25,832) | (12,628) | (53,997) |
| Increase / (decrease) in liabilities | | | | | | | | |
| Payable to HBL Asset Management Limited - Pension Fund Manager | (8) | 19 | 23 | 33 | 20 | 16 | 29 | 65 |
| Payable to Central Depository Company of Pakistan Limited - Trustee | (0) | 1 | - | 1 | 8 | 1 | 3 | 12 |
| Payable to Securities and Exchange Commission of Pakistan | (16) | (10) | (9) | (35) | (19) | (10) | (7) | (36) |
| Accrued expenses and other liabilities | (491) | (132) | (300) | (923) | (2,423) | (33) | (16) | (2,472) |
| | (516) | (123) | (286) | (924) | (2,415) | (25) | 9 | (2,431) |
| Dividend received | 3,392 | - | - | 3,392 | 2,273 | - | - | 2,273 |
| Mark-up received on bank deposits | 105 | 1,264 | 1,750 | 3,119 | 190 | 1,376 | 1,556 | 3,122 |
| Mark-up received on investments | - | 2,204 | 612 | 2,815 | - | 1,144 | 363 | 1,507 |
| Net cash (used in) / generated from operating activities | (7,748) | 15,835 | (717) | 7,370 | (6,676) | (24,141) | (11,413) | (42,229) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | | | | | |
| Amount received on issuance of units | 11,126 | 16,415 | 26,844 | 54,385 | 25,163 | 25,533 | 23,088 | 73,784 |
| Amount paid on redemption of units | (10,057) | (15,565) | (22,528) | (48,150) | (22,853) | (17,951) | (9,088) | (49,892) |
| Net cash generated / (used in) from financing activities | 1,069 | 850 | 4,316 | 6,235 | 2,310 | 7,582 | 14,000 | 23,892 |
| Net (decrease) / increase in cash and cash equivalents during the period | (6,679) | 16,685 | 3,599 | 13,605 | (4,366) | (16,559) | 2,587 | (18,337) |
| Cash and cash equivalents at beginning of the period | 10,208 | 39,787 | 50,267 | 100,262 | 9,271 | 57,147 | 50,483 | 116,901 |
| Cash and cash equivalents at end of the period | 4.1 3,529 | 56,472 | 53,866 | 113,866 | 4,905 | 40,588 | 53,070 | 98,564 |

The annexed notes 1 to 19 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Pension Fund

Notes to the Condensed Interim Financial Information (Unaudited)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Islamic Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager (the Pension Fund Manager) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011.

The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Karachi, Pakistan.

The Fund is an unlisted pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.

The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Al-Hilal Shariah Advisors (Private) Limited as Shariah Advisor to the Pension Fund to ensure that the activities of the Fund are in compliance with the principles of Shariah.

The Fund consists of three sub-funds namely, HBL Islamic Pension Fund - Equity Sub-Fund, HBL Islamic Pension Fund - Debt Sub-Fund and HBL Islamic Pension Fund - Money Market Sub-Fund (collectively the "Sub-Funds"). The investment policy for each of the sub-funds is as follows:

- The Equity Sub-Fund consists of a minimum 90% of net assets invested in Shariah compliant listed equity securities. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV or index weight, subject to a maximum of 35% of NAV. Remaining assets of the Equity Sub-Fund may be invested in any government security having less than one year time to maturity, or be deposited with Islamic commercial banks or Islamic window of a commercial bank having at least 'A' rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
- The Debt Sub-Fund consists of tradable debt securities with weighted average duration of the investment portfolio of the sub-fund not exceeding five years. At least twenty five percent (25%) of the assets in the sub-fund shall be invested in debt securities issued by the Federal Government. Up to twenty five percent (25%) may be deposited with banks having not less than 'AA+' rating. In case the Shariah compliant securities issued by Federal Government are not available to comply with above, the assets of a Shariah compliant debt sub-fund may be deposited in Islamic commercial banks, having not less than "A+" rating or Islamic window of commercial banks, having not less than "AA" rating, or may be invested in Islamic bonds or Sukuks issued by entities wholly-owned by the Federal Government or in such Islamic securities which are fully guaranteed by the Federal Government.
- The Money Market Sub-Fund consists of Shariah compliant short-term money market securities with weighted average time to maturity not exceeding one year. There is no restriction on the amount of investment in securities issued by Federal Government and Islamic windows of commercial banks having 'A+' rating provided that deposits with one bank shall not exceed 20% of net assets of Money Market Sub-Fund. Investments in securities issued by Provincial Government, City Government, Government corporation with 'A' or higher rating or a corporate entity with 'A+' or higher rating shall be in proportion as defined in offering document.

1.2 The Fund offers five types of allocation schemes, as prescribed by the SECP under VPS Rules, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility and Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The allocation to the Sub-Funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

VIS Credit Rating Agency has assigned management quality rating of 'AM2++ (stable)' (June 2021:AM2++) to the Pension Fund Manager while the Fund is currently not rated.

Title to the assets of the Fund are held in the name of CDC as the trustee of the Fund.

Pursuant to the enactment of the Sindh Trusts Act, 2020 (as amended vide Sindh Trusts (Amended) Act, 2021), the Trusts including Collective Investment Schemes, Private Funds, etc, being Specialized Trusts are required to be registered with the Assistant Directorate of Industries and Commerce (Trust Wing), Government of Sindh under Section 12 of the Sindh Trusts Act, 2020. In this regard, the Pension Fund Manager submitted restated Trust Deed of the Fund which was duly registered on September 08, 2021

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 as applicable in Pakistan 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 the Voluntary Pension System Rules, 2005 (the VPS Rules), Voluntary Pension System Part V (NBFC Regulations, 2008) and requirements of the trust deed; and
- "Provisions of and or directives issued under the Companies Act, 2017 along with Part VIIIA of the repealed Companies Ordinance, 1984.

In case where requirements of the VPS Rules, or provisions of and/or directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984 differ from requirement of IAS 34 Interim Financial Reporting, the VPS Rules and the provisions of and directives issued under the Companies Act, 2017, Part VIIIA of the repealed Companies Ordinance, 1984 and requirement of Trust Deed have been followed.

2.1.1 This condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2021. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Fund's financial position and performance since the last financial statements.

2.1.2 This condensed interim financial information is being submitted to the participants as required under Regulation 7(f) of the VPS Rules, 2005.

2.2 This condensed interim financial information is presented in Pakistani Rupees which is the Fund's functional and presentation currency.

3. SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENT AND CHANGES THEREIN

3.1 The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2021.

3.2 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan that became effective during the period under review and are mandatory for the Fund's accounting periods. These standards, interpretations and amendments are either not relevant to the Fund's operation or are not expected to have a significant effect on this condensed interim financial information.

3.3 The preparation of condensed interim financial information requires management to make judgments, estimates and assumption that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this condensed interim financial information, the significant judgments made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to financial statements as at and for the year ended June 30, 2021.

