

HBL

ASSET MANAGEMENT LTD.

ایسٹٹ مینجمنٹ لمیٹڈ

AMC Rating : AM1 by VIS



**Voluntary Pension
Schemes**

**Annual Report
2024-25**

MOVING TOWARDS
EXCELLENCE

TABLE OF CONTENTS

<i>Vision / Mission</i>	2	HBL KPK ISLAMIC PENSION FUND	
<i>Corporate Values</i>	3	<i>Fund Information</i>	112
<i>Corporate Information</i>	4	<i>Trustee Report to the unit holders</i>	113
<i>Report of the Directors of Management Company</i>	5	<i>Statement of Compliance with Shariah Principles</i>	114
		<i>Review Report of Shariah Advisor</i>	115
		<i>Independent Audit Report to the Unit Holders (Audit Report)</i>	116
		<i>Statement of Assets & Liabilities</i>	119
		<i>Income Statement</i>	120
		<i>Comprehensive Income</i>	121
		<i>Statement of Movement in Participants Sub Fund</i>	122
		<i>Cash Flow Statement</i>	123
		<i>Note to the Financial Statements</i>	124
HBL ISLAMIC PENSION FUND			
<i>Fund Information</i>	09		
<i>Proxy Voting Disclosure</i>	10		
<i>Trustee Report to the unit holders</i>	11		
<i>Statement of Compliance with Shariah Principles</i>	12		
<i>Review Report of Shariah Advisor</i>	13		
<i>Independent Audit Report to the Unit Holders (Audit Report)</i>	14		
<i>Statement of Assets & Liabilities</i>	17		
<i>Income Statement</i>	18		
<i>Comprehensive Income</i>	19		
<i>Statement of Movement in Participants Sub Fund</i>	20		
<i>Cash Flow Statement</i>	21		
<i>Note to the Financial Statements</i>	22		
HBL PENSION FUND			
<i>Fund Information</i>	46		
<i>Proxy Voting Disclosure</i>	47		
<i>Trustee Report to the unit holders</i>	48		
<i>Independent Audit Report to the Unit Holders (Audit Report)</i>	49		
<i>Statement of Assets & Liabilities</i>	52		
<i>Income Statement & Comprehensive Income</i>	53		
<i>Statement of Movement in Participants Sub Fund</i>	54		
<i>Cash Flow Statement</i>	55		
<i>Note to the Financial Statements</i>	56		
HBL KPK PENSION FUND			
<i>Fund Information</i>	82		
<i>Trustee Report to the unit holders</i>	83		
<i>Independent Audit Report to the Unit Holders (Audit Report)</i>	84		
<i>Statement of Assets & Liabilities</i>	87		
<i>Income Statement</i>	88		
<i>Comprehensive Income</i>	89		
<i>Statement of Movement in Participants Sub Fund</i>	90		
<i>Cash Flow Statement</i>	91		
<i>Note to the Financial Statements</i>	92		

OUR VISION

Enabling people to
advance with
confidence and
success.

OUR MISSION

To make our
Investor (s) prosper,
our staff excel and
to create value for
our stakeholders.

PROGRESSIVENESS

We believe in the advancement of society through the adoption of enlightened working practice, innovative new products and processes and a spirit of enterprise.

EXCELLENCE

The markets in which we operate are becoming increasingly competitive and our investors now have an abundance of choice. Only through being the very best - in terms of the service we offer, our product and premises - can we hope to be successful and grow.

INTEGRITY

We are an Asset Management Company in Pakistan and our success depends upon the performance of the Fund(s) which are under management and our investors and society in general expect us to possess and steadfastly adhere to high moral principles and professional standards.

OUR CORPORATE VALUES

Our values are based upon the fundamental principles that define our culture and are brought to life in our attitude and behavior. It is our values that make us unique and stem from five basic principles.

MERITOCRACY

We believe in giving opportunities and advantages to our employees on the basis of their ability. We believe in rewarding achievement and in providing first class career opportunities for all.

CUSTOMER FOCUS

We need to understand fully the need of our investors and to adopt our product and services to meet these. We must strive always to put the satisfaction of our investor first.

Management Company

HBL Asset Management Limited

Board of Directors (Composition as of August 28, 2025)

Chairman Mr. Shahid Ghaffar (Non-Executive Director)

Directors

Mr. Mir Adil Rashid	(Chief Executive Officer)
Ms. Ava Ardeshir Cowasjee	(Non-Executive Director)
Mr. Khalid Malik	(Independent Director)
Ms. Sheeza Ahmed	(Independent Director)
Mr. Habib Yousuf Habib	(Independent Director)
Mr. Rayomond H. Kotwal	(Non-Executive Director)
Mr. Tariq Masaud	(Non-Executive Director)
Mr. Abrar Ahmed Mir	(Non-Executive Director)

Audit Committee

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

Human Resource & Remuneration Committee

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

Risk Management Committee

Chairman	Mr. Habib Yousuf Habib	(Independent Director)
Members	Mr. Shahid Ghaffar	(Non-Executive Director)
	Mr. Tariq Masaud	(Non-Executive Director)

Technology Committee

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

www.hblasst.com

Head Office & Registered Office

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

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of HBL Asset Management Limited is pleased to present its report along with Financial Statements Report of HBL Pension Fund, HBL Islamic Pension Fund, HBL KPK Pension Fund and HBL KPK Islamic Pension Fund (the Funds) for the year ended June 30, 2025.

ECONOMIC REVIEW

FY2025 marked a year of consolidation and recovery for Pakistan's economy, building on the stability achieved under the Standby Arrangement (SBA). The successful completion of the SBA in FY24 paved the way for a three-year Extended Fund Facility (EFF) with the IMF, which was approved in September 2024. The EFF provided continuity in policy discipline and unlocked additional bilateral and multilateral inflows, supporting external financing needs and boosting market confidence. As a result, the State Bank's reserves strengthened further, the PKR remained broadly stable, and external account pressures eased with the current account recording its first annual surplus in 14 years. The EFF program is expected to anchor long-term macroeconomic stability, enhance resilience against external shocks, and create space for sustainable and inclusive growth.

