

HBL

ASSET MANAGEMENT LTD.

ايسيت ميجمنٹ لميٹڈ

AMC Rating : AM1 by VIS

NINE MONTHS REPORT 2023

For the period ended MARCH 31, 2023

MOVING TOWARDS
EXCELLENCE

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CORPORATE INFORMATION

Management Company

HBL Asset Management Limited

Board of Directors (Composition as of April 28, 2023)

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

Audit Committee

Chairman	Mr. Khalid Malik	(Independent Director)
Members	Ms. Ava Ardeshir Cowasjee Mr. Rayomond H. Kotwal	(Independent Director) (Non-Executive Director)

Human Resource Committee

Chairman	Mr. Shahid Ghaffar	(Independent Director)
Members	Ms. Ava Ardeshir Cowasjee Mr. Rayomond H. Kotwal Mr. Abid Sattar	(Independent Director) (Non-Executive Director) (Independent Director)

Risk Management Committee

Chairman	Mr. Shahid Ghaffar	(Independent Director)
Members	Mr. Tariq Masaud Mr. Abid Sattar	(Non-Executive Director) (Independent Director)

Technology Committee

Chairman	Mr. Abrar Ahmed Mir	(Non-Executive Director)
Members	Mr. Abid Sattar Ms. Ava Ardeshir Cowasjee	(Independent Director) (Independent Director)

Company Secretary & Chief Financial Officer

Mr. Noman Qurban

AMC Rating

AM1 (Stable Outlook)

Legal Advisor

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

Website

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Head Office & Registered Office

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REVIEW REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR THE PERIOD ENDED MARCH 31, 2023

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of HBL Asset Management Limited is pleased to present its report together with Financial Statements of HBL Islamic Money Market Fund, HBL Islamic Income Fund, HBL Islamic Stock Fund, HBL Islamic Equity Fund, HBL Islamic Asset Allocation Fund, HBL Islamic Financial Planning Fund and HBL Islamic Dedicated Equity Fund (the Funds) for the period ended March 31, 2023.

ECONOMIC REVIEW

Pakistan continued to face severe economic challenges during 9MFY23 as rising inflation, low FX reserves, import restrictions, and delay in IMF program remained key concern for investors. CPI inflation in March-2023 rose to a multi-decade high of 35% taking 9MFY23 inflation to 27.2% as against 10.7% same period last year. The sharp rise in inflation could be attributed to 1) currency devaluation, 2) higher petroleum prices, 4) impact of floods on crops, and 3) import restrictions leading to supply shortages.

SBP, keeping in view rising inflationary pressures and rising interest rates globally, adopted a very aggressive monetary policy stance. In FYTD, SBP has cumulatively raised the policy rate by 725bps to 21%. In its monetary policy statements, SBP highlighted that growing inflationary expectations and increased external account challenges as key drivers of monetary tightening.

On the external front, SBP foreign exchange reserves were down from USD 8.4bn in July-2022 to USD 4.0bn as of April 7, 2023. This was due to large debt repayments and lower foreign inflows during this period. Due to the depleting reserves, Pak rupee depreciated by 28% against USD as PKR-USD parity closed at PKR 284 against the USD. Lower Current Account Deficit (CAD) though provided some cushion as it dropped by 74% to USD 3.4bn in 9MFY23 driven by import restriction and lower trade deficit. Trade deficit during 9MFY23 was down 30% to USD 20.4bn led by 21% fall in imports.

Slowdown in aggregate demand, floods, high interest rates, and import restrictions have significantly impacted growth outlook for the country. Large Scale Manufacturing Index (LSM) was down 5.56% in 8MFY23 indicating sharp slowdown in economy. World Bank has also recently revised down Pakistan's GDP growth forecast to 0.4% in FY23 considering these factors.

STOCK MARKET REVIEW

KMI-30 index during 9MFY23 rose slightly gaining 0.8% to close at 69,337 points. Index after making a high of 73,770 points on Feb 9, 2023, dropped by 6% owing to prevailing economic and political uncertainty. Key factors that contributed to this decline included 1) delay in ninth review of IMF, 2) sharp fall in foreign exchange reserves, 3) sharp rise in interest rates, 4), import restrictions impacting listed companies profitability, and 5) increase in political noise specially over the possible timing of general elections.

Due to these uncertain times, total traded volume and traded value were down 33% and 37% to 204mn shares and PKR 6.6bn, respectively. Foreigners were net buyers during 9MFY23 to the tune of USD 7mn. Amongst local investors, Mutual Funds and Insurance Companies were net sellers of USD 111mn and USD 105mn, respectively. Companies and Commercial Banks buyers were net buyers of USD 82mn and USD 60mn, respectively. Technology, Power and E&P sectors remained top performers whereas Pharma, Automobiles, and Consumer Sector contributed negatively to the index during 9MFY23.

MONEY MARKET REVIEW

SBP conducted 6 monetary policies during 9MFY23 where it raised policy rates by 625bps to 20% by March end which is one of the highest rate increases in a span of 9 months. Given imminent inflationary pressures, SBP further raised rates to 21% in April-2023. SBP also linked Export Finance Scheme (EFS) and Long Term Financing Facility (LTFF) to the policy rate instead of fixed rate during 9MFY23 in order to improve monetary policy transmission.

Government raised PKR 21bn through fixed rate Ijarah Sukuk whereas it raised PKR 380bn from Variable Rate Ijarah Sukuk during 9MFY23.

FUTURE OUTLOOK

Pakistan has now secured external financing assurances of USD 3bn from Saudi Arabia and UAE which was a key requirement for revival of IMF program. Pakistan is also in talks with Saudi Arabia & China for additional deposits and Commercial loans. It is likely that government is able to convince IMF on the remaining financing arrangement soon which will ensure signing of staff level agreement, going ahead. Furthermore, once the staff level agreement is signed with IMF, flows from multi-lateral donor agencies like World Bank and Asian Development Bank (ADB) will also unlock which will improve FX reserves position and give comfort to equity and fx markets.

In its last monetary policy statement, SBP had also highlighted that inflation will start coming down from June 2023 onwards which indicates that interest rates have almost peaked or they are near its peak. We anticipate CPI inflation to average 29% in FY23 and then fall to 18% in FY24 due to high base and expected fall in commodity prices. This expected drop in inflation rates from FY24 propels case for interest rate cut from later part of 2023. This will provide a major boost to equity markets.

Our long term view on market remain positive given IMF program is round the corner, political instability is expected to subside gradually with elections scheduled this year and interest rate are likely to fall from FY24. The market trades at all time low PE of less than 4x with dividend yield of around 10%.

FUND'S PERFORMANCE AND PAYOUTS

HBL Islamic Money Market Fund

The total income and net income of the Fund was Rs. 4.18 billion and Rs. 3.97 billion respectively during the period ended March 31, 2023. The Net Asset Value (NAV) of the Fund was Rs. 101.2220 per unit as on March 31, 2023 as compared to Rs. 101.2171 per unit as on June 30, 2022, after incorporating dividend of Rs. 11.3383 per unit, thereby giving an annualized return of 15.80%. During the period the benchmark return (3 Month bank deposit rates) was 6.05%. The size of Fund was Rs. 54.30 billion as on March 31, 2023 as compared to Rs. 15.54 billion at the start of the year.

JCR-VIS Credit Rating Company Limited has reaffirmed the Fund stability rating of AA+(f) to the Fund.

HBL Islamic Income Fund

The total income and net income of the Fund was Rs. 813.13 million and Rs. 758.71 million respectively during the period ended March 31, 2023. The Net Asset Value (NAV) of the Fund was Rs. 114.8999 per unit as on March 31, 2023 as compared to Rs. 102.7607 per unit as on June 30, 2022, thereby giving an annualized return of 15.74%. During the same period the benchmark return (6 Month bank deposit rates) was 5.83%. The size of Fund was Rs. 9.04 billion as on March 31, 2023 as compared to Rs. 4.67 billion at the start of the year.

JCR-VIS Credit Rating Company Limited has reaffirmed Fund Stability Rating of A+(f) to the Fund.

HBL Islamic Stock Fund

The total and net loss of the Fund was Rs. 5.67 million and Rs. 16.90 million respectively during the period ended March 31, 2023. The Net Asset Value (NAV) of the Fund was Rs. 78.0420 per unit as on March 31, 2023 as compared to Rs. 88.4323 per unit as on June 30, 2022, thereby giving a negative return of 11.75% during the period, against the benchmark return (KMI 30 Index) of 0.83%. The size of Fund was Rs. 0.16 billion as on March 31, 2023 as compared to Rs. 0.41 billion at the start of the year.

HBL Islamic Equity Fund

The total and net loss of the Fund was Rs. 3.00 million and Rs. 9.64 million respectively during the period ended March 31, 2023. The Net Asset Value (NAV) of the Fund was Rs. 65.8922 per unit as on March 31, 2023 as compared to Rs. 69.9797 per unit as on June 30, 2022, thereby giving a negative return of 5.84% during the period, against the benchmark return (KMI 30 Index) of 0.83%. The size of Fund was Rs. 0.10 billion as on March 31, 2023 as compared to Rs. 0.15 billion at the start of the year.

HBL Islamic Asset Allocation Fund

Under HBL Islamic Asset Allocation Fund (HBL-IAAF), the HBL Islamic Asset Allocation Fund – Plan I (HBL IAAF-Plan-I) has been constituted on July 13, 2020 and HBL Islamic Asset Allocation Fund – Plan-II was launched on August 05, 2022.

The total and net income of the Fund including HBL IAAF Plans was Rs. 281.14 million and Rs. 267.31 million respectively during the period ended March 31, 2023. The Net Asset Value (NAV) of the HBL-IAAF decreased from Rs. 108.5372 per unit as on June 30, 2022 to Rs. 99.8410 per unit as on March 31, 2023, thereby giving a negative return of 8.01% during the period against the benchmark return (Weighted average daily return of KMI 30 Index & 6 months deposit rate of A rated or above banks) of negative 0.07%. The Net Asset Value (NAV) of the HBL-IAAF Plan-I was Rs. 111.7341 per unit as on March 31, 2023 thereby giving a return of 11.14% during the period against the benchmark return of 3.05%. The Net Asset Value (NAV) of the HBL-IAAF Plan-II was Rs. 113.8365 as on March 31, 2023 thereby giving a return of 13.84% while the benchmark return during the period was 2.78%. The collective size of Fund was Rs. 2.80 billion as on March 31, 2023 as compared to Rs. 2.62 billion at the start of the year.

HBL Islamic Financial Planning Fund

HBL Islamic Financial Planning Fund comprises of two sub funds (plans) namely Active allocation plan and Conservative allocation plan.

The Fund as a whole earned a total and net income of Rs. 8.36 million and Rs. 7.52 million respectively during the period under review. The fund size of the fund stood at Rs. 0.10 billion. Performance review for plan is given below:

Active Allocation Plan

During the period under review, the Active allocation plan earned a total and net income of Rs. 8.28 million and Rs. 7.48 million respectively. The net assets of the Active allocation plan stood at Rs. 99 million representing Net Asset Value (NAV) of Rs. 95.5594 per unit as at March 31, 2023 as compared to Rs. 87.1696 as at June 30, 2022. The plan earned a return of 9.62% for the period under review against the benchmark return of 4.65%. The plan is invested to the extent of 100% in fixed income funds.

Conservative Allocation Plan

During the period under review, the Conservative allocation plan earned total income and net income of Rs. 0.01 million and Rs. 0.00 million respectively. The net assets of the Conservative allocation plan stood at Rs. 0.69 million representing Net Asset Value (NAV) of Rs. 96.3282 per unit as at March 31, 2023 as compared to Rs. 90.9171 as at June 30, 2022. The plan earned a return of 5.95% for the period under review against the benchmark return of 3.92%. The plan is invested to the extent of 77% in fixed income funds.

HBL Islamic Dedicated Equity Fund

During the period under review, the Islamic Dedicated Equity Fund remained inactive for the tenure and its fund size stands nil as all units were redeemed by Fund of Fund Plans managed by the Company.

MANAGEMENT COMPANY RATING

The VIS Credit Rating Company Limited (VIS) has upgraded the management quality rating of HBL Asset Management Limited from 'AM2++' (AM Two Plus Plus) to 'AM-I' and the outlook on the assigned rating has been assessed at 'Stable'.

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 the Securities & Exchange Commission of Pakistan, the Central Depository Company of Pakistan and the Digital Custodian Company Limited as Trustees, 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

میجمنٹ کسپنی کے ڈائریکٹرز کی رپورٹ

ایچ بی ایل ایسٹ میجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 مارچ 2023 کو ختم ہونے والی مدت کے لئے ایچ بی ایل اسلامک منی مارکیٹ فنڈ، ایچ بی ایل اسلامک انکم فنڈ، ایچ بی ایل اسلامک اسٹاک فنڈ، ایچ بی ایل اسلامک ایکویٹی فنڈ، ایچ بی ایل اسلامک ایسٹ ایلوکیٹن فنڈ، ایچ بی ایل اسلامک فنانشل پلاننگ فنڈ اور ایچ بی ایل اسلامک ڈیڈ ویلٹیڈ ایکویٹی فنڈ (دی فنڈز) کے مالی بیانات کے ساتھ رپورٹ پیش کرتے ہوئے خوشی محسوس کر رہا ہے۔

اقتصادی جائزہ

پاکستان کو 9MFY23 کے دوران شدید اقتصادی چیلنجوں کا سامنا کرنا پڑا کیونکہ بڑھتی ہوئی افراط زر، FX ذخائر، درآمدی پابندیاں، اور IMF پروگرام میں تاخیر سرمایہ کاروں کے لیے اہم خدشات رہے ہیں۔ مارچ 2023 میں CPI افراط زر بڑھ کر 35 فیصد کی کثیر دہائی کی بلند ترین سطح پر پہنچ گیا جس سے 9MFY23 میں افراط زر 2.27 فیصد ہو گیا جو گزشتہ سال کی اسی مدت میں 7.10 فیصد تھا۔ مہنگائی میں تیزی سے اضافے کی وجہ سے (1) کرنسی کی قدر میں کمی، (2) پٹرولیم کی قیمتوں میں اضافہ، (4) فصلوں پر سیلاب کے اثرات، اور (3) درآمدی پابندیاں ہیں جن کی وجہ سے سپلائی میں کمی واقع ہوئی ہے۔

اسٹیٹ بینک نے عالمی سطح پر بڑھتے ہوئے افراط زر کے دباؤ اور بڑھتی ہوئی شرح سود کو مد نظر رکھتے ہوئے ایک انتہائی جارحانہ مانیٹری پالیسی کا موقف اپنایا۔ FYTD میں، SBP نے مجموعی طور پر پالیسی ریٹ کو 725bps سے بڑھا کر 21 فیصد کر دیا ہے۔ اپنی مانیٹری پالیسی کے بیانات میں، SBP نے اس بات پر روشنی ڈالی کہ بڑھتی ہوئی افراط زر کی توقعات اور بڑھتے ہوئے بیرونی کھاتوں کے چیلنجز مانیٹری سختی کے کلیدی محرک ہیں۔

بیرونی محاذ پر، SBP کے زرمبادلہ کے ذخائر جولائی 2022 میں 8.4 بلین امریکی ڈالر سے کم ہو کر 17 اپریل 2023 تک 4.0 بلین امریکی ڈالر رہ گئے تھے۔ اس کی وجہ اس عرصے کے دوران قرضوں کی بڑی ادائیگی اور غیر ملکی آمدن میں کمی تھی۔ کم ہوتے ذخائر کی وجہ سے پاکستانی روپے کی قدر امریکی ڈالر کے مقابلے میں 28 فیصد تک گر گئی، ایک امریکی ڈالر 284 پاکستانی روپے پر بند ہوا۔ لوئر کرنٹ اکاؤنٹ خسارہ (CAD) اگرچہ درآمدی پابندی اور کم تجارتی خسارے کی وجہ سے 9MFY23 میں 74 فیصد کم ہو کر 3.4 بلین امریکی تک پہنچ گیا۔ 9MFY23 کے دوران تجارتی خسارہ 30 فیصد کم ہو کر 20.4 بلین امریکی ڈالر ہو گیا جس کی وجہ سے درآمدات میں 21 فیصد کمی ہوئی۔

مجموعی طلب میں سست روی، سیلاب، بلند شرح سود اور درآمدی پابندیوں نے ملک کی ترقی کے نقطہ نظر کو نمایاں طور پر متاثر کیا ہے۔ بڑے پیمانے پر مینوفیکچرنگ انڈیکس (LSM) 8MFY23 میں 5.56 فیصد گر گیا جو معیشت میں تیزی سے سست روی کی نشاندہی کرتا ہے۔ ورلڈ بینک نے بھی حال ہی میں ان عوامل کو مد نظر رکھتے ہوئے مالی سال 23 میں پاکستان کی جی ڈی پی کی شرح نمو 0.4 فیصد پر رکھا ہے۔

اسٹاک مارکیٹ کا جائزہ

9MFY23 کے دوران KMI-30 انڈیکس 0.8 فیصد کے اضافے کے ساتھ 69,337 پوائنٹس پر بند ہوا۔ انڈیکس 9 فروری 2023 کو 73,770 پوائنٹس کی اونچائی پر جانے کے بعد، موجودہ معاشی اور سیاسی غیر یقینی صورتحال کی وجہ سے 6 فیصد گر گیا۔ اس کمی کے اہم عوامل میں (1) آئی ایم ایف کے نوے جائزے میں تاخیر، (2) زرمبادلہ کے ذخائر میں تیزی سے گراؤ، (3) شرح سود میں تیزی سے اضافہ، (4) درآمدی پابندیاں درج کمپنیوں کے منافع پر اثر انداز ہوئیں، اور (5) سیاسی بحران میں اضافہ، خاص طور پر عام انتخابات کے ممکنہ انعقاد کے حوالے سے تناؤ۔

ان غیر یقینی صورتحال کی وجہ سے، کل تجارت شدہ حجم اور تجارت کی قدر بالترتیب 33 فیصد اور 37 فیصد کم ہو کر 204mn حصص اور 6.6 بلین روپے ہو گئی۔ 9MFY23 کے دوران غیر ملکی خریداروں نے 7mn امریکی ڈالر کی خریداری کی۔ مقامی سرمایہ کاروں میں، میوچل فنڈز اور انشورنس کمپنیاں بالترتیب 111mn امریکی ڈالر اور 105mn امریکی ڈالر کی خالص فروخت کنندہ تھیں۔ کمپنیاں اور کمرشل بینکوں کے خریدار بالترتیب 82mn امریکی ڈالر اور 60mn امریکی ڈالر کے خالص خریدار تھے۔ ٹیکنالوجی، پاور اور ایئر لائنز کے شعبے سرفہرست رہے جبکہ فارما، آٹوموبائلز اور کنزیومر سیلٹرنے 9MFY23 کے دوران انڈیکس میں منفی کردار ادا کیا۔

منی مارکیٹ کا جائزہ

SBP نے 9MFY23 کے دوران 6 ماہی پالیسیاں جاری کیں، اس نے مارچ کے آخر تک پالیسی ریٹ کو 625bps سے بڑھا کر 20 فیصد کر دیا جو کہ 9 ماہ کے عرصے میں شرح میں سب سے زیادہ اضافہ ہے۔ آنے والے مہنگائی کے دباؤ کو دیکھتے ہوئے، SBP نے اپریل 2023 میں شرح کو مزید بڑھا کر 21 فیصد کر دیا۔ ایس بی پی نے مالیاتی پالیسی کی ترسیل کو بہتر بنانے کے لیے ایکسپورٹ فنانس اسکیم (EFS) اور لانگ ٹرم فنانسنگ فیسیلٹی (LTFF) کو بھی 9MFY23 کے دوران مقررہ شرح کے بجائے پالیسی ریٹ سے منسلک کیا۔

حکومت نے 9MFY23 فیکسڈ ریٹ اجارہ سلوک کے ذریعے 21 بلین روپے اکٹھے کیے جبکہ متغیر شرح اجارہ سلوک سے 380 بلین روپے جمع کیے۔

مستقبل کا آؤٹ لک

پاکستان نے اب سعودی عرب اور متحدہ عرب امارات سے 3 بلین امریکی ڈالر کی بیرونی فنانسنگ کی یقین دہانی حاصل کر لی ہے جو آئی ایم ایف پروگرام کی بحالی کے لیے ایک اہم ضرورت تھی۔ پاکستان اضافی ڈپازٹس اور تجارتی قرضوں کے لیے سعودی عرب اور چین سے بھی بات چیت کر رہا ہے۔ امکان ہے کہ حکومت آئی ایم ایف کو بقیہ فنانسنگ انتظامات پر جلد قائل کرنے میں کامیاب ہو جائے گی جو اسٹاف لیول معاہدے پر دستخط کو یقینی بنائے گی۔ مزید برآں، IMF کے ساتھ اسٹاف لیول معاہدے پر دستخط ہونے کے بعد، عالمی بینک اور ایشیائی ترقیاتی بینک (ADB) جیسی کثیر الجہتی عطیہ دہندگان کی طرف سے رقم بھی ملنا شروع ہو جائیگی جس سے FX کے ذخائر کی پوزیشن میں بہتری آئے گی اور ایکویٹی اور FX مارکیٹوں کو سکون ملے گا۔

مارکیٹ کے بارے میں ہمارا طویل مدتی نقطہ نظر مثبت رہتا ہے کیونکہ IMF پروگرام کو نونے نونے میں ہے، اس سال شیڈول انتخابات کے ساتھ سیاسی عدم استحکام بتدریج کم ہونے کی امید ہے اور FY24 سے شرح سود میں کمی کا امکان ہے۔ مارکیٹ تقریباً 10 فیصد کے ڈیویڈنڈ کی پیداوار کے ساتھ 4x سے کم ہو کر Low PE پر ٹریڈ کر رہی ہے۔

فنڈ کی کارکردگی اور ادائیگیاں

ایچ بی ایل اسلامک منی مارکیٹ فنڈ

31 مارچ 2023 کو ختم ہونے والی مدت کے دوران فنڈ کی کل اور خالص آمدنی بالترتیب 4.18 بلین روپے اور 3.97 بلین روپے تھی۔ 31 مارچ 2023 کو فنڈ کی خالص ایسٹ قیمت (این اے وی) 101.2220 روپے فی یونٹ تھی جو کہ 30 جون 2022 کو 101.2171 فی یونٹ تھا۔ منافع کے شامل کرنے کے 11.3383 فی یونٹ، اس طرح 15.80 فیصد کا سالانہ منافع دیتا ہے۔ اس مدت کے دوران ہینج مارک (3 ماہ بینک ڈپازٹ ریٹس) کی واپسی 6.05 فیصد تھی۔ فنڈ کا حجم 31 مارچ 2023 تک 54.30 بلین روپے تھا جو سال کے آغاز میں 15.54 بلین روپے تھا۔

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے فنڈ میں AA+(f) کی فنڈ استحکام کی درجہ بندی کی دوبارہ تصدیق کی ہے۔

ایچ بی ایل اسلامک انکم فنڈ

31 مارچ 2023 کو ختم ہونے والی مدت کے دوران فنڈ کی کل اور خالص آمدنی بالترتیب 813.13 بلین روپے اور 758.71 بلین روپے تھی۔ 31 مارچ 2023 کو فنڈ کی خالص ایسٹ قیمت (این اے وی) 114.8999 روپے فی یونٹ تھی جو کہ 30 جون 2022 کو 102.7607 فی یونٹ تھا۔ اس طرح 15.74 فیصد کا سالانہ منافع دیتا ہے۔ اس مدت کے دوران ہینج مارک واپسی (6 ماہ بینک ڈپازٹ ریٹس) 5.83 فیصد تھی۔ فنڈ کا حجم 31 مارچ 2023 تک 9.04 بلین روپے تھا جو سال کے آغاز میں 4.67 بلین روپے تھا۔

JCR-VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ نے فنڈ میں A+(f) کی فنڈ استحکام کی درجہ بندی کی دوبارہ تصدیق کی ہے۔

ایچ بی ایل اسلامک اسٹاک فنڈ

31 مارچ 2023 کو ختم ہونے والی مدت کے دوران فنڈ کی کل اور خالص نقصان بالترتیب 5.67 بلین روپے اور 16.90 بلین روپے تھی۔ 31 مارچ 2023 کو فنڈ کی خالص ایسٹ قیمت (این اے وی) 78.0420 روپے فی یونٹ رہی جو کہ 30 جون 2022 کو 88.4323 فی یونٹ تھی۔ اس طرح منفی ریٹرن 11.75 فیصد دیتا ہے۔ اس مدت کے دوران ہینج مارک واپسی (KMI 30 Index) 0.83 فیصد تھی۔ فنڈ کا حجم 31 مارچ 2023 تک 0.16 بلین روپے تھا جو سال کے آغاز میں 0.41 بلین روپے تھا۔

ایچ بی ایل اسلامک ایکویٹی فنڈ

31 مارچ 2023 کو ختم ہونے والی مدت کے دوران فنڈ کی کل اور خالص نقصان بالترتیب 3.00 بلین روپے اور 9.64 بلین روپے تھی۔ 31 مارچ 2023 کو فنڈ کی خالص ایسٹ قیمت (این اے وی) 65.8922 روپے فی یونٹ رہی جو کہ 30 جون 2022 کو 69.9797 فی یونٹ تھی۔ اس طرح منفی ریٹرن 5.84 فیصد دیتا ہے۔ اس مدت کے دوران ہینج مارک واپسی (KMI 30 Index) 0.83 فیصد تھی۔ فنڈ کا حجم 31 مارچ 2023 تک 0.10 بلین روپے تھا جو سال کے آغاز میں 0.15 بلین روپے تھا۔

ایچ بی ایل اسلامک ایسٹ ایلوکیشن فنڈ

ایچ بی ایل اسلامک ایسٹ ایلوکیشن فنڈ (HBL-IAAF) کے تحت ایچ بی ایل اسلامک ایسٹ ایلوکیشن فنڈ - پلان I (ایچ بی ایل IAAF پلان I) 13 جولائی 2020 کو تشکیل دیا گیا تھا اور ایچ بی ایل اسلامک ایسٹ ایلوکیشن فنڈ - پلان II کو 05 اگست 2022 کو شروع کیا گیا۔

31 مارچ 2023 کو ختم ہونے والی مدت کے دوران ایچ بی ایل IAAF پلانز سمیت فنڈ کی کل اور خالص آمدنی بالترتیب 281.14 ملین روپے اور 267.31 ملین روپے تھی۔ ایچ بی ایل IAAF کی خالص ایسٹ قیمت (NAV) میں کمی واقع ہوئی، جو 30 جون 2022 تک 108.5372 روپے فی یونٹ تھے جبکہ 31 مارچ 2023 تک 99.8410 روپے فی یونٹ پر آگئے۔ اس طرح 8.01 فیصد کا منفی ریٹرن، بیچ مارک ریٹرن (KMI) 30 انڈیکس کا ویڈیو پورٹج یومیہ ریٹرن اور A ریٹڈ یا اس سے اوپر کے بینکوں کی 6 ماہ کی ڈپازٹ کی شرح) کے مقابلے میں اس مدت کے دوران منفی 0.07 فیصد کا منفی ریٹرن دیتا ہے۔ 31 مارچ 2023 تک ایچ بی ایل IAAF پلان I کی خالص ایسٹ قیمت (NAV) 111.7341 روپے فی یونٹ تھی۔ اس طرح اس مدت کے دوران 3.05 فیصد کے بیچ مارک ریٹرن کے مقابلے میں 11.14 فیصد کی واپسی، 31 مارچ 2023 تک ایچ بی ایل IAAF پلان I کی خالص ایسٹ قیمت (NAV) 113.8365 روپے فی یونٹ تھی۔ اس طرح اس مدت کے دوران 2.78 فیصد کے بیچ مارک ریٹرن کے مقابلے میں 13.84 فیصد کی واپسی، 31 مارچ 2023 تک فنڈ کا مجموعی حجم 2.80 ملین روپے رہا جبکہ یہ حجم سال کے آغاز میں 2.62 ملین تھا۔