3.4 The financial risk management objectives and policies are consistent with that disclosed in the annual audited financial statements as at and for the year ended June 30, 2021.

4. BANK BALANCES

| Note | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | | |
|------------------|-----------------------------------|---------------|-----------------------|--------|----------------------------|---------------|-----------------------|--------|---------|
| | Equity sub fund | Debt sub fund | Money market sub fund | Total | Equity sub fund | Debt sub fund | Money market sub fund | Total | |
| (Rupees in '000) | | | | | | | | | |
| Savings accounts | 4.1 | 3,529 | 56,472 | 53,866 | 113,867 | 10,208 | 39,787 | 50,267 | 100,262 |

4.1 This represents bank accounts held with various banks. This includes balances held with Habib Bank Limited (a related party), amounting to Rs. 107.92 (June 30, 2021: 34.95) million. Profit rates on these accounts range between 5.5% to 13.43% (June 30, 2021: 5.5% - 8.65%) per annum.

5. INVESTMENTS

| | Note | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|---|------|-----------------------------------|---------------|-----------------------|----------------|----------------------------|---------------|-----------------------|----------------|
| | | Equity sub fund | Debt sub fund | Money market sub fund | Total | Equity sub fund | Debt sub fund | Money market sub fund | Total |
| (Rupees in '000) | | | | | | | | | |
| Financial assets at fair value through profit and loss | | | | | | | | | |
| Listed equity securities | 5.1 | 173,636 | - | - | 173,636 | 188,120 | - | - | 188,120 |
| Government securities - Ijarah sukuku | 5.2 | - | - | - | - | - | 36,906 | 11,654 | 48,560 |
| Sukuk bonds | 5.3 | - | 24,180 | 9,000 | 33,180 | - | 10,218 | - | 10,218 |
| Commercial papers | 5.4 | - | 9,882 | 7,885 | 17,767 | - | - | 2,974 | 2,974 |
| | | 173,636 | 34,062 | 16,885 | 224,583 | 188,120 | 47,124 | 14,628 | 249,872 |

5.1 Listed Equity Securities - at fair value through profit or loss

5.1.1 Held by Equity sub fund

Shares of listed companies - fully paid up ordinary shares of Rs. 10 each unless stated otherwise.

| Name of the investee company | As at July 1, 2021 | Purchases during the period | Bonus shares issued during the period | Right shares purchased / subscribed during the period | Sales during the period | As at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of net assets of the sub fund | Market value as a percentage of investments of sub fund | Percentage of paid up capital of the investee company held |
|--|--------------------|-----------------------------|---------------------------------------|---|-------------------------|-------------------------|--------------------------------------|--|---|--|
| (Number of shares) (Rupees in '000) (%) | | | | | | | | | | |
| CHEMICALS | | | | | | | | | | |
| Engro Polymer & Chemicals Limited | - | 82,000 | - | - | 32,000 | 50,000 | 2,711 | 1.51% | 1.56% | 0.01% |
| Desccon Oxychem Limited | - | 124,500 | - | - | 25,000 | 99,500 | 2,288 | 1.28% | 1.32% | 0.06% |
| Nimir Resins Limited | 50,000 | 74,000 | - | - | 22,000 | 102,000 | 1,924 | 1.07% | 1.11% | 0.14% |
| | 50,000 | 280,500 | - | - | 79,000 | 251,500 | 6,923 | 3.86% | 3.99% | 0.21% |
| CEMENT | | | | | | | | | | |
| Lucky Cement Limited | 18,500 | 5,520 | - | - | 3,200 | 20,820 | 14,143 | 7.89% | 8.15% | 0.01% |
| D.G. Khan Cement Company Limited | 40,000 | - | - | - | 40,000 | - | - | 0.00% | 0.00% | 0.00% |
| Cherat Cement Company Limited | 13,100 | - | - | - | 13,100 | - | - | 0.00% | 0.00% | 0.00% |
| Kohat Cement Company Limited | 18,300 | 6,100 | - | - | 4,000 | 20,400 | 3,847 | 2.15% | 2.22% | 0.01% |
| Maple Leaf Cement Factory Limited ** | 121,000 | 263,500 | - | - | 99,500 | 285,000 | 10,246 | 5.72% | 5.90% | 0.03% |
| Pioneer Cement Limited | 22,000 | 2,500 | - | - | 22,000 | 2,500 | 222 | 0.12% | 0.13% | 0.00% |
| Fauji Cement Company Limited | - | 40,000 | - | - | 40,000 | - | - | 0.00% | 0.00% | 0.00% |
| Attock Cement | 27,000 | 40,000 | - | - | - | 67,000 | 9,310 | 5.19% | 5.36% | 0.05% |
| | 259,900 | 357,620 | - | - | 221,800 | 395,720 | 37,768 | 21.07% | 21.75% | 0.09% |
| PHARMACEUTICALS | | | | | | | | | | |
| The Searle Company Limited * | 282 | 15,570 | 84 | - | - | 15,936 | 2,290 | 1.28% | 1.32% | 0.01% |
| Highnoon Laboratories Limited* | - | 6,000 | - | - | 1,600 | 4,400 | 2,762 | 1.54% | 1.59% | 0.01% |
| Ferozsons Laboratories Limited | - | 12,500 | - | - | 1,400 | 11,100 | 3,617 | 2.02% | 2.08% | 0.03% |
| | 282 | 34,070 | 84 | - | 3,000 | 31,436 | 8,669 | 4.84% | 4.99% | 0.05% |
| FERTILIZERS | | | | | | | | | | |
| Engro Corporation Limited | 39,020 | 23,000 | - | - | 55,620 | 6,400 | 1,743 | 0.97% | 1.00% | 0.00% |
| Engro Fertilizer Limited | - | 50,000 | - | - | 27,000 | 23,000 | 1,750 | 0.98% | 1.01% | 0.00% |
| | 39,020 | 73,000 | - | - | 82,620 | 29,400 | 3,493 | 1.95% | 2.01% | 0.00% |
| AUTOMOBILE PARTS AND ACCESSORIES | | | | | | | | | | |
| Panther Tyres Limited | 29,076 | - | - | - | 29,076 | - | - | 0.00% | 0.00% | 0.00% |
| | 29,076 | - | - | - | 29,076 | - | - | 0.00% | 0.00% | 0.00% |
| AUTOMOBILE ASSEMBLER | | | | | | | | | | |
| Pak Suzuki Motor Company Limited | 8,000 | - | - | - | 8,000 | - | - | 0.00% | 0.00% | 0.00% |
| Honda Atlas Cars (Pakistan) Limited | 9,500 | - | - | - | 9,500 | - | - | 0.00% | 0.00% | 0.00% |
| Ghandara Industries Limited | - | 2,500 | - | - | - | 2,500 | 442 | 0.25% | 0.25% | 0.01% |
| | 17,500 | 2,500 | - | - | 17,500 | 2,500 | 442 | 0.25% | 0.25% | 0.01% |
| TEXTILE COMPOSITE | | | | | | | | | | |
| Nishat Mills Limited ** | 25,500 | 15,900 | - | - | - | 41,400 | 3,295 | 1.84% | 1.90% | 0.01% |
| Interloop Limited | 57,445 | - | 1,723 | - | - | 59,168 | 4,301 | 2.40% | 2.48% | 0.01% |
| Kohinoor Textile Limited | 52,500 | - | - | - | 5,000 | 47,500 | 3,297 | 1.84% | 1.90% | 0.02% |
| | 135,445 | 15,900 | 1,723 | - | 5,000 | 148,068 | 10,893 | 6.08% | 6.27% | 0.03% |
| OIL & GAS EXPLORATION COMPANIES | | | | | | | | | | |
| Oil and Gas Development Company Limited ** | 148,500 | 33,000 | - | - | 53,163 | 128,337 | 11,063 | 6.17% | 6.37% | 0.00% |
| Pakistan Petroleum Limited ** | 155,400 | 41,500 | - | - | 115,007 | 81,893 | 6,473 | 3.61% | 3.73% | 0.00% |
| Mari Petroleum Company Limited | 6,406 | 1,740 | - | - | 600 | 7,546 | 12,483 | 6.96% | 7.19% | 0.01% |
| Pakistan Oilfields Limited | 10,200 | 1,800 | - | - | 900 | 11,100 | 3,969 | 2.21% | 2.29% | 0.00% |
| | 320,506 | 78,040 | - | - | 169,670 | 228,876 | 33,988 | 18.96% | 19.57% | 0.02% |
| OIL & GAS MARKETING COMPANIES | | | | | | | | | | |
| Pakistan State Oil Company Limited ** | 41,823 | 700 | - | - | - | 42,523 | 7,734 | 4.31% | 4.45% | 0.01% |
| Sui Northern Gas Pipelines Limited | - | 44,000 | - | - | - | 44,000 | 1,472 | 0.82% | 0.85% | 0.01% |
| | 41,823 | 44,700 | - | - | - | 86,523 | 9,206 | 5.14% | 5.30% | 0.02% |