GDP growth in FY25 was recorded at 2.68% led by 4.77% growth in industries sector. The services sector grew by 2.91% while the agricultural sector posted a growth of 0.56%. The services and industrial sector posted good growth but the agricultural growth remained subdued due to weak crop growth. For FY26, government has set the GDP growth target at 4.2% based on 4.5%, 4.3% and 4.0% growth in agriculture, industrial and services growth respectively.

Pakistan posted a current account surplus of about USD 2.1bn (vs a USD 0.7bn deficit in FY24), as remittances jumped to ~USD 38.3bn and the merchandise trade deficit widened to ~USD 26.3bn on exports ~USD 32.1bn and imports ~USD 58.4bn. The swing to surplus was driven mainly by record remittances and better services receipts despite a larger goods gap.

During the outgoing fiscal year, the headline CPI averaged 4.49% YoY for Jul–Jun FY25 (vs 24% in FY24), a nine-year low, helped by a very high base, rupee stability, and softer food and fuel.

The overall fiscal deficit narrowed to ~5.4% of GDP (a multi-year low), while the primary balance recorded a surplus of ~2.4% of GDP for the full year (after a 3.0% of GDP surplus in Jul–Mar). Consolidation came from stronger tax collection, higher non-tax (notably SBP profits), contained current spending ex-interest, and undershoot on development.

STOCK MARKET REVIEW

In FY25, Pakistan's benchmark KSE-100 index gained 60% (KMI-30: 45%) YoY in PKR terms and 57% (KMI-30: 43%) in USD terms, extending the stellar performance of the previous year. Over the past two years (FY24 and FY25), the PSX has delivered a remarkable cumulative return of 203% (KMI-30: 161%) in PKR terms and 206% (KMI-30: 163%) in USD terms, making it the best-performing equity market in the world over this period.

This rally was underpinned by macroeconomic stability achieved through the IMF program, completion of the first IMF review in March 2025, aggressive monetary easing from 20.5% to 11%, Fitch's upgrade of Pakistan's credit rating from CCC+ to B-, improving macro indicators, and improved liquidity as flows shifted from fixed income to equities. As per Bloomberg data, Pakistan's market ranked as the 8th best-performing market globally in FY25 with a 57% USD return, but over the two-year period (FY24 and FY25), it stood out as the best performer worldwide.

The sectors that majorly contributed to the performance in FY25 were Commercial Banks (+15,155 pts), Fertilizer (+9,716 pts), Oil and Gas Exploration Companies (+6,865 pts) and Cements (+5,622 pts). Whereas script wise major contribution came from FFC (+6,305 pts), UBL (+5,305 pts), MARI (+2,648 pts), LUCK (+2,536pts) and OGDC (+2,082pts).

After peaking at 20.5%, the interest rate cycle reversed sharply in FY25, with the policy rate cut to 11% by June 2025 on the back of a drastic decline in inflation. Headline CPI has averaged in the low single digits, providing ample room for monetary easing. The successful completion of the first review under the 3-year IMF EFF program, improving macroeconomic indicators, Fitch's upgrade of Pakistan's credit rating to B-, and strong corporate earnings outlook have further strengthened investor confidence. Alongside, a weakening oil price outlook and continued multilateral and bilateral funding support are expected to sustain the positive momentum in equities.

We expect the positive momentum in Pakistan's equity markets to continue, driven by sustained monetary easing, stable macroeconomic indicators, and robust corporate earnings growth. Improving credit outlook and ongoing IMF support provide further room for market rerating. However, risks remain from geopolitical tensions, global commodity price shocks, etc.

MONEY MARKET REVIEW

During FY25, the SBP shifted to an aggressive monetary easing stance, cutting the policy rate from 20.5% at the start of the year to 11% by June 2025, as inflation declined sharply into low single digits. On a forward-looking basis, real interest rates have turned positive, creating further space for monetary easing if price stability continues.

Reflecting expectations of lower policy rates, secondary market yields declined significantly during the year. After peaking at 23–25% across short- and medium-term tenors in FY24, yields fell to 11.4%, 11.6%, 11.9%, 12.1% and 12.4% for 3M, 6M, 12M, 3Y, and 5Y instruments respectively by June 2025.

In T-Bill auctions, cut-off yields have declined significantly compared to last year. The 3M, 6M and 12M papers, which had earlier reached highs of 24.5%, 24.79% and 25.07%, closed FY25 at 11.01%, 10.89% and 10.85% respectively, indicating a substantial easing in short-term rates. Similarly, in the 3Y and 5Y fixed rate PIB auctions, cut-off yields declined to 11.40% and 11.70%, compared to their respective peaks of 19.35% and 16.95%.

During the last T-Bill auction held on 25th Jun-25, the government raised PKR 344.6B against the target of PKR 650B. Cut-off yields remained largely stable at 11.01%, 10.89% and 10.85% for 3M, 6M and 12M tenors, reflecting continued investor demand at lower rates. In the last fixed-rate PIB auction held on 18th Jun-25, the government mobilized PKR 556.7B against the target of PKR 300B, with cut-off yields settling at 11.40%, 11.70% and 12.50% for 3Y, 5Y and 10Y bonds respectively. The last floating rate PIB auction of FY25 remained undersubscribed, with the government raising PKR 155.5B against the target of PKR 200B.

It is also pertinent to highlight that in the Sukuk market, the government raised PKR 43.6B from Fixed Rental Rate (FRR) Sukuk against the target of PKR 75B in the June 25th auction. Yields stood at 10.86% for the 3-year Sukuk and 11.39% for the 5-year Sukuk. In the Variable Rental Rate (VRR) Sukuk auction, the government successfully raised PKR 159.9B exceeding the target of 50B. In the last fixed-rate discounted Ijara Sukuk of FY25, the government raised PKR 47.8B against the target of PKR 75B at 10.45%.