ایچ بی ایل اسلامک فنانشل پلاننگ فنڈ

HBL اسلامک فنانشل پلاننگ فنڈ دو ذیلی فنڈز (پلانز) پر مشتمل ہے یعنی ایکٹو ایلوکیشن پلان اور کنزرویٹو ایلوکیشن پلان۔

زیر جائزہ مدت کے دوران فنڈ نے مجموعی طور پر کل اور خالص آمدنی بالترتیب 8.36 ملین روپے اور 7.52 ملین روپے حاصل کی۔ فنڈ کا حجم 0.10 ملین روپے رہا۔ پلان کے لیے کارکردگی کا جائزہ ذیل میں دیا گیا ہے:

ایکٹو ایلوکیشن پلان

زیر جائزہ مدت کے دوران ایکٹو ایلوکیشن پلان نے کل اور خالص آمدنی بالترتیب 8.28 ملین روپے اور 7.48 ملین روپے حاصل کی۔ 31 مارچ 2023 کو ایکٹو ایلوکیشن پلان کے خالص ایسٹ (NAV) 95.5594 فی یونٹ کے ساتھ 99 ملین روپے کی نمائندگی کرتے ہیں۔ جبکہ 30 جون 2022 کو 87.1696 فی یونٹ تھا۔ پلان نے زیر جائزہ مدت کے دوران بیچ مارک ریٹرن 4.65 کے مقابلے میں 9.62 فیصد کا ریٹرن حاصل کیا۔ مذکورہ پلان فکسڈ انکم فنڈز میں 100 فیصد کی حد تک سرمایہ کاری کرتا ہے۔

کنزرویٹو ایلوکیشن پلان

زیر جائزہ مدت کے دوران کنزرویٹو ایلوکیشن پلان نے کل اور خالص آمدنی بالترتیب 0.01 ملین روپے اور 0.00 ملین روپے حاصل کی۔ 31 مارچ 2023 کو کنزرویٹو ایلوکیشن پلان کے خالص ایسٹ (NAV) 96.3282 فی یونٹ کے ساتھ 0.69 ملین روپے کی نمائندگی کرتے ہیں۔ جبکہ 30 جون 2022 کو 90.9171 فی یونٹ تھا۔ پلان نے زیر جائزہ مدت کے دوران بیچ مارک ریٹرن 3.92 کے مقابلے میں 5.95 فیصد کا ریٹرن حاصل کیا۔ مذکورہ پلان فکسڈ انکم فنڈز میں 77 فیصد کی حد تک سرمایہ کاری کرتا ہے۔

ایچ بی ایل اسلامک ڈیڈ ایکویٹی فنڈ

زیر جائزہ مدت کے دوران، اسلامک ڈیڈ ایکویٹی فنڈ غیر فعال رہا اور اس کے فنڈ کا حجم صفر ہے کیونکہ کمپنی کے زیر انتظام فنڈ آف فنڈ پلانز کے ذریعے تمام یونٹس کو واپس لے لیا گیا تھا۔

مینجمنٹ کمپنی ریٹرننگ

VIS کریڈٹ ریٹنگ کمپنی لمیٹڈ (VIS) نے HBL Asset Management Limited کی انتظامی معیار کی درجہ بندی کو AM2++ (AM Two Plus Plus) سے AM-I میں اپ گریڈ کر دیا ہے اور تفویض کردہ درجہ بندی پر آؤٹ لک کا انداز مستحکم پر کیا گیا ہے۔

اعتراف

بورڈ اس موقع سے اپنے قابل قدر یونٹ ہولڈرز کے اعتماد اور سرپرستی کا شکریہ ادا کرتا ہے۔ یہ سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، سینٹرل ڈپازٹری کمپنی آف پاکستان اور ڈیجیٹل کسٹوڈین کمپنی لمیٹڈ کی بطور ٹرسٹیئر، پاکستان اسٹاک ایکسچینج لمیٹڈ اور اسٹیٹ بینک آف پاکستان کی طرف سے فراہم کردہ مدد اور رہنمائی کے لیے اپنی تعریف ریکارڈ پر رکھنا چاہتا ہے۔

بورڈ اپنے اسٹاف کی محنت اور لگن کے لیے اپنی تعریف کو ریکارڈ پر رکھنا چاہتا ہے۔

از طرف

بورڈ آف ایچ بی ایل ایسٹ مینجمنٹ لمیٹڈ

چیف ایگزیکٹو آفیسر

HBL

Islamic Money Market Fund

FUND INFORMATION

Name of Fund	HBL Islamic Money Market Fund
Name of Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Name of Shariah Advisor	Al Hilal Shariah Advisors (Pvt.) Limited
Bankers	Bank Al-Habib Limited Habib Bank Limited Habib Metropolitan Bank Limited Meezan Bank Limited Askari Bank Limited Allied Bank Limited Faysal Bank Limited Summit Bank Limited Soneri Bank limited United Bank limited Dubai Islamic Bank MCB Bank limited National Bank of Pakistan Bank Al Falah Limited (Islamic)
Fund Rating	'AA+(f)' (JCR-VIS)

HBL Islamic Money Market Fund
Condensed Interim Statement of Assets and Liabilities
As at March 31, 2023

	Note	(Un-Audited) March 31, 2023 ----- (Rupees in '000) -----	(Audited) June 30, 2022 ----- (Rupees in '000) -----
Assets			
Bank balances	4	21,852,894	14,146,600
Investments	5	32,252,772	1,306,000
Accrued mark-up		523,026	127,107
Advances, deposits and prepayments		1,016	877
Total assets		54,629,708	15,580,584
Liabilities			
Payable to the Management Company	6	45,137	5,534
Payable to the Trustee		2,616	786
Payable to Securities and Exchange Commission of Pakistan		5,255	1,913
Accrued expenses and other liabilities	7	276,942	31,888
Total liabilities		329,950	40,121
Net assets		54,299,758	15,540,463
Unit holders' fund (as per statement attached)		54,299,758	15,540,463
Contingencies and Commitments			
	9	----- (Number of units) -----	
Number of units in issue		536,442,284	153,535,911
		----- (Rupees) -----	
Net assets value per unit		101.2220	101.2171

The annexed notes 1 to 14 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 Money Market Fund
Condensed Interim Income Statement (Un-Audited)
For the Nine months and quarter ended March 31, 2023

	Nine Month ended		Quarter Ended	
	March 31,		March 31,	
	2023	2022	2023	2022
Note	----- (Rupees in '000) -----			
Income				
Mark-up on deposit with banks	1,715,491	380,382	465,514	147,421
Mark-up on Investments	2,466,664	183,149	1,398,712	60,451
Gain / (Loss) on sale of investments - net	1,405	83	(155)	-
	4,183,560	563,614	1,864,071	207,872
Expenses				
Remuneration of the Management Company	118,849	16,723	71,199	5,447
Remuneration of the Trustee	16,331	4,299	6,933	1,305
Annual fee to the Securities and Exchange Commission of Pakistan	5,255	1,320	2,231	420
Allocation of expenses related to registrar services, accounting, operation and valuation services	31,475	-	9,567	-
Selling and Marketing Expense	31,475	-	9,567	-
Auditors' remuneration	450	319	51	101
Settlement and bank charges	5,397	842	2,871	133
Fee and subscription	421	677	76	149
Total expenses	209,653	24,180	102,495	7,555
Net income from operating activities	3,973,907	539,434	1,761,576	200,317
Reversal of Provision for Sindh Workers' Welfare Fund	-	19,002	-	(4,006)
Net income for the period before taxation	3,973,907	558,436	1,761,576	196,311
Taxation	8	-	-	-
Net income for the period after taxation	3,973,907	558,436	1,761,576	196,311
Allocation of net income for the period:				
Income already paid on redemption of units	-	-	-	-
Accounting income available for distribution:				
- Relating to capital gains	1,405	83	-	-
- Excluding capital gains	3,972,502	558,353	1,761,576	196,311
	3,973,907	558,436	1,761,576	196,311
	3,973,907	558,436	1,761,576	196,311

The annexed notes 1 to 14 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 Money Market Fund
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the Nine months and quarter ended March 31, 2023

	Nine month ended		Quarter ended,	
	March 31,		March 31,	
	2023	2022	2023	2022
	----- (Rupees in '000) -----			
Net income for the period after taxation	3,973,907	558,436	1,761,576	196,311
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	3,973,907	558,436	1,761,576	196,311

The annexed notes 1 to 14 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 Money Market Fund
Condensed Interim Cash Flow Statement (Un-Audited)
For the Nine month ended March 31, 2023

	Nine month ended	
	March 31,	
Note	2023	2022
	----- (Rupees in '000') -----	
Cash flows from operating activities		
Net income for the period before taxation	3,973,907	558,436
Adjustments for non-cash items:		
Mark-up on deposit with banks	(1,715,491)	(380,382)
(Gain) / Loss on sale of investments - net	(1,405)	(83)
Mark-up on Investments	(2,466,664)	(183,149)
	<u>(209,653)</u>	<u>(5,178)</u>
Increase in assets		
Investments	(30,945,367)	(202,294)
Advances, deposits and prepayments	(139)	(135)
	<u>(30,945,506)</u>	<u>(202,429)</u>
Increase / (Decrease) Increase in liabilities		
Payable to the Management Company	39,603	1,934
Payable to the Trustee	1,830	59
Payable to the Securities and Exchange Commission of Pakistan	3,342	(132)
Accrued expenses and other liabilities	245,054	(10,471)
	<u>289,829</u>	<u>(8,610)</u>
	<u>(30,865,330)</u>	<u>(216,217)</u>
Mark-up received on banks and investments	3,786,236	384,863
	<u>3,786,236</u>	<u>384,863</u>
Net cash generated from / (used in) operating activities	<u>(27,079,094)</u>	<u>168,646</u>
Cash flows from financing activities		
Amount received on issue of units	137,583,568	15,530,046
Payments against redemption of units	(98,843,220)	(13,701,118)
Cash dividend paid	(3,954,960)	(559,721)
Net cash generated from financing activities	<u>34,785,388</u>	<u>1,269,207</u>
Net increase in cash and cash equivalents	<u>7,706,294</u>	<u>1,437,853</u>
Cash and cash equivalents at beginning of the period	<u>14,146,600</u>	<u>5,153,150</u>
Cash and cash equivalents at end of the period	<u><u>21,852,894</u></u>	<u><u>6,591,003</u></u>

The annexed notes 1 to 14 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 Money Market Fund

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

For the Nine month ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 HBL Islamic Money Market Fund (the Fund) was established under a Trust Deed, dated November 23, 2010, executed between HBL Asset Management Limited as the Management Company 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 unit trust scheme on December 10, 2010.
- 1.2 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is located at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.3 The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange. The units of the Fund were initially offered for public subscription at 'par from May 9, 2011 to May 10, 2011.
- 1.4 The principal activity of the Fund is to seek high liquidity and comparative Shariah Compliant return for investors by investing in low risk securities of shorter duration and maturity.
- 1.5 JCR-VIS Credit Rating Agency has assigned management quality rating of 'AM1' to the Management Company and the fund stability rating of AA+(f) to the Fund.
- 1.6 Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as a trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

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

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS-34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that these condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2023.

2.2 Basis of measurement

This condensed interim financial statement has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

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

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

3.1 The accounting policies adopted in the preparation of this condensed interim financial information is consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2022.

3.2 The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2022.

3.3 There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2022 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these condensed interim financial information.

3.4 The Fund's financial risk management objectives and policies and are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2022.

	Note	(Un-Audited) March 31, 2023	(Audited) June 30, 2022
----- (Rupees in '000) -----			
4. BANK BALANCES			
Balances with banks in:			
Savings accounts	4.1	<u>21,852,894</u>	<u>14,146,600</u>
		<u>21,852,894</u>	<u>14,146,600</u>
4.1	This represents bank accounts held with different banks. Mark up rates on these accounts range between 7.5% - 18.50% (June 2022: 3% - 16.25%) per anum.		

	Note	(Un-Audited) March 31, 2023	(Audited) June 30, 2022
(Rupees in '000)			
5 INVESTMENTS			
Investments by category			
Financial asset at amortised cost			
Musharika Agreement	5.1	15,320,000	-
Term Deposit Receipts	5.2	7,000,000	-
Bai Muajjal	5.3	4,938,772	-
Financial asset at fair value through profit and loss			
Sukuk Certificate	5.4	<u>4,994,000</u>	<u>1,306,000</u>
		<u>32,252,772</u>	<u>1,306,000</u>

5.1 Musharika Agreement - at amortised cost

	Maturity Date	As at July 1, 2022	Placements made during the period	Income accrued	Matured / Sold during the period	As at March 31, 2023	Market value as a percentage of		
							Total investments of fund	Net Assets of fund	
						(Rupees in '000)		----- (%) -----	
Meezan Bank Limited	13-Jan-23	-	1,500,000	9,524	1,500,000	-	-	-	-
Meezan Bank Limited	27-Jan-23	-	4,040,000	25,568	4,040,000	-	-	-	-
Meezan Bank Limited	27-Jan-23	-	1,480,000	8,742	1,480,000	-	-	-	-
Meezan Bank Limited	03-Feb-23	-	1,250,000	7,861	1,250,000	-	-	-	-
Meezan Bank Limited	24-Feb-23	-	2,125,000	26,897	2,125,000	-	-	-	-
Meezan Bank Limited	24-Feb-23	-	2,125,000	26,897	2,125,000	-	-	-	-
Meezan Bank Limited	24-Feb-23	-	600,000	6,549	600,000	-	-	-	-
Bank Alfalah Limited	01-Mar-23	-	500,000	6,079	500,000	-	-	-	-
Faysal Bank Limited	17-Feb-23	-	5,000,000	35,068	5,000,000	-	-	-	-
Faysal Bank Limited	17-Feb-23	-	1,100,000	7,233	1,100,000	-	-	-	-
Meezan Bank Limited	03-Mar-23	-	1,350,000	17,088	1,350,000	-	-	-	-
Faysal Bank Limited	24-Feb-23	-	1,100,000	3,858	1,100,000	-	-	-	-
Meezan Bank Limited	03-Mar-23	-	1,000,000	6,781	1,000,000	-	-	-	-
Meezan Bank Limited	03-Mar-23	-	280,000	1,392	280,000	-	-	-	-
Meezan Bank Limited	03-Mar-23	-	160,000	728	160,000	-	-	-	-
Faysal Bank Limited	24-Feb-23	-	6,300,000	8,285	6,300,000	-	-	-	-
Faysal Bank Limited	24-Feb-23	-	440,000	386	440,000	-	-	-	-
Meezan Bank Limited	03-Mar-23	-	200,000	819	200,000	-	-	-	-
Meezan Bank Limited	03-Mar-23	-	140,000	506	140,000	-	-	-	-
Faysal Bank Limited	03-Mar-23	-	8,100,000	24,855	8,100,000	-	-	-	-
Meezan Bank Limited	10-Mar-23	-	4,975,000	24,889	4,975,000	-	-	-	-
Bank Alfalah Limited	06-Mar-23	-	500,000	1,086	500,000	-	-	-	-
Meezan Bank Limited	03-Apr-23	-	3,085,000	47,796	-	3,085,000	9.57%	5.68%	-
Faysal Bank Limited	17-Mar-23	-	8,060,000	55,647	8,060,000	-	-	-	-
Meezan Bank Limited	10-Apr-23	-	3,700,000	37,558	-	3,700,000	11.47%	6.81%	-
Habib Bank Limited	17-Mar-23	-	1,080,000	1,118	1,080,000	-	-	-	-
Faysal Bank Limited	05-Apr-23	-	7,089,000	52,439	-	7,089,000	21.98%	13.06%	-
Meezan Bank Limited	10-Apr-23	-	300,000	2,404	-	300,000	0.93%	0.55%	-
Habib Bank Limited	31-Mar-23	-	2,098,000	11,950	2,098,000	-	-	-	-
Habib Bank Limited	31-Mar-23	-	5,000,000	25,479	5,000,000	-	-	-	-
Meezan Bank Limited	10-Apr-23	-	90,000	478	-	90,000	0.28%	0.17%	-
Faysal Bank Limited	05-Apr-23	-	86,000	424	-	86,000	0.27%	0.16%	-
Habib Bank Limited	31-Mar-23	-	77,000	355	77,000	-	-	-	-
Meezan Bank Limited	07-Apr-23	-	970,000	1,036	-	970,000	3.01%	1.79%	-
Total as at March 31, 2023		-	75,900,000	487,775	60,580,000	15,320,000	47.50%	28.21%	
Total as at June 30, 2022									

5.2 Term Deposit Receipts - at amortised cost

	Maturity Date	As at July 1, 2022	Placements made during the period	Income accrued	Matured / Sold during the period	As at March 31, 2023	Market value as a percentage of		
							Total investments of fund	Net Assets of fund	
						(Rupees in '000)		(%)	
Bank Alfalah Limited	15-Aug-22	-	2,700,000	37,471	2,700,000	-	-	-	
Bank Alfalah Limited	26-Aug-22	-	500,000	6,434	500,000	-	-	-	
Bank Alfalah Limited	01-Sep-22	-	150,000	1,892	150,000	-	-	-	
Meezan Bank Limited	24-Aug-22	-	3,400,000	27,680	3,400,000	-	-	-	
Bank Alfalah Limited	15-Sep-22	-	2,735,000	35,656	2,735,000	-	-	-	
Meezan Bank Limited	01-Sep-22	-	1,000,000	3,101	1,000,000	-	-	-	
Bank Alfalah Limited	26-Sep-22	-	506,000	6,511	506,000	-	-	-	
Bank Alfalah Limited	26-Sep-22	-	151,000	1,536	151,000	-	-	-	
Askari Bank Limited	07-Oct-22	-	2,000,000	25,479	2,000,000	-	-	-	
Bank Alfalah Limited	17-Oct-22	-	3,120,000	41,988	3,120,000	-	-	-	
Bank Alfalah Limited	26-Oct-22	-	500,000	6,226	500,000	-	-	-	
Askari Bank Limited	07-Nov-22	-	2,000,000	24,205	2,000,000	-	-	-	
Bank Alfalah Limited	17-Nov-22	-	3,160,000	41,197	3,160,000	-	-	-	
Bank Alfalah Limited	28-Nov-22	-	520,000	7,123	520,000	-	-	-	
Askari Bank Limited	07-Dec-22	-	2,024,000	24,621	2,024,000	-	-	-	
Bank Alfalah Limited	07-Dec-22	-	1,000,000	11,838	1,000,000	-	-	-	
Bank Alfalah Limited	07-Dec-22	-	850,000	7,981	850,000	-	-	-	
Bank Alfalah Limited	07-Dec-22	-	3,200,000	26,915	3,200,000	-	-	-	
Bank Alfalah Limited	07-Dec-22	-	525,000	1,981	525,000	-	-	-	
Bank Alfalah Limited	09-Jan-23	-	2,500,000	35,147	2,500,000	-	-	-	
Bank Alfalah Limited	09-Jan-23	-	1,500,000	21,088	1,500,000	-	-	-	
Bank Alfalah Limited	09-Jan-23	-	1,000,000	14,059	1,000,000	-	-	-	
Bank Alfalah Limited	09-Jan-23	-	600,000	8,435	600,000	-	-	-	
Bank Alfalah Limited	23-Jan-23	-	1,500,000	21,088	1,500,000	-	-	-	
Bank Alfalah Limited	24-Jan-23	-	3,700,000	23,645	3,700,000	-	-	-	
Bank Alfalah Limited	24-Jan-23	-	480,000	2,616	480,000	-	-	-	
Bank Alfalah Limited	24-Jan-23	-	1,520,000	648	1,520,000	-	-	-	
Bank Alfalah Limited	24-Feb-23	-	3,700,000	49,808	3,700,000	-	-	-	
Bank Alfalah Limited	24-Feb-23	-	480,000	6,462	480,000	-	-	-	
Bank Alfalah Limited	24-Feb-23	-	1,520,000	20,462	1,520,000	-	-	-	
Bank Alfalah Limited	31-Jan-23	-	400,000	1,216	400,000	-	-	-	
Bank Alfalah Limited	31-Jan-23	-	750,000	2,265	750,000	-	-	-	
Bank Alfalah Limited	06-Mar-23	-	1,000,000	7,816	1,000,000	-	-	-	
Bank Alfalah Limited	06-Mar-23	-	500,000	2,171	500,000	-	-	-	
Bank Alfalah Limited	06-Mar-23	-	1,500,000	6,514	1,500,000	-	-	-	
Bank Alfalah Limited	06-Mar-23	-	3,700,000	16,067	3,700,000	-	-	-	
Bank Alfalah Limited	20-Mar-23	-	4,000,000	27,693	4,000,000	-	-	-	
Bank Alfalah Limited	21-Mar-23	-	4,100,000	30,413	4,100,000	-	-	-	
Bank Alfalah Limited	28-Apr-23	-	7,000,000	13,845	-	7,000,000	21.70%	12.89%	
Total as at March 31, 2023		-	71,491,000	651,293	64,491,000	7,000,000	21.70%	12.89%	
Total as at June 30, 2022						-			

5.4 Sukuk Certificate - Fair value through profit and loss

	Maturity Date	Rate of Return	As at July 1, 2022	Placements made during the period	Matured / Sold during the period	As at March 31, 2023	Market value as a percentage of	
							Total investments of fund	Net Assets of fund
K Electric Limited	10-Feb-23	17.24%	-	750,000	750,000	-	-	-
K Electric Limited	28-Feb-23	18.30%	-	750,000	750,000	-	-	-
China Hub Power Company Limited	30-Jan-23	17.06%	-	1,200,000	1,200,000	-	-	-
Lucky Electric Power Company Ltd	14-Oct-22	14.23%	300,000	-	300,000	-	-	-
Lucky Electric Power Company Ltd	15-Dec-22	17.07%	1,000,000	-	1,000,000	-	-	-
Lucky Electric Power Company Ltd	09-Jan-23	17.07%	-	750,000	750,000	-	-	-
Lucky Electric Power Company Ltd	13-Apr-23	19.44%	-	800,000	-	800,000	2.48%	1.47%
Hub Power Company Limited	27-Oct-22	15.10%	6,000	-	6,000	-	-	-
China Hub Power Company Limited	07-Jun-23	22.44%	-	750,000	-	750,000	2.33%	1.38%
K Electric Limited	13-Jun-23	22.42%	-	750,000	-	750,000	2.33%	1.38%
K Electric Limited	09-Aug-23	22.02%	-	304,000	-	304,000	0.94%	0.56%
K Electric Limited	21-Sep-23	21.66%	-	750,000	-	750,000	2.33%	1.38%
Lucky Electric Power Company Ltd	29-Sep-23	22.56%	-	750,000	-	750,000	2.33%	1.38%
China Hub Power Company Limited	28-Sep-23	22.71%	-	890,000	-	890,000	2.76%	1.64%
Total as at March 31, 2023			1,306,000	8,444,000	4,756,000	4,994,000	15.48%	9.20%
Total as at June 30, 2022						1,306,000		

(Un-Audited) (Audited)
March 31, June 30,
2023 2022
Note ----- (Rupees in '000) -----

6. PAYABLE TO THE MANAGEMENT COMPANY

Management Fee	26,655	2,857
Sindh Sales Tax	3,465	371
Allocation of expenses related to registrar services, accounting, operation and valuation services	3,479	328
Sale load payable	1,971	588
Selling and marketing expense payable	9,567	1,390
	45,137	5,534

7. ACCRUED EXPENSES AND OTHER LIABILITIES

Auditors' remuneration		312	339
Federal Excise Duty	7.1	2,185	2,185
Withholding tax payable		272,766	28,584
Capital gain tax payable		56	46
Dividend payable		307	307
Other payable		1,316	427
		276,942	31,888

7.1 The legal status of applicability of Federal Excise Duty on the Fund is the same as that disclosed in note 11.1 to the annual audited financial statements of the Fund for the year ended June 30, 2022.

In view of the above, the Management Company, being prudent, is carrying provision for FED aggregating to Rs. 2.185 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2023 would have been higher by Rs. 0.0041 per unit (June 30, 2022: 0.0142 per unit).

8. TAXATION

The Fund's income is exempt from Income Tax as per Clause (99) of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of the accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11 of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ending June 30, 2023 to its unit holders.

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2023 and June 30, 2022.

10. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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

Details of the transactions with connected persons during the period and balances with them at period end are as follows:

	(Un-Audited) Nine month ended March 31,	
	2023	2022
	----- (Rupees in '000) -----	
10.1 Transactions during the period		
HBL Asset Management Limited - Management Company		
Management fee including sales tax thereon	118,849	16,723
Allocation of expenses related to registrar services, accounting, operation and valuation services	31,475	-
Selling and Marketing Expense	31,475	-
Issue of Nil units (2022: 55,333 units)	-	5,598
Redemption of Nil units (2022: 1,245,682 units)	-	126,031
Habib Bank Limited - Sponsor		
Profit on bank deposits earned	3,140	160,333
Executives and key management personnel		
Issue of 283,798 units (2022: 115,847 units)	28,713	11,721
Redemption of 196,641 units (2022: 65,473 units)	19,895	6,624
Dividend	2,033	-

	(Un-Audited)	
	Nine month ended March 31,	
	2023	2022
	----- (Rupees in '000) -----	
Archroma Pakistan Limited - Employees Gratuity Fund - Associate		
Issue of Nil units (2022: 329,972 units)	-	33,385
Dividend	6,780	-
MCBFSL Trustee HBL Islamic Financial Planning Fund - Active Allocation Plan - Associate		
Issue of 2,217,152 units (2022: 25,169 units)	224,319	2,546
Redemption of 2,510,600 units (2022: Nil units)	254,008	-
Dividend	7,701	-
MCBFSL Trustee HBL Islamic Financial Planning Fund - Conservative Allocation Plan - Associate		
Issue of 423 units (2022: 880 units)	43	89
Redemption of 21 units (2022: 187 units)	2	19
Dividend	3	-
CDC Trustee HBL Cash Fund - Funds under common management		
Purchase of KEL - Commercial paper	-	367,557
CDC Trustee HBL Money Market Fund - Funds under common management		
Sale of KEL - Commercial paper	-	69,557
Purchase of KEL - Commercial paper	-	63,839
CDC Trustee HBL Islamic Income Fund - Funds under common management		
Sale of KEL - Commercial paper	-	39,289
Purchase of HUB Power Company Limited - Sukuk	-	160,000
HBL Asset Management Company Limited Employee Gratuity Fund - Associate		
Issue of 46,454 units (2022: Nil units)	4,700	-
Dividend	250	-
HBL Asset Management Company Limited Employee Provident Fund - Associate		
Issue of 158,142 units (2022: Nil units)	16,000	-
Dividend	854	-
Connected person due to holding 10% or more Lucky Cement Limited		
Issue of 99,827,624 units (2022: Nil units)	10,100,000	-
Redemption of 24,709,808 units (2022: Nil units)	2,500,000	-
Dividend	586,150	-
Connected person due to holding 10% or more Pakistan Defence Officer Housing Authority		
Issue of 22,733,023 units (2022:10,615,042 units)	2,300,000	1,073,971
Dividend	311,493	-

		(Un-Audited) Nine month ended March 31,	
		2023	2022
		----- (Rupees in '000) -----	
Connected person due to holding 10% or more			
Younus Textile Mills Limited			
Issue of 31,628,554 units (2022: Nil units)		3,200,000	-
Redemption of 9,883,923 units (2022: Nil units)		1,000,000	-
Dividend		470,548	-
Central Depository Company of Pakistan Limited - Trustee			
Trustee Remuneration		16,331	4,299
CDC service charges		1,291	5
		(Un-Audited)	(Audited)
		March 31,	June 30,
		2023	2022
		----- (Rupees in '000) -----	
10.2	Amounts outstanding as at period end		
HBL Asset Management Limited - Management Company			
Management fee		26,655	2,857
Sales tax		3,465	371
Allocation of expenses related to registrar services, accounting, operation and valuation services		3,479	328
Sale load payable		1,971	588
Selling and marketing cost		9,567	1,390
Habib Bank Limited - Sponsor			
Bank balances		54,212	93,150
Central Depository Company of Pakistan Limited - Trustee			
Remuneration payable including sales tax thereon		2,616	786
Directors , Executives and key management personnel			
Investment held in the Fund: 222,635 units (June 30, 2022: 115,385 units)		22,536	11,674
Archroma Pakistan Limited - Employees Gratuity Fund - Associate			
Investment held in the Fund: 635,907 units (June 30, 2022: 568,894 units)		64,368	57,558
HBL Asset Management Company Limited Employee Gratuity Fund - Associate			
Investment held in the Fund: 48,933 units (June 30, 2022: Nil units)		4,953	-
HBL Asset Management Company Limited Employee Provident Fund - Associate			
Investment held in the Fund: 166,579 units (June 30, 2022: Nil units)		16,861	-
MCBFSL Trustee HBL Islamic Financial Planning Fund - Active Allocation Plan (Associate)			
Investment held in the Fund: 981,463 units (June 30, 2022: 1,195,301 units)		99,346	120,934

	(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	----- (Rupees in '000) -----	
MCBFSL Trustee HBL Islamic Financial Planning Fund		
- Conservative Allocation Plan (Associate)		
Investment held in the Fund: 648 units (June 30, 2022: 213 units)	66	22
Connected person due to holding 10% or more		
Lucky Cement Limited *		
Investment held in the Fund: 90,088,004 units (June 30, 2022 : 10,028,963 units)	9,118,888	-
Pakistan Defence Officers Housing Authority *		
Investment held in the Fund: 36,251,205 units (June 30, 2020 : 10,901,224 units)	3,669,419	-
Younus Textile Mills Limited *		
Investment held in the Fund: 52,246,233 units (June 30, 2020 : 26,548,373 units)	5,288,468	-

* Comparative value not showing as the counterparty was not related party at that period

11. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid or transfer a liability in an orderly transaction between market participants and 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.

International Financial Reporting Standard (IFRS) 13, "Fair Value Measurement" 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 that the entity can access at the measurement date (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.

March 31, 2023

	Carrying amount			Fair Value			
	At amortised cost	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
On-balance sheet financial instruments							
Financial assets not measured at fair value							
Investments	-	-	4,994,000	-	4,994,000	-	4,994,000
Financial assets not measured at fair value							
Bank balances	-	21,852,894	21,852,894				
Accrued mark-up	-	523,026	523,026				
Advances, deposits and prepayments	-	1,016	1,016				
Investments	-	27,258,772	27,258,772				
	-	49,635,708	49,635,708				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	45,137	45,137				
Payable to the Trustee	-	2,616	2,616				
Accrued expenses and other liabilities	-	1,991	1,991				
Payable to Securities and Exchange Commission of Pakistan	-	5,255	5,255				
	-	54,999	54,999				

June 30, 2022

	Carrying amount			Fair Value			
	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
On-balance sheet financial instruments							
Financial assets measured at fair value							
Sukuk Certificates	-	-	1,306,000	-	1,306,000	-	1,306,000
	-	-	1,306,000				
Financial assets not measured at fair value							
Bank balances	-	14,146,600	14,146,600	-	-	-	-
Accrued mark-up	-	127,107	127,107	-	-	-	-
Advances, deposits and prepayments	-	100	100				
	-	14,273,807	14,273,807				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	5,534	5,534	-	-	-	-
Payable to the Trustee	-	354	354	-	-	-	-
Accrued expenses and other liabilities	-	1,073	1,073	-	-	-	-
	-	6,961	6,961				

11.1 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.

11.2 Transfers during the period

There were no transfers between various levels of fair value hierarchy during the period.

12. TOTAL EXPENSE RATIO

In accordance with the Directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the half year ended March 31, 2023 is 0.60% (March 31, 2022: 0.27%) which includes 0.06% (March 31, 2022: 0.04%) representing government levy and SECP fee.

13. DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statement were authorized for issue by the Board of Directors of the Management Company on April 28, 2023.

14. GENERAL

Figures have been rounded off to the nearest thousand Rupees.

Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Asset Allocation Fund

FUND INFORMATION

Name of Fund	HBL Islamic Asset Allocation Fund
Name of Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Name of Shariah Advisor	Al Hilal Shariah Advisors (Pvt.) Limited
Bankers	Habib Bank Limited Bank Al-Habib Limited Dubai Islamic Bank Limited Askari Bank Limited Soneri Bank Limited Allied Bank Limited Bank Islamic Pakistan Limited Summit Bank Limited Al Baraka Bank Pakistan Limited MCB Islamic Bank Limited The Bank Of Khayber National Bank of Pakistan Habib Metropolitan Bank Pakistan

HBL Islamic Asset Allocation Fund

Condensed Interim Statement of Assets and Liabilities

As at March 31, 2023

Note	(Un-Audited)				(Audited)			
	March 31,				June 30,			
	2023				2022			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Total	
	----- (Rupees in '000) -----							
Assets								
Bank balances	6	15,501	314,101	135,200	464,802	35,794	753,383	789,177
Investments	7	87,737	1,822,482	309,674	2,219,893	171,328	1,620,518	1,791,846
Dividend receivable and accrued mark-up		1,285	88,975	17,665	107,925	2,181	50,186	52,367
Preliminary expenses and floatation costs	8	-	97	20	117	-	129	129
Advances, deposits and other receivables	9	3,975	9,593	7,700	21,268	2,803	100	2,903
Receivable against sale of investments		1,149	-	-	1,149	-	-	-
Total assets		109,647	2,235,248	470,259	2,815,154	212,106	2,424,316	2,636,422
Liabilities								
Payable to the Management Company	10	392	839	473	1,704	1,001	565	1,566
Payable to the Trustee		20	297	34	351	48	160	208
Payable to the Securities and Exchange Commission of Pakistan		20	339	56	415	72	518	590
Payable against Purchase of Investment		-	-	-	-	880	-	880
Accrued expenses and other liabilities	11	7,078	937	260	8,275	7,960	543	8,503
Total liabilities		7,510	2,412	823	10,745	9,961	1,786	11,747
Net assets		102,138	2,232,836	469,436	2,804,410	202,145	2,422,530	2,624,675
Unit holders' fund (as per statement attached)		102,138	2,232,836	469,436		202,145	2,422,530	
Contingencies and Commitments								
	12							
		(Number of units)						
Number of units in issue		<u>1,023,003</u>	<u>19,983,478</u>	<u>4,123,771</u>		<u>1,862,442</u>	<u>24,096,292</u>	
		(Rupees)						
Net assets value per unit		<u>99.8410</u>	<u>111.7341</u>	<u>113.8365</u>		<u>108.5372</u>	<u>100.5354</u>	

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund

Condensed Interim Income Statement (Un-Audited)

For The Nine Months And Quarter Ended March 31, 2023

Note	Three Month Period Ended													
	Nine Months ended						March 31, 2022							
	March 31, 2023		March 31, 2022		March 31, 2023		March 31, 2022		March 31, 2023		March 31, 2022			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Total
(Rupees in '000)														
Income														
Return on investments	993	214,449	35,559	251,001	12,828	146,761	159,589	1,053	138,249	20,690	159,992	4,558	134,888	139,446
Profit on deposits with banks	3,201	45,084	7,805	56,090	4,991	23,151	28,142	1,805	32,359	5,174	39,338	1,706	(70,501)	(68,795)
Dividend income	6,143	-	-	6,143	3,288	-	3,288	3,325	-	-	3,325	1,485	-	1,485
Capital loss on sale of investments - net	(10,703)	(5,425)	-	(16,128)	(9,076)	(22,874)	(31,950)	(9,398)	2,859	61	(6,478)	(1,802)	(1,642)	(3,444)
Unrealised (diminution) / appreciation on remeasurement of investments classified as financial asset at fair value through profit or loss - net	(3,013)	(12,904)	(1,276)	(17,193)	(9,459)	243	(9,216)	2,472	(19,335)	(992)	(17,855)	(2,374)	(6,523)	(8,897)
Other income	5	942	297	1,244	71	33	104	(262)	-	-	(262)	-	-	-
	(3,373)	242,142	42,575	281,144	2,579	147,314	149,893	(1,005)	154,132	24,933	178,060	3,573	56,202	59,775
Expenses														
Remuneration of the Management Company	1,732	2,872	2,055	6,659	4,829	3,368	8,197	1,181	1,942	1,233	4,356	1,542	1,167	2,709
Remuneration of the Trustee	231	1,436	237	1,904	644	1,684	2,328	157	971	142	1,270	206	584	790
Annual fee to Securities and Exchange Commission of Pakistan	20	339	56	415	57	397	454	14	229	34	277	18	137	155
Allocation of expenses related to registrar services, accounting, operation and valuation services	766	-	-	766	2,137	-	2,137	521	-	-	521	683	-	683
Selling and marketing expenses	664	-	-	664	1,852	-	1,852	454	-	-	454	592	-	592
Auditors' remuneration	37	328	64	429	45	328	373	24	218	28	270	12	108	120
Amortization of preliminary expenses and floatation costs	-	32	115	147	-	32	32	-	21	48	69	-	10	10
Settlement and bank charges	349	308	206	863	282	266	548	199	178	27	394	88	83	171
Printing charges	49	51	23	123	49	42	91	33	51	18	102	16	14	30
Fee and subscription	10	17	3	30	40	126	166	18	62	1	81	22	41	63
Income from shariah non-compliant transaction	307	-	-	307	175	-	175	166	-	-	166	74	-	74
Securities transaction cost	926	260	140	1,326	322	154	476	640	199	140	979	66	64	130
Shariah advisory fee	27	137	41	205	27	137	164	9	45	31	85	9	45	54
	5,118	5,780	2,940	13,838	10,459	6,534	16,993	3,416	3,916	1,692	9,024	3,328	2,253	5,581
Net (Loss) / Income from operating activities	(8,491)	236,362	39,435	267,306	(7,880)	140,780	132,900	(4,421)	150,216	23,241	169,036	245	53,949	54,194
Provision for Sindh Workers' Welfare Fund	-	-	-	-	7,130	3,019	10,149	-	-	-	-	-	-	-
Net (Loss) / Income for the period before taxation	(8,491)	236,362	39,435	267,306	(750)	143,799	143,049	(4,421)	150,216	23,241	169,036	245	53,949	54,194
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net (Loss) / Income for the period after taxation	(8,491)	236,362	39,435	267,306	(750)	143,799	143,049	(4,421)	150,216	23,241	169,036	245	53,949	54,194
Allocation of income for the period														
Net (Loss) / Income for the period after taxation	-	236,362	39,435	-	(750)	143,799	-	-	150,216	23,241	-	245	53,949	-
Income already paid on redemption of units	-	(24,923)	-	-	-	(7,350)	-	-	-	-	-	-	(92)	-
Accounting income available for distribution:	-	211,439	39,435	-	(750)	136,449	-	-	150,216	23,241	-	245	53,857	-
Accounting income available for distribution:														
- Relating to capital (losses) / gains	-	-	-	-	-	-	-	-	-	-	-	245	-	-
- Excluding capital (losses) / gains	-	211,439	39,435	-	-	136,449	-	-	150,216	23,241	-	-	53,857	-
	-	211,439	39,435	-	-	136,449	-	-	150,216	23,241	-	245	53,857	-

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Statement of Comprehensive Income (Unaudited)
For The Nine Months And Quarter Ended March 31, 2023

	Nine Months ended March 31, 2023			Total	Nine Months ended March 31, 2022			Total	Three Month Period Ended March 31, 2023			Total	Three Month Period Ended March 31, 2022		Total
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	
Net loss for the period after taxation	(8,491)	236,362	39,435	267,306	(750)	143,799	143,049	(4,421)	150,216	23,241	169,036	245	53,949	54,194	
Other comprehensive (loss) / income for the period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Total comprehensive (Loss) / income for the period	(8,491)	236,362	39,435	267,306	(750)	143,799	143,049	(4,421)	150,216	23,241	169,036	245	53,949	54,194	

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Statement of Movement in Unit Holders' Fund (Un-Audited)
For The Nine Months Ended March 31, 2023

Islamic Asset Allocation Fund Plan 1						
Nine Months ended			Nine Months ended			
March 31, 2023			March 31, 2022			
Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	
----- (Rupees in '000) -----						
Net assets at beginning of the period	2,417,993	4,537	2,422,530	2,470,677	3,565	2,474,242
Issuance of 2,451,069 (2022: 7,056,933 units)						
- Capital value (at net asset value per unit at the beginning of the period)	246,419	-	246,419	709,472	-	709,472
- Element of Income	14,950	-	14,950	23,700	-	23,700
	261,369		261,369	733,172	-	733,172
Redemption of 6,563,883 units (2022: 3,620,637 Units)						
- Capital value (at net asset value per unit at the beginning of the period)	(659,903)	-	(659,903)	(364,002)	-	(364,002)
- Element of loss	(2,594)	(24,929)	(27,523)	(3,037)	(7,350)	(10,387)
	(662,497)	(24,929)	(687,426)	(367,039)	(7,350)	(374,389)
Total comprehensive/ income for the period	-	236,362	236,362	-	143,799	143,799
Net assets at the end of the period	2,016,866	215,970	2,232,836	2,836,810	140,014	2,976,824
Undistributed income brought forward						
- Realised		1,733			(350)	
- Unrealised		2,804			3,915	
		4,537			3,565	
Accounting (loss) / income available for distribution:						
- Relating to capital (losses) / gain		-			-	
- Excluding capital (losses) / gains		211,433			136,449	
		211,433			136,449	
Total comprehensive loss for the period		-			-	
Undistributed income carried forward		215,970			140,014	
Undistributed income carried forward						
- Realised		228,874			139,771	
- Unrealised		(12,904)			243	
		215,970			140,014	
			(Rupees)			
Net assets value per unit at beginning of the period			100.5354			100.4119
Net assets value per unit at end of the period			111.7341			106.0227

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Statement of Movement in Unit Holders' Fund (Un-Audited)
For The Nine Months Ended March 31, 2023

	Islamic Asset Allocation Fund Plan II		
	Nine Months ended		
	March 31, 2023		
	Capital value	Undistributed income	Total
	----- (Rupees in '000) -----		
Net assets at beginning of the period	-	-	-
Issuance of 4,123,771			
- Capital value (at net asset value per unit at the beginning of the period)	412,377	-	412,377
- Element of Income	17,624	-	17,624
	430,001		430,001
Redemption of Nil units			
- Capital value (at net asset value per unit at the beginning of the period)	-	-	-
- Element of loss	-	-	-
	-	-	-
Total comprehensive/ income for the period	-	39,435	39,435
Net assets at the end of the period	430,001	39,435	469,436
Undistributed income brought forward			
- Realised		-	
- Unrealised		-	
		-	
Accounting (loss) / income available for distribution:			
- Relating to capital (losses) / gains		-	
- Excluding capital (losses) / gains		39,435	
		39,435	
Total comprehensive loss for the period		-	
Undistributed income carried forward		39,435	
Undistributed income carried forward			
- Realised		40,711	
- Unrealised		(1,276)	
		39,435	
			(Rupees)
Net assets value per unit at beginning of the period			100.0000
Net assets value per unit at end of the period			113.8365

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund

Condensed Interim Statement of Cash Flow (Un- Audited)

For The Nine Months Ended March 31, 2023

	Nine Months ended 'March 31,2023			Total	Nine Months ended 'March 31,2022		Total
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	
----- (Rupees in '000) -----							
Cash flows from operating activities							
Net loss for the period before taxation	(8,491)	236,362	39,435	267,306	(750)	143,799	143,049
Adjustments for non-cash items:							
Capital loss on sale of investments - net	10,703	5,429	-	16,132	9,076	22,874	31,950
Return / markup on bank profits	(3,201)	(45,084)	(7,805)	(56,090)	(4,991)	(23,151)	(28,142)
Return / markup on investments	(993)	(214,449)	(35,559)	(251,001)	(12,828)	(146,761)	(159,589)
Dividend income	(6,143)	-	-	(6,143)	(3,288)	-	(3,288)
Impairment loss on equity securities classified as available for sale	-	-	-	-	-	-	-
Amortization of preliminary expenses and floatation costs	-	32	(20)	12	-	32	32
Net unrealised appreciation / (diminution) on remeasurement of investments classified as financial asset at fair value through profit or loss - net	3,013	12,904	1,276	17,193	9,459	(243)	9,216
	(5,112)	(4,806)	(2,673)	(12,591)	(3,322)	(3,450)	(6,772)
(Increase) / decrease in assets							
Investments	69,875	(220,297)	(310,950)	(461,372)	(62,811)	421,508	358,697
Advances, deposits and other receivables	(2,321)	(9,493)	(7,700)	(19,514)	1,336	(2,182)	(846)
	67,554	(229,790)	(318,650)	(480,886)	(61,475)	419,326	357,851
Increase / (decrease) in liabilities							
Payable to the Management Company	(610)	274	473	138	(86)	78	(8)
Payable to the Trustee	(28)	137	34	143	(2)	39	37
Payable to the Securities and Exchange Commission of Pakistan	(52)	(179)	56	(175)	(16)	8	(8)
Payable against Redemption Units	(880)	-	-	(880)	(3,946)	-	(3,946)
Accrued expenses and other liabilities	(882)	394	260	(228)	(8,208)	(2,896)	(11,104)
	(2,452)	626	823	(1,003)	(12,258)	(2,771)	(15,029)
Net cash used in operations	59,991	(233,970)	(320,500)	(494,480)	(77,055)	413,105	336,050
Profit received on bank deposits	3,893	42,059	2,787	48,739	5,775	18,413	24,188
Dividend income received	5,475	-	-	5,475	3,295	-	3,295
Markup received on investments	1,865	178,685	22,912	203,462	11,948	154,222	166,170
Net cash used in from operating activities	71,224	(13,226)	(294,801)	(236,804)	(56,037)	585,740	529,703
Cash flows from financing activities							
Amount received on issue of units	3,335	261,369	430,001	694,705	32,298	733,172	765,470
Payment against redemption of units	(94,851)	(687,426)	-	(782,277)	(52,658)	(374,389)	(427,047)
Net cash (used in) / generated from financing activities	(91,516)	(426,056)	430,001	(87,571)	(20,360)	358,783	338,423
Net decrease in cash and cash equivalents	(20,293)	(439,282)	135,200	(324,375)	(76,397)	944,523	868,126
Cash and cash equivalents at beginning of the period	35,794	753,383	-	789,177	164,167	423,352	587,519
Cash and cash equivalents at end of the period	15,501	314,101	135,200	464,802	87,770	1,367,875	1,455,645

The annexed notes 1 to 18 form an integral part of these condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund

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

For The Nine Months Ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Islamic Asset Allocation Fund (the Fund) was established under a Trust Deed, dated September 07, 2015, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on October 28, 2015.

The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the 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 open ended mutual fund and offers units for public subscription on a continuous basis. The initial public offer period was from January 07, 2016 to January 08, 2016 (both days inclusive). The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.

The primary objective of the Fund is to provide superior returns through investments in Shari'ah Compliant Equity Securities and Shari'ah Compliant Income/ Money Market Instruments.

VIS Credit Rating Company has assigned a management quality rating of AM1' (Stable outlook) to the Management Company.

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

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 The 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 for interim financial reporting comprise of:

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

In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.1.2 This condensed interim financial information does not include all the information and disclosures required 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.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that these condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2023.

2.2 Basis of measurement

These condensed interim financial information have been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

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

3. SIGNIFICANT ACCOUNTING POLICIES

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, 2022.

4. USE OF ESTIMATES AND JUDGEMENTS

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.

The significant judgements 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, 2022.

5. FINANCIAL RISK MANAGEMENT

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, 2022.

6. BANK BALANCES	Note	(Un-Audited) March 31, 2023				(Audited) June 30, 2022		
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Total
		(Rupees in '000)						
Savings accounts	6.1	15,501	314,101	135,200	464,802	35,794	753,383	789,177
		15,501	314,101	135,200	464,802	35,794	753,383	789,177

6.1 This represents bank accounts held with different banks. Mark-up rates on these accounts ranges between 3.75% - 18.00% per annum (June 30, 2022: 3.75% - 15.75%) per annum.

7. INVESTMENTS

Financial assets at fair value through profit or loss

- Listed equity securities	7.1	87,737	-	-	87,737	129,668	-	129,668
- Sukuk's	7.2	-	1,822,482	309,674	2,132,156	29,720	1,620,518	1,650,238
- GoP ijarah sukuks	7.3	-	-	-	-	-	-	-
		87,737	1,822,482	309,674	2,219,893	159,388	1,620,518	1,779,906

Financial assets at amortized cost

- Commercial paper	7.4	-	-	-	-	11,940	-	11,940
		87,737	1,822,482	309,674	2,219,893	171,328	1,620,518	1,791,846

7.1 Listed equity securities -At fair value through profit or loss

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

Name of the Investee Company	-----Number of shares-----					Market value as at March 31, 2023 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company
	As at July 01, 2022	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2023		Total Investments	Net Assets	
TEXTILE COMPOSITE									
Azgard Nine Limited	100,000	-	-	100,000	-	-	0.00%	0.00%	0.57%
Interloop Limited	36,487	-	-	36,487	-	-	0.00%	0.00%	0.57%
Nishat Mills Ltd	26,700	-	-	26,700	-	-	0.00%	0.00%	0.00%
	<u>163,187</u>	<u>-</u>	<u>-</u>	<u>163,187</u>	<u>-</u>	<u>-</u>			
CEMENT									
Attock Cement Pakistan Ltd	42,800	13,000	-	55,800	-	-	0.00%	0.00%	0.04%
Cherat Cement Company Ltd	-	32,800	-	12,500	20,300	2,285	-	-	-
D G Khan Cement Co.Ltd.	-	165,000	-	99,000	66,000	2,898	-	-	-
Fauji Cement Company Limited	-	383,000	23,187	406,187	-	-	-	-	-
Kohat Cement Limited	9,470	20,000	-	29,470	-	-	0.00%	0.00%	0.01%
Lucky Cement Limited	6,755	35,597	-	42,352	-	-	0.00%	0.00%	0.00%
Maple Leaf Cement Factory Limited	106,200	503,800	-	409,000	201,000	5,222	5.95%	5.11%	0.02%
Pioneer Cement Limited	-	159,400	-	159,400	-	-	-	-	-
	<u>165,225</u>	<u>1,312,597</u>	<u>23,187</u>	<u>1,213,709</u>	<u>287,300</u>	<u>10,405</u>			
POWER GENERATION & DISTRIBUTION									
Hub Power Company Limited	103,687	-	-	103,687	-	-	0.00%	0.00%	0.00%
Nishat Power Limited	-	100,500	-	100,500	-	-	0.00%	0.00%	0.00%
	<u>103,687</u>	<u>100,500</u>	<u>-</u>	<u>204,187</u>	<u>-</u>	<u>-</u>			
ENGINEERING									
Mughal Iron & Steel Inds Ltd	48,689	48,000	-	48,689	48,000	2,358	2.69%	2.31%	0.02%
	<u>48,689</u>	<u>48,000</u>	<u>-</u>	<u>48,689</u>	<u>48,000</u>	<u>2,358</u>			
AUTOMOBILE ASSEMBLER									
Millat Tractor Limited	-	600	-	600	-	-	0.00%	0.00%	0.02%
	<u>-</u>	<u>600</u>	<u>-</u>	<u>600</u>	<u>-</u>	<u>-</u>			
Glass & Ceramics									
Tariq Glass Industries Limited	-	61,000	-	-	61,000	4,294	-	-	-
	<u>-</u>	<u>61,000</u>	<u>-</u>	<u>-</u>	<u>61,000</u>	<u>4,294</u>			
MISCELLANEOUS									
Pakistan Aluminium Beverage Cans Ltd	-	29,000	-	29,000	-	-	-	-	-
TPL Properties Limited	111,000	229,000	-	340,000	-	-	-	-	-
	<u>111,000</u>	<u>258,000</u>	<u>-</u>	<u>369,000</u>	<u>-</u>	<u>-</u>			
Pharmaceuticals									
AGP Limited	-	28,000	-	-	28,000	1,518	-	-	-
Ferozsons Laboratories Ltd	7,500	-	-	7,500	-	-	0.00%	0.00%	0.02%
Highnoon Laboratories Limited	5,160	-	-	5,160	-	-	0.00%	0.00%	0.00%
The Searle Company Limited	1,067	16,500	266	-	17,833	918	1.05%	0.90%	0.00%
	<u>13,727</u>	<u>44,500</u>	<u>266</u>	<u>12,660</u>	<u>45,833</u>	<u>2,436</u>			
Food & Personal Care Products									
AT-Tahir Limited	-	81,000	8,100	89,100	-	-	-	-	-
Unity Foods Limited	147,899	181,801	-	329,700	-	-	0.00%	0.00%	0.03%
	<u>147,899</u>	<u>262,801</u>	<u>8,100</u>	<u>418,800</u>	<u>-</u>	<u>-</u>			
FOOD & ALLIED INDUSTRIES									
The Organic Meat Company Limited	118,411	100,000	-	218,411	-	-	0.00%	0.00%	0.01%
	<u>118,411</u>	<u>100,000</u>	<u>-</u>	<u>218,411</u>	<u>-</u>	<u>-</u>			

Name of the Investee Company	-----Number of shares-----					Market value as at March 31, 2023 (Rupees in '000)	Market value as a percentage of		Par value as a percentage of issued capital of the investee company
	As at July 01, 2022	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 31, 2023		Total Investments	Net Assets	
OIL & GAS EXPLORATION COMPANIES									
Mari Petroleum Company Limited	2,835	3,950	-	6,785	-	-	0.00%	0.00%	0.00%
Oil & Gas Development Co Limited	125,500	212,000	-	228,700	108,800	9,070	10.34%	8.88%	0.00%
Pakistan Oilfields Limited	11,250	12,000	-	16,217	7,033	2,805	3.20%	2.75%	0.00%
Pakistan Petroleum Limited	141,992	190,770	-	186,700	146,062	9,342	10.65%	9.15%	0.00%
	<u>281,577</u>	<u>418,720</u>	<u>-</u>	<u>438,402</u>	<u>261,895</u>	<u>21,217</u>			
OIL & GAS MARKETING COMPANIES									
Attock Petroleum Limited	-	7,000	-	7,000	-	-	-	-	-
Pakistan State Oil Company Limited	41,459	20,000	-	60,956	503	59	0.07%	0.06%	0.01%
Sui Northern Gas Pipeline Limited	-	538,500	-	409,000	129,500	5,062	-	-	-
	<u>41,459</u>	<u>565,500</u>	<u>-</u>	<u>476,956</u>	<u>130,003</u>	<u>5,121</u>			
REFINERY									
Attock Refinery Ltd	22,500	70,700	-	54,200	39,000	6,640	7.57%	6.50%	0.01%
National Refinery Ltd	8,000	10,434	-	18,434	-	-	0.00%	0.00%	0.00%
	<u>30,500</u>	<u>81,134</u>	<u>-</u>	<u>72,634</u>	<u>39,000</u>	<u>6,640</u>			
COMMERCIAL BANKS									
BankIslami Pakistan Limited	208,000	115,000	-	323,000	-	-	0.00%	0.00%	0.05%
Faysal Bank limited	-	201,000	-	201,000	-	-	0.00%	0.00%	0.05%
Meezan Bank Limited	119,575	26,500	7,757	85,900	67,932	6,467	7.37%	6.33%	0.01%
	<u>327,575</u>	<u>342,500</u>	<u>7,757</u>	<u>609,900</u>	<u>67,932</u>	<u>6,467</u>			
FERTILIZER									
Engro Corporation Limited	74,400	56,300	-	127,100	3,600	996	1.14%	0.98%	0.00%
Engro Fertilizers Limited	111,335	137,560	-	190,367	58,528	4,964	-	-	-
	<u>185,735</u>	<u>193,860</u>	<u>-</u>	<u>317,467</u>	<u>62,128</u>	<u>5,960</u>			
Chemicals									
Descon Oxychem Ltd	-	334,500	-	184,500	150,000	4,001	-	-	-
Engro Polymer & Chemicals Limited	24,500	93,000	-	71,500	46,000	2,152	-	-	-
Lotte Chemical Pakistan Limited	-	63,500	-	-	63,500	1,610	-	-	-
Lucky Core Industries Limited	-	1,200	-	1,200	-	-	-	-	-
	<u>24,500</u>	<u>492,200</u>	<u>-</u>	<u>257,200</u>	<u>259,500</u>	<u>7,763</u>			
TECHNOLOGY & COMMUNICATION									
Octopus Digital Limited	-	35,000	-	35,000	-	-	-	-	-
Avanceon Limited	36,000	125,500	-	118,200	43,300	2,772	3.16%	2.71%	0.01%
Systems Limited	-	28,410	-	10,800	17,610	8,137	9.27%	7.97%	0.00%
TPL Trakker Limited	-	463,500	-	-	463,500	4,167	-	-	-
	<u>36,000</u>	<u>652,410</u>	<u>-</u>	<u>164,000</u>	<u>524,410</u>	<u>15,076</u>			
Total as at March 31, 2022	<u>1,799,171</u>	<u>4,934,322</u>	<u>39,310</u>	<u>4,985,802</u>	<u>1,787,001</u>	<u>87,737</u>			
Carrying value as at March 31, 2022						<u>90,750</u>			

7.1.1 The above investments include shares with market value aggregating to Rs. 25.5597 million (June 2021: Rs. 32.32 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.