| Name of the investee company | As at July 1, 2021 | Purchases during the period | Bonus shares issued during the period | Right shares purchased / subscribed during the period | Sales during the period | As at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of net assets of the sub fund | Market value as a percentage investments of sub fund | Percentage of paid up capital of the investee company held |
|---|--------------------|-----------------------------|---------------------------------------|---|-------------------------|-------------------------|--------------------------------------|--|--|--|
| | (Number of shares) | | | | | (Rupees in '000) | | (%) | | |
| CABLE AND ELECTRICAL GOODS | | | | | | | | | | |
| Waves Singer Pakistan Limited | 71,000 | - | - | - | 71,000 | - | - | 0.00% | 0.00% | 0.00% |
| Pak Elektron Limited | 52,500 | 60,000 | - | - | - | 112,500 | 2,534 | 1.41% | 1.46% | 0.02% |
| | 123,500 | 60,000 | - | - | 71,000 | 112,500 | 2,534 | 1.41% | 1.46% | 0.02% |
| COMMERCIAL BANKS | | | | | | | | | | |
| Bank Islami Pakistan Limited | 218,000 | 172,000 | - | - | - | 390,000 | 4,996 | 2.79% | 2.88% | 0.04% |
| Meezan Bank Limited | 78,555 | 28,500 | 11,033 | - | 15,500 | 102,588 | 13,758 | 7.68% | 7.92% | 0.01% |
| | 296,555 | 200,500 | 11,033 | - | 15,500 | 492,588 | 18,754 | 10.46% | 10.80% | 0.04% |
| POWER GENERATION AND DISTRIBUTION | | | | | | | | | | |
| The Hub Power Company Limited ** | 109,431 | - | - | - | 51,000 | 58,431 | 4,168 | 2.33% | 2.40% | 0.00% |
| | 109,431 | - | - | - | 51,000 | 58,431 | 4,168 | 2.33% | 2.40% | 0.00% |
| ENGINEERING | | | | | | | | | | |
| International Industries Limited | 13,200 | - | - | - | 13,200 | - | - | 0.00% | 0.00% | 0.00% |
| International Steels Limited | 29,500 | - | - | - | 29,500 | - | - | 0.00% | 0.00% | 0.00% |
| Mughal Iron and Steel Industries Limited ** | 37,120 | 44,300 | 9,018 | - | - | 90,438 | 9,415 | 5.25% | 5.42% | 0.03% |
| Aisha Steel Mill Limited | 67,000 | - | - | - | 67,000 | - | - | 0.00% | 0.00% | 0.00% |
| Amreli Steels Limited | - | 46,000 | - | - | 8,500 | 37,500 | 1,679 | 0.94% | 0.97% | 0.01% |
| Agha Steel Industries Limited | 101,500 | - | 5,075 | - | 85,000 | 21,575 | 565 | 0.32% | 0.33% | 0.00% |
| | 248,320 | 90,300 | 14,093 | - | 203,200 | 149,513 | 11,659 | 6.50% | 6.71% | 0.04% |
| REFINERY | | | | | | | | | | |
| National Refinery Limited | 9,000 | 700 | - | - | 2,410 | 7,290 | 2,075 | 1.16% | 1.20% | 0.01% |
| Attock Refinery Limited | 7,000 | 6,000 | - | - | - | 13,000 | 1,872 | 1.04% | 1.08% | 0.01% |
| | 16,000 | 6,700 | - | - | 2,410 | 20,290 | 3,947 | 2.20% | 2.27% | 0.02% |
| TECHNOLOGY AND COMMUNICATION | | | | | | | | | | |
| Systems Limited | 5,610 | 4,500 | - | - | 1,700 | 8,410 | 6,390 | 3.56% | 3.68% | 0.01% |
| Avanceon Limited | 22,800 | 13,500 | - | - | 13,500 | 22,800 | 2,078 | 1.16% | 1.20% | 0.01% |
| Octopus Digital Limited | - | 19,877 | - | - | 12,877 | 7,000 | 544 | 0.30% | 0.31% | 0.01% |
| | 28,410 | 37,877 | - | - | 28,077 | 38,210 | 9,012 | 5.03% | 5.19% | 0.02% |
| FOOD AND PERSONNEL CARE PRODUCTS | | | | | | | | | | |
| The Organic Meat Company Limited | 151,500 | 7,000 | 12,450 | - | 46,000 | 124,950 | 3,965 | 2.21% | 2.28% | 0.10% |
| Al-Shaheer corporation | - | 45,000 | - | - | 45,000 | - | - | 0.00% | 0.00% | 0.00% |
| Unity Foods Limited | 125,500 | 158,000 | - | - | - | 283,500 | 7,504 | 4.19% | 4.32% | 0.03% |
| Unity Foods Limited (R3) | - | 57,039 | - | - | 14,000 | 43,039 | 46 | 0.03% | 0.03% | 0.02% |
| | 277,000 | 267,039 | 12,450 | - | 105,000 | 408,450 | 11,515 | 6.42% | 6.63% | 0.15% |
| GLASS AND CERAMICS | | | | | | | | | | |
| Shabbir Tiles and Ceramics Ltd. | - | 28,500 | - | - | - | 28,500 | 665 | 0.37% | 0.38% | 0.02% |
| | - | 28,500 | - | - | - | 28,500 | 665 | 0.37% | 0.38% | 0.02% |
| | 1,992,768 | 1,577,246 | 39,383 | - | 1,083,853 | 2,482,505 | 173,636 | 97% | 100% | 0.73% |

* The above investments include shares with market value aggregating to Rs. 29.6712 million which have been pledged with the National Clearing Company of Pakistan Limited (NCCPL) as collateral for guaranteeing settlement of the fund's trades in accordance with Circular No. 11 dated October 23, 2007 issued by the SECP.