With inflation expected to remain anchored in single digits and growth still below potential, the possibility of further monetary easing in FY26 remains high.

FUTURE OUTLOOK

We believe that achieving the government's GDP growth target of 4.2% in FY26 will remain challenging. Our expectation for the GDP growth remains modest between 2.5% to 3.0% as the growth for this year will be supported by recovery in industrial and services sectors alongside improved macroeconomic stability. Agriculture is projected to grow by 2.2% on the back of better crop yields, while industry and services are expected to expand by 4.5% and 3.6%, respectively.

On the fiscal side, the deficit is anticipated at 5.2% of GDP (~PKR 5.8trn), broadly in line with the government's target, compared to significantly higher slippages seen in recent years. This will be achieved through higher revenues, with FBR collections expected to reach PKR 13.7trn (slightly below the target of PKR 14.1trn), and controlled current expenditure. The primary balance is expected to post a surplus of PKR 2.5trn, aided by strong FBR collections, petroleum levy, and SBP profits.

On the external side, the current account deficit is projected at USD 1.6bn in FY26, as a resurgence in import-driven demand outweighs gains from higher remittances and exports. The trade deficit is expected at USD 33.2bn, with imports rising due to improving aggregate demand. Remittances are projected at USD 39.2bn, up 3% YoY, supported by exchange rate stability and continued formalization of flows. FDI is also expected to pick up modestly with greater investor confidence, IMF program continuity, and privatization-related activity.

Inflation is expected to average 5.4% in FY26, a significant improvement compared to the last few years, driven by stable food and energy prices, PKR stability, and a high base effect. With inflation anchored, the SBP has already reduced the policy rate to 11.0%, providing support to private sector credit and growth revival.

On external financing, the requirement for FY26 stands at USD 17.3bn, with USD 8.1bn expected from private creditors and USD 8.9bn from program/project loans. By Jun'26, SBP reserves are

expected to reach USD 14.2bn, aided by IMF inflows, bilateral/multilateral support, and rollovers. PKR is projected to average around PKR 292.3/USD during FY26.

Our outlook on Pakistan equities remains constructive, underpinned by attractive valuations, improving macroeconomic indicators, declining interest rates, and IMF program continuity. The KSE-100 is trading at a forward P/E multiple of ~6.8x compared to a 15 year average of ~8.59x, and offers a compelling dividend yield of ~8% versus the regional average of ~5.5%. Hence, Pakistan equities continue to present an attractive long-term investment opportunity, although risks from global commodity shocks, geopolitical tensions, etc. should be monitored.

Fund's Performance

HBL Pension Fund

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

The Fund as a whole earned a total and net income of Rs. 430.94 million and Rs. 392.58 million respectively during the year under review. The fund size increased from Rs. 2,047.30 million as on June 30, 2024 to Rs. 2,835.00 million as at June 30, 2025 thereby showing an increase of 38% during the year under review. Performance review for each sub fund is given below:

Equity Sub-Fund

During the year under review, the Equity sub-fund earned a total and net income of Rs. 64.22 million and Rs. 60.13 million respectively. The net assets of the Equity sub-fund was Rs. 233.05 million representing Net Asset Value (NAV) of Rs. 810.1039 per unit as at June 30, 2025. The Sub Fund yielded a return of 56.57% for the year under review. The Fund is invested to the extent of 97% in equities.

Debt Sub-Fund

During the year under review, the Debt sub-fund earned total and net income of Rs. 180.70 million and Rs. 165.53 million respectively. The net assets of the Debt sub-fund was Rs. 1,052.36 million representing Net Asset Value (NAV) of Rs. 405.7070 per unit as at June 30, 2025. The Fund yielded annualized return of 19.13% for the year under review.

Money Market Sub-Fund

During the year under review, the Money Market sub-fund earned total and net income of Rs. 186.02 million and Rs. 166.92 million respectively. The net assets of the Money Market sub-fund was Rs. 1,549.59 million representing Net Asset Value (NAV) of Rs. 339.9787 per unit as at June 30, 2025. An annualized return of 14.85% was earned by the Fund for the year under review.

HBL Islamic Pension Fund

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

The Fund as a whole earned a total and net income of Rs. 310.35 million and Rs. 287.92 million respectively during the year under review. The fund size increased from Rs. 1,181.95 million as

at June 30, 2024 to Rs. 2,011.59 million as at June 30, 2025 showing an increase of 70%. Performance review for each sub fund is given below:

Equity Sub-Fund

During the year under review, the Equity sub-fund earned a total and income of Rs. 118.36 million and Rs. 110.50 million respectively. The net assets of the Equity sub-fund was Rs. 346.20 million representing Net Asset Value (NAV) of Rs. 933.2287 per unit as at June 30, 2025. The Fund yielded a return of 65.81% for the period. The Sub Fund is invested to the extent of 97% in equities.

Debt Sub-Fund

During the year under review, the Debt sub-fund earned total and net income of Rs. 73.57 million and Rs. 68.15 million respectively. The net assets of the Debt sub-fund was Rs. 534.12 million representing Net Asset Value (NAV) of Rs. 312.6248 per unit as at June 30, 2025. The Fund yielded annualized return of 16.85% for the year under review.

Money Market Sub-Fund

During the year under review, the Money Market sub-fund earned total and net income of Rs. 118.42 million Rs. 109.27 million respectively. The net assets of the Money Market sub-fund was Rs. 1,131.28 million representing Net Asset Value (NAV) of Rs. 296.5948 per unit as at June 30, 2025. An annualized return of 14.15% was earned by the Fund for the year under review.

HBL KPK Pension Fund

The KPK Pension Fund was launched on December 14, 2023. The Fund is unlisted pension scheme and its units are offered on a continuous basis to employees of KPK Government appointed / recruit under Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 or an employee of KPK Government regularize as Civil Servant through any legal instrument issued after coming into force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 irrespective of the effective date of regularization.