7.1.2 This includes 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 Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan (MUFAP), has filed a petition in 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 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 127,922 at March 31, 2023 (June 30, 2022: Rs. 200,000) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in favor of the asset management company and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

7.2 Listed Sukuk's certificates- At fair value through profit or loss

Islamic Asset Allocation Fund

Name of the Investee Company

	As at July 01, 2022	Purchases during the period	Sales during the period	As at March 31, 2023	Market value as at March 31, 2023 (Rs in '000)	Market value as percentage of	
						Total Investments	Net Assets
------(Number of certificates)-----							
Agha Steel Industries Limited	33	-	33	-	-	0.00%	0.00%
	33	-	33	-	-	0.00%	0.00%

Cost of investment

-

Islamic Asset Allocation Fund Plan 1

Name of the Investee Company

	As at July 01, 2022	Purchases during the period	Sales during the period	As at March 31, 2023	Market value as at March 31, 2023 (Rs in '000)	Market value as percentage of	
						Total Investments	Net Assets
------(Number of certificates)-----							
Meezan Bank	250	73	-	323	323,000	17.72%	14.47%
Dubai Islamic	4,175	-	175	4,000	20,000	1.10%	0.90%
Dubai Islamic - Tier II	-	89	-	89	89,000	4.88%	3.99%
Al Baraka Bank Limited	-	100	80	20	20,000	1.10%	0.90%
Hub Power Company Limited	2,750	265	-	3,015	151,504	8.31%	6.79%
K-Electric limited	32,000	-	12,080	19,920	91,245	5.01%	4.09%
K-Electric limited	-	100	-	100	100,000	5.49%	4.48%
K-Electric limited	-	98	-	98	98,000	5.38%	4.39%
K-Electric limited	-	30	-	30	30,000	1.65%	1.34%
Pakistan Energy	125,500	50,000	-	175,500	877,500	48.15%	39.30%
Agha Steel Industries Limited	-	33	-	33	22,233	1.22%	1.00%
OBS AGP (Pvt) Ltd	910	-	910	-	-	0.00%	0.00%
	165,585	50,788	13,245	203,128	1,822,482	100.00%	81.62%

Cost of investment

1,835,385

Islamic Asset Allocation Fund Plan II

Name of the Investee Company

	As at July 01, 2022	Purchases during the period	Sales during the period	As at March 31, 2023	Market value as at March 31, 2023 (Rs in '000)	Market value as percentage of	
						Total Investments	Net Assets
----- (Number of certificates) -----							
Meezan Bank	-	12	-	12	12,000	3.88%	2.56%
Dubai Islamic	-	60	60	-	-	0.00%	0.00%
Dubai Islamic - Tier II	-	60	-	60	60,000	19.38%	12.78%
Pakistan Energy	-	12,000	-	12,000	60,000	19.38%	12.78%
K-Electric limited	-	12,000	-	12,000	54,967	17.75%	11.71%
Pak Electron Limited	-	50	50	-	-	0.00%	0.00%
Pakistan International Corporation Limited	-	12,000	-	12,000	58,890	19.02%	12.54%
Mughal Iron & Steel Industries Limited	-	85	-	85	63,818	20.61%	13.59%
	-	36,267	110	36,157	309,675	100.00%	65.97%

Cost of investment

1,835,385

Significant terms and conditions of Sukuk bonds outstanding as at March 31, 2023 are as follows

Name of Security	Remaining Principal (per Sukuk)	Mark-up rate (per annum)	Date of Issue	Maturity Date
Islamic Asset Allocation Fund				
OBS AGP (Pvt) Limited	100,000	3 Months KIBOR + 1.55%	15-Jul-21	15-Jul-26
TPL Trakker Limited	888,889	3 months KIBOR + 3%	30-Mar-21	30-Mar-26
International Brands Limited	4,451	12 months KIBOR + 0.50%	15-Nov-17	15-Nov-21
Agha Steel Industries Limited	937,500	3 months KIBOR +0.8%	9-Oct-18	09-Oct-24
Islamic Asset Allocation Fund Plan 1				
Dubai Islamic Bank limited	1,000,000	6 Months KIBOR + 0.5%	14-Jul-17	14-Jul-27
Hub Power Company Limited	100,000	1 year KIBOR + 1.9%	19-Mar-20	19-Mar-24
K-Electric Ltd- Sukuk (KELSC5)	5,000	3 Month KIBOR + 1.7%	3-Aug-20	3-Aug-27
Pakistan Energy Sukuk-2 Bound (PESC2)	5,000	6 Month KIBOR - 0.1%	21-May-20	21-May-30
Meezan Bank limited - Perpetual	1,000,000	3 Months KIBOR + 1.75%	1-Aug-18	-
Dubai Islamic Bank limited - Perpetual	5,000	3 Months KIBOR + 1.75%	21-Dec-18	-
OBS AGP (Pvt) Limited	100,000	3 Months KIBOR + 1.55%	15-Jul-21	15-Jul-26

7.4 Commercial Paper

Name of Company	Maturity Date	As at July 01, 2022	Purchased made during the period	Matured during the period	Income Accrued	As at March 31, 2023	Percentage of total value of investments (%)	Percentage of Net Assets (%)
----- (Rupees in '000) -----								
Mughal Iron and Steel	21-Jul-22	11,940	-	-	60	12,000	13.68%	11.75%
Total - As at March 31, 2023		11,940	-	-	60	12,000	13.68%	11.75%

(Un-Audited) March 31, 2023				(Audited) June 30, 2022		
Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Total

8. PRELIMINARY EXPENSES AND FLOATATION COSTS

Note	(Rupees in '000)					
Opening balance	-	129	-	129	-	172
Cost Incurred During the Period	-	-	135	135	-	-
Less: amortized during the period	8.1	(32)	(115)	(147)	(43)	(43)
Closing balance	-	97	20	117	-	129

8.1 Preliminary expenses and floatation costs represent expenditure incurred prior to the commencement of operations of the Fund and are being amortized over a period of five years commencing from the end of the initial offering period as per the requirements set out in the Trust Deed of the Fund and NBFC regulations.

	(Un-Audited) March 31, 2023				(Audited) June 30, 2022		
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Total
9. ADVANCES, DEPOSITS AND OTHER RECEIVABLES	Note				(Rupees in '000)		
Security deposit with National Clearing Company of Pakistan Limited	3,673	9,493	7,700	13,166	2,500	-	2,500
Security deposit with Central Depository Company of Pakistan Limited	100	100	-	200	100	100	200
Advance against TFCs and equity	-	-	-	-	-	-	-
Prepaid Expenses	13	-	-	13	14	-	14
Advances	189	-	-	189	189	-	189
	3,975	9,593	7,700	13,568	2,803	100	2,903
	(Un-Audited) March 31, 2023				(Audited) June 30, 2022		
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Total
10. PAYABLE TO THE MANAGEMENT COMPANY	Note				(Rupees in '000)		
Management fee	135	526	257	918	320	283	603
Sindh Sales Tax	17	68	33	118	42	37	79
Sales load payable	-	-	-	-	-	-	-
Selling and marketing expenses payable	173	-	-	173	479	-	479
Allocation of expenses related to registrar services, accounting, operation and valuation services	67	-	-	67	160	-	160
Formation Cost Payable	-	245	183	428	-	245	245
	392	839	473	1,704	1,001	565	1,566
11. ACCRUED EXPENSES AND OTHER LIABILITIES	Note				(Rupees in '000)		
Auditors' remuneration payable	44	305	63	412	34	306	340
Charity payable	307	-	-	307	195	-	195
Federal Excise Duty	1,063	-	-	1,063	1,063	-	1,063
Payable to brokers	280	260	134	674	153	-	153
Dividend payable (including unclaimed dividend)	25	-	-	25	25	-	25
Listing Fee Payable	-	22	-	22	-	-	-
Payable to NCCPL	24	112	25	161	30	30	60
Payable to Shariah advisor	22	44	19	85	3	16	19
Other payable	5,313	194	19	5,526	6,457	191	6,648
	7,078	937	260	8,275	7,960	543	8,503

11.1 This represents amount attributable to income earned from shariah non-compliant avenues, earmarked for onward distribution as charity in accordance with the instructions of the Shariah Advisor.

11.2 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, 2022, and the appeal which was filed by tax authorities against the order by the Supreme Court of Pakistan dated July 16, 2016, 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, 2018 aggregating to Rs. 1.063 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2023 would have been higher by Rs. 0.3156 per unit (June 30, 2022: 0.5708 per unit).

12. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at March 31, 2023 and June 30, 2022.

13. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2022 to its unit holders.

14. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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

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

Details of the transactions with connected persons during the period and balances with them at period end are as follows:

14.1 Transactions during the period

	(Un-Audited) Nine Months ended March 31, 2023			(Un-Audited) Nine Months ended March 31, 2022	
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1
	(Rupees in '000)				
HBL Asset Management Limited - Management Company					
Management fee	1,533	2,542	1,819	4,273	2,981
Sindh Sales Tax	199	330	236	556	387
Allocation of expenses related to registrar services, accounting, operation and valuation services	766	-	-	2,137	-
Selling and marketing expense	664	-	-	1,852	-
Habib Bank Limited - Sponsor					
Redemption of 531,283 Units (March 2022: 52,743)	59,219	-	-	5,947	-
Bank charges	20	-	-	18	-
Mark-up earned during the period	56	-	-	1,011	-
Central Depository Company of Pakistan Limited - Trustee					
Remuneration	231	1,436	237	644	1,684
CDC Charges	14	13	13	14	13
Pak Qatar Investment Account					
Investment of 179,748 (2022: Nil Units)	-	20,000	-	-	-
Redemption of Nil Units (March 2022: 965,221)	-	-	-	-	100,000
Purchase of GOP Ijara (2022: Purchase of GOP Ijara)	-	-	-	-	100,000
PAK-QATAR INDIVIDUAL FAMILY PARTICIPANT INVESTMENT FUND					
Investment of 137,073 (2022: 2,396,119 Units)	-	15,000	-	-	250,000
Redemption of 1,932,126 Units (March 2022: Nil)	-	(200,000)	-	-	-
PAK QATAR GENERAL TAKAFUL LIMITED					
Investment of 179,748 (2022: Nil Units)	-	20,000	-	-	-
HBL Islamic Asset Allocation Fund Plan 1					
Sale of Sukuk	27,454	-	-	-	-
HBL Islamic Asset Allocation Fund					
Purchase of Sukuk	-	27,454	-	-	-
Qatar Group (PVT) Limited					
Purchase of Sukuk	-	33,000	-	-	-
Dawood Faimly Takaful Limited - Aggressive Fund					
Issue of 536,946 Nil Units	-	-	55,000	-	-
Dawood Faimly Takaful Limited - Balance Fund					
Issue of 1,865,149 Nil Units	-	-	195,000	-	-
Dawood Faimly Takaful Limited - Income Fund					
Issue of 1,243,433 Nil Units	-	-	130,000	-	-
Dawood Faimly Takaful Limited					
Issue of 478,243 Nil Units	-	-	50,000	-	-
Purchase of Sukuks	-	-	182,000	-	-
Director, Executives and Key Management Personal					
Issue of 2,964 units (2022 1,319 units)	300	-	-	150	-
Redemption of 2,964 units (2021 1,319 units)	298	-	-	148	-

	(Un-Audited) March 31, 2023			(Audited) June 30, 2022	
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1
(Rupees in '000)					
14.2 Amounts outstanding as at period end					
HBL Asset Management Limited - Management Company					
Management Fee	135	526	257	320	283
Sindh Sales Tax	17	68	33	42	37
Allocation of expenses related to registrar services, accounting, operation and valuation services	67	-	-	160	-
Charging of selling and marketing expenses	173	-	-	479	-
Sale Load Payable	-	-	-	-	-
Formation Cost Payable	-	245	183	-	245
Habib Bank Limited - Sponsor					
Investment held in the Fund : Nil units (June 30, 2021: 1,404,025 units)	-	-	-	57,664	-
Bank balances	1,241	-	-	1,809	-
Mark-up receivable on deposits with banks	-	-	-	-	-
HBL Asset Management Limited - Employees Gratuity Fund - Associate					
Investment held in the Fund : 4,909 units (June 30, 2022: 4,909 units)	489	-	-	533	-
HBL Asset Management Limited - Employees Provident Fund - Associate					
Investment held in the Fund : 14,169 units (June 30, 2022 : 14,169 units)	1,408	-	-	1,538	-
PAK-QATAR INDIVIDUAL FAMILY PARTICIPANT INVESTMENT FUND					
Investment held in the Fund : 5,970,054 Units (June 30, 2022 : 7,765,108 units)	-	664,438	-	-	1,011,723
PAK-QATAR INDIVIDUAL FAMILY PARTICIPANT INVESTMENT FUND					
Investment held in the Fund : 895,851 Units (June 30, 2022 : 7,765,108 units)	-	99,704	-	-	1,011,723
Pak Qatar Investment Account					
Investment held in the Fund : 11,921,787 Units (June 30, 2022 : 11,742,039 units)	-	1,326,837	-	-	1,225,211
Dawood Faimly Takaful Limited - Aggressive Fund					
Investment held in the Fund : 536,946 Units	-	-	60,864	-	-
Dawood Faimly Takaful Limited - Balance Fund					
Investment held in the Fund : 1,865,149 Units	-	-	211,419	-	-
Dawood Faimly Takaful Limited - Income Fund					
Investment held in the Fund : 1,243,433 Units	-	-	140,946	-	-
Dawood Faimly Takaful Limited					
Investment held in the Fund : 478,243 Units	-	-	54,210	-	-
Central Depository Company of Pakistan Limited - Trustee					
Remuneration payable	18	263	30	43	142
Sindh Sales Tax	2	34	4	5	18
Security deposit	100	100	-	100	100

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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.

		Islamic Asset Allocation Fund					
		March 31, 2022'					
		Fair Value					
Note	Fair value through profit or loss	At Amortized cost	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments							
Financial assets measured at fair value							
	Investments						
	- Listed equity securities	87,737	-	87,737	87,737	-	87,737
	- Listed Sukuk bonds	-	-	-	-	-	-
	- GOP Ijara Sukuk	-	-	-	-	-	-
		87,737	-	87,737			
Financial assets not measured at fair value							
15.1	Bank balances	-	15,501	15,501			
	Commercial paper	-	-	-			
	Sukuk Bonds	-	-	-			
	Dividend receivable and accrued markup	-	1,285	1,285			
	Advances, deposits and other receivables	-	3,962	3,962			
		-	20,748	20,748			
Financial liabilities not measured at fair value							
15.1	Payable to the Management Company	-	375	375			
	Payable to the SECP	-	20	20			
	Payable to the Central Depository Company of Pakistan Limited - Trustee	-	18	18			
	Payable against purchase of investments	-	-	-			
	Accrued expenses and other liabilities	-	6,015	6,015			
		-	6,427	6,427			
		Islamic Asset Allocation Fund Plan 1					
		March 31, 2022'					
		Fair Value					
Note	Fair value through profit or loss	At Amortized cost	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments							
Financial assets measured at fair value							
	Investments						
	- Listed equity securities	-	-	-	-	-	-
	- Listed Sukuk bonds	1,822,482	-	1,822,482	-	1,822,482	1,822,482
	- GOP Ijara Sukuk	-	-	-	-	-	-
		1,822,482	-	1,822,482			
Financial assets not measured at fair value							
15.1	Bank balances	-	314,101	314,101			
	Dividend receivable and accrued markup	-	88,975	88,975			
	Advances, deposits and other receivables	-	9,593	9,593			
		-	412,669	412,669			
Financial liabilities not measured at fair value							
15.1	Payable to the Management Company	-	771	771			
	Payable to the SECP	-	339	339			
	Payable to the Central Depository Company of Pakistan Limited - Trustee	-	263	263			
	Accrued expenses and other liabilities	-	915	915			
		-	2,288	2,288			

		Islamic Asset Allocation Fund Plan 2					
		March 31, 2022'					
				Fair Value			
Note	Fair value through profit or loss	At Amortized cost	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments							
Financial assets measured at fair value							
	Investments	-	-	-	-	-	-
	- Listed equity securities	-	-	-	-	-	-
	- Listed Sukuk bonds	309,674	309,674	-	309,674	-	309,674
	- GOP Ijara Sukuk	-	-	-	-	-	-
		<u>309,674</u>	<u>309,674</u>				
Financial assets not measured at fair value							
15.1	Bank balances	-	135,200				135,200
	Dividend receivable and accrued markup	-	17,665				17,665
	Advances, deposits and other receivables	-	7,700				7,700
		<u>-</u>	<u>160,565</u>				<u>160,565</u>
Financial liabilities not measured at fair value							
15.1	Payable to the Management Company	-	440				440
	Payable to the SECP	-	56				56
	Payable to the Central Depository Company of Pakistan Limited - Trustee	-	34				34
	Accrued expenses and other liabilities	-	260				260
		<u>-</u>	<u>790</u>				<u>790</u>

		Islamic Asset Allocation Fund					
		June 30, 2022'					
				Fair Value			
Note	Fair value through profit or loss	At Amortized cost	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments							
Financial assets measured at fair value							
	Investments	-	-	-	-	-	-
	- Listed equity securities	129,668	129,668	129,668	-	-	129,668
	- Sukuks - Listed	29,720	29,720	-	29,720	-	29,720
	- GOP Ijara	-	-	-	-	-	-
		<u>159,388</u>	<u>159,388</u>				
Financial assets not measured at fair value							
	Commercial Paper	-	11,940				11,940
	Bank balances	-	35,794				35,794
	Dividend receivable and accrued mark-up	-	2,181				2,181
	Advances, deposits and other receivables	-	2,803				2,803
	Term finance certificates and sukuk bonds	-	-				-
		<u>-</u>	<u>52,718</u>				<u>52,718</u>
Financial liabilities not measured at fair value							
15.1	Payable to the Management Company	-	1,001				1,001
	Payable to Central Depository Company of Pakistan Limited - Trustee	-	48				48
	Accrued expenses and other liabilities	-	6,897				6,897
		<u>-</u>	<u>7,946</u>				<u>7,946</u>

		Islamic Asset Allocation Fund Plan 1						
		June 30, 2022'						
				Fair Value				
	Note	Fair value through profit or loss	At Amortized cost	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments								
Financial assets measured at fair value								
Investments								
- Sukuks - Listed		1,620,518	-	1,620,518	-	1,620,518	-	1,620,518
- GOP Ijara		-	-	-	-	-	-	-
		<u>1,620,518</u>	<u>-</u>	<u>1,620,518</u>				
Financial assets not measured at fair value								
Bank balances		-	753,383	753,383				
Dividend receivable and accrued mark-up		-	50,186	50,186				
Preliminary expenses and flotation costs		-	129	129				
Advances, deposits and other receivables		-	100	100				
		<u>-</u>	<u>803,798</u>	<u>803,798</u>				
Financial liabilities not measured at fair value								
	15.1							
Payable to the Management Company		-	565	565				
Payable to Central Depository Company of Pakistan Limited - Trustee		-	160	160				
Accrued expenses and other liabilities		-	543	543				
		<u>-</u>	<u>1,268</u>	<u>1,268</u>				

16. TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the Period ended March 31, 2022 is 4.71% , 0.34% and 0.92 in IAAF , IAAF Plan I and IAAF Plan II respectively which includes 0.24% , 0.05% and 0.10% representing government levy and SECP fee.

17. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information were authorized for issue by the Board of Directors of the Management Company on April 28, 2023 .

18. GENERAL

18.1 Figures have been rounded off to the nearest thousand rupees.

18.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

18.3 These condensed interim financial information are unaudited and has not been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the period ended March 31, 2023 have not been reviewed.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Stock Fund

FUND INFORMATION

Name of Fund	HBL Islamic Stock Fund
Name of Auditor	A.F.Ferguson & Co.
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Name of Shariah Advisors	AI - Hilal Shariah Advisors (Pvt.) Limited
Bankers	Habib Bank Limited Dubai Islamic Bank Limited Bank Islamic Pakistan Limited Bank Al Baraka Limited

HBL Islamic Stock Fund
Condensed Interim Statement of Assets and Liabilities (Un-Audited)
As at Mar 31, 2023

		(Un-Audited) March 31 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances	4	12,654	14,593
Investments	5	147,481	401,731
Dividend and profit receivable		1,368	868
Receivable against sale of investment		14,537	4,376
Advances, deposits, prepayments and other receivables		3,006	3,000
Total assets		179,046	424,568
Liabilities			
Payable to the Management Company	6	813	2,798
Payable to the Trustee		31	84
Payable to Securities and Exchange Commission of Pakistan		35	126
Payable against Purchase of Equity Securities		13,089	2,000
Dividend Payable		-	-
Accrued expenses and other liabilities	7	8,004	8,521
Total liabilities		21,972	13,529
Net assets		157,074	411,039
Unit holders' fund (as per statement attached)		157,074	411,039
Contingencies and Commitments	13	----- (Number of units) -----	
Number of units in issue		2,012,678	4,648,066
Net assets value per unit		78.0420	88.4323

The annexed notes 1 to 14 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 Stock Fund
Condensed Interim Income Statement (Un-Audited)
For the nine months and quarter ended March 31, 2023

	Note	For the Period Ended March 31,		Quarter ended March 31,	
		2023	2022	2023	2022
----- (Rupees in '000) -----					
Income					
Dividend income		13,058	21,252	2,917	9,796
Profit on bank deposits		2,106	1,981	495	415
Capital (loss) / gain on sale of investments - net		(14,736)	(49,815)	(12,515)	(14,043)
		428	(26,582)	(9,103)	(3,832)
Net unrealised (diminution) / appreciation on re-measurement of investments classified at fair value through profit or loss - held-for-trading		(6,093)	(82,093)	8,326	(17,863)
Impairment loss on investments classified as available for sale	5.4	-	-	-	-
Total (Loss) / Income		(5,665)	(108,675)	(777)	(21,695)
Expenses					
Remuneration of the Management Company	6.1 & 6.2	4,011	11,197	920	3,524
Remuneration of the Trustee		401	1,120	92	352
Annual fee to Securities and Exchange Commission of Pakistan		35	99	8	31
Selling and marketing expenses	6.3	1,864	5,202	428	1,637
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.4	976	2,725	224	858
Securities transaction costs		2,201	2,115	675	522
Auditors' remuneration		304	307	100	100
Settlement and bank charges		464	448	98.00	154
Shariah advisory fee		225	136	225	34
Fees and subscription		21	140	(184)	54
Printing Charges		77	45		
Haram Income Expense		653	1,063	146	490
Total Expenses		11,232	24,597	2,732	7,755
Net (loss) / Income from operating activities		(16,897)	(133,272)	(3,509)	(29,451)
Reversal / (Provision) for Sindh Workers' Welfare Fund	7.2	-	9,507	(9,507.2)	-
Net (loss) / income for the period before taxation		(16,897)	(123,764)	(13,016)	(29,451)
Taxation	8	-	-	-	-
Net (loss) / income for the period after taxation		(16,897)	(123,764)	(13,016)	(29,451)
Allocation of the Net Income For The Period					
Net income for the period after taxation		(16,897)	(123,764)	(13,016)	(29,451)
Income already paid on redemption of units		-	-	-	-
		(16,897)	(123,764)	(13,016)	(29,451)
Accounting income available for distribution:					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		-	-	-	-
Other comprehensive income for the period		-	-	-	-
Total comprehensive loss for the period		(16,897)	(123,764)	(13,016)	(29,451)

The annexed notes 1 to 14 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 Stock Fund
Condensed Interim Statement of Movement in Unit Holders' Fund
For the nine months and quarter ended March 31, 2023