** These represent gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate of 5 percent is to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Pension Fund Manager of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, have filed a petition in the Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 57(3)(viii) of Part I of the Second Schedule of the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee companies have withheld the share equivalent to 5% of bonus announcement amounting Rs.0.0958 million (2021: 0.1215 million) and not yet deposited with Government Treasury. Pension Fund Manager is of the view that the decision will be in its favour and accordingly has recorded the bonus shares on gross basis.

5.2 Government securities - Ijarah sukuks

5.2.1 Held by Debt sub fund

| Issue Date | Tenor | Face value | | | | Carrying value as at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of | |
|------------------------------|---------|--------------------|-----------------------------|-----------------------------------|-------------------------|--|--------------------------------------|---------------------------------|------------------------|
| | | As at July 1, 2021 | Purchases during the period | Sales / matured during the period | As at December 31, 2021 | | | Total investments of sub-fund | Net assets of sub-fund |
| ----- (Rupees in '000) ----- | | | | | | | | | |
| April 30, 2020 | 5 Years | 38,000 | - | 38,000 | - | - | - | - | - |
| October 29, 2021 | 5 Years | - | 44,500 | 44,500 | - | - | - | - | - |
| | | 38,000 | 44,500 | 82,500 | - | - | - | - | - |

5.2.2 Held by Money Market sub fund

| Issue Date | Tenor | Face value | | | | Carrying value as at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of | |
|------------------------------|---------|--------------------|-----------------------------|-----------------------------------|-------------------------|--|--------------------------------------|---------------------------------|------------------------|
| | | As at July 1, 2021 | Purchases during the period | Sales / matured during the period | As at December 31, 2021 | | | Total investments of sub-fund | Net assets of sub-fund |
| ----- (Rupees in '000) ----- | | | | | | | | | |
| April 30, 2020 | 5 Years | 12,000 | - | 12,000 | - | - | - | - | - |
| October 29, 2021 | 5 Years | - | 11,500 | 11,500 | - | - | - | - | - |
| | | 12,000 | 11,500 | 23,500 | - | - | - | - | - |

5.3 Sukuk bonds

Held by Debt sub fund

| | | Face value | | | | Carrying value as at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of | |
|---------------------------------------|--|--------------------|-----------------------------|-----------------------------------|-------------------------|--|--------------------------------------|---------------------------------|-------------------------|
| | | As at July 1, 2021 | Purchases during the period | Sales / matured during the period | As at December 31, 2021 | | | Total investments of sub-fund | Net assets of sub-funds |
| ----- (Number of certificates) ----- | | | | | | | | | |
| ----- Rupees in ('000) ----- | | | | | | | | | |
| ----- (%) ----- | | | | | | | | | |
| Fertilizers | | | | | | | | | |
| Fatima Fertilizers Company Limited | | 357 | - | 357 | - | - | - | - | - |
| | | 357 | - | 357 | - | - | - | - | - |
| Multiutilities | | | | | | | | | |
| Water and Power Development Authority | | 474 | - | 474 | - | - | 0.00% | 0.00% | |
| K-Electric | | 1,550 | - | - | 1,550 | 775 | 2.30% | 0.86% | |
| Hub Power Company Limited | | 50 | 6 | - | 56 | 11,000 | 32.66% | 12.22% | |
| | | 2,074 | 6 | 474 | 1,606 | 11,775 | 34.96% | 13.07% | |
| Pharmaceuticals | | | | | | | | | |
| AGP Limited | | 24 | - | - | 24 | 240 | 0.71% | 0.27% | |
| | | 24 | - | - | 24 | 240 | 0.71% | 0.27% | |

| | | Face value | | | | Carrying value as at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of | |
|---------------------------------------|--|--------------------|-----------------------------|-----------------------------------|-------------------------|--|--------------------------------------|---------------------------------|-------------------------|
| | | As at July 1, 2021 | Purchases during the period | Sales / matured during the period | As at December 31, 2021 | | | Total investments of sub-fund | Net assets of sub-funds |
| ----- (Number of certificates) ----- | | | | | | | | | |
| ----- Rupees in ('000) ----- | | | | | | | | | |
| ----- (%) ----- | | | | | | | | | |
| TECHNOLOGY & COMMUNICATION | | | | | | | | | |
| TPL tracker limited | | 10 | - | - | 10 | 944 | 2.79% | 1.04% | |
| | | 10 | - | - | 10 | 944 | 2.79% | 1.04% | |
| Miscellaneous | | | | | | | | | |
| International Brands Limited Sukuk | | 20 | - | - | 20 | 336 | 0.99% | 0.37% | |
| Agha Steel Industries Limited Sukuk | | 1 | - | - | 1 | 750 | 2.19% | 0.82% | |
| OBS AGP Sukuk | | - | 20 | - | 20 | 2,000 | 5.87% | 2.20% | |
| Pak Elektron Sukuk | | - | 8 | - | 8 | 8,000 | 23.49% | 8.78% | |
| | | 21 | 28 | - | 49 | 11,086 | 32.53% | 12.17% | |
| Total | | 2,486 | 34 | 831 | 1,689 | 24,045 | 70.99% | 26.55% | |

5.3.2 Held by Money Market sub fund

| | | Face value | | | | Carrying value as at December 31, 2021 | Market value as at December 31, 2021 | Market value as a percentage of | |
|--------------------------------------|--|--------------------|-----------------------------|-----------------------------------|-------------------------|--|--------------------------------------|---------------------------------|-------------------------|
| | | As at July 1, 2021 | Purchases during the period | Sales / matured during the period | As at December 31, 2021 | | | Total investments of sub-fund | Net assets of sub-funds |
| ----- (Number of certificates) ----- | | | | | | | | | |
| ----- Rupees in ('000) ----- | | | | | | | | | |
| ----- (%) ----- | | | | | | | | | |
| Hubco Sukuk | | - | 9 | - | 9 | 9,000 | 53.30% | 12.65% | |
| | | - | 9 | - | 9 | 9,000 | 53.30% | 12.65% | |