The Fund consists of four sub-funds namely; Equity Sub Fund, Equity Index Sub Fund, Debt Sub Fund and Money Market Sub Fund. The contribution by or on behalf of the employee for the first three years from the date of launch of the fund shall be invested 100% in Money Market Sub Fund only and the remaining sub-funds shall remain inoperative till then.

The performance of Money Market Sub-fund is given below:

Money Market Sub-Fund

During the year under review, the Money Market sub-fund earned total and net income of Rs. 6.70 million Rs. 6.26 million respectively. The net assets of the Money Market sub-fund was Rs. 59.09 million representing Net Asset Value (NAV) of Rs. 126.5634 per unit as at June 30, 2025. An annualized return of 13.63% was earned by the Fund for the year under review.

The remaining funds sub-funds remain in operative and only seed capital is injected by the Pension Fund Manager which would remain invested till three years from the date of launch of the Fund.

HBL KPK Islamic Pension Fund

The KPK Islamic Pension Fund was launched on December 14, 2023. The Fund is unlisted pension scheme and its units are offered on a continuous basis to employees of KPK Government appointed / recruit under Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 or an employee of KPK Government regularize as Civil Servant through any legal instrument issued after coming into force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 irrespective of the effective date of regularization.

The Fund consists of four sub-funds namely; Equity Sub Fund, Equity Index Sub Fund, Debt Sub Fund and Money Market Sub Fund. The contribution by or on behalf of the employee for the first three years from the date of launch of the fund shall be invested 100% in Money Market Sub Fund only and the remaining sub-funds shall remain inoperative till then.

The performance of Money Market Sub-fund is given below:

Money Market Sub-Fund

During the year under review, the Money Market sub-fund earned total and net income of Rs. 6.46 million Rs. 6.04 million respectively. The net assets of the Money Market sub-fund was Rs. 58.76 million representing Net Asset Value (NAV) of Rs. 125.1803 per unit as at June 30, 2025. An annualized return of 13.47% was earned by the Fund for the year under review.

The remaining funds sub-funds remain in operative and only seed capital is injected by the Pension Fund Manager which would remain invested till three years from the date of launch of the Fund.

Auditors

M/s BDO Ebrahim & Co., Chartered Accountants, existing auditors of HBL Pension Fund, HBL Islamic Pension Fund, HBL KPK Pension Fund and HBL KPK Islamic Pension Fund have retired and eligible for re-appointment. The Board of Directors on the recommendation of the Audit Committee, has re-appointed M/s. BDO Ebrahim & Co., Chartered Accountants as Auditors of these Funds for the year ending June 30, 2026.

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 as Trustee, the Pakistan Stock Exchange 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

FUND INFORMATION

NAME OF FUND	HBL Islamic Pension Fund
NAME OF AUDITOR	BDO Ebrahim & Co.
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited
NAME OF SHARIAH ADVISOR	Al-Hilal Shariah Advisor
NAME OF BANKERS	Habib Bank Limited Faysal Bank Limited Bank Islami Paksitan Limited Soneri Bank Bank Al Habib Limited Meezan Bank Dubai Islamic Bank Allied Bank Habib Metropolitan Bank United Bank Limited Bank Alfalah Limited Al Baraka Bank Limited

Summary of Actual Proxy voted by CIS

HBLIPF	Meetings	Resolutions	For	Against
Number	5	11	11	-
(%ages)				-

(h) AMC did not participate in shareholders' meetings

Scrip	AGM Meeting Dt	EOGM Meeting Dt
Air Link Communication Ltd	2024-08-27	2025-03-27
Attock Cement Pakistan Ltd	2024-10-21	
Attock Refinery Ltd	14/10/2024 17-10-24	2024-07-12
Avanceon Limited	2025-05-30	
BF Biosciences Limited	2024-10-28	
Cherat Cement Company Ltd	2024-10-16	
Crescent Steel & Allied Products Limited	2024-10-28	
DG Khan Cement Co Ltd	2024-10-18	
Engro Fertilizer Limited	2025-03-24	
Engro Holding Limited	2025-04-25	
Fauji Cement Company Ltd	2024-10-14	2024-12-10
Fauji Fertilizer Bin Qasim Ltd		19/08/2024 4-11-24
Fauji Fertilizer Company Ltd	2025-03-25	08/10/2024 4-11-24
GHANDHARA AUTOMOBILES LIMITED	2024-10-24	2025-02-04
Ghandhara Industries Limited	2024-10-24	
Gharibwal Cement	2024-10-24	
GLAXOSMITHKLINE PAKISTAN LIMITED	2025-04-28	
Hub Power co. Ltd	30-Sep-24	
Habib Bank Limited	2025-03-26	
Honda Atlas Cars (Pakistan) Limited		
Loads Limited	2024-10-24	
LUCKY CEMENT LTD	2024-08-26	2025-03-18
Maple Leaf Cement Ltd.		
Mari Energies Limited	2024-09-24	2024-12-19
Meezan Bank Ltd	2025-03-28	2024-11-18
Netsol Technologies Limited	2024-10-18	2024-12-31
NISHAT MILLS LIMITED	2024-10-28	
Oil & Gas Development Co Ltd	2024-10-25	
PAK ELEKTRON	2025-04-29	
PAKISTAN PETROLEUM LIMITED	2024-10-25	
Pakistan Refinery Ltd	2024-10-19	
Pakistan State Oil Company Ltd	2024-10-24	
Pakistan Stock Exchange Limited	2024-10-28	
PAKISTAN TELECOMMUNICATION COMPANY	2025-04-25	2024-11-06
Pioneer Cement Co Limited	2024-10-28	
Sazgar Engineering Works Limited	2024-10-26	
Secure Logistics Group Ltd		
SUI NORTHERN GAS PIPELINES LIMITED	2024-08-21	
SUI SOUTHERN GAS COMPANY LIMITED	29/11/2024 16-6-25	
Synthetic Products Enterprises Limi		21/02/2025 1-3-25
Systems Limited	2025-04-28	
Thatta Cement Company Limited	2024-10-15	2024-12-09
THE HUB POWER COMPANY LIMITED		
The Organic Meat Company Limited	2024-10-28	2025-01-25
SHIFA INTERNATIONAL HOSPITAL LTD	2024-10-28	
SITARA CHEMICAL LIMITED	2024-10-24	
Tariq Glass Industries Ltd	2024-10-28	
The Searle Comp	2024-10-28	