	Nine months ended							
	2023				2022			
	Capital value	Undistributed income / (Accumulated loss)	Unrealised income / (loss) on investment	Total	Capital value	Undistributed income / (Accumulated loss)	Unrealised income / (loss) on investment	Total
Note	(Rupees in '000)							
Net assets at beginning of the period	851,523	(440,485)	-	411,039	997,150	(236,680)	-	760,470
Issue of units 3,015,076 (2022: 5,018,577 units)								
- Capital value (at net asset value per unit at the beginning of the period)	266,630	-	-	266,630	289,745	-	-	289,745
- Element of loss	(7,020)	-	-	(7,020)	69,961	-	-	69,961
Total proceeds on issuance of units	259,610	-	-	259,610	359,706	-	-	359,706
Redemption of 5,650,462 units (2022: 6,504,110 units)								
- Capital value (at net asset value per unit at the beginning of the period)	(499,683)	-	-	(499,683)	(317,180)	-	-	(317,180)
- Amount paid out of element of income relating to net income for the year after taxation	3,005	-	-	3,005	(81,845)	-	-	(81,845)
Total payments on redemption of units	(496,678)	-	-	(496,678)	(399,024)	-	-	(399,024)
Total comprehensive income for the period	-	(16,897)	-	(16,897)	-	(123,764)	-	(123,764)
Interim distribution of Rs. 0.32 per unit declared on June 28, 2020 as cash dividend								
Refund of capital	-			-				
Distribution for the period		-		-				
Net assets at end of the period	614,455	(457,382)	-	157,074	957,832	(360,444)	-	597,388
Undistributed income brought forward								
- Realised		(276,912)				(276,912)		
- Unrealised		40,232				40,232		
		(236,680)				(236,680)		
Accounting (loss) / Income available for distribution		(16,897)				(123,764)		
Distribution during the period		-				-		
(Accumulated loss) / undistributed income carried forward		(253,577)				(360,444)		
(Accumulated loss) / undistributed income carried forward								
- Realised		(247,484)				(278,351)		
- Unrealised		(6,093)				(82,093)		
		(253,577)				(360,444)		
					Rupees			Rupees
Net assets value per unit at beginning of the period				88.4323				88.4322
Net assets value per unit at end of the period				78.0420				101.7071

The annexed notes 1 to 14 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 Stock Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the nine months and quarter ended March 31, 2023

	Nine Months ended	
	March 31,	
	2023	2022
Note	----- (Rupees in '000) -----	
Cash flows from operating activities		
Net (loss) / income for the period before taxation	(16,897)	(123,764)
Adjustments		
Capital loss / (gain) during the period	14,736	49,815
Dividend Income	(13,058)	(21,252)
Profit on bank deposits	(2,106)	(1,981)
Unrealised diminution on re-measurement of investments classified at fair value through profit or loss - held-for-trading	6,093	82,093
Impairment loss on investments classified as available for sale	-	-
Element of income and capital gains included in prices of units issued less those in units redeemed - net	-	-
	<u>(11,232)</u>	<u>(15,089)</u>
(Increase) / decrease in assets		
Investments - net	234,349	(319,240)
Dividend receivable and accrued mark-up	14,664	23,230
Receivable against sale of equity instruments	(6)	(612)
Advances, deposits, prepayments and other receivables	249,007	(296,621)
Increase / (decrease) in liabilities		
Payable to the Management Company	(1,985)	248
Payable to the Trustee	(53)	29
Payable to Securities and Exchange Commission of Pakistan	(91)	(27)
Payable against redemption of units	-	-
Dividend Payable	-	-
Accrued expenses and other liabilities	(517)	146
	<u>(2,646)</u>	<u>396</u>
Net cash (used in) / generated from operating activities	<u>235,129</u>	<u>(311,315)</u>
Cash flows from financing activities		
Amount received on issue of units	259,610	359,706
Payment against redemption of units	(496,678)	(399,024)
Net cash generated from financing activities	<u>(237,068)</u>	<u>(39,318)</u>
Net increase in cash and cash equivalents	<u>(1,939)</u>	<u>(350,633)</u>
Cash and cash equivalents at beginning of the period	14,593	14,593
Cash and cash equivalents at end of the period	<u>12,654</u>	<u>(336,040)</u>

The annexed notes 1 to 14 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 Stock Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the nine months and quarter ended March 31, 2022

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Islamic Stock Fund (the Fund) was established under a Trust Deed, dated November 23, 2010, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on December 10, 2010.

The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emereld Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi, Pakistan.

The Fund is an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par from May 09, 2011 to May 10, 2011.

The principal activity of the Fund is to provide long-term capital growth by investing mainly in Shariah Compliant equity securities and short-term government securities.

VIS Credit Rating Company Limited (VIS) has upgraded the Management Quality Rating to AM-I (December 31, 2021: AM++) and the outlook on the rating has been assigned as 'Stable'

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

2.1.1 This condensed interim financial information has been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Approved accounting standards comprise of such International Financial Reporting Standards ('IFRSs') issued by the International Accounting Standards Board as are notified under the Companies Act, 2017, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations') and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP differ with the requirements of the IFRSs, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations or the directives issued by the SECP prevail.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS-34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2022.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2023.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

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

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

3.1 The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2022.

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

3.3 The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2022.

3.4 There are certain new and amended standards, interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2018 but are considered not to be relevant or do not have any significant effect on the Fund's operations and therefore not detailed in these condensed interim financial statements.

3.5 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2022.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
4. BANK BALANCES			
Balances with banks in:			
savings accounts	4.1	12,654	14,593
current account		-	-
		<u>12,654</u>	<u>14,593</u>

4.1 The balance in savings accounts carry expected profit which ranges from 5.00% to 12.00% (June 30, 2019: 6% to 13.50%) per annum.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
5. INVESTMENTS			
- Listed equity securities	5.1	147,481	401,731
		<u>147,481</u>	<u>401,731</u>

5.1 Listed equity securities at fair Value through Profit or Loss - Held for trading

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

Name of the Investee Company	As at July 01, 2022	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 30, 2023	Carrying Value as at March 31, 2023 Rupees in '000'	Market value as at March 31, 2023 Rupees in '000'	Unrealized appreciation / (diminution) as at March 31, 2023 Rupees in '000'	Market value as a percentage of Total Investments	Market value as a percentage of Net Assets	Par value as a percentage of issued capital of the investee company
	----- Number of shares -----								----- % -----		
TEXTILE COMPOSITE											
Interloop Limited	80,577	-	-	80,577	-	-	-	-	-	-	-
Kohinoor Textile Mills Ltd	74,000	-	-	74,000	-	-	-	-	-	-	-
Nishat Mills Ltd	54,048	-	-	54,048	-	-	-	-	-	-	-
	208,625	-	-	208,625	-	-	-	-	-	-	-
CEMENT											
Attock Cement Pakistan Ltd	242,400	10,500	-	252,900	-	-	-	-	-	-	-
Cherat Cement Company Ltd.	-	93,500	-	65,500	28,000	3,150	3,152	2	2.14	2.01	0.02
D G Khan Cement Co.Ltd.	-	401,831	-	303,831	98,000	4,510	4,303	(207)	2.92	2.74	0.02
Fauji Cement Company Limited	-	1,126,500	64,000	931,000	259,500	3,093	3,104	10	2.10	1.98	0.02
Kohat Cement Ltd	-	59,501	-	59,501	-	-	-	-	-	-	-
Lucky Cement Ltd	13,488	90,515	-	104,003	-	-	-	-	-	-	-
Maple Leaf Cement Factory Ltd	-	1,252,500	-	946,000	306,500	7,756	7,963	207	5.40	5.07	0.06
Pioneer Cement Limited	-	302,677	-	302,677	-	-	-	-	-	-	-
	255,888	3,337,524	64,000	2,965,412	692,000	18,509	18,522	13	13	12	-
POWER GENERATION & DISTRIBUTION											
Hub Power Company Ltd	302,841	66,000	-	368,841	-	-	-	-	-	-	-
Nishat Power Limited	-	120,000	-	120,000	-	-	-	-	-	-	-
	302,841	186,000	-	488,841	-	-	-	-	-	0.01	-
ENGINEERING											
Mughal Iron & Steel Inds Ltd	79,444	73,000	-	79,444	73,000	4,106	3,586	(520)	2.43	2.28	0.03
	79,444	73,000	-	79,444	73,000	4,106	3,586		2	2	-
AUTOMOBILE ASSEMBLER											
Millat Tractors Ltd	-	3,500	-	3,500	-	-	-	-	-	-	-
	-	3,500	-	3,500	-	-	-	-	-	-	-
PHARMACEUTICALS											
AGP Limited	-	44,000	-	-	44,000	2,574	2,385	(190)	1.62	1.52	0.00
Ferozsons Laboratories Ltd	22,300	-	-	22,300	-	-	-	-	-	-	-
Highnoon Laboratories Limited	875	-	-	875	-	-	-	-	-	-	-
The Searle Company Ltd	50,375	40,500	593	48,000	43,468	0	2,238	(304)	1.52	1.42	0.02
	73,550	84,500	593	71,175	87,468	2,575	4,623		3	3	-
FOOD & ALLIED INDUSTRIES											
The Organic Meat Company Limited	594,485	145,015	-	739,500	-	2,542	-	-	-	-	-
	594,485	145,015	-	739,500	-	2,542	-	-	-	-	-
GLASS & CERAMICS											
Tariq Glass Industries Ltd	-	74,500	-	-	74,500	5,146	5,244	98	3.56	3.34	0.10
	-	74,500	-	-	74,500	5,146	5,244		3.56	3.34	-
MISCELLANEOUS											
Pakistan Aluminium Beverage Cans Limited	-	23,000	-	23,000	-	-	-	-	-	-	-
TPL Properties Limited	303,000	325,000	-	628,000	-	-	-	-	-	-	-
	303,000	348,000	-	651,000	-	-	-	-	-	-	-
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Ltd	10,929	8,800	-	15,060	4,669	7,900	7,066	(834)	4.79	4.50	0.00
Oil & Gas Development Co Ltd	475,516	468,000	-	757,716	185,800	15,754	15,488	(266)	10.50	9.86	0.00
Pakistan Oilfields Ltd	51,969	33,800	-	75,130	10,639	4,217	4,244	26	2.88	2.70	0.00
Pakistan Petroleum Ltd	557,000	433,920	-	741,600	249,320	16,908	15,947	(961)	10.81	10.15	0.01
	1,095,414	944,520	-	1,589,506	450,428	44,779	42,744		29	27	-

Name of the Investee Company	As at July 01, 2022	Purchases during the period	Bonus / Rights issue	Sales during the period	As at March 30, 2023	Carrying Value as at March 31, 2023 Rupees in '000'	Market value as at March 31, 2023 Rupees in '000'	Unrealized appreciation / (diminution) as at March 31, 2023' Rupees in '000'	Market value as a percentage of Total Investments	Market value as a percentage of Net Assets	Par value as a percentage of issued capital of the investee company
	-----Number of shares-----								-----%-----		
OIL & GAS MARKETING COMPANIES											
Attock Petroleum Ltd	19,000	11,569	4,750	35,319	-	-	-	-	-	-	-
Pakistan State Oil Company Ltd	120,196	112,900	-	232,246	850	98	100	2	0.07	0.06	0.00
Sui Northern Gas Pipeline Ltd	-	707,897	-	572,420	135,477	5,610	5,296	(314)	3.59	3.37	0.02
	<u>139,196</u>	<u>832,366</u>	<u>4,750</u>	<u>839,985</u>	<u>136,327</u>	<u>5,708</u>	<u>5,396</u>		<u>4</u>	<u>3</u>	
REFINERY											
Attock Refinery Ltd	92,949	110,000	-	155,949	47,000	7,688	8,002	314	5.43	5.09	0.06
National Refinery Ltd	56,100	11,100	-	67,200	-	-	-	-	-	-	-
	<u>149,049</u>	<u>121,100</u>	<u>-</u>	<u>223,149</u>	<u>47,000</u>	<u>7,688</u>	<u>8,002</u>		<u>5</u>	<u>5</u>	
COMMERCIAL BANKS											
BankIslami Pakistan Limited	1,057,500	447,000	-	1,504,500	-	-	-	-	-	-	-
Faysal Bank Limited	-	455,091	-	455,091	-	-	-	-	-	-	-
Meezan Bank Ltd	349,151	192,170	15,427	331,172	225,576	23,116	21,475	(1,641)	14.56	13.67	0.02
	<u>1,406,651</u>	<u>1,094,261</u>	<u>15,427</u>	<u>2,290,763</u>	<u>225,576</u>	<u>23,116</u>	<u>21,475</u>		<u>15</u>	<u>14</u>	
FERTILIZER											
Engro Corporation Ltd	153,162	123,900	-	271,062	6,000	1,719	1,661	(58)	1.13	1.06	-
Engro Fertilizers Limited	252,750	280,065	-	469,537	63,278	5,210	5,367	158	3.64	3.42	-
	<u>405,912</u>	<u>403,965</u>	<u>-</u>	<u>740,599</u>	<u>69,278</u>	<u>6,929</u>	<u>7,028</u>		<u>5</u>	<u>4</u>	
CHEMICAL											
Descon Oxychem Ltd	-	338,500	-	243,000	95,500	2,428	2,547	119	1.73	1.62	0.09
Engro Polymer & Chemicals Ltd	101,000	206,000	-	237,000	70,000	3,294	3,275	(19)	2.22	2.08	0.01
Lotte Chemical Pakistan Ltd	-	96,500	-	-	96,500	2,450	2,446	(4)	1.66	1.56	0.01
Lucky Core Industries Limited	-	4,500	-	4,500	-	-	-	-	-	-	-
	<u>101,000</u>	<u>645,500</u>	<u>-</u>	<u>484,500</u>	<u>262,000</u>	<u>8,171</u>	<u>8,268</u>		<u>6</u>	<u>5</u>	
TECHNOLOGY & COMMUNICATION											
Octopus Digital Limited	-	60,000	-	60,000	-	-	-	-	-	-	-
Avanceon Limited	91,500	196,500	-	216,307	71,693	5,449	4,590	(859)	3.11	2.92	0.04
Systems Limited	-	37,700	-	11,500	26,200	12,945	12,106	(839)	8.21	7.71	0.02
TPL Trakker Limited	79,000	714,000	-	137,000	656,000	5,912	5,897	(14)	4.00	3.75	0.04
	<u>170,500</u>	<u>1,008,200</u>	<u>-</u>	<u>424,807</u>	<u>753,893</u>	<u>24,305</u>	<u>22,593</u>		<u>15</u>	<u>14</u>	
FOOD & PERSONAL CARE PRODUCTS											
AT-Tahir Limited	-	89,000	8,900	97,900	-	-	-	-	-	-	-
Unity Foods Limited	415,834	459,100	-	874,934	-	-	-	-	-	-	-
	<u>415,834</u>	<u>548,100</u>	<u>8,900</u>	<u>972,834</u>	<u>-</u>	<u>-</u>	<u>-</u>		<u>-</u>	<u>-</u>	
Total as at March 31, 2023	5,701,389	9,850,051	93,670	12,773,640	2,871,470	153,574	147,481	13	100	94	
Total as at June 30, 2022	9,656,830	11,847,253	505,224	16,307,918	5,701,389	483,824	401,731	(82,093)			
Cost of investments at March 31, 2023					153,573.64		<u>674,295</u>				

5.1.1 Investments include shares having market value aggregating to Rs. 47.61 million that have been pledged with National Clearing Company of Pakistan Limited for guaranteeing settlement of the Fund's trades in terms of Circular 11 dated October 23, 2007 issued by the SECP.

5.1.2 These includes gross bonus shares as per Fund's entitlement declared by the investee company. Finance Act, 2014 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 Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, has filed a petition in Honorable 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 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 0.2530 million at March 31, 2023 (June 30, 2021: Rs. 0.634 million) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
6. PAYABLE TO THE MANAGEMENT COMPANY			
Management fee		274	739
Sindh Sales Tax on Management Company's remuneration		36	96
Sales load payable		-	-
Selling and marketing payable		428	
Allocation of expenses related to registrar services, accounting, operation and valuation services		75	320
		<u>813</u>	<u>1,643</u>
		<u>813</u>	<u>2,798</u>

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Federal Excise Duty	7.1	6,785	6,785
Provision for Sindh Workers' Welfare Fund	7.2	-	-
Charity payable	7.3	653	1,050
Withholding tax payable		3	8
Auditors' remuneration		198	294
Payable to brokers		225	261
Other payables		140	123
		<u>8,004</u>	<u>8,521</u>
		<u>8,004</u>	<u>8,521</u>

- 7.1 The legal status of applicability of Federal Excise Duty on the Fund is 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 against the order passed by Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 6.785 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2022 would have been higher by Rs. 1.1651 per unit (June 30, 2021: 1.106 per unit).

- 7.2 The Government of Sindh also introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The Mutual Fund Association of Pakistan, 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. MUFAP has taken up the matter with the concerned ministry [Sindh Finance Ministry] for appropriate resolution of the matter.

During the current year, SRB through its letter dated August 12, 2021 (received on August 13, 2021) to Mutual Funds Association of Pakistan (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 (EOGM) 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.

On August 13, 2021 the Fund ceased to charge further provision for SWWF and has reversed full provision for SWWF amounting to Rs. 9.51 million for the period from July 1, 2014 till August 12, 2021.

7.3 This represents amount attributable to income earned from shariah non-compliant avenues, earmarked for onward distribution as charity in accordance with the instructions of the Shariah Advisor.

8. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2020 to its unit holders.

9. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

Transactions with connected persons are in the normal course of business, at agreed / contracted rates and terms determined in accordance with market rates. and the Trust Deed respectively.

Remuneration payable to Management Company and Trustee is determined in accordance with the provisions of the NBFC Regulations

Details of significant transactions with connected persons during the period / year and balances with them at period / year end, if not disclosed elsewhere in this condensed interim financial information are as follows:

	March 31,	
	2023	2022
	----- (Rupees in '000) -----	
9.1 Transactions during the period		
HBL Asset Management Limited - Management Company		
Management fee including sales tax thereon	4,011	11,197
Allocation of expenses related to registrar services, accounting, operation and valuation services	976	2,725
Selling and marketing expenses	1,864	5,202
Habib Bank Limited - Sponsor		
Bank charges paid	19	19
Bank profit	11	11
Redemption of 1,319,805 units (2022: nil units)	119,943	
Executives and their relatives		
Issue of 14,603 units (2022: 49,935 units)	1,182	8,699
Redemption of 61,723 units (2022: 24,457 units)	5,141	7,536
Central Depository Company of Pakistan Limited - Trustee		
Remuneration	401	1,077
Central Depository services charges	20	159

	March 31,	
	2023	2022
	----- (Rupees in '000) -----	
HBL Islamic Financial Planning Fund Conservative Allocation Plan - Associate		
Redemption of 57 units (2022: 1,640 units)	5	-
Pak Qatar Family Takaful Limited		
Issue of 293,086 units (2022: Nil units)	50,000	-
Redemption of 216,541 units (2022: Nil units)	20,000	-
Pak Qatar General Takaful Limited		
Issue of 588,160 units (2022: Nil units)	50,000	-
Redemption of 295,074 units (2022: Nil units)	26,352	-
	(Un-Audited)	(Audited)
	March 31,	June 30,
	2023	2022
	----- (Rupees in '000) -----	
9.2 Balances outstanding as at period / year end		
HBL Asset Management Limited - Management Company		
Management fee	274	739
Sindh Sales Tax on Management Company's remuneration	36	96
Sales load payable	-	-
Selling and marketing payable	428	1,643
Allocation of expenses related to registrar services, accounting, operation and valuation services	75	320
Habib Bank Limited - Sponsor		
Bank balances	1,036	2,248
Profit receivable	12	12
Outstanding nil (June 30, 2022: 1,319,805) units	-	-
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable including sales tax thereon	31	84
Security deposit	100	100
Executives and their relatives		
Investment held in the Fund: nil units (June 30, 2022: 47,119 units)	-	-
Pak Qatar Family Takaful Limited		
Outstanding: 621,176 (June 30, 2022: 544,631) units	48,246	
PAK QATAR GENERAL TAKAFUL LIMITED		
Outstanding: 293,086 (June 30, 2022: Nil) units	23,378	
MCBFSL Trustee - HBL Islamic Financial Planning Fund - Conservative Allocation Plan - Associate		
Outstanding: 1,553 (June 30, 2022: 1,610) units	121	

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

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.

		March 31, 2023								
		Carrying amount				Fair Value				
		Available- for-sale	Held-for- trading	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
Note		(Rupees in '000)								
Financial assets measured at fair value										
Investments										
- Listed equity securities	5	147,481	-	-	-	147,481	147,481	-	-	147,481
Financial assets not measured at fair value										
	10.1									
Bank balances		-		12,654	-	12,654	-	-	-	-
Dividend and profit receivable		-		1,368	-	1,368	-	-	-	-
Receivable against sale of investment		-		14,537	-	14,537	-	-	-	-
Other receivables		-		3,006	-	3,006	-	-	-	-
		-		31,565	-	31,565	-	-	-	-
Financial liabilities not measured at fair value										
	10.1									
Payable to the Management Company		-	-	-	813	813	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan		-	-	-	35	35	-	-	-	-
Payable to the Trustee		-	-	-	31	31	-	-	-	-
Accrued expenses and other liabilities		-	-	-	1,216	1,216	-	-	-	-
		-	-	-	2,095	2,095	-	-	-	-

		June 30, 2021								
		Carrying amount				Fair Value				
		Available-for-sale	Held-for-trading	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total
		----- (Rupees in '000) -----								
Financial assets measured at fair value	10.1									
Investments										
- Listed equity securities		401,731	-	-	-	401,731	1,389,046	-	-	1,389,046
		401,731	-	-	-	401,731	1,389,046	-	-	1,389,046
Financial assets not measured at fair value	10.1									
Bank balances		-	-	14,593	-	14,593				
Dividend and profit receivable		-	-	868	-	868				
Receivable against sale of investment		-	-	4,376	-	4,376				
Other receivables		-	-	3,000	-	3,000				
		-	-	22,837	-	22,837				
Financial liabilities not measured at fair value										
Payable to the Management Company		-	-	-	2,798	2,798				
Payable to Securities and Exchange Commission of Pakistan		-	-	-	126	126				
Payable to the Trustee		-	-	-	84	84				
Accrued expenses and other liabilities		-	-	-	8,521	8,521				
		-	-	-	11,529	11,529				

10.1 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.

10.2 Transfers during the period

There were no transfers between various levels of fair value hierarchy during the period.

11. TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the nine months ended March 31, 2022 is 5.97% (March 31, 2022: 3.57%), which includes 0.45% (March 31, 2022: 0.27%) representing government levy, Workers' Welfare Fund and SECP fee.

12. DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 28, 2023.

13. CONTINGENCIES AND COMMITMENTS

There is no contingencies and commitment at March 31, 2022 and June 30, 2022

14. GENERAL

14.1 Figures have been rounded off to the nearest thousand rupees.

14.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

14.3 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures presented in condensed interim income statement and statement of comprehensive income for the quarter ended March 31, 2020 have not been reviewed.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Income Fund

FUND INFORMATION

Name of Fund	HBL Islamic Income Fund
Name of Auditor	Yousuf Adil Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Bank Islami Pakistan Limited Bank Al Baraka Limited Faysal Bank Limited Habib Bank Limited Dubai Islamic Bank Limited Askari Bank Limited Bank Al-Habib Limited Soneri Bank Limited Summit Bank Limited MCB Islamic Bank Limited National Bank of Pakistan Bank of Khyber

HBL Islamic Income Fund
Condensed Interim Statement of Assets And Liabilities (Unaudited)
As at March 31, 2023

	Note	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
		----- (Rupees in '000) -----	
Assets			
Bank balances	4	3,063,600	2,966,406
Investments	5	5,779,465	1,668,893
Profit receivable		263,514	75,064
Deposits and prepayments		42,119	310
Total assets		9,148,699	4,710,673
Liabilities			
Payable to the Management Company	6	13,941	5,280
Payable to the Trustee		1,069	327
Payable to Securities and Exchange Commission of Pakistan		1,009	425
Dividend payable		233	233
Payable against redemption of units		89,428	4,601
Accrued expenses and other liabilities	7	4,545	28,971
Total liabilities		110,225	39,837
Net assets		9,038,474	4,670,836
Unit holders' fund (as per statement attached)		9,038,474	4,670,836
		----- (Number of units) -----	
Number of units in issue		78,663,904	45,453,539
Net assets value per unit		114.8999	102.7607

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Income Fund
Condensed Interim Income Statement (Un-Audited)
For the Nine months and Quarter ended March 31, 2023

	Note	Nine months ended		Quarter ended	
		March 31,		March 31,	
		2023	2022	2023	2022
----- (Rupees in '000) -----					
Income					
Capital (loss) / gain on sale of investments - net		(4,578)	(933)	(756)	26
Income from sukuks		359,819	30,552	167,678	13,469
Income from TDR		140,515	22,053	108,394	9,831
Profit on bank deposits		324,283	38,293	110,538	14,374
Unrealised appreciation / (diminution) on re-measurement of investments at 'fair value through profit or loss - held-for-trading' - net		(6,911)	7,885	(3,735)	1,737
		813,128	97,850	382,119	39,437
Expenses					
Remuneration of the Management Company		27,028	13,182	14,278	3,805
Remuneration to the Trustee		4,275	857	1,926	310
Annual fee to the Securities and Exchange Commission of Pakistan		1,009	202	455	73
Allocation of expenses related to registrar services, accounting, operation and valuation services		10,241	654	4,544	(1)
Amortisation of preliminary expenses and floatation costs		-	-	-	-
Security transaction, settlement and bank charges		1,066	174	832	(37)
Auditors' remuneration		204	177	66	58
Fees and subscription		357	353	(381)	220
Printing charges		-	-	-	-
Selling and marketing expense		10,241	1,133	4,544	-
		54,422	16,732	26,264	4,428
Net income from operating activities		758,706	81,118	355,855	35,009
Reversal of provision	7.2	-	16,683	-	-
Workers' Welfare Fund					
Net income for the period before taxation		758,706	97,801	355,855	35,009
Taxation	8	-	-	-	-
Net income for the period after taxation		758,706	97,801	355,855	35,009
Allocation of net income for the period	3.6				
Net income for the period after taxation		758,706	97,801	355,855	35,009
Income already paid on units redeemed		203,441	25,902	101,907	17,760
		555,265	71,899	253,948	17,249
Accounting income available for distribution					
- Relating to capital gains		-	4,446	-	1,763
- Excluding capital gains		555,265	67,453	253,948	15,486
		555,265	71,899	253,948	17,249
Earning per unit	10				

The annexed notes 1 to 15 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 Income Fund
Condensed Interim Statement of Other Comprehensive Income (Un-Audited)
For the Nine months and Quarter ended March 31, 2023

	Nine months ended		Quarter ended	
	March 31,		March 31,	
	2023	2022	2023	2022
	----- (Rupees in '000) -----			
Net income for the period after taxation	758,706	97,801	355,855	35,009
Other comprehensive income for the period				
Items that may be reclassified to income statement	-	-	-	-
Total comprehensive income for the period	758,706	97,801	355,855	35,009

The annexed notes 1 to 15 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 Income Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the Nine months ended March 31, 2023

	Nine months ended	
	March 31,	
	2023	2022
	----- (Rupees in '000) -----	
Cash flows from operating activities		
Net income for the period before taxation	758,706	97,801
Adjustments for:		
Capital gain on sale of investments - net	4,578	933
Unrealised (loss) / gain on re-measurement of investments at 'fair value through profit or loss - held-for-trading' - net	6,911	(7,885)
Mark up / return on:		
- Bank profits	(324,283)	(38,293)
- Investments	(500,334)	(52,605)
Provision for Sindh Workers' Welfare Fund	-	(16,683)
	<u>(54,422)</u>	<u>(16,732)</u>
(Decrease) / Increase in assets		
Investments - net	<u>(4,126,769)</u>	<u>(397,226)</u>
Deposits and prepayments	<u>(41,809)</u>	<u>171</u>
	<u>(4,168,578)</u>	<u>(397,055)</u>
(Decrease) / Increase in liabilities		
Payable to the Management Company	<u>8,661</u>	<u>(903)</u>
Payable to the Trustee	<u>742</u>	<u>35</u>
Payable to Securities and Exchange Commission of Pakistan	<u>584</u>	<u>(59)</u>
Dividend payable	<u>-</u>	<u>-</u>
Payable against redemption of units	<u>84,827</u>	<u>(3,411)</u>
Accrued expenses and other liabilities	<u>(24,426)</u>	<u>(6,182)</u>
	<u>70,388</u>	<u>(10,520)</u>
Income received from sukuk	<u>221,455</u>	<u>35,206</u>
Income received from TDR	<u>140,515</u>	<u>22,053</u>
Profit received on bank deposits	<u>278,904</u>	<u>41,076</u>
	<u>640,874</u>	<u>98,335</u>
Net cash (used in) / generated from operating activities	<u>(3,511,738)</u>	<u>(325,972)</u>
Cash flow from financing activities		
Amount received on issue of units	<u>7,522,454</u>	<u>1,809,192</u>
Dividend paid	<u>-</u>	<u>-</u>
Payment against redemption of units	<u>(3,913,522)</u>	<u>(1,226,553)</u>
Net cash generated from / (used in) from financing activities	<u>3,608,932</u>	<u>582,639</u>
Net increase / (decrease) in cash and cash equivalents	<u>97,194</u>	<u>256,667</u>
Cash and cash equivalents at beginning of the year	<u>2,966,406</u>	<u>564,308</u>
Cash and cash equivalents at end of the year	<u>3,063,600</u>	<u>820,975</u>

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The annexed notes 1 to 15 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 Income Fund

Notes To The Condensed Interim Financial Statements (Unaudited)

For the Nine months and Quarter ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

The HBL Islamic Income Fund ('the Fund') was established under a trust deed executed between PICIC Asset Management Company Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SCD/AMCW/PIIF/949/2014 dated April 4, 2014 as a notified entity and the trust deed was executed on February 20, 2014.