Significant terms and conditions of Sukuk bonds outstanding as at June 30, 2021 are as follows:

| Name of security | Principal face value per TFC (Rupees) | Mark-up rate (per annum) | Issue date | Maturity date |
|-------------------------------|---------------------------------------|--------------------------|------------|---------------|
| K-Electric | 1,000 | 3 months KIBOR + 1% | 17-Jun-15 | 17-Jun-22 |
| Hub Power Company Limited | 100,000 | 6 months KIBOR + 1.5% | 19-Mar-20 | 19-Mar-21 |
| AGP Limited | 20,000 | 3 months KIBOR + 1.3% | 9-Jun-17 | 9-Jun-22 |
| International Brands Limited | 16,783 | 12 months KIBOR + 0.5% | 15-Nov-17 | 19-Feb-22 |
| TPL Trakker Limited | 1,000,000 | 3 months KIBOR + 3% | 30-Mar-21 | 30-Mar-26 |
| Agha Steel Industries Limited | 875,000 | 3 months KIBOR + 0.8% | 9-Oct-18 | 9-Oct-24 |
| OBS AGP Private Limited | 100,000 | 3 Month KIBOR + 1% | 15-Jul-21 | 15-Jul-26 |
| Pak Electron Limited | 1,000,000 | 3 Month KIBOR + 1% | 15-Nov-21 | 15-Feb-23 |

5.4 Commercial Papers Held by Debt sub fund

| | Maturity Date | Face Value | | | | Market value as at December 31, | Percentage of total value of investments of | Percentage of Net Assets of sub-fund |
|----------------------------------|------------------|--------------------|----------------------------------|----------------------------------|-------------------------|---------------------------------|---|--------------------------------------|
| | | As at July 1, 2021 | Placement made during the period | Matured / Sold during the period | As at December 31, 2021 | | | |
| Rupees in ('000) ----- (%) ----- | | | | | | | | |
| K-Electric Limited | April 7, 2022 | - | 1,000 | - | 1,000 | 978 | 2.87% | 1.07% |
| K-Electric Limited | May 3, 2022 | - | 2,000 | - | 2,000 | 1,939 | 5.69% | 2.13% |
| K-Electric Limited | January 23, 2022 | - | 7,000 | - | 7,000 | 6,965 | 20.45% | 7.65% |
| | | - | 10,000 | - | 10,000 | 9,882 | 29.01% | 10.85% |

5.3.1 Held by Money Market sub fund

| | Maturity date | Face Value | | | | Market value as at December 31, | Percentage of total value of investments of | Percentage of Net Assets of sub-fund |
|----------------------------------|------------------|--------------------|----------------------------------|----------------------------------|-------------------------|---------------------------------|---|--------------------------------------|
| | | As at July 1, 2021 | Placement made during the period | Matured / Sold during the period | As at December 31, 2021 | | | |
| Rupees in ('000) ----- (%) ----- | | | | | | | | |
| K-Electric Limited | August 10, 2021 | 3,000 | - | 3,000 | - | - | 0.00% | 0.00% |
| K-Electric Limited | March 21, 2022 | - | 6,000 | - | 6,000 | 5,895 | 34.91% | 8.29% |
| K-Electric Limited | January 23, 2022 | - | 2,000 | - | 2,000 | 1,990 | 11.79% | 2.80% |
| | | 3,000 | 8,000 | 3,000 | 8,000 | 7,885 | 46.70% | 11.08% |

6. DIVIDEND AND PROFIT RECEIVABLE

| | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|------------------------------------|-----------------------------------|---------------|-----------------------|-------|----------------------------|---------------|-----------------------|-------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| (Rupees '000) ----- | | | | | | | | |
| Dividend receivable | 12 | - | - | 12 | 52 | - | - | 52 |
| Profit receivable on bank deposits | 3 | 596 | 771 | 1,369 | 17 | 426 | 585 | 1,028 |
| Profit accrued on sukuk bonds | - | 407 | 140 | 547 | - | 593 | 128 | 721 |
| | 15 | 1,003 | 911 | 1,929 | 69 | 1,019 | 713 | 1,801 |

7. DEPOSITS AND OTHER RECEIVABLES

| | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|--|-----------------------------------|---------------|-----------------------|-------|----------------------------|---------------|-----------------------|-------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| (Rupees '000) ----- | | | | | | | | |
| Security deposit with the Central Depository Company of Pakistan Limited | 100 | 100 | 100 | 300 | 100 | 100 | 100 | 300 |
| Security deposit with National Clearing Company of Pakistan Limited | 2,500 | - | - | 2,500 | 2,500 | - | - | 2,500 |
| Receivable against sale of investment | 797 | 250 | - | 1,047 | - | 125 | - | 125 |
| Other receivables | 134 | 64 | 27 | 225 | 93 | 69 | 33 | 195 |
| | 3,531 | 414 | 127 | 4,072 | 2,693 | 294 | 133 | 3,120 |

8. PAYABLE TO HBL ASSET MANAGEMENT LIMITED - PENSION FUND MANAGER

| | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|--------------------|-----------------------------------|---------------|-----------------------|------------|----------------------------|---------------|-----------------------|------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | (Rupees '000) | | | | | | | |
| Management fee | 224 | 116 | 89 | 428 | 229 | 111 | 87 | 427 |
| Sindh Sales Tax | 28 | 15 | 11 | 54 | 30 | 14 | 11 | 55 |
| Sales Load Payable | 6 | 23 | 22 | 50 | 7 | 10 | 1 | 18 |
| | 258 | 154 | 122 | 533 | 266 | 135 | 99 | 500 |

9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE

| | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|--|-----------------------------------|---------------|-----------------------|-----------|----------------------------|---------------|-----------------------|-----------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | (Rupees '000) | | | | | | | |
| Trustee remuneration | 26 | 13 | 10 | 49 | 26 | 12 | 10 | 48 |
| Sindh Sales Tax on remuneration of Trustee | 3 | 2 | 1 | 6 | 3 | 2 | 1 | 6 |
| | 29 | 15 | 11 | 55 | 29 | 14 | 11 | 54 |

10. ACCRUED EXPENSES AND OTHER LIABILITIES

| | (Un-audited) December 31, 2021 | | | | (Audited) June 30, 2021 | | | |
|---|-----------------------------------|---------------|-----------------------|--------------|----------------------------|---------------|-----------------------|--------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Total | Equity sub fund | Debt sub fund | Money Market sub fund | Total |
| | (Rupees '000) | | | | | | | |
| Auditors' remuneration | 80 | 49 | 38 | 167 | 128 | 67 | 54 | 249 |
| Payable against purchase of investments | - | - | - | - | 252 | - | - | 252 |
| Provision for Sindh Workers' Welfare Fund | - | - | - | - | 3,077 | 381 | 282 | 3,740 |
| Federal Excise Duty | 880 | 488 | 383 | 1,751 | 880 | 488 | 383 | 1,751 |
| Payable against redemption of units | - | - | - | - | 16 | 122 | - | 138 |
| Other payable | 194 | 160 | 92 | 445 | 369 | 152 | 376 | 897 |
| | 1,154 | 697 | 513 | 2,363 | 4,722 | 1,210 | 1,095 | 7,027 |

10.1 PROVISION FOR SINDH WORKERS' WELFARE FUND

The Government of Sindh introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The MUFAP, in the previous years based on opinion obtained from the tax consultants, concluded that SWWF is not applicable on mutual funds. MUFAP also wrote to the Sindh Revenue Board (SRB) that mutual funds are not establishments and are pass through vehicles; therefore, they do not have any worker and, as a result, no SWWF is payable by them. SRB responded back that as mutual funds are included in definition of financial institutions in the Financial Institutions (Recovery of Finance) Ordinance, 2001, and thus SWWF is payable by them.