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

Head Office:

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



TRUSTEE REPORT TO THE PARTICIPANTS

HBL ISLAMIC PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Islamic Pension Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

For the purpose of information, we would like to draw the attention of unit holders towards clause (e) of the SECP Circular 12 of 2021 which requires the Debt Sub Fund to maintain at least 25% of its net assets in deposits with scheduled commercial banks (excluding TDRs) or government securities not exceeding 90 days maturity, at all times. In this regard, Debt Sub Fund of HBL Islamic Pension Fund was non-compliant at different intervals during the period from May 2025 to June 2025 with the exposure of 18.58% as compared to aforementioned regulatory requirement. This non-compliance has also been reported to the Securities and Exchange Commission of Pakistan.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 30, 2025





ASSET MANAGEMENT LTD.

ایس ایٹ مینجمنٹ لمیٹڈ

STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

HBL Islamic Pension Fund (the fund) has fully complied with the Shariah Principles specified in Trust Deed and in the guideline issued by the Shariah Advisor for its operations, investment and placements made during the year ended June 30, 2025. This has been duly confirmed by the Shariah Advisor of the Fund.

Mir Asif Rashid

Chief Executive Officer

Dated: August 28, 2025

HBL Asset Management Limited
Head Office
7th Floor
Emerald Tower
G-19 Block-5,
Main Clifton Road,
Clifton, Karachi

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September 23, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2025 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in **HBL Islamic Pension Fund** managed by **HBL Asset Management Limited** are Permissible and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

والله أعلم بالصواب، وصلى الله على نبيينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf of Al-Hilal Shariah Advisors (Pvt.) Limited.



Mufti Irshad Ahmad Aijaz
Member Shariah Council




Faraz Younus Bandukda, CFA
Chief Executive

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of HBL Islamic Pension Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, statement of comprehensive income, statement of movement in participant's sub-funds, statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2025, and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

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

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

Responsibilities of the Management Company and its Board of Directors

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

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



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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



Report on other legal and regulatory requirements

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

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

KARACHI

DATED: 22 SEP 2025

UDIN: AR202510166CbV6Q492o


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

HBL ISLAMIC PENSION FUND

Statement of Assets and Liabilities

As at June 30, 2025

		June 30, 2025				June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total
Note		(Rupees in '000)							
ASSETS									
Balances with banks	5	17,946	98,727	248,438	365,111	5,126	178,082	455,530	638,739
Investments	6	343,516	426,957	875,496	1,645,969	163,874	184,587	183,258	531,719
Dividend and profit receivable	7	47	9,598	8,699	18,344	109	5,527	12,360	17,996
Advances, deposits and other receivables	8	2,733	351	455	3,539	2,735	461	454	3,650
TOTAL ASSETS		364,242	535,633	1,133,088	2,032,963	171,844	368,657	651,602	1,192,103
LIABILITIES									
Payable to HBL Asset Management Limited - Pension Fund Manager	9	322	367	721	1,410	149	237	408	794
Payable to Central Depository Company of Pakistan Limited - Trustee	10	40	62	122	224	21	47	82	150
Payable to the Securities and Exchange Commission of Pakistan	11	99	177	337	613	44	121	160	325
Accrued expenses and other liabilities	12	17,579	912	632	19,123	5,434	1,835	1,618	8,887
TOTAL LIABILITIES		18,040	1,518	1,812	21,370	5,648	2,240	2,268	10,156
NET ASSETS		346,202	534,115	1,131,276	2,011,593	166,196	366,417	649,334	1,181,947
PARTICIPANTS' SUB-FUNDS									
(as per statement attached)		346,202	534,115	1,131,276	2,011,593	166,196	366,417	649,334	1,181,947
CONTINGENCIES AND COMMITMENTS									
	13	Units							
NUMBER OF UNITS IN ISSUE	14	370,972	1,708,486	3,814,213	5,893,671	295,280	1,369,573	2,499,200	4,164,053
Rupees									
NET ASSET VALUE PER UNIT		933.2287	312.6248	296.5948		562.8396	267.5406	259.8251	

The annexed notes from 1 to 27 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL ISLAMIC PENSION FUND

Income Statement

For the year ended June 30, 2025

		June 30, 2025				June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total
Note		(Rupees in '000)							
INCOME									
	Capital gain on sale of investments	36,356	2,134	778	39,268	25,163	3,354	4,141	32,658
	Dividend income	13,437	-	-	13,437	6,147	-	-	6,147
	Profit on bank deposits	1,623	18,024	19,631	39,278	115	19,914	25,898	45,927
	Markup / return on investments	-	44,677	94,063	138,740	-	39,838	52,577	92,415
	Unrealised appreciation on re-measurement of investments				-				-
	classified 'as financial assets 'at fair value through profit or loss' - net	66,939	8,736	3,950	79,625	28,149	591	607	29,347
TOTAL INCOME		118,355	73,571	118,422	310,348	59,574	63,697	83,223	206,494
EXPENSES									
	Remuneration of HBL Asset Management Limited								
9.1	- Pension Fund Manager	2,481	3,177	6,044	11,702	558	1,945	2,329	4,832
9.2	Sindh Sales Tax on remuneration of the - Management Company	372	476	907	1,755	73	253	303	629
	Remuneration of Central Depository Company								
10.1	of Pakistan Limited - Trustee	345	589	1,118	2,052	913	451	597	1,961
10.2	Sindh Sales Tax on remuneration of the Trustee	51	89	167	307	119	59	78	256
11	Annual fee to the Securities and Exchange Commission of Pakistan	99	177	337	613	44	121	160	325
	Allocation of fees and expenses related to registrar services,								
	accounting, operation and valuation services	-	191	347	538	-	706	1,129	1,835
15	Auditor's remuneration	90	130	91	311	67	158	205	430
	Settlement,bank charges and others	150	48	139	337	630	90	78	798
	Charity expense	2,575	-	-	2,575	375	-	-	375
	Security transaction cost	1,693	1	1	1,695	1,030	1	-	1,031
6.3.1.1	Provision for debt security	-	544	-	544	-	136	-	136
TOTAL EXPENSES		7,856	5,422	9,151	22,429	3,809	3,920	4,879	12,608
Net income for the year before taxation		110,499	68,149	109,271	287,919	55,765	59,777	78,344	193,886
Taxation		16				-	-	-	
Net income for the year		110,499	68,149	109,271	287,919	55,765	59,777	78,344	193,886
Earnings per unit		17							