Through an order dated August 31, 2016 SECP approved merger of PICIC Asset Management Company Limited with and into HBL Asset Management Limited effective from August 31, 2016 and the trust deed was revised on Feb 17, 2017. Effective from September 1, 2016 HBL Asset Management Limited became Management Company of the Fund which is a wholly owned subsidiary of Habib Bank Limited. The Agha Khan Fund for Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules, 2003) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The Fund has been categorised as a Shariah Compliant Income Scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CIS) and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

The investment objective of the Fund is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah compliant debt instruments while taking into account liquidity considerations.

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

VIS Credit Rating Company has assigned a management quality rating of 'AM1' (Stable Outlook) to the Management Company and reaffirmed the stability rating of A+(f) to the Fund as at March 31, 2023.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 "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 for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP.

Wherever the requirements of the Trust Deed, the NBFC Rules, NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the Trust Deed, the NBFC Rules, NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP have been followed.

2.1.2 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS - 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

2.1.3 "The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2021, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the nine month ended March 31, 2023.

2.1.4 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 quarters ended March 31, 2023 have not been reviewed.

2.1.5 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2023.

5.1 Privately placed sukuk certificates

Name of the Investee Company	Number of units				Market value as at March 31, 2023 (Rupees in '000)	Market value as a percentage of			
	As at July 1, 2022	Purchases during the period	Sales during the period	As at March 31, 2023		Total Investments	Net Assets		
Corporate Sukuks									
Agha Steel Industries Limited	95	-	-	95	49,183	0.85	0.54		
OBS AGP Private Limited	1,100	-	-	1,100	97,694	1.69	1.08		
Dubai Islamic Bank Pakistan Limited	54	-	54	-	-	-	-		
Ghani Gases Limited	1,330	-	-	1,330	20,393	0.35	0.23		
Hub Power Company Limited - 190320	350	-	-	350	17,588	0.30	0.19		
HUB POWER HOLDINGS LTD	-	1,050	-	1,050	107,090	1.85	1.18		
Hub Power Company Limited - 270422	4,500	-	4,500	-	-	-	-		
China Power Hub Generation Company	-	666	-	666	666,000	11.52	7.37		
Pak Electron Limited	120	-	-	120	-	-	-		
TPL Corpora	750	-	-	750	15,000	0.26	0.17		
Lucky Electric Power Company	375	-	-	375	25,000	0.43	0.28		
K-Electric	150	-	-	150	357,000	6.18	3.95		
K-Electric	-	200	-	200	200,000	3.46	2.21		
K-Electric	-	600	-	600	600,000	10.38	6.64		
TPL Trakker Limited	44	-	-	44	29,885	0.52	0.33		
Lucky Electric Power Company	-	250	250	-	-	-	-		
Lucky Electric Power Company	-	390	-	390	-	-	-		
K-electric Sukuk (23-Nov-22)	-	357	-	357	-	-	-		
K-electric Sukuk (10-Sep-22)	-	257	-	257	-	-	-		
	8,868	3,770	4,804	-	7,834	2,184,833	38	-	24
						2,183,907			
	Cost of investments at March 31, 2023					2,183,907			

5.1.1 These Sukuk carry mark-up at the rate ranging from 17.51% - 23.44% per annum. (June 30, 2022: semi annual mark-up at the rate of 7.85% & 18.03% per annum) respectively.

Note	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
	----- (Rupees in '000) -----	

6 PAYABLE TO THE MANAGEMENT COMPANY

Management fee	4,564	1,931
Sindh sales tax	593	251
Sales load payable	2,719	704
Allocation of expenses related to registrar services, accounting, operation and valuation services	1,521	772
Selling and marketing payable	4,544	1,622
	13,941	5,280

7 ACCRUED EXPENSES AND OTHER LIABILITIES

Withholding tax payable		2,538	27,003
Federal excise duty	7.1	1,344	1,344
Provision for Sindh Workers' Welfare Fund	7.2	-	-
Auditors' remuneration		126	171
Payable to brokers		210	71
Printing charges		44	85
Other payables		283	297
		4,545	28,971

7.1 Provision for Federal Excise Duty

The legal status of applicability of Federal Excise Duty (FED) on the Fund is the same as that disclosed in note 13.2 to the annual audited financial statements of the Fund for the year ended June 30, 2022, and the appeal filed by tax authorities with Honorable Supreme Court of Pakistan is pending for decision.

In view of above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 1.344 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2023 would have been higher by Rs. 0.017 per unit (June 30, 2022: Rs. 0.0296 per unit).

7.2 Provision for Sindh Workers' Welfare Fund

The Government of Sindh also introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The Mutual Fund Association of Pakistan, 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. MUFAP has taken up the matter with the concerned ministry [Sindh Finance Ministry] for appropriate resolution of the matter.

During the current year, SRB through its letter dated August 12, 2021 (received on August 13, 2021) to Mutual Funds Association of Pakistan (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 (EOGM) 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. 16.683 million charged till August 12, 2021.

8. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at March 31, 2023 and June 30, 2022.

9. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ending June 30, 2023 to its unit holders.

10. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in this condensed interim financial information as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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

Transaction and balances with related parties who were connected persons due to holding 10% or more units in the comparatives period and not in the current period are not disclosed in the comparative.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the condensed interim financial information are as follows:

11.1	Transactions during the period	Nine months ended	
		2023	2022
		March 31,	
		(Rupees in '000)	
	HBL Asset Management Limited - Management Company		
	Remuneration of Management Company	23,919	11,665
	Sindh Sales Tax on remuneration of Management Company	3,109	1,517
	Allocation of expenses related to registrar services, accounting, operation and valuation services	10,241	654
	Selling and marketing expense	10,241	
	Habib Bank Limited - Sponsor		
	Bank charges paid	316	126
	Profit on bank deposits earned	1,857	8,056
	Executives of the Management Company		
	Issuance of units 2023: 129,162 (2022: 30,160 units)	14,371	3,227
	Redemption of units 2023: 162,563 (2022: 17,930 units)	17,838	1,907
	Central Depository Company of Pakistan Limited - Trustee		
	Trustee remuneration	4,275	857
	Central Depository Service charges	430	25
	MCBFSL Trustee HBL Islamic Financial Planning Fund Active Allocation Plan - Associate		
	Issuance of units 2023: Nil (2022: 2,449 units)	-	262
	Redemption of units 2023: Nil (2022: 83,890 units)	-	8,980
	MCBFSL Trustee HBL Islamic Financial Planning Fund Conservative Allocation Plan - Associate		
	Issuance of units 2023: Nil (2022: 25,384 units)	-	2,711
	Redemption of units 2023: 907 (2022: 422,019 units)	98	45,047
	New Jubilee Life Insurance Limited - Associate		
	Issuance of units 2023: Nil (2022: 954,533) units	-	100,000
	Zahid Rashid Soorty		
	Related party due to holding more than 10%		
	Redemption of units 2023: 270,070 (2022: Nil units)	30,000	-
	HBL Islamic Money Market Fund under common management		
	Sale of K-Electric Islamic Commercial Paper	-	40,000
	Sale of HUB power holding Company Sukuk	-	160,000

	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
	----- (Rupees in '000) -----	
11.2 Balances outstanding as at period / year end		
HBL Asset Management Limited - Management Company		
Remuneration of the Management Company	4,564	1,931
Sindh Sales Tax on remuneration of the Management Company	593	251
Sales load payable	2,719	704
Allocation of expenses related to registrar services, accounting, operation and valuation services	1,521	772
Selling and Marketing expense payable	-	1,622
Habib Bank Limited - Sponsor		
Bank balances	10,978	306,175
HBL Asset Management Ltd Employess Gratuity Fund		
Units held: 5,949 (June 30, 2022: 5,949) units	683	611
HBL Asset Management Ltd Employess Provident Fund		
Units held: 31,980 (June 30, 2022: 31,980) units	3,673	3,286
Executives of the Management Company		
Units held: 14,755 units (June 30,2022: 48,163 units)	1,695	4,949
MCBFSL Trustee HBL Islamic Financial Planning Fund Active Allocation Plan		
Units held: Nil (June 30, 2022: Nil) units	-	-
MCBFSL Trustee HBL Islamic Financial Planning Fund Conservative Allocation Plan		
Units held: 4,605 (June 30, 2022: 5,512) units	529	566
New Jubilee Life Insurance Limited		
Units held: 3,961,318 (June 30, 2022: 3,961,318) units	454,953	407,068
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	1,069	327
Security deposit	100	100
Hamdard Laboratories (Waqf) Pakistan		
Related party due to holding more than 10% Units held: Nil (June 30, 2022: 14,907,091)	-	1,531,863
Zahid Rashid Soorty		
Related party due to holding more than 10% Units held: 5,371,475 (June 30, 2022: 5,641,546)	616,908	579,729
HBL Cash Fund under common management		
Sale of Lucky Electric Power Company Limited	259,587	-

* Comparative transactions / balances of these parties have not been disclosed as these parties were not related parties in last period

12. FAIR VALUE AND CATEGORIES OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the period end 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.

The Fund classifies 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:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. 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.

		March 31, 2023							
		Carrying amount				Fair Value			
		Fair value through profit or loss - held-for-trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments									
Financial assets measured at fair value									
Investments		5779465			5,779,465		5,779,465		5,779,465
- Corporate sukuk certificates									
- GOP Ijarah Sukuks									
		5,779,465			5,779,465		5,779,465		5,779,465
		-							
Financial assets not measured at fair value									
Bank balances		3,063,600	3,063,600	-	6,127,200				
Investments		-	-	-	-				
Profit receivable		-	263,514	-	263,514				
		3,063,600	3,327,114	-	6,390,714				
Financial liabilities not measured at fair value									
Payable to the Management Company		-	-	13,941	13,941				
Payable to the Trustee		-	-	1,069	1,069				
Accrued expenses and other liabilities		-	-	391	391				
Payable against redemption of units		-	-	89,428	89,428				
Unit holders' fund		-	-	9,038,474	9,038,474				
		-	-	9,143,303	9,143,303				
		June 30, 2022							
		Carrying amount				Fair Value			
		Fair value through profit or loss - held-for-trading	Amortised cost		Total	Level 1	Level 2	Level 3	Total
On-balance sheet financial instruments									
Financial assets measured at fair value									
Investments									
- Corporate sukuk certificates		330,254	-	-	330,254		330,254		330,254
- Commercail paper		-	-	-	-				
		330,254	-	-	330,254	-	330,254	-	330,254
Financial assets not measured at fair value									
Bank balances	10.1		564,308		564,308				
Commercial Paper		-	141,274		141,274				
Profit receivable		-	22,389		22,389				
Deposit			100		100				
		-	728,071		728,071				
Financial liabilities not measured at fair value									
Payable to the Management Company	10.1	-	-	2,005	2,005	-	-	-	-
Payable to the Trustee		-	-	70	70	-	-	-	-
Payable against redemption of units		-	-	10,399	10,399	-	-	-	-
Accrued expenses and other liabilities		-	-	233	233	-	-	-	-
Dividend payable		-	-	701	701	-	-	-	-
		-	-	13,408	13,408	-	-	-	-

12.1 For level 2 investments at fair value through profit or loss - investment in Privately Placed Sukuks, are valued on the basis of rates determined by the Mutual Fund Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP vide its circular no. 1 of 2009 dated January 6, 2009 and circular no. 33 of 2012 dated October 24, 2012 at reporting date.

For level 3 investments at fair value through profit or loss - investment in respect of Sukuk, the Fund has received Agha Steel Industries sukuk which are in the process of listing. Accordingly, these are stated at cost.

12.2 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.

12.3 Transfers during the period

There were no transfers between various levels of fair value hierarchy during the period

13. TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the nine months ended March 31, 2023 is 1.08% (2022: 1.24%) which includes 0.09% (2022: 0.13%) representing government levy, Sindh Worker's Welfare Fund and SECP fee.

14. DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 28, 2023.

15. GENERAL

15.1 Figures have been rounded off to the nearest thousand rupees.

15.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Equity Fund

FUND INFORMATION

Name of Fund	HBL Islamic Equity Fund
Name of Auditor	BDO Ebrahim & Co. Chartered Accountants
Name of Trustee	Central Depository Company of Pakistan Limited (CDC)
Bankers	Bank Islami Pakistan Limited Bank Al Baraka Limited MCB Bank Limited Faisal Bank Limited Habib Bank Limited

HBL Islamic Equity Fund
Condensed Interim Statement of Assets and Liabilities (Un-Audited)
As at March 31, 2023

		March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
	Note	----- (Rupees in '000) -----	
Assets			
Bank balances	4	8,669	15,503
Investments	5	94,946	142,750
Dividends and profit receivable		1,959	1,175
Deposits, prepayments and other receivables		3,064	3,056
Receivable against sale of investments		2,020	7,870
Total assets		110,659	170,354
Liabilities			
Payable to the Management Company	6	1,042	326
Payable to the Trustee		20	28
Payable to Securities and Exchange Commission of Pakistan		19	67
Payable against redemption of units		5,673	19,986
Accrued expenses and other liabilities	7	3,947	4,009
Total liabilities		10,699	24,416
Net assets		99,960	145,938
Unit holders' fund (as per statement attached)		99,960	145,938
		----- (Number of units) -----	
Number of units in issue		1,517,018	2,085,441
		----- (Rupees) -----	
Net assets value per unit		65.8922	69.9797

The annexed notes 1 to 15 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 Equity Fund
Condensed Interim Income Statement (Un-Audited)
For the Nine months and Quarter ended March 31, 2023

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2023	2022	2023	2022
----- (Rupees in '000) -----					
Income					
Capital (loss) / gain on sale of investments - net		(7,112)	(63,344)	(3,104)	(16,747)
Dividend income		6,449	8,479	1,831	2,750
Profit on bank deposits		1,341	1,099	341	176
		678	(53,766)	(932)	(13,821)
Unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss - held-for-trading' - net		(3,674)	(41,086)	1,373	(4,162)
		(2,996)	(94,851)	441	(17,983)
Expenses					
Remuneration of the Management Company		2,190	6,446	589	1,382
Remuneration of the Trustee		219	645	59	76
Annual fee to Securities and Exchange Commission of Pakistan		19	57	5	12
Allocation of expenses related to registrar services, accounting, operation and valuation services		533	1,460	143	319
Selling and marketing expense		1,017	2,907	273	625
Securities transaction costs		1,978	1,880	723	320
Auditors' remuneration		205	178	67	58
Settlement and bank charges		285	428	78	202
Fees and subscription		200	299	60	99
		6,647	14,300	1,997	3,093
Net (loss) from operating activities		(9,643)	(109,151)	(1,556)	(21,076)
Reversal for Sindh Workers' Welfare Fund	7.2	-	5,543	-	-
Net (loss) for the period before taxation		(9,642)	(103,607)	(1,556)	(21,076)
Taxation	8	-	-	-	-
Net (loss) for the period after taxation		(9,642)	(103,607)	(1,556)	(21,076)
Allocation of net income for the period	3.6				
Net (loss) for the period after taxation		(9,642)	(103,607)	(1,556)	(21,076)
Income already paid on units redeemed		-	-	-	-
		(9,642)	(103,607)	(1,556)	(21,076)
Accounting income available for distribution					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		-	-	-	-
		-	-	-	-
Earnings per unit	10				

The annexed notes 1 to 15 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 Equity Fund
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For the Nine months and Quarter ended March 31, 2023

	Nine months ended		Quarter ended	
	March 31,		March 31,	
	2023	2022	2023	2022
	----- (Rupees in '000) -----			
Net (loss) for the period after taxation	(9,642)	(103,607)	(1,556)	(21,076)
Other comprehensive income for the period				
Item that may be reclassified subsequently to Income Statement	-	-	-	-
Total comprehensive income for the period	(9,642)	(103,607)	(1,556)	(21,076)

The annexed notes 1 to 15 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 Equity Fund
Condensed Interim Cash Flow Statement (Unaudited)
For the Nine months ended March 31, 2023

	Nine Months ended	
	2023	2022
	----- (Rupees in '000) -----	
Cash flows from operating activities		
Net (loss) for the period before taxation	(9,642)	(103,607)
Adjustments		
Dividend income	(6,449)	(8,479)
Profit from bank deposits	(1,341)	(1,099)
Capital gain on sale of investments - net	7,112	63,344
Amortisation of preliminary and flotation costs	-	-
Unrealised Diminution / (appreciation) on remeasurement of investments at fair value through profit or loss - held-for-trading - net	3,674	41,086
Element of loss and capital losses included in prices of units issued less those in units redeemed - net	-	-
(Reversal) / provision for Sindh Workers' Welfare Fund	-	(5,543)
	(6,646)	(14,298)
Decrease / (Increase) in assets		
Investments - net	37,018	(178,890)
Deposits, prepayments and other receivables	(8)	(91)
Receivable against sale of investments	5,850	5,030
	42,860	(173,951)
(Decrease) / increase in liabilities		
Payable to the Management Company	716	804
Payable to the Trustee	(8)	14
Payable to Securities and Exchange Commission of Pakistan	(48)	(10)
Payable against redemption of units	(14,313)	(7,530)
Accrued expenses and other liabilities	(62)	5,425
	(13,715)	(1,297)
Dividend received	22,499	(189,546)
Profit received on bank deposit	5,455	11,798
	1,551	1,066
Net cash generated from / (used in) operating activities	29,505	(176,682)
Cash flows from financing activities		
Amount received on issue of units	99,952	371,840
Payment against redemption of units	(136,288)	(668,010)
Dividend paid	-	-
Net cash (used in) / generated from from financing activities	(36,336)	(296,170)
Net (Decrease) / Increase in cash and cash equivalents	(6,831)	(472,852)
Cash and cash equivalents at beginning of the period	15,503	15,503
Cash and cash equivalents at end of the period	8,669	(457,349)

4

The annexed notes 1 to 15 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 Equity Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the Nine months and Quarter ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Islamic Equity Fund ('the Fund') was established under a Trust Deed executed between PICIC Asset Management Company Limited (now, HBL Asset Management Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SCD/AMCW/PISF/965/2014 dated April 23, 2014 as a notified entity and the Trust Deed was executed on February 20, 2014.

The Fund has been categorised as a Shariah Compliant equity scheme as per the criteria laid down by the SECP for categorisation of Open-End Collective Investment Schemes (CIS) and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.

Through an order dated August 31, 2016, SECP approved the merger of PICIC Asset Management Company Limited with and into HBL Asset Management Limited effective from August 31, 2016 and the trust deed was revised on February 17, 2017. Effective from September 1, 2016, HBL Asset Management Limited became Management Company of the Fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund For Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules, 2003) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.

The objective of HBL Islamic Equity Fund is to provide the maximum total return to the unit holders from investment in 'Shariah Compliant' equity investments for the given level of risk. Title to the assets of the Fund is held in the name of Central Depository

VIS Credit Rating Company has assigned a long term management quality rating of 'AM1' (Stable outlook) to the Management Company.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 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 for interim financial reporting comprise of International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017, the requirements of the Trust Deed, the NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations'), provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP.

'Wherever the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP differ with the requirements of the IAS 34, the requirements of the Trust Deed, the NBFC Rules, the NBFC Regulations, provisions of and directives issued under the Companies Act, 2017 and the directives issued by the SECP have been followed.

2.1.2 The disclosures made in this condensed interim financial information have; however, been limited based on the requirements of International Accounting Standard - 34 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2021.

2.1.3 The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2021, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended March 31, 2023.

2.1.4 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 March 31, 2023 have not been reviewed.

2.1.5 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2023.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

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

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

3.1 The accounting policies adopted for the preparation of this 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, unless otherwise stated.

3.2 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2021.

3.4 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan, effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting period beginning on or after July 01, 2021. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements of the Fund for the year ended June 30, 2021.

	Note	March 31, 2023 (Un-Audited) ----- (Rupees in '000) -----	June 30, 2022 (Audited)
4. BANK BALANCES			
Current accounts		1	10
Savings accounts	4.1	8,668	15,493
		<u>8,669</u>	<u>15,503</u>

4.1 Mark-up rates on these accounts range between 14.50% to 18.00% p.a (June 30, 2022: 6.50% - 15.75% p.a).

5. INVESTMENTS

Financial assets 'at fair value through profit or loss' held for trading

- Listed equity securities	5.1	94,946	142,750
		<u>94,946</u>	<u>142,750</u>

5.1 Financial assets 'at fair value through profit or loss' - held for trading - listed equity securities

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

Name of the Investee Company	Number of shares				Market value			Par value as a percentage of issued capital of the investee company
	As at July 1, 2022	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2023	As at March 31, 2023 (Rupees in '000)	As a percentage of total Investments	
Cement								
Attock Cement Pakistan Limited	129,700			129,700	-	-	-	-
Cherat Cement Company Limited		138,000		138,000	-	-	-	-
D G Khan Cement Co.Limited		525,800		372,800	153,000	6,718	0.07	0.07
Fauji Cement Company Limited		283,000		283,000	-	-	-	-
Kohat Cement Limited		35,000		35,000	-	-	-	0.07
Lucky Cement Limited		27,000		27,000	-	-	-	-
Maple Leaf Cement Factory Limited		1,517,500		1,342,500	175,000	4,547	0.05	0.05
Pioneer Cement Limited		316,000		316,000	-	-	-	-
	129,700	2,842,300	-	2,644,000	328,000	11,265	0	0
FERTILIZER								
Engro Corporation Limited	52,266	140,284	-	192,550	-	-	-	-
Engro Fertilizers Limited	114,027	228,182	-	205,097	137,112	11,630	0.12	0.12
	166,293	368,466	-	397,647	137,112	11,630	0.12	0.12
Chemicals								
Engro Polymer & Chemicals Ltd	39,000	72,000	-	111,000	-	-	-	-
Lotte Chemical Pakistan Ltd	-	41,000	-	-	41,000	1,039	-	-
Lucky Core Industries Limited	-	2,400	-	2,400	-	-	-	-
	39,000	115,400	-	113,400	41,000	1,039	-	-
Millat Tractors Ltd	-	2,200	-	2,200	-	-	-	-
	-	2,200	-	2,200	-	-	-	-
Commercial Bank								
Bankislami pakistan Limited	130,500	-	-	130,500	-	-	-	-
Faysal Bank Limited	-	450,000	-	450,000	-	-	-	-
Meezan Bank Limited	126,957	400,542	7,345	387,844	147,000	13,994	0.15	0.14
	257,457	850,542	7,345	968,344	147,000	13,994	0.15	0.14
Engineering								
International Steels Limited	-	83,500	-	-	83,500	3,541	0.04	0.04
Mughal Iron & Steel Inds Limited	33,213	38,000	-	33,213	38,000	1,867	0.02	0.02
	33,213	121,500	-	33,213	121,500	5,408	0.06	0.05
Oil and Gas Exploration Companies								
Mari Petroleum Company Limited	3,916	6,045	-	9,816	145	219	0.00	0.00
Oil & Gas Development Company Limited	177,244	592,100	-	613,844	155,500	12,962	0.14	0.13
Pakistan Oilfields Limited	19,899	14,950	-	34,849	-	-	-	-
Pakistan Petroleum Limited	207,640	722,718	-	757,358	173,000	11,065	0.12	0.11
	408,699	1,335,813	-	1,415,867	328,645	24,246	0.26	0.24
Oil and Gas Marketing Companies								
Attock Petroleum Ltd	10,100	-	2,525	12,625	-	-	-	-
Pakistan State Oil Company Limited	38,078	74,000	-	111,329	749	88	0.00	0.00
Sui Northern Gas Pipeline Limited	-	1,031,155	-	831,155	200,000	7,818	0.08	0.08
	48,178	1,105,155	2,525	955,109	200,749	7,906	0.08	0.08
Refinery								
Attock Refinery Limited	38,100	154,061	-	174,161	18,000	3,065	0.03	0.03
National Refinery Limited	23,170	29,280	-	52,450	-	-	-	-
	61,270	183,341	-	226,611	18,000	3,065	0.03	0.03
Power Generation & Distribution								
Hub Power Company Limited	74,300	320,700	-	395,000	-	-	-	-
Nishat Chunian Power Ltd	53,500	-	-	53,500	-	-	-	-
	127,800	320,700	-	448,500	-	-	-	-
Pharmaceuticals								
The Searle Company Limited	16,088	-	397	14,500	1,985	102	0.00	0.00
	16,088	-	397	14,500	1,985	102	0.00	0.00
Food & Allied Industries								
The Organic Meat Company Limited	121,292	15,000	-	136,292	-	-	-	-
	121,292	15,000	-	136,292	-	-	-	-

Name of the Investee Company	Number of shares				Market value			Par value as a percentage of issued capital of the investee company
	As at July 1, 2022	Purchases during the period	Bonus issue	Sales during the period	As at March 31, 2023	As at March 31, 2023 (Rupees in '000)	As a percentage of total Investments	
Textile Composite								
Interloop Limited	17,623	-	-	17,623	-	-	-	-
Kohinoor Textile Mills Limited	16,500	-	-	16,500	-	-	-	-
Nishat Mills Limited	14,551	-	-	14,551	-	-	-	-
	48,674	-	-	48,674	-	-	-	-
Technology & Communication								
Avanceon Limited	26,873	406,127	-	433,000	-	-	-	-
Systems Limited	6,898	68,348	-	68,348	6,898	3,187	0.03	0.03
TPL Trakker Limited	157,500	1,230,500	-	392,500	995,500	8,950	0.09	0.09
	191,271	1,704,975	-	893,848	1,002,398	12,138	0.13	0.12
Food & personal care products								
Unity Foods Limited	194,962	306,038	-	501,000	-	-	-	-
	194,962	306,038	-	501,000	-	-	-	#REF!
Glass & Ceramics								
Tariq Glass Industries Ltd	-	59,000	-	-	59,000	4,153	0.04	0.04
	-	59,000	-	-	59,000	4,153	0	0
MISCELLANEOUS								
TPL Properties Limited	78,000	783,000	-	861,000	-	-	-	-
	78,000	783,000	-	861,000	-	-	-	-
March 31, 2023 Total:	1,921,897	10,113,430	10,267	9,660,205	2,385,389	94,946		
Carrying value as at March 31, 2022						217,210		

5.1.1 These investments include shares with market value aggregating to Rs. 12.6 million (June 30, 2022: Rs. 58.3million) 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. Details are as follows:

5.1.2 These investments include gross bonus shares as per Fund's entitlement declared by the investee companies. 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% 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 Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan, has filed a petition in Honorable 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 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Honorable Sindh High Court has granted stay order till the final outcome of the case. However, the investee company(s) has withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 3.59 million at March 31, 2023 (June 30, 2022: Rs. 2.82 million) and not yet deposited on CDC account of department of Income tax. Management is of the view that the decision will be in the favor and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

6. PAYABLE TO THE MANAGEMENT COMPANY	March 31,	June 30,
	2023 (Un-Audited)	2022 (Audited)
	----- (Rupees in '000) -----	
Remuneration to the Management Company	173	250
Sindh Sales Tax on Management Company's remuneration	23	32
Sales load payable to Management Company	524	15
Allocation of expenses related to registrar services, accounting, operation and valuation services	48	1
Selling and marketing payable	274	28
	1,042	326

	Note	March 31, 2023 (Un-Audited) ----- (Rupees in '000) -----	June 30, 2022 (Audited)
7. ACCRUED EXPENSES AND OTHER LIABILITIES			
Provision for Federal Excise Duty on Management fee	7.1	3,268	3,268
Provision for Sindh Workers' Welfare Fund	7.2	-	
Donation payable	7.3	341	437
Payable to brokers		231	
Withholding tax payable		46	15
Auditors' remuneration		42	74
Printing charges		-	21
Others		19	194
		<u>3,947</u>	<u>4,009</u>

7.1 The legal status of applicability of Federal Excise Duty on the Fund is the same as disclosed in note 13.2 to the annual audited financial statements of the Fund for the year ended June 30, 2017, and the appeal which was filed by tax authorities against the order by the Honourable Supreme Court of Pakistan dated July 16, 2016, is pending for decision.