During the current period, SRB through its letter dated August 12, 2021 (received on August 13, 2021) to MUFAP has clarified that Asset Management Company's (AMCs) are covered under the term "financial institutions" as per the Sindh WWF Act 2014 and are therefore subject to SWWF charge whereas as the Mutual Funds/Pension Funds managed by those AMCs do not qualify as "financial institutions" as per SWWF Act 2014.

In the wake of the aforesaid clarification of SRB, the MUFAP called its Extraordinary General Meeting on August 13, 2021, wherein the MUFAP recommended to its members that effective from August 13, 2021, SWWF recognised earlier should be reversed in light of the clarification issued by SRB. Subsequently, MUFAP approached SECP and obtained the clarification with respect to this matter as well.

The Fund ceased to charge further provision for SWWF and has reversed full provision for SWWF amounting to Rs. 3.077 million, 0.381 million, 0.282 million of Pension Equity Sub Fund, Pension Debt Sub Fund & Pension Money Market Sub Fund charged till June 30, 2021.

10.2 FEDERAL EXCISE DUTY

The legal status of applicability of Federal Excise Duty on the Fund is the same as that disclosed in note 12.2 to the annual audited financial statements of the Fund for the year ended June 30, 2021, and the appeal filed by tax authorities with Supreme Court of Pakistan is pending for decision.

In view of the above, the Management Company, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating Rs. 0.880 million, 0.488 million and 0.383 million (June 30, 2021: Rs. 0.880 million, Rs. 0.488 million and Rs. 0.383 million), for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made, the Net Assets Value per unit of the Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund as at December 31, 2021 would have been higher by Rs. 2.0755, Rs. 0.9550 and Rs. 0.9339 (June 30, 2021: Rs. 2.0889 Rs. 0.9674 and Rs. 0.9958) per unit respectively.

11. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31, 2021 and June 30, 2021 except as disclosed in this condensed interim financial information.

12 TAXATION

No provision for taxation for the year ended June 30, 2021 has been made in view of the exemption available under Clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001.

The Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A Part IV to Second Schedule of the Income Tax Ordinance 2001. Accordingly Super Tax and any other taxes introduced in Finance Act 2015 is also not applicable on Fund

13. CONTRIBUTION TABLE

Contribution received during the period / year is as follows:

| | | (Un-audited) December 31, 2021 | | | | | | | |
|-------------|--|-----------------------------------|---------------|---------------|---------------|-----------------------|---------------|---------|---------------|
| | | Equity sub fund | | Debt sub fund | | Money Market sub fund | | Total | |
| From: | | (Units) | (Rupees '000) | (Units) | (Rupees '000) | (Units) | (Rupees '000) | (Units) | (Rupees '000) |
| Individuals | | 25,338 | 11,126 | 95,177 | 16,415 | 158,141 | 26,844 | 278,656 | 54,385 |

| | | (Audited) June 30, 2021 | | | | | | | |
|-------------|--|----------------------------|---------------|---------------|---------------|-----------------------|---------------|-----------|---------------|
| | | Equity sub fund | | Debt sub fund | | Money Market sub fund | | Total | |
| From: | | (Units) | (Rupees '000) | (Units) | (Rupees '000) | (Units) | (Rupees '000) | (Units) | (Rupees '000) |
| Individuals | | 387,366 | 169,075 | 770,040 | 129,931 | 761,423 | 125,684 | 1,918,829 | 424,690 |

14. NUMBER OF UNITS IN ISSUE

| | (Un-audited) December 31, 2021 | | | (Audited) June 30, 2021 | | |
|---|-----------------------------------|----------------|-----------------------|----------------------------|----------------|-----------------------|
| | Equity sub fund | Debt sub fund | Money Market sub fund | Equity sub fund | Debt sub fund | Money Market sub fund |
| | (Number of units) | | | (Number of units) | | |
| Opening units in issue | 421,065 | 504,466 | 384,622 | 359,107 | 439,427 | 324,233 |
| Units issued during the period | 25,338 | 95,177 | 158,141 | 387,366 | 770,040 | 761,423 |
| Units redeemed during the period | (22,302) | (88,670) | (132,572) | (340,497) | (733,523) | (710,820) |
| Reallocation during the period | - | - | - | 15,089 | 28,522 | 9,786 |
| Total units in issue at end of the period / year | 424,101 | 510,973 | 410,191 | 421,065 | 504,466 | 384,622 |

15. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Pension Fund Manager, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, Collective Investment Schemes managed by the Management Company, directors and officers of the Management Company. Transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with market rates. Remuneration payable to Pension Fund Manager and Trustee is determined in accordance with the provisions of the Voluntary Pension System Rules, 2005 and the Trust Deed respectively.

The details of significant transactions carried out by the Fund with connected persons and balances with them are as follows:

15.1 Transactions during the period

| | Six months ended December 31, 2021 | | | | Six months ended December 31, 2020 | | | |
|---|------------------------------------|------------------|-----------------------------|-------|------------------------------------|------------------|-----------------------------|-------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| ----- (Rupees in '000) ----- | | | | | | | | |
| HBL Asset Management Limited - Pension Fund Manager | | | | | | | | |
| Management fee | 1,597 | 755 | 570 | 2,922 | 1,274 | 661 | 510 | 2,446 |
| Habib Bank Limited - Sponsor | | | | | | | | |
| Bank charges | 13 | 22 | 12 | 47 | 16 | 14 | 19 | 49 |
| Profit on bank deposits earned | 39 | 568 | 812 | 1,419 | 161 | 1,417 | 1,369 | 2,947 |
| Directors and Executives of the Pension Fund Manager and their relatives | | | | | | | | |
| Directors and their relatives | | | | | | | | |
| Issue of units | Number | 244 | - | - | 244 | - | - | - |
| Amount of units issued | | 100 | - | - | 100 | - | - | - |
| Executives and their relatives | | | | | | | | |
| Issuance of units | Number | - | - | - | - | 2,767 | - | - |
| Amount of units issued | | - | - | - | - | 1,192 | - | - |
| Central Depository Company of Pakistan Limited - Trustee | | | | | | | | |
| Remuneration | 160 | 76 | 57 | 293 | 128 | 66 | 51 | 245 |
| Central Depository System Charges | 14 | 3 | 3 | 20 | 10 | 3 | 3 | 17 |