The annexed notes from 1 to 27 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL ISLAMIC PENSION FUND

Statement of Comprehensive Income

For the year ended June 30, 2025

	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total
	(Rupees in '000)							
Net income for the year	110,499	68,149	109,271	287,919	55,765	59,777	78,344	193,886
Other comprehensive income for the year:	-	-	-	-	-	-	-	-
Total comprehensive income for the year	110,499	68,149	109,271	287,919	55,765	59,777	78,344	193,886

The annexed notes from 1 to 27 form an integral part of these financial statements.

HBL ISLAMIC PENSION FUND

Statement of Movement in Participants' SUB Funds

For the year ended June 30, 2025

	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market	Total
	(Rupees in '000)							
Net assets at beginning of the year	166,196	366,417	649,334	1,181,947	85,560	263,987	291,770	641,317
Amount received on issuance of units	320,573	395,058	915,819	1,631,450	148,281	206,746	480,682	835,709
Amount paid on redemption of units	(251,066)	(295,509)	(543,148)	(1,089,723)	(123,410)	(164,093)	(201,462)	(488,965)
	69,507	99,549	372,671	541,727	24,871	42,653	279,220	346,744
Capital gain on sale of investments	36,356	2,134	778	39,268	25,163	3,354	4,141	32,657
Unrealised gain on revaluation of investments classified as 'at fair value through profit or loss'	66,939	8,736	3,950	79,625	28,149	591	607	29,348
Other net income for the year	7,204	57,279	104,543	169,026	2,453	55,832	73,596	131,880
	110,499	68,149	109,271	287,919	55,765	59,777	78,344	193,885
Net assets at end of the year	346,202	534,115	1,131,276	2,011,593	166,196	366,417	649,334	1,181,947

The annexed notes from 1 to 27 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL ISLAMIC PENSION FUND

Cash Flow Statement

For the year ended June 30, 2025

Note	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Fund	Total
	(Rupees in '000)							
CASH FLOWS FROM OPERATING ACTIVITIES								
Net income for the year before taxation	110,499	68,149	109,271	287,919	55,765	59,777	78,344	193,886
Adjustments for:								
Profit on bank deposits	(1,623)	(18,024)	(19,631)	(39,278)	(115)	(19,914)	(25,898)	(45,927)
Markup / return on investments	-	(44,677)	(94,063)	(138,740)	-	(39,838)	(52,577)	(92,415)
Dividend income	(13,437)	-	-	(13,437)	(6,147)	-	-	(6,147)
Capital (gain) on sale of investments	(36,356)	(2,134)	(778)	(39,268)	(25,163)	(3,354)	(4,141)	(32,658)
Unrealised (appreciation) on re-measurement of investments classified 'as 'at fair value through profit or loss'	(66,939)	(8,736)	(3,950)	(79,625)	(28,149)	(591)	(607)	(29,347)
	(7,856)	(5,422)	(9,151)	(22,429)	(3,809)	(3,920)	(4,879)	(12,608)
(Increase) / decrease in assets								
Investments	(76,347)	(231,499)	(687,510)	(995,356)	(34,595)	(38,156)	12,587	(60,164)
Advances, deposits and other receivables	-	110	-	110	2,557	(111)	-	2,446
	(76,347)	(231,389)	(687,510)	(995,246)	(32,038)	(38,267)	12,587	(57,718)
Increase / (decrease) in liabilities								
Payable to HBL Asset Management Limited - Pension Fund Manager	173	131	313	617	39	(71)	57	24
Payable to Central Depository Company of Pakistan Limited - Trustee	19	15	40	74	7	12	44	63
Payable to the Securities and Exchange Commission of Pakistan	55	56	177	288	10	55	99	164
Accrued expenses and other liabilities	12,145	(923)	(986)	10,236	3,992	(967)	(1,676)	1,349
	12,392	(721)	(456)	11,215	4,048	(972)	(1,477)	1,600
Cash (used in) / generated from operations	(71,811)	(237,532)	(697,117)	(1,006,460)	(31,799)	(43,159)	6,231	(68,727)
				-				
Profit received on bank deposits	1,682	18,862	26,959	47,503	163	19,713	21,783	41,659
Dividend received	13,442	-	-	13,442	6,139	-	-	6,139
Markup received on investment	-	39,766	90,395	130,161	-	42,941	54,518	97,459
	15,124	58,628	117,354	191,106	6,302	62,654	76,301	145,257
Net cash flows (used in) / generated from operating activities	(56,687)	(178,904)	(579,763)	(815,354)	(25,497)	19,495	82,532	76,530
CASH FLOWS FROM FINANCING ACTIVITIES								
Amount received on issuance of units	320,573	395,058	915,819	1,631,450	148,281	206,746	480,682	835,709
Amount paid on redemption of units	(251,066)	(295,509)	(543,148)	(1,089,723)	(123,410)	(164,093)	(201,462)	(488,965)
Re-allocation among funds	-	-	-	-	-	-	-	-
Net cash generated from / (used in) financing activities	69,507	99,549	372,671	541,727	24,871	42,653	279,220	346,744
Net (decrease) / increase in cash and cash equivalents	12,820	(79,355)	(207,092)	(273,627)	(626)	62,148	361,752	423,274
Cash and cash equivalents at the beginning of the year	5,126	178,082	455,530	638,738	5,752	115,934	93,778	215,464
Cash and cash equivalents at the end of the year	17,946	98,727	248,438	365,111	5,126	178,082	455,530	638,738