In view of the above, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 3.268 million. Had the provision not been retained, NAV per unit of the Fund as at March 31, 2022 would have been higher by Rs. 2.15 per unit (June 30, 2022: Rs. 1.56 per unit).

7.2 The Government of Sindh also introduced levy of the Sindh Workers' Welfare Fund (SWWF) through the Sindh Workers' Welfare Act, 2014. The Mutual Fund Association of Pakistan, 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. MUFAP has taken up the matter with the concerned ministry [Sindh Finance Ministry] for appropriate resolution of the matter.

During the current year, SRB through its letter dated August 12, 2021 (received on August 13, 2021) to Mutual Funds Association of Pakistan (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 (EOGM) 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.

On August 13, 2021 the Fund ceased to charge further provision for SWWF and has reversed full provision for SWWF amounting to Rs. 5.543 million for the period from July 1, 2014 till August 12, 2021.

7.3 This represents amount attributable to income earned from shariah non-compliant avenues, earmarked for onward distribution as charity in accordance with the instructions of the Shariah Advisor.

8. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at March 31, 2023 and June 30, 2022.

9. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year ended June 30, 2022 to its unit holders.

10 EARNINGS PER UNIT

Earnings per unit has not been disclosed as in the opinion of the management determination of cumulative weighted average number of outstanding units for calculating earnings per unit is not practicable.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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

Transactions and balances with parties who were connected persons due to holding 10% or more units in the comparative period and not in the current period are not disclosed in the comparative period.

Details of the transactions with connected persons and balances with them, if not disclosed elsewhere in the condensed interim financial information are as follows:

	Nine months ended	
	March 31,	
	2023	2022
	----- (Rupees in '000) -----	
11.1 Transactions during the period		
HBL Asset Management Limited - Management Company		
Remuneration of the Management Company	1,938	5,704
Sindh Sales Tax on remuneration of the Management Company	252	742
Allocation of expenses related to registrar services, accounting, operation and valuation services	533	1,460
Selling and marketing expense	1,017	2,907
Executives of the Management Company		
Issue of 57,000 units (2022: 125,493 units)	4,004	11,359
Redemption 152,369 units (2022: 41,991) units	10,330	4,009
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	219	645
Central Depository Service charges	38	79
MCBFSL Trustee HBL Islamic Financial Planning Fund Conservative Allocation Plan -Associate		
Issuance of units 292 units (2022: 39,672 units)	20	3,493
Redemption of Nil units (2022: 135,096 units)	-	11,763
MCBFSL Trustee HBL Islamic Financial Planning Fund * Active Allocation Plan Associate		
Issuance of units Nil units (2022: 30,775 units)	-	2,718
Redemption of Nil units (2022: 200,319 units)	-	17,744

11.2 Balances outstanding as at period / year end	March 31, 2023 (Un-Audited)	June 30, 2022 (Audited)
	----- (Rupees in '000) -----	
HBL Asset Management Company Limited		
Units held: Nil (June 30, 2022: Nil) units	-	-
Management fee payable	173	250
Sales load payable	524	1
Sindh Sales Tax	23	32
Allocation of expenses related to registrar services,	48	1
Selling and marketing expense	274	28
Central Depository Company of Pakistan Limited - Trustee		
Trustee Fee payable	20	128
Executives of the Management Company		
Units held: Nil (June 30, 2022: 95,369) units	-	6,674
MCBFSL - Trustee HBL Islamic Financial Planning Fund Active Allocation Plan		
Units held: Nil (June 30, 2022: Nil) units	-	-
MCBFSL - Trustee HBL Islamic Financial Planning Fund Conservative Allocation Plan		
Units held: Nil (June 30, 2022: Nil) units	-	-
Munira Amir Wasi- Related party due to holding more than 10 percent		
Units held: 531,947 (June 30, 2022: 531,947) units	34,785	37,225
Muhammad Farhan Fancy - Related party due to holding more than 10 percent		
Units held: Nil (June 30, 2022: 281,371) units	-	19,690
Muhammad Arshad - Related party due to holding more than 10 percent		
Units held: 316,746 (June 30, 2022: 281,371) units	23,020	-

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid or transfer a liability in an orderly transaction between market participants and 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.

		March 31, 2023							
		Carrying amount			Fair Value				
	Note	March 31, 2023	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
On-balance sheet financial instruments									
Financial assets measured at fair value									
Investments	12.1	94,946							
- Listed equity securities		94,946	-	-	94,946	94,946	-	-	94,946
		94,946	-	-	94,946	94,946	-	-	94,946
Financial assets not measured at fair value									
Bank balances	12.1	-	8,669	-	8,669				
Dividends and profit receivable		-	1,959	-	1,959				
Receivable against sale of investments		-	2,020	-	2,020				
		-	12,648	-	12,648				
Financial liabilities not measured at fair value									
Payable to the Management Company	12.1	-	-	1,042	1,042				
Payable to the Trustee		-	-	20	20				
Payable against redemption in units		-	-	5,673	5,673				
Accrued expenses and other liabilities		-	-	426	426				
Unit holders' fund		-	-	99,960	99,960				
		-	-	107,121	107,121				
		June 30, 2022							
		Carrying amount			Fair Value				
		Fair value through profit or loss - held-for- trading	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)									
On-balance sheet financial instruments									
Financial assets measured at fair value									
Investments	12.1								
- Listed equity securities		142,750	-	-	142,750	142,750	-	-	142,750
		142,750	-	-	142,750	142,750	-	-	142,750
Financial assets not measured at fair value									
Bank balances	12.1	-	15,503	-	15,503				
Dividends and profit receivable		-	1,175	-	1,175				
Dividend			2,600		2,600				
Receivable against sale of investments			2,152		2,152				
		-	21,430	-	21,430				
Financial liabilities not measured at fair value									
Payable to the Management Company	12.1	-	-	2,227	2,227				
Payable to the Trustee		-	-	104	104				
Payable against redemption in units		-	-	19,986	19,986				
Accrued expenses and other liabilities		-	-	2,026	2,026				
		-	-	24,343	24,343				

12.1 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.

12.2 Transfers during the period

No transfers were made between various levels of fair value hierarchy during the period.

13. TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the fund for the nine months ended March 31, 2023 is 6.87% (March 2022: 3.76%) which includes 0.55% (June 2019: 0.43%) representing government levy and SECP fee.

14. DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 28, 2023.

15. GENERAL

15.1 Figures have been rounded off to the nearest thousand rupees.

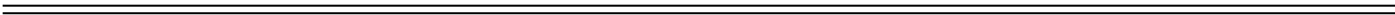
15.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director



HBL

Islamic Financial Planning Fund



FUND INFORMATION

Name of Fund	HBL Islamic Financial Planning Fund
Name of Auditor	KPMG Taseer Hadi & Co., Chartered Accountants
Name of Trustee	Digital Custodian Company (Formerly MCB Financial Services Limited (MCBFSL))
Name of Shariah Advisors	Al - Hilal Shariah Advisors (Pvt.) Limited
Bankers	Bank Islami Pakistan Limited Habib Bank Limited Dubai Islamic Bank Limited

HBL Islamic Financial Planning Fund
Condensed Interim Statement of Assets and Liabilities (Un-Audited)
As at March 31, 2023

Note	Mar 31, 2023 (Un-Audited)			June 30, 2022 (Audited)			
	Active Allocation Plan	Conservative Allocation Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Capital Preservation Plan	Total
(Rupees in '000)							
ASSETS							
4	284	168	452	2,709	247		2,956
							5,967
5	99,299	732	100,031	120,934	705		121,639
	4	1	5	8	1		9
	112	18	130	102	18		120
TOTAL ASSETS	99,699	919	100,619	123,753	971	-	130,691
LIABILITIES							
6	17	-	17	22	-	-	22
	9	-	9	10	-	-	10
	12	-	12	9	5	-	14
7	408	231	639	374	241	-	615
	26	-	26	-	-	-	-
							2,683
TOTAL LIABILITIES	472	231	703	415	246	-	3,344
NET ASSETS	99,227	688	99,915	123,338	725	-	124,063
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)							
	99,227	688	99,915	123,338	725	-	124,063
CONTINGENCIES AND COMMITMENTS							
(Units)							
NUMBER OF UNITS IN ISSUE	1,038,379	7,150	-	1,414,900	7,961	-	-
(Rupees)							
NET ASSETS VALUE PER UNIT	95.5594	96.3282		87.1696	90.9171		

The annexed notes 1 to 16 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 Financial Planning Fund
Condensed Interim Income Statement (Un-Audited)
For the nine months ended March 31, 2023

Note	For the nine months ended March 31, 2023			For the nine months ended March 31, 2022		
	Active	Conservative	Total	Active	Conservative	Total
	Allocation Plan	Allocation		Allocation Plan	Allocation Plan	
----- (Rupees in '000) -----						
Income						
Mark-up on deposits with bank	236	14	250	27	57	84
Capital gain / (loss) on sale of investment - net	-	6	6	(2,657)	248	(2,409)
Unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss - held-for-trading' - net	-	64	64	(5,263)	16	(5,247)
Dividend Income	8,041	3	8,044	19	1	20
Back end load	-	-	-	-	-	-
	8,277	87	8,364	(7,874)	322	(7,552)
Expenses						
Remuneration of the Management Company	40	-	40	2	7	9
Sindh Sales Tax on remuneration of the Management Company	5	-	5	-	1	1
Remuneration of the Trustee	59	1	60	31	26	57
Annual fee to the Securities and Exchange Commission of Pakistan	12	-	12	6	5	11
Allocation of expenses related to registrar services, accounting, operation and valuation services	116	1	117	61	51	112
Amortisation of preliminary expenses and flotation costs	-	-	-	13	2	15
Auditors' remuneration	284	5	289	263	50	313
Printing charges	95	2	97	9	9	18
Bank charges	11	38	49	13	18	31
Fees and subscription	20	-	20	9	4	14
Shariah advisory fee	156	2	158	93	67	159
Legal Fee	-	-	-	59	62	121
	798	49	847	559	302	861
Net (loss) / income from operating activities	7,479	38	7,517	(8,433)	20	(8,413)
Reversal / (Provision) for Sindh Workers' Welfare Fund	-	-	-	541	49	590
Net (loss) / income for the period before taxation	7,479	38	7,517	(7,892)	69	(7,823)
Taxation	-	-	-	-	-	-
Net (loss) / income for the period after taxation	7,479	38	7,517	(7,892)	69	(7,823)
Distribution for the period						
Income already paid on redemption of units	(3,393)	-	(3,393)	-	(69)	(69)
Accounting income available for distribution	-	38	38	-	-	-
- Relating to capital gains	4,086	-	4,086	-	-	-
- Excluding capital gains	4,086	38	4,124	-	-	-
Net (loss) / income for the period after taxation	7,479	38	7,517	(7,892)	69	(7,823)
Earnings per unit	14					
Other comprehensive income for the period	-	-	-	-	-	-
Item that may be reclassified subsequently to income statement	-	-	-	-	-	-
Item that will not be reclassified subsequently to income statement	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	7,479	38	7,517	(7,892)	69	(7,823)

The annexed notes 1 to 16 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 Financial Planning Fund
Condensed Interim Income Statement (Un-Audited)
For The Quarter Ended March 31, 2023 (CONTINUED)

Note	Quarter ended March 31, 2023 (note 1.1)			Quarter ended March 31, 2022 (note 1.1)			
	Active	Conservative	Total	Active	Conservative	Capital	Total
	Allocation Plan	Allocation Plan		Allocation Plan	Allocation Plan	Preservation Plan	
(Rupees in '000)							
Income							
Mark-up on deposits with bank	165	5	170	4	2	-	6
Capital gain / (loss) on sale of investment - net	-	-	-	(39)	(13)	-	(52)
Unrealised (diminution) / appreciation on re-measurement of investments at 'fair value through profit or loss - held-for-trading' - net	-	18	18	(1,531)	14	-	(1,517)
Dividend Income	3,449	1	3,450	19	1	-	20
Back end load	-	-	-	-	-	-	-
	3,614	24	3,638	(1,547)	4	-	(1,543)
Expenses							
Remuneration of the Management Company	22	-	22	-	-	-	-
Sindh Sales Tax on remuneration of the Management Company	3	-	3	-	-	-	-
Remuneration of the Trustee	25	1	26	6	-	-	6
Annual fee to the Securities and Exchange Commission of Pakistan	5	-	5	1	-	-	1
Allocation of expenses related to registrar services, accounting, operation and valuation services	50	-	50	13	1	-	13
Amortisation of preliminary expenses and flotation costs	-	-	-	4	2	-	6
Auditors' remuneration	113	(2)	111	73	35	-	108
Printing charges	29	(1)	28	9	9	-	18
Bank charges	1	17	18	5	9	-	14
Fees and subscription	7	-	7	5	4	-	8
Shariah advisory fee	52	1	53	-	27	-	27
Legal fee	-	-	-	24	21	-	45
	307	16	323	140	108	-	246
Net (loss) / income from operating activities	3,307	8	3,315	(1,687)	(104)	-	(1,789)
Provision for Sindh Workers' Welfare Fund	-	-	-	541	49	-	590
Net (loss) / income for the period before taxation	3,307	8	3,315	(1,147)	(55)	-	(1,199)
Taxation	-	-	-	-	-	-	-
Net (loss) / income for the period after taxation	3,307	8	3,315	(1,147)	(55)	-	(1,199)
Income already paid on redemption of units	(350)	-	(350)	-	104	-	104
Accounting income available for distribution							
- Relating to capital gains	-	8	8	-	-	-	-
- Excluding capital gains	2,957	-	2,957	-	-	-	-
	2,957	8	2,965	-	-	-	-
Net (loss) / income for the period after taxation	3,307	8	3,315	(1,147)	(55)	-	(1,199)
Other comprehensive income for the period							
Item that may be reclassified subsequently to income statement	-	-	-	-	-	-	-
Item that will not be reclassified subsequently to income statement	-	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	3,307	8	3,315	(1,147)	(55)	-	(1,199)

The annexed notes 1 to 16 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 Financial Planning Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (Un-Audited)
For the nine months ended March 31, 2023

	For the six months ended					
	December			December		
	2023			2022		
	Active Allocation Plan		Active Allocation Plan			
	Capital value	Undistributed income / (accumulated loss)	Total	Capital value	Undistributed income / (accumulated loss)	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the period	133,704	(10,366)	123,338	100,158	(6,591)	93,567
Issuance of 2,462,403 units (2022: 2,329,035 units)						
- Capital value (at net asset value per unit at the beginning of the period)	214,647	-	214,647	845	-	845
- Element of loss	8,952	-	8,952	108	-	108
Total proceeds on issuance of units	223,599	-	223,599	953	-	953
Redemption of 2,838,934 units (2021: 1,376,220 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(247,469)	-	(247,469)	(65,945)	-	(65,945)
- Element of income	(7,720)	-	(7,720)	(8,727)	-	(8,727)
Total payments on redemption of units	(255,189)	-	(255,189)	(74,673)	-	(74,672)
Total comprehensive income / loss for the period	-	7,479	7,479	-	13,607	13,607
	-	7,479	7,479	-	13,607	13,607
Net assets at end of the period	102,114	(2,887)	99,227	26,438	7,016	33,455
Undistributed income brought forward						
- Realised		(6,745)			(7,473)	
- Unrealised		5,265			882	
		(1,480)			(6,591)	
Accounting Income / Loss available for distribution						
Relating to capital gain						
Excluding capital gain						
Total comprehensive (loss) / Income for the period		7,479			13,607	
Distribution during the period		-			-	
Accumulated loss carried forward		5,999			7,016	
Accumulated loss carried forward						
- Realised		5,999			1,991	
- Unrealised		-			5,025	
		5,999			7,016	
Net assets value per unit at beginning of the period			(Rupees) 87.1696			(Rupees) 95.3020
Net assets value per unit at end of the period			95.5594			111.9986

The annexed notes 1 to 13 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 Financial Planning Fund
Condensed Interim Statement of Movement in Unit Holders' Fund (un-Audited)
For the nine months ended March 31, 2023

	For the six months ended					
	December					
	2022			2021		
	Conservative Allocation Plan		Conservative Allocation Plan			
	Capital value	Undistributed income / (accumulated loss)	Total	Capital value	Undistributed income / (accumulated loss)	Total
	(Rupees in '000)			(Rupees in '000)		
Net assets at beginning of the period	(302)	1,027	725	5,669	1,023	6,692
Issuance of 528 units (2022: 44,815 units)						
- Capital value (at net asset value per unit at the beginning of the period)	48	-	48	4,070	-	4,070
- Element of loss	3	-	3	1,157	-	1,157
Total proceeds on issuance of units	51	-	51	5,227	-	5,227
Redemption of 1,340 units (2022: 479,784 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(122)	-	(122)	(43,621)	-	(43,621)
- Element of income	(3)	-	(3)	(11,760)	-	(11,760)
Total payments on redemption of units	(125)	-	(125)	(55,381)	-	(55,381)
Total comprehensive income for the period	-	38	38	-	88	88
Interim distribution of Rs. 2.1 per unit declared on June 28, 2020 as cash dividend (2019: Rs. 2.05 per unit declared on June 28, 2019 as cash dividend)						
Refund of capital	-	-	-	-	-	-
Distribution for the period	-	38	38	-	88	88
Net assets at end of the period	(376)	1,065	688	(44,485)	1,111	2,901
Undistributed income brought forward						
- Realised		1,128			1,128	
- Unrealised		(60)			(60)	
		1,068			1,068	
Accounting Income / Loss available for distribution						
Relating to capital gain						
Excluding capital gain						
Total comprehensive Income for the period		38			88	
Distribution during the period		-			-	
Accumulated gain carried forward		1,106			1,156	
Accumulated gain carried forward						
- Realised		1,042			1,150	
- Unrealised		64			6	
		1,106			1,156	
Net assets value per unit at beginning of the period			(Rupees) 90.9171			(Rupees) 90.9171
Net assets value per unit at end of the period			96.3282			96.3282

The annexed notes 1 to 13 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 Financial Planning Fund
Condensed Interim Cash Flow Statement (Un-Audited)
For the nine months ended March 31, 2023

Note	Nine months ended March 31, 2023			Nine months ended March 31, 2022			
	Active Allocation Plan	Conservative Allocation Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Capital Preservation Plan	Total
(Rupees in '000)			(Rupees in '000)				
Cash flows from operating activities							
Net loss for the period before taxation	7,479	38	7,517	(7,892)	69	-	(7,823)
Adjustments for non-cash items							
Mark-up on deposits with bank	(236)	(14)	(250)	(27)	(57)	-	(84)
Capital (gain) / loss on sale of investment - net	-	(6)	(6)	2,657	(248)	-	2,409
Unrealised diminution on re-measurement of investments investments at 'fair value through profit or loss - held-for-trading' - net	-	(64)	(64)	5,263	(16)	-	5,247
Amortisation of preliminary expenses and flotation costs	-	-	-	-	2	-	2
	7,243	(46)	7,197	(1)	(252)	-	(251)
Decrease / (Increase) in assets							
Investments	21,635	42	21,677	88,601	151	-	88,752
Preliminary expenses and flotation costs	-	-	-	(17)	(20)	-	(37)
Other receivables	(10)	(0)	(10)	(19)	(31)	-	-
	21,625	42	21,667	88,565	100	-	88,715
(Decrease) / Increase in liabilities							
Payable to the Management Company	(5)	-	(5)	(18)	-	-	(18)
Payable to the Trustee	(1)	-	(1)	(8)	-	-	(8)
Payable to Securities and Exchange Commission of Pakistan	3	(5)	(2)	(3)	-	-	(3)
Accrued expenses and other liabilities	34	(10)	24	(60)	20	-	(40)
Dividend Payable	26	-	26	26	-	-	26
Payable Against Investment in Mutual Fund	-	-	-	-	-	-	-
	57	(15)	42	(63)	20	-	(43)
	28,925	(19)	28,905	88,503	(132)	-	88,422
Profit received on bank deposits	240	14	254	34	57	-	91
Net cash generated / (used in) from operating activities	29,165	(5)	29,159	88,537	(75)	-	88,513
Cash flows from financing activities							
Amount received / receivable on issue of units	223,599	51	223,650	953	24,860	-	25,814
Amount paid / payable on redemption of units	(255,189)	(125)	(255,314)	(74,673)	(30,852)	-	(105,525)
Dividend paid	-	-	-	-	-	(2,641)	(2,641)
Net cash (used in) / generated from financing activities	(31,590)	(74)	(31,664)	(73,720)	(5,992)	(2,641)	(82,352)
Net (decrease) / increase in cash and cash equivalents	(2,425)	(79)	(2,505)	14,817	(6,067)	(2,641)	6,161
Cash and cash equivalents at the beginning of the period	2,709	247	2,956	454	230	326,728	327,412
Cash and cash equivalents at the end of the period	4	284	451	15,272	(5,837)	324,087	333,572

The annexed notes 1 to 16 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 Financial Planning Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For the Nine months ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

HBL Islamic Financial Planning Fund (the "Fund"), was established under the Trust Deed executed between HBL Asset Management Limited as the Management Company and MCB Financial Services Limited (MCBFSL) as the Trustee. The Trust Deed was executed on March 22, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 4, 2017 in accordance with the requirements of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton. The Fund commenced its operations from June 17, 2017.

The Fund is an open ended shariah compliant fund of fund scheme and is listed on Pakistan Stock Exchange Limited. The Fund has two different plans namely Conservative Allocation Plan and Active Allocation Plan (collectively referred as 'Plans'). The units of Conservative Allocation and Active Allocation Plan were initially offered to public (IPO) on June 16, 2016 whereas units of Strategic Allocation Plan were offered from June 15, 2016 to June 16, 2016 and units of Capital Preservation Plan were offered from July 01, 2018 to October 01, 2018. The units are transferable and can be redeemed by surrendering them to the Fund at the option of unit holder. The duration of the Fund is perpetual however the allocation plans may have a set time frame. Each Allocation Plan announce separate NAVs which rank pari passu inter se according to the number of units of the respective Allocation Plans. Units are offered for public subscription on a continuous basis. However, term-based plans, may be offered for a limited subscription period.

The objective of the Fund is to generate returns on Investment as per the respective Allocation Plan by investing in Shariah Compliant Mutual Funds in line with the risk tolerance of the investor. The investment policy for each of the Plan including the newly launched Fund "Islamic Capital Preservation Plan" (launched on 2nd October, 2018) are as follows;

- The "Conservative Allocation Plan" is an Allocation Plan under the Fund and primarily aims to provide stable returns with some capital appreciation through a pre-determined mix of shariah compliant investments in equity, income and money market funds. This Allocation Plan is suitable for investors who have moderate risk tolerance and have a short to medium term investment horizon.
- The "Active Allocation Plan" is an Allocation Plan under the Fund with an objective to earn a potentially high return through active asset allocation between Islamic Equity scheme(s), Islamic Income scheme(s) and Islamic Money Market scheme(s) based on the Fund Manager's outlook on the asset classes.
- The "Strategic Allocation Plan" is an Allocation Plan under the Fund with an objective to earn a potentially high return through active allocation of funds between Islamic Equity scheme(s), Islamic Income scheme(s) and Islamic Money Market scheme(s) based on fundamental analysis of economic indicators, underlying asset values and a strategy of risk aversion to market volatility. Fund Manager take a medium term strategic view of the portfolio assets to deliver competitive returns to investors. The duration of this plan is 24 months (Two Years).
- The "Islamic Capital Preservation Plan" is an Allocation Plan under the Fund with an objective to earn a potentially high return through dynamic asset allocation between Shariah Compliant Equities and Shariah Compliant Money Market based Collective Investment Schemes, Shariah compliant saving accounts and term deposits while aiming providing capital preservation on the initial amount excluding front end load upon maturity of the allocation plan. The duration of this plan is 24 months (Two Years).

VIS Credit Rating Company has assigned a management quality rating of 'AM1' (Stable) to the Management Company.