15.2 Balances outstanding as at period end

| | December 31, 2021 | | | | June 30, 2021 | | | |
|---|--------------------|------------------|-----------------------------|--------|--------------------|------------------|-----------------------------|---------|
| | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total | Equity Sub-Fund | Debt Sub-Fund | Money Market Sub-Fund | Total |
| (Rupees in '000) | | | | | | | | |
| HBL Asset Management Limited - Pension Fund Manager | | | | | | | | |
| Management fee payable | 224 | 116 | 89 | 429 | 229 | 111 | 87 | 427 |
| Sindh Sales tax Payable | 28 | 15 | 11 | 54 | 30 | 14 | 11 | 55 |
| Sales load payable | 6 | 23 | 22 | 50 | 7 | 10 | 1 | 18 |
| Federal Excise Duty payable | 880 | 488 | 383 | 1,751 | 880 | 488 | 383 | 1,751 |
| Habib Bank Limited - Sponsor | | | | | | | | |
| Units held | Number | 128,334 | - | - | 128,334 | - | - | 128,334 |
| Amount of units held | | 54,241 | - | - | 59,748 | - | - | 59,748 |
| Bank balances | | 300 | 53,500 | 54,117 | 6,191 | 16,371 | 11,061 | 33,623 |
| Directors and Executives of the Pension Fund Manager and their relatives | | | | | | | | |
| Directors and their relatives | | | | | | | | |
| Units held | Number | 16,589 | 42,174 | 21,565 | 80,328 | 16,345 | 42,174 | 21,565 |
| Amount of units held | | 7,011 | 7,517 | 3,740 | 18,268 | 7,609 | 7,260 | 3,617 |
| Executives and their relatives | | | | | | | | |
| Units held | Number | 5,292 | 2 | - | 5,294 | 5,289 | - | - |
| Amount of units held | | 2,237 | - | - | 2,237 | 2,463 | - | - |
| Central Depository Company of Pakistan Limited - Trustee | | | | | | | | |
| Remuneration payable | | 29 | 15 | 11 | 55 | 29 | 14 | 11 |
| Security deposit receivable | | 100 | 100 | 100 | 300 | 100 | 100 | 300 |
| Directors of connected persons | | | | | | | | |
| Units held | Number | 51 | 38 | 19 | 108 | 22,620 | - | 58,271 |
| Amount of units held | | 22 | 7 | 3 | 32 | 10,531 | 10,031 | 3 |

16. 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 in the principal or, in its absence, the most advantageous market to which the Fund has access at that date. The fair value of a liability reflects its non-performance risk.

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.

According to IFRS 7, Financial Instruments: Disclosure - an entity shall classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

Level - 1 Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level - 2 Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level - 3 Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

The fair value of traded investments is based on quoted market prices, and have been disclosed in note 5.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

| | | Held by Equity sub-fund | | | | | | |
|---|------|--------------------------------------|-------------------|---------|------------|---------|---------|---------|
| | | December 31, 2021 | | | | | | |
| | | Carrying amount | | | Fair value | | | |
| | Note | At fair value through profit or loss | At amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Note ----- (Rupees in'000) ----- | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Listed equity securities | | 173,636 | - | 173,636 | 173,636 | - | - | 173,636 |
| | | 173,636 | - | 173,636 | 173,636 | - | - | 173,636 |
| Financial assets not measured at fair value | | | | | | | | |
| Bank balances | 16.1 | - | 3,529 | 3,529 | - | - | - | - |
| Dividend and profit receivable | | - | 15 | 15 | - | - | - | - |
| Deposits and other receivable | | - | 3,531 | 3,531 | - | - | - | - |
| | | - | 7,075 | 7,075 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| Payable to the Pension Fund Manager | 16.1 | - | 258 | 258 | - | - | - | - |
| Payable to the Trustee | | - | 29 | 29 | - | - | - | - |
| Accrued expenses and other liabilities | | - | 274 | 274 | - | - | - | - |
| | | - | 560 | 560 | - | - | - | - |

| | | Held by Equity sub-fund | | | | | | |
|---|------|--|--|---|------------|---------|---------|---------|
| | | June 30, 2021 | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | Note | Mandatorily at fair value through profit or loss | Designated as at fair value through profit or loss | Fair value through other comprehensive income | Level 1 | Level 2 | Level 3 | Total |
| Note ----- (Rupees in'000) ----- | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Listed equity securities | | 188,116 | - | 188,116 | 188,116 | - | - | 188,116 |
| | | 188,116 | - | 188,116 | 188,116 | - | - | 188,116 |
| Financial assets not measured at fair value | | | | | | | | |
| Bank balances | 16.1 | - | 10,208 | 10,208 | - | - | - | - |
| Dividend and profit receivable | | - | 69 | 69 | - | - | - | - |
| Deposits and other receivable | | - | 2,600 | 2,600 | - | - | - | - |
| | | - | 12,877 | 12,877 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| Payable to the Pension Fund Manager | 16.1 | - | 266 | 266 | - | - | - | - |
| Payable to the Trustee | | - | 29 | 29 | - | - | - | - |
| Payable against purchase of investments | | - | 252 | 252 | - | - | - | - |
| Payable against redemption of units | | - | 16 | 16 | - | - | - | - |
| Net assets attributable to unit holders | | - | 3,957 | 3,957 | - | - | - | - |
| | | - | 196,033 | 196,033 | - | - | - | - |
| | | - | 200,553 | 200,553 | - | - | - | - |

| | | Held by Debt sub-fund | | | | | | |
|---|------|--------------------------------------|-------------------|--------|------------|---------|---------|--------|
| | | December 31, 2021 | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | Note | At fair value through profit or loss | At amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Note ----- (Rupees in'000) ----- | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Sukuk bonds | | 24,180 | - | - | - | 24,180 | - | 24,180 |
| Commercial Papers | | 9,882 | - | - | - | 9,882 | - | 9,882 |
| | | 34,062 | - | - | - | 34,062 | - | 34,062 |
| Financial assets not measured at fair value | | | | | | | | |
| Bank balances | 16.1 | - | 56,472 | 56,472 | - | - | - | - |
| Dividend and profit receivable | | - | 1,003 | 1,003 | - | - | - | - |
| Deposits and other receivable | | - | 414 | 414 | - | - | - | - |
| | | - | 57,889 | 57,889 | - | - | - | - |
| Financial liabilities not measured at fair value | | | | | | | | |
| Payable to the Pension Fund Manager | 16.1 | - | 154 | 154 | - | - | - | - |
| Payable to the Trustee | | - | 15 | 15 | - | - | - | - |
| Accrued expenses and other liabilities | | - | 209 | 209 | - | - | - | - |
| | | - | 378 | 378 | - | - | - | - |