The annexed notes from 1 to 27 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL Islamic Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager (the Pension Fund Manager) and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011. The Fund is registered on September 08, 2021.
- 1.2** The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. The above-mentioned Trust Deed had been registered under the Sindh Trust Act.
- 1.3** The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (The VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Karachi, Pakistan.
- 1.4** The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.
- 1.5** The Fund has been formed to enable the participants to contribute in a diversified portfolio of securities, which are Shariah compliant. Under the Trust Deed, all the conducts and acts of the Fund are based on Shariah. The Pension Fund Manager has appointed Al-Hilal Shariah Advisors (Private) Limited as Shariah Advisor to the Pension Fund to ensure that the activities of the Fund are in compliance with the principles of Shariah.
- 1.6** The Fund consists of three sub-funds namely, HBL Islamic Pension Fund - Equity Sub-Fund, HBL Islamic Pension Fund - Debt Sub-Fund and HBL Islamic Pension Fund - Money Market Sub-Fund (collectively the "Sub-Funds"). The investment policy for each of the sub-funds is as follows:
- The Equity Sub-Fund consists of a minimum 90% of net assets invested in Shariah compliant listed equity securities. Investment in a single company is restricted to lower of 15% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 35% of NAV or index weight, subject to a maximum of 40% of NAV. Remaining assets of the Equity Sub-Fund may be invested in any government security having less than one year time to maturity, or be deposited with Islamic commercial banks or Islamic window of a commercial bank having at least 'A' rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
 - The Debt Sub-Fund consists of tradable debt securities with weighted average duration of the investment portfolio of the sub-fund not exceeding five years. At least twenty five percent (25%) of the net assets in the sub-fund shall be invested in debt securities issued by the Federal Government not exceeding 90 days' maturity. In case the Shariah compliant securities issued by Federal Government are not available to comply with above, the assets of a Shariah compliant debt sub-fund may be deposited in Islamic commercial banks, having not less than "A+" rating or Islamic window of commercial banks, having not less than "AA" rating, or may be invested in Islamic bonds or Sukuks issued by entities wholly-owned by the Federal Government or in such Islamic securities which are fully guaranteed by the Federal Government. Composition of the remaining portion of the investments shall be as defined in the offering document.

- The Money Market Sub-Fund consists of Shariah compliant short-term money market securities with weighted average time to maturity not exceeding one year. Time to maturity of any assets in the portfolio shall not exceed six months except in the case of Shariah Compliant Government Securities which may be upto 5 years. There is no restriction on the amount of investment in securities issued by Federal Government and Islamic windows of commercial banks having 'AA' rating provided that deposits with one bank shall not exceed 15% of net assets of Money Market Sub-Fund. Composition of the remaining shall be in proportion as defined in offering document.

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

1.8 VIS Credit Rating Agency has assigned management quality rating of 'AM1 (Stable Outlook)' as at December 31, 2024 to the Pension Fund Manager while the fund is not currently rated.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as 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;
- NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations') and requirements of the Trust Deed; and
- The requirements of the Constitutive Documents, Voluntary Pension System Rules, 2005 (VPS Rules), The Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations) and the directives issued by the SECP;

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

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except investments that are stated at fair values.

2.3 Functional and presentation currency

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

2.4 Critical accounting estimates and judgments

The preparation of financial statements in conformity with approved accounting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets, liabilities, income and expenses.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the year in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of approved accounting standards, as applicable in Pakistan, that have significant effect on the financial statements and estimates with a significant risk of material judgment in the next year are as follows:

Classification and measurement of financial assets and financial liabilities
For details please refer notes 4.2.1.1 and 6 to these financial statements.

Impairment of financial assets
For details please refer notes 4.2.2 to these financial statements.

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

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

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

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

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

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below.

4.1 Cash and cash equivalents

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

4.2 Financial instruments

4.2.1 Financial assets

Financial assets are classified into appropriate categories at amortized cost, at fair value through other comprehensive income and at fair value through profit or loss. The management determines the classification of financial assets into categories based on fund's business model for managing the financial and the contractual terms of the cash flows.

4.2.1.1 Classification

4.2.1.1.1 Equity Instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. An equity instrument held for trading purposes or in which FVOCI election is not taken is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

4.2.1.1.2 Debt Instruments

Amortized cost

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

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

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

Fair value through profit or loss

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

Subsequent, the financial assets are measured at:

Debt investments at amortised cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest / markup income and impairment are recognised in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognised in income statement. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognised in income statement.

Equity instruments at FVOCI

These assets are subsequently measured at their fair values. Gain/loss on remeasurement are recognised in other comprehensive income and are never recycled to income statement. Dividends are recognised in income statement when the right of the payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Equity investments at FVTPL

These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment.

4.2.1.2 Regular way purchase and sale of financial asset

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

4.2.1.3 Derecognition

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

4.2.2 Impairment of financial assets

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

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

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

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.3 Financial liabilities

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

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

4.2.4 Offsetting of financial assets and liabilities

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

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of second schedule to the income Tax Ordinance, 2001. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

4.5 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements in the year in which such distributions are declared.

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, inapplicable.

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

4.7 Net asset value per unit

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

4.8 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Mark-up / profit / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Dividend income from equity securities is recognised when the right to receive the dividend is established.