Title to the assets of the Fund are held in the name of Digital Custodian Company LIMITED as trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1 The 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 for interim financial reporting comprise of:

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

In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed. true and fair view of the state of the Fund's affairs as at March 31, 2023.

2.1.2 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.

2.1.3 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that these condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at March 31, 2023.

2.2 Basis of measurement

These condensed interim financial information have been prepared under the historical cost convention, except that certain financial assets are stated at fair value.

2.3 Functional and presentation currency

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

3.1 SIGNIFICANT ACCOUNTING POLICIES

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, 2022.

3.2 USE OF ESTIMATES AND JUDGEMENTS

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.

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, 2022.

3.3 FINANCIAL RISK MANAGEMENT

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, 2022.

4. BANK BALANCES

Note	March 31, 2023 (Un-Audited)			June 30, 2022 (Audited)		
	Active Allocation Plan	Conservative Allocation Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Total
	(Rupees in '000)					
Savings accounts	284	168	452	2,709	247	2,956

4.1 This represents bank accounts held with various banks. Mark-up rates on these accounts range between 4% to 6% (June 2020 : 6% to 13.25%) per annum.

5. INVESTMENTS

Note	March 31, 2022 (Un-Audited)			June 30, 2021 (Audited)		
	Active Allocation Plan	Conservative Allocation Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Total
	(Rupees in '000)					

Investments by category

At fair value through profit or loss - held-for-trading

Units of mutual funds	5.1	99,299	732	100,031	120,934	705	121,639
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5.1 Units of mutual funds

Name of Investee Funds	As at July 1, 2022	Purchases during the period	Redemptions during the period	As at March 31, 2023	Total carrying value as at March 31, 2023	Total market value as at March 31, 2023	Appreciation/ (diminution) as at March 31, 2023	Market value as a percentage of net assets	Market value as a percentage of total value of Investment
	----- Number of units -----							----- % -----	
Active Allocation Plan									
HBL Islamic Money Market Fund	1,195,301	2,296,633	2,510,471	981,463	99,299	99,299	-	100	100
	1,195,301	2,296,633	2,510,471	981,463	99,299	99,299	-	100	100
Conservative Allocation \ Plan									
HBL Islamic Stock Fund	1,584	25	102	1,507	20	20	-	3	3
HBL Islamic Income Fund	5,285	227	907	4,605	452	529	77	77	72
HBL Islamic Money Market Fund	212	460	21	651	65	65	-	9	9
HBL Islamic Equity Fund	-	292	-	292	131	118	(13)	17	16
	7,081	1,004	1,030	7,055	668	732	64	106	100
Total as at March 31, 2022	1,202,382	2,297,637	2,511,501	988,518	99,967	100,031	64		

6. Payable to the Management Company

Note	March 31, 2023 (Un-Audited)			June 30, 2022 (Audited)		
	Active Allocation Plan	Conservative Allocation Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Capital Preservation Plan
	(Rupees in '000)					
Formation cost	-	-	-	-	-	-
Management fee	6.1	-	-	2	-	-
Sindh Sales Tax on Management Company's remuneration	6.2	-	-	-	-	-
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3	17	-	5	20	-
Sales load payable	-	-	-	-	-	-
	17	-	5	22	-	-

- 6.1** As per the offering document of the fund, the Management Company shall charge a fee at the rate of 1% of the average annual net assets on daily basis of the plans. However, no management fee is charged on that part of the net assets which have been invested in mutual funds managed by the Management Company. The fee is payable monthly in arrears. Management fee is also subject to Sindh Sales Tax on Services at applicable rates.
- 6.2** This represents amount payable in respect of Sindh Sales Tax at the rate of 13% (June 30, 2018: 13%) on the services provided by the Management Company as required by Sindh Sales Tax on Services Act, 2011.
- 6.3** As per Regulation 60(3)(s) of the amended NBFC Regulations dated November 25, 2015, fee and expenses pertaining to registrar services, accounting, operation and valuation services related to a Collective Investment Scheme (CIS) are chargeable to the CIS, maximum upto 0.1 percent of the average annual net assets or the actual cost whichever is lower. Accordingly, the Management Company has charged aforementioned expenses to the extent of 0.1 percent of the average annual net assets, being lower amount, to the Fund during the period.

7. ACCRUED EXPENSES AND OTHER LIABILITIES

	March 31, 2023 (Un-Audited)			June 30, 2022 (Audited)		
	Active	Conservative	Total	Active	Conservative	Capital
	Allocation	Allocation		Allocation	Allocation	Preservation
Note	Plan	Plan	(Rupees in '000)	Plan	Plan	on Plan
Withholding tax	-	-	-	-	-	-
Provision for Sindh Workers' Welfare Fund	-	-	-	-	-	-
Shariah advisory fee	1	-	1	34	1	35
Printing	108	46	154	74	10	84
Auditors' remuneration	259	-	259	200	43	243
Other payables	40	185	225	66	187	253
	408	231	-	639	374	241
						-
						615

8. TAXATION

The Fund's income is exempt from income tax as per clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders in cash. The Fund is also exempt from the provision of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by capital gains (whether realised or unrealised) for the year June 30, 2020 to its unit holders.

9. TRANSACTIONS WITH CONNECTED PERSONS

The Fund is an open ended shariah compliant fund of fund scheme and is listed on Pakistan Stock Exchange Limited. The Fund has three different plans namely Conservative Allocation Plan, Active Allocation Plan and Strategic Allocation Plan (collectively referred as 'Plans'). The units of Conservative Allocation and Active Allocation Plan were initially offered to public (IPO) on June 16, 2016 whereas units of Capital Preservation Plan were offered from July 19, 2018 to October 01, 2018. The units are transferable and can be redeemed by surrendering them to the Fund at the option of unit holder. The duration of the Fund is perpetual however the allocation plans may have a set time frame. Each Allocation Plan announce separate NAVs which rank pari passu inter se according to the number of units of the respective Allocation Plans. Units are offered for public subscription on a continuous basis. However, term-based plans, may be offered for a limited subscription period.

9.1 Transactions during the period

	For the nine month ended - March 2023			For the nine months ended - March 2022			
	Active	Conservative	Total	Active	Conservative	Capital Preservation	Total
	Allocation Plan	Allocation Plan		Allocation Plan	Allocation Plan		
(Rupees in '000)			(Rupees in '000)				
HBL Asset Management Limited - Management Company							
Remuneration of the Management Company	40	-	40	2	7	-	9
Sindh Sales Tax on remuneration of the Management Company	5	-	5	-	1	-	1
Allocation of expenses related to registrar services, accounting, operation and valuation services	116	1	117	61	51	-	112
Redemption of NIL units (2022: 18,616 units)	-	-	-	-	-	-	-
Issue of 702,919 units (2022: 42,808 units)	65,000	-	65,000	-	-	-	-
Redemption of NIL units (2022: 477,878 units)	-	-	-	-	-	-	-
Issue of NIL units (2022: Nil units)	-	-	-	-	-	-	-
Habib Bank Limited - Sponsor							
Mark-up on deposits with bank	23	54	77	23	54	-	77
Bank Charges	11	38	49	13	18	-	31
Digital Custodian Company LIMITED (DCCL)							
Remuneration of the Trustee	59	1	60	31	26	-	57
Collective investment scheme managed by Management Company							
HBL Islamic Income Fund							
Purchase of Nil units (2022: 2,449 units)	-	-	-	262	-	-	262
Purchase of Nil units (2022: 25,384 units)	-	-	-	-	2,711	-	2,711
Redemption of Nil units (2022: 83,890 units)	-	-	-	8,980	-	-	8,980
Redemption of 907 units (2022: 422,020 units)	-	98	98	-	45,047	-	45,047
HBL Islamic Equity Fund							
Purchase of Nil units (2022: 30,755 units)	-	-	-	2,718	-	-	2,718
Purchase of 292 units (2022: 39,641 units)	-	20	20	-	3,493	-	3,493
Redemption of Nil units (2022: 200,319 units)	-	-	-	17,744	-	-	17,744
Redemption of Nil units (2022: 135,064 units)	-	-	-	-	11,761	-	11,761
HBL Islamic Stock Fund							
Purchase of Nil units (2022: 1,615 units)	-	161	161	-	161	-	161
HBL Islamic Money Market Fund							
Purchase of 2,296,633 units (2022: 25,169 units)	232,361	-	232,361	2,546	-	-	2,546
Purchase of Nil units (2022: 880 units)	-	-	-	-	89	-	89
Redemption of 2,510,471 units (2022: 187 units)	253,995	-	253,995	-	19	-	19
Redemption of 21 units (2022: Nil units)	-	2	2	-	-	-	-
SYED FAYEZ ASAR-Connected Person due to 10% holding							
Investment of 440,017 units (2022: 119,747 units)	40,448	-	40,448	-	-	-	-

9.2 Balances outstanding as at period / year end

	March 31, 2023 (note 1.1)			June 30, 2022			
	Active Allocation Plan	Conservative Allocation Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Capital Preservation Plan	Total
----- (Rupees in '000) -----							
HBL Asset Management Limited - Management Company							
Management fee	-	-	-	2	-	-	2
Sindh Sales Tax on Management Company's remuneration	-	-	-	-	-	-	-
Allocation of expenses related to registrar services, accounting, operation and valuation services	17	-	17	20	-	-	20
Sales load payable	-	-	-	-	-	-	-
Formation cost	-	-	-	-	-	-	-
Units held 702,919 units (June 30, 2022: Nil units)	64,997	-	64,997	-	-	-	-
Habib Bank Limited - Sponsor							
Mark-up receivable on deposits with bank	7	31	38	8	1	-	9
Balance in savings account	170	339	509	2,695	223	-	2,918
Digital Custodian Company LIMITED (DCCL)							
Remuneration payable to the Trustee	9	-	9	10	-	-	10
HBL ASSET MANAGEMENT LTD EMPLOYEES PROVIDENT FUND ASSOCIATE							
Units held 170,547 units (June 30, 2022: 12,039 units)	16,291	-	16,291	1,049	-	-	-
SYED FAYEZ ASAR							
Units held 440,017 units (June 30, 2022: Nil units)	40,448	-	40,448	-	-	-	-
AMJAD MAQSOOD - Connected Person due to 10% holding							
Units held 1,655 units (June 30, 2022: 1,655 units)	-	160	160	-	150	-	150
Mr MUHAMMAD ASHRAF - Connected Person due to 10% holding							
Units held 5,243 units (June 30, 2022: 5,243 units)	-	506	506	-	477	-	477

	March 31, 2022			June 30, 2021			
	Active Allocation Plan	Conservative Allocation Plan	Total	Active Allocation Plan	Conservative Allocation Plan	Capital Preservation Plan	Total
----- (Rupees in '000) -----							
HBL Islamic Income Fund (Formerly PICIC Islamic Income) Fund - CIS managed by Management Company							
Units held Nil units (June 30, 2022: Nil units)	-	-	-	10,645	-	-	10,645
Units held 4,605 units (June 30, 2022: 5,258 units)	-	529	529	-	40,899	-	40,899
HBL Islamic Equity Fund - CIS managed by Management Company							
Units held Nil units (June 30, 2022: Nil units)	-	-	-	42,885	-	-	42,885
Units held Nil units (June 30, 2022: Nil units)	-	20	20	-	10,026	-	10,026
HBL Islamic Money Market Fund - CIS managed by Management Company							
Units held 981,997 units (June 30, 2022 1,195,301: Nil units)	99,299	-	99,299	-	-	-	-
Units held 648 units (June 30, 2022 212 units)	-	65	65	-	-	-	-
HBL Islamic Stock Fund - CIS managed by Management Company							
Units held 1,508 units (June 30, 2022: Nil units)	-	118	118	-	-	-	-

Units as at March 31, 2022 are calculated on the basis of latest announced NAV i.e March 31, 2022.

10. FAIR VALUE AND CATEGORIES OF FINANCIAL INSTRUMENTS

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

Underlying the definition of fair value is the presumption that the Fund is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The fair value of financial assets and liabilities traded in active markets i.e. units of mutual funds are based on the quoted NAVs at the close of 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.

The Fund classifies 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:

- Fair value measurements using quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1);
- Fair value measurements using inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2); and
- Fair value measurements using Inputs for assets or liability that are not based on observable market data (i.e. 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.

March 31, 2022 (Un-Audited)

Active Allocation Plan

Carrying amount				Fair Value			
Fair value through profit and loss - held-for-trading	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total

Note----- (Rupees in '000) -----

On-balance sheet financial instruments

Financial assets measured at fair value

Investments	99,299	-	-	99,299	99,299	-	-	99,299
	<u>99,299</u>	<u>-</u>	<u>-</u>	<u>99,299</u>	<u>99,299</u>	<u>-</u>	<u>-</u>	<u>99,299</u>

Financial assets not measured at fair value 10.1

Bank balances	-	284	-	284
Accrued mark-up	-	4	-	4
Advance and other receivables	-	112	-	112
Preliminary expenses and flotation costs	-	-	-	-
	<u>-</u>	<u>401</u>	<u>-</u>	<u>401</u>

Financial liabilities not measured at fair value 10.1

Payable to the Management Company	-	-	17	17
Payable to the Trustee	-	-	9	9
Accrued expenses and other liabilities	-	-	408	408
	<u>-</u>	<u>-</u>	<u>434</u>	<u>434</u>

June 30, 2022 (Audited)

Active Allocation Plan

Carrying amount				Fair Value			
Fair value through profit and loss - held-	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total

Note----- (Rupees in '000) -----

On-balance sheet financial instruments

Financial assets measured at fair value

Investments	5	120,934	-	-	120,934	120,934	-	-	120,934
		<u>120,934</u>	<u>-</u>	<u>-</u>	<u>120,934</u>	<u>120,934</u>	<u>-</u>	<u>-</u>	<u>120,934</u>

Financial assets not measured at fair value 10.1

Bank balances	-	2,709	-	2,709
Accrued mark-up	-	8	-	8
Advance and other receivables	-	92	-	92
Preliminary expenses and flotation costs	-	16	-	16
	<u>-</u>	<u>2,825</u>	<u>-</u>	<u>2,825</u>

Financial liabilities not measured at fair value 10.1

Payable to the Management Company	-	-	22	22
Payable to the Trustee	-	-	10	10
Accrued expenses and other liabilities	-	-	374	374
	<u>-</u>	<u>-</u>	<u>406</u>	<u>406</u>

March 31, 2022 (Un-Audited)

Conservative Allocation Plan

	Carrying amount				Fair Value			
	Fair value through profit and loss - held-for-trading	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total

Note (Rupees in '000)

On-balance sheet financial instruments

Financial assets measured at fair value

Investments	732	-	-	732	732	-	-	732
	732	-	-	732	732	-	-	732

Financial assets not measured at fair value 10.1

Bank balances	-	168	-	168
Accrued mark-up	-	1	-	1
Preliminary expenses and flotation costs	-	-	-	-
Advance and other receivables	-	18	-	18
	-	187	-	187

Financial liabilities not measured at fair value 10.1

Payable to the Management Company	-	-	-	-
Payable to the Trustee	-	-	-	-
Accrued expenses and other liabilities	-	-	231	231
	-	-	232	232

June 30, 2022 (Audited)

Conservative Allocation Plan

	Carrying amount				Fair Value			
	Fair value through profit and loss - held-	Loans and receivables	Other financial assets / liabilities	Total	Level 1	Level 2	Level 3	Total

Note (Rupees in '000)

On-balance sheet financial instruments

Financial assets measured at fair value

Investments	5	705	-	-	705	705	-	-	705
		705	-	-	705	705	-	-	705

Financial assets not measured at fair value 10.1

Bank balances	-	247	-	247
Accrued mark-up	-	1	-	1
Advance and other receivable	-	18	-	18
Preliminary expenses and flotation costs	-	-	-	-
	-	266	-	266

Financial liabilities not measured at fair value 10.1

Payable to the Management Company	-	-	-	-
Payable to the Trustee	-	-	-	-
Accrued expenses and other liabilities	-	-	241	241
	-	-	241	241

10.1 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.

10.2 Transfers during the period

No transfers were made between various levels of fair value hierarchy during the period.

11. TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio for the nine months ended March 31, 2023 is 1.38% and 9.33% (YTD) (March 31, 2022: 1.38% and 0.89%) which includes 0.04% and 0.03% (March 31, 2022: 0.02% and 0.03%) representing government levy and SECP fee of the Active Allocation Plan, Conservative Allocation Plan..

12. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue on April 28, 2023 by the Board of Directors of the Management Company.

13. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at March 31, 2022 and June 30, 2022

14. EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial statements as in the opinion of the Management Company the determination of the cumulative weighted average number of outstanding units is not practicable.

15. Non - Compliant Investment Disclosure

The current fund size is PKR 25Mn while the minimum fund size limit is PKR 100mn as per Regulation 54 (3a) of NBFC Regulations.

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupees.

16.2 Corresponding figures have been arranged and reclassified, wherever necessary, for the purpose of comparison and more appropriate presentation, the effect of which is not material.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL

HBL Islamic Dedicated Equity Fund

FUND INFORMATION

Name of Fund	HBL Islamic Dedicated Equity Fund
Name of Auditor	Yousuf Adil Chartered Accountants
Name of Trustee	Digital Custodian Company Limited (DCCL)
Name of Shariah Advisor	Al Hilal Shariah Advisors (Pvt.) Limited
Bankers	Dubai Islamic Bank Limited Bank Islamic Pakistan Limited Allied Bank Limited

HBL Islamic Dedicated Equity Fund
Condensed Interim Statement of Assets and Liabilities (Un-Audited)
AS AT March 31, 2023

		(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	4	306	427
Dividend and profit receivable		6	7
Preliminary expenses and floatation costs		165	275
Advances, deposits and prepayments	5	6,507	6,064
Total assets		6,984	6,773
LIABILITIES			
Payable to the Management Company	6	6,195	6,195
Accrued expenses and other liabilities	7	789	578
Total liabilities		6,984	6,773
NET ASSETS		-	-
UNIT HOLDERS' FUND (AS PER CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUND)			
		-	-
CONTINGENCIES AND COMMITMENTS			
	9	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		-	-
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		-	-

The annexed notes 1 to 13 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 Dedicated Equity Fund
Condensed Interim Income Statement (Un-audited)
For The Nine Months And Quarter Ended March 31, 2023

	Note	Nine months period ended		Three months period ended	
		March 31,		March 31,	
		2023	2022	2023	2022
----- (Rupees in '000) -----					
INCOME					
Profit on bank deposits		36	66	-	-
		36	66	-	-
EXPENSES					
Remuneration of the Trustee		-	17	-	-
Auditor's remuneration		-	287	-	-
Settlement and bank charges		-	308	-	-
Shariah advisory fee		-	8	-	-
Other expenses		36	148	-	-
		36	768	-	-
		-	(702)	-	-
Reversal for Sindh Workers' Welfare Fund	8	-	702	-	-
Net income for the period before taxation		-	-	-	-
Taxation	10	-	-	-	-
Net income for the period after taxation		-	-	-	-
Allocation of net income for the period					
Income already paid on redemption of units		-	-	-	-
Accounting income available for distribution:					
- Relating to capital gains		-	-	-	-
- Excluding capital gains		-	-	-	-
		-	-	-	-

The annexed notes 1 to 13 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 Dedicated Equity Fund
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For The Nine Months And Quarter Ended March 31, 2023

	Nine months period ended		Three months period ended,	
	March 31,		March 31,	
	2023	2022	2023	2022
	----- (Rupees in '000) -----			
Net income for the period after taxation	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	-	-

The annexed notes 1 to 13 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 Dedicated Equity Fund
Condensed Interim Cash Flow Statement (Unaudited)
For The Nine Months Ended March 31, 2023

	Note	March 31,	
		2023	2022
----- (Rupees in '000) -----			
Cash flows from operating activities			
Net income for the period before taxation		-	-
Adjustments			
Profit on bank deposits		(36)	(66)
Preliminary expenses and floatation costs		110	47
		<u>74</u>	<u>(19)</u>
Increase in assets			
Advances, deposits and prepayments		(443)	(84)
Increase / (decrease) in liabilities			
Payable to Trustee		-	(78)
Payable to Securities and Exchange Commission of Pakistan		-	(3)
Accrued expenses and other liabilities		211	(593)
		<u>211</u>	<u>(674)</u>
		<u>(158)</u>	<u>(777)</u>
Dividend and profit received		37	86
Net cash used in operating activities		<u>(121)</u>	<u>(691)</u>
Net decrease in cash and cash equivalents		(121)	(691)
Cash and cash equivalents at beginning of the period		427	1,454
Cash and cash equivalents at end of the period	4	<u>306</u>	<u>763</u>

The annexed notes 1 to 13 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 Dedicated Equity Fund

Notes to the Condensed Interim Financial Information (Unaudited)

For The Nine Months Ended March 31, 2023

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 HBL Islamic Dedicated Equity Fund (the Fund) was established under a Trust Deed, dated June 22, 2017, executed between HBL Asset Management Limited as the Management Company and Digital Custodian Company Limited (DCCL) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan as a unit trust scheme on July 04, 2018. The Fund is registered on August 17, 2021 with Assistant Director of Industries and Commerce (Trust Wing) Government of Sindh under Section 12A of the Sindh Trusts Act, 2020.
- 1.2 The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 (the NBFC Rules) and has obtained the requisite license from the Securities and Exchange Commission of Pakistan (SECP) to undertake asset management services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi, Pakistan.
- 1.3 The Fund is an open-ended mutual fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering to the Fund.
- 1.4 The principal activity of the Fund is to provide capital appreciation to investors schemes by investing in Shariah Compliant equity securities.
- 1.5 VIS Credit Rating Company has assigned a management quality rating of AM1 (stable Outlook) to the Management Company on December 30, 2022.
- 1.6 Title to the assets of the Fund are held in the name of Digital Custodian Company Limited as trustee of the Fund.
- 1.7 The Fund's only investors are other collective schemes, managed by the Management Company which are formed under "Fund of Fund" structure. Since the Fund's objective is to provide investment avenues to the allocation plans under fund of funds schemes managed by the Management Company, it may become zero as allowed under the terms of its Offering Document. Also as the Fund is not directly managing general public money therefore, it will have no effect if its AUM size reduced to nil at times.

Although, as of the period end the fund size is 'nil', however, the Management Company maintains that it has no intention to revoke or discontinue it within 12 months from the date of these financial information.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

Wherever provisions of and directive issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirement of IAS 34 Interim Financial Reporting, the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations and requirement of the Trust Deed have been followed.

- 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, JUDGEMENTS AND CHANGES THEREIN

- 3.1 The accounting policies adopted in the preparation of this condensed interim financial information is consistent with those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2022.
- 3.2 The preparation of this condensed interim financial information in conformity with the accounting and reporting standards as applicable in Pakistan requires the management to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, income and expenses. It also requires the management to exercise judgement in application of its accounting policies. The estimates, judgements and associated assumptions are based on the historical experience and various other factors that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.
- 3.3 The significant judgments made by management in applying its accounting policies and the key sources of estimation uncertainty were the same as those applied to the annual audited financial statements of the Fund for the year ended June 30, 2022.
- 3.4 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 period. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2022.

	Note	(Un-Audited) March 31, 2023 ----- (Rupees in '000) -----	(Audited) June 30, 2022
4. BANK BALANCES			
Balances with banks in:			
Savings accounts	4.1	<u>306</u>	<u>427</u>
4.1	The balance in savings accounts carry expected profit which ranges from 16.03% to 17.81% (June 2022: 6.8% to 13.94% per annum.)		
5. ADVANCES, DEPOSITS AND PREPAYMENTS			
Security deposit with National Clearing Company of Pakistan Limited		2,500	2,500
Security deposit with Central Depository Company of Pakistan Limited		100	100
Advance Tax		2,859	2,854
Receivable from HBL Asset Management against expenses		<u>1,048</u>	<u>610</u>
		<u>6,507</u>	<u>6,064</u>
6. PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration of the Management Company	6.1	169	169
Sindh Sales Tax on Management Company's remuneration	6.2	22	22
Allocation of expenses related to registrar services, accounting, operation and valuation services	6.3	16	16
Other payable to management company	6.4	<u>5,988</u>	<u>5,988</u>
		<u>6,195</u>	<u>6,195</u>

- 6.1 As per the offering document of the Fund the maximum limit of management fee is 3% per annum of Average Annual Net Assets.
- 6.2 The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 13% on the remuneration of management company through Sindh Sales Tax on Services Act, 2011.
- 6.3 In accordance with Regulation 60 of the NBFC Regulations, the Management Company has charged expenses related to registrar services, accounting, operations and valuation services, related to a Collective Investment Scheme (CIS).
- 6.4 This represents interest-free loan of Rs. 6 million from Management Company to the Fund, repayable on demand net off debit balance of Rs. 0.012 million as explained in note 6.4 to the audited Financial Statements of June 30, 2022.

	(Un-Audited) March 31, 2023	(Audited) June 30, 2022
	----- (Rupees in '000) -----	
7 ACCRUED EXPENSES AND OTHER LIABILITIES		
Auditor's remuneration	764	553
Payable to NCCPL	25	25
	<u>789</u>	<u>578</u>

8 PROVISION FOR SINDH WORKERS' WELFARE FUND

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 term 'financial institutions' as per the Sindh WWF Act 2014 and are therefore subject to charge, whereas Mutual Funds / Pension Funds are exempt from such charge. In the wake of clarification by SRB, MUFAP recommended to its members to reverse such charge earlier. Accordingly the Fund ceased to charge further provision for SWWF and has reversed full provision for SWWF amounting to Rs. 0.702 million charged till June 30, 2021.

9 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments outstanding as at March 31, 2023 and June 30, 2022.

10 TAXATION

The Fund's income is exempt from income tax as per Clause 99 of Part 1 of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by the capital gains whether realised or unrealised, is distributed to the unit holders. The Fund is also exempt from the provision of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

11. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, MCBFSL, being the Trustee of the Fund, other Collective Investment Schemes managed by the Management Company, directors and officers of the Management Company, directors of connected persons and persons having 10% or more beneficial ownership of the units of the Fund.

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

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

Details of significant transactions with connected persons during the period and balances with them at period end, if not disclosed elsewhere in this condensed interim financial information are as follows:

	(Un-Audited) March 31, 2023 ----- (Rupees in '000) -----	(Un-Audited) March 31, 2022
11.1 Transactions during the period		
Digital Custodian Company Limited		
Trustee remuneration including sales tax	-	17
	(Un-Audited) March 31, 2023 ----- (Rupees in '000) -----	(Audited) June 30, 2022
11.2 Amounts outstanding as at period / year end		
HBL Asset Management Limited - Management Company		
Management remuneration payable including sales tax thereon	191	191
Allocation of expenses related to registrar services, accounting, operation and valuation services	16	16
Other payable	5,988	5,988
Receivable from HBL Asset Management against expenses	1,048	610

11. TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the Fund for the nine months period ended March 31, 2023 is Nil (2022: Nil) which includes Nil (2022: Nil) representing Government levy, Sindh Worker's Welfare Fund and SECP fee.

12. GENERAL

- 12.1 Figures have been rounded off to the nearest thousand rupees.
- 12.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for better presentation and disclosure, effect of which is not material.
- 12.3 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 March 31, 2023 have not been reviewed.

13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on April 28, 2023 .

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer








Director



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HBL

ASSET MANAGEMENT LTD.

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