| | | Held by Debt sub-fund | | | | | | |
|---|------|--------------------------------------|-------------------|--------|------------|---------|---------|--------|
| | | June 30, 2021 | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | Note | At fair value through profit or loss | At amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | | | | | |
| Government of Pakistan - Ijara Sukuks | | 36,906 | - | 36,906 | - | 36,906 | - | 36,906 |
| Term finance certificates and sukuk bonds | | 10,218 | - | 10,218 | - | 10,218 | - | 10,218 |
| | | 47,124 | - | 47,124 | - | 47,124 | - | 47,124 |
| Financial assets not measured at fair value 16.1 | | | | | | | | |
| Bank balances | | - | 39,787 | 39,787 | - | - | - | - |
| Dividend and profit receivable | | - | 1,019 | 1,019 | - | - | - | - |
| Deposits and other receivable | | - | 100 | 100 | - | - | - | - |
| | | - | 40,906 | 40,906 | - | - | - | - |
| Financial liabilities not measured at fair value 16.1 | | | | | | | | |
| Payable to the Pension Fund Manager | | - | 135 | 135 | - | - | - | - |
| Payable to the Trustee | | - | 14 | 14 | - | - | - | - |
| Accrued expenses and other liabilities | | - | 869 | 869 | - | - | - | - |
| Net assets attributable to unit holders | | - | 86,843 | 86,843 | - | - | - | - |
| | | - | 87,983 | 87,983 | - | - | - | - |
| | | Held by Money Market sub-fund | | | | | | |
| | | December 31, 2021 | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | Note | At fair value through profit or loss | At amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | | | | | |
| Sukuks | | 9,000 | - | 9,000 | - | 9,000 | - | 9,000 |
| Commercial papers | | 7,885 | - | 7,885 | - | 7,885 | - | 7,885 |
| | | 16,885 | - | 16,885 | - | 16,885 | - | 16,885 |
| Financial assets not measured at fair value 16.1 | | | | | | | | |
| Bank balances | | - | 53,866 | 53,866 | - | - | - | - |
| Dividend and profit receivable | | - | 911 | 911 | - | - | - | - |
| Deposits and other receivable | | - | 127 | 127 | - | - | - | - |
| | | - | 54,904 | 54,904 | - | - | - | - |
| Financial liabilities not measured at fair value 16.1 | | | | | | | | |
| Payable to the Pension Fund Manager | | - | 122 | 122 | - | - | - | - |
| Payable to the Trustee | | - | 11 | 11 | - | - | - | - |
| Accrued expenses and other liabilities | | - | 130 | 130 | - | - | - | - |
| | | - | 263 | 263 | - | - | - | - |
| | | Held by Money Market sub-fund | | | | | | |
| | | June 30, 2021 | | | | | | |
| | | Carrying Amount | | | Fair Value | | | |
| | Note | At fair value through profit or loss | At amortised cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets measured at fair value | | | | | | | | |
| Government of Pakistan - Ijara Sukuks | | 11,654 | - | 11,654 | - | 11,654 | - | 11,654 |
| Commercial papers | | 2,974 | - | 2,974 | - | 2,974 | - | 2,974 |
| | | 14,628 | - | 14,628 | - | 14,628 | - | 14,628 |
| Financial assets not measured at fair value 16.1 | | | | | | | | |
| Bank balances | | - | 50,267 | 50,267 | - | - | - | - |
| Dividend and profit receivable | | - | 713 | 713 | - | - | - | - |
| Deposits and other receivable | | - | 100 | 100 | - | - | - | - |
| | | - | 51,080 | 51,080 | - | - | - | - |
| Financial liabilities not measured at fair value 16.1 | | | | | | | | |
| Payable to the Pension Fund Manager | | - | 99 | 99 | - | - | - | - |
| Payable to the Trustee | | - | 11 | 11 | - | - | - | - |
| Accrued expenses and other liabilities | | - | 665 | 665 | - | - | - | - |
| Net assets attributable to unit holders | | - | 64,518 | 64,518 | - | - | - | - |
| | | - | 65,293 | 65,293 | - | - | - | - |

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

17. TOTAL EXPENSE RATIO

In accordance with the S.R.O 1068 (I) / 2021 dated August 23, 2021 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the equity sub fund, debt sub fund and money market sub fund for the six months period ended December 31, 2021 is 1.42%,1.06% and 1.06% respectively which includes 0.13%,0.12% and 0.12% respectively representing Government levy and SECP fee.

18. GENERAL

18.1 Figures have been rounded off to the nearest thousands.

18.2 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2021 have not been reviewed.

18.3 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure, effect of which is not material.

18.4 In March 2020, the World Health Organization ('WHO') declared the outbreak of the novel coronavirus (known as COVID-19) as a global pandemic. The rapid spread of the virus has caused governments around the world to implement stringent measures to help control its spread, including, without limitation, quarantines, stay-at-home or shelter-in-place' orders, social-distancing mandates, travel restrictions, and closures or reduced operations for businesses, governmental agencies, schools and other institutions. The industry, along with global economic conditions generally, has been significantly disrupted by the pandemic. The COVID-19 pandemic and associated impacts on economic activity had certain effect on the operational and financial condition of the Fund for the period ended December 31, 2021 due to increase in overall credit risk pertaining to the corporate debt instruments' portfolios of mutual funds, subdued equity market performance due to overall slowdown in economic activity and continuity of business operations.

However, to reduce the impact on the economy and business. regulators / government across the country have introduced a host of measures on both the fiscal and economic fronts from time to time. The Management Company is closely monitoring the situation, and in response to the developments, the management has taken action to ensure the safety of its employees and other stakeholders, and initiated a number of initiatives.

The Management Company expects that going forward these uncertainties would reduce as the impact of COVID- 19 on overall economy subsides and have concluded that there is no impact on this condensed interim financial information.

19. DATE OF AUTHORISATION FOR ISSUE

19.1 This condensed interim financial statements was authorised for issue on February 11, 2022 by the Board of Directors of the Pension Fund Manager.

**For HBL Asset Management Limited
(Management Company)**

Chief Financial Officer

Chief Executive Officer








Director










Be aware, Be alert, Be safe

Learn about investing at
www.jamapunji.pk

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  ??? FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event notifications, corporate and regulatory actions)
-  Jamapunji application for mobile device
-  Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices

HBL

ASSET MANAGEMENT LTD.

ایس ایٹ مینجمنٹ لمیٹڈ

Head Office Karachi:

7th Floor, Emerald Tower, Clifton,
Karachi.
UAN:111 HBL AMC (111-425-262)
Fax: 021-35168455
info@hblasasset.com

Lahore:

102-103, Upper Mall, Lahore
Tel: 042-36281600
042-36281640-3
042-36281610
Fax: 042-36281686

Islamabad:

HBL Corporate Center,
HBL building, Jinnah Avenue,
Islamabad
Tel: 051-2821183
Fax: 051-2822206