4.9 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

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

5. BALANCES WITH BANKS

BALANCES WITH BANKS		June 30, 2025				June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Note	(Rupees in '000)							
Saving accounts	5.1	17,946	98,727	248,438	365,111	5,126	178,082	455,530	638,739

5.1 This includes balances of Rs.2.746 million, Rs.96.368 million & Rs.234.575 million (June 30, 2024: Rs.3.263 million, Rs.177.057 million & Rs.454.464 million) of equity sub-fund, debt sub-fund and money market sub-fund respectively placed with Habib Bank Limited (a related party), during the year these accounts carried profit at the rates ranging between 9%-21.15% (June 30, 2024: 6.50% to 21.35) respectively. During the year other savings accounts of the Fund carried profit at the rates ranging between 10.75%-20.5% (June 30, 2024: 19.10% to 21.35%) per annum.

6. INVESTMENTS

	June 30, 2025				June 30, 2024				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	(Rupees in '000)								
At fair value through profit or loss'									
Listed equity securities	6.1	343,516	-	-	343,516	163,874	-	-	163,874
Government securities - Ijarah sukuks	6.2	-	252,789	684,496	937,284	-	183,590	123,258	306,848
Corporate Sukuk Bonds	6.3	-	174,168	191,000	365,168	-	997	60,000	60,997
Total		343,516	426,957	875,496	1,645,969	163,874	184,587	183,258	531,719

6.1 Fair value through profit or loss Listed equity securities - Equity Sub-Fund

6.1.1 Held by Equity Sub-Fund

Name of Investee Company	Note	As at July 01, 2024	Purchased / bonus / right received during the year	Sold during the year	As at June 30, 2025	Total carrying value as at June 30, 2025	Total Market value as at June 30, 2025	Unrealised appreciation / (diminution) on revaluation of investments	Market value as a percentage of net assets of the sub fund	Market value as a percentage of total investments of	Investment as a percentage of paid-up capital of investee company
Quoted investments		Number of shares				(Rupees in '000)		Percentage			
Automobile and parts											
Al Ghazi Tractors Limited		4,370	-	(4,370)	-	-	-	-	-	-	-
Banking											
Bank Islami Pakistan Limited		87,701	10,000	(97,701)	-	-	-	-	-	-	-
Meezan Bank Limited		5,700	12,500	(18,200)	-	-	-	-	-	-	-
Cement											
D.G. Khan Cement Company Limited	6.1.2	127,500	44,700	(92,800)	79,400	8,028	13,145	5,118	3.80	3.85	0.02
Fauji Cement Company Limited	6.1.2	470,000	210,963	(416,317)	264,646	8,907	11,822	2,915	3.41	3.46	0.01
Lucky Cement Limited		-	28,750	(8,750)	20,000	4,181	7,105	2,924	2.05	2.08	0.00
Attock Cement Pakistan Limited	6.1.2	-	109,266	(45,700)	63,566	14,030	18,599	4,569	5.37	5.44	0.05
Maple Leaf Cement Factory Limited	6.1.2	217,790	253,600	(157,000)	314,390	14,402	26,497	12,095	7.65	7.75	0.03
Pioneer Cement Limited	6.1.2	40,000	15,000	(2,700)	52,300	7,523	11,931	4,408	3.45	3.49	0.02
Thatta Cement		-	38,000	(38,000)	-	-	-	-	-	-	-
Flying Cement Limited		181,000	93,000	(274,000)	-	-	-	-	-	-	-
Chemicals											
Ittehad Chemicals Limited		21,500	-	(21,500)	-	-	-	-	-	-	-
Sitara Chemical		-	3,500	-	3,500	1,574	1,735	162	0.50	0.51	0.02
Biafo Industries Limited		-	28,059	-	28,059	4,276	4,928	652	1.42	1.44	0.06
Agritech Limited		-	50,000	(50,000)	-	-	-	-	-	-	-
Descon Oxychem Limited		-	39,000	(39,000)	-	-	-	-	-	-	-
Investment Banks / Investment Company / Securities Company											
Engro Holdings Limited		-	38,000	-	38,000	6,609	6,937	328	2.00	2.03	0.00
Glass and Ceremics											
Tariq Glass Limited		27,118	6,000	(10,300)	22,818	2,841	5,731	2,890	1.66	1.68	0.01
Engineering											
International Steels Limited		18,000	2,600	(20,600)	-	-	-	-	-	-	-
Agha Steel Industries Limited		36,000	-	(36,000)	-	-	-	-	-	-	-
Aisha Steel Limited		48,000	112,000	(160,000)	-	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited	6.1.2	27,100	3,500	(30,600)	-	-	-	-	-	-	-
Fertilizer											
Engro Fertilizers Limited		8,705	1,832	(10,537)	-	-	-	-	-	-	-
Fauji Fertilizer Bin Qasim Limited		63,500	-	(63,500)	-	-	-	-	-	-	-
Food and Personal Care											
National Foods		-	10,200	(3,000)	7,200	1,702	2,356	654	0.68	0.69	0.00
Mari Energies Limited (Formerly; Mari Petroleum Company Limited)	6.1.4	733	46,498	(44,623)	2,608	1,362	1,635	273	-	-	-
Oil and Gas Development Company Limited	6.1.2	106,000	212,000	(117,550)	200,450	36,295	44,211	7,916	12.77	12.93	0.00
Pakistan Petroleum Limited	6.1.2	508,000	229,123	(477,100)	260,023	38,712	44,248	5,536	12.78	12.94	0.01
Oil and gas marketing companies											
Pakistan State Oil Company Limited	6.1.2 & 6.1.3	62,837	113,100	(47,000)	128,937	39,514	48,678	9,164	14.06	14.24	0.03
Sui Northern Gas Pipelines Limited	6.1.2	173,700	271,800	(333,400)	112,100	12,428	13,083	656	3.78	3.83	0.02
Paper and Board											
Century Paper and Board Limited		46,000	13,500	(59,500)	-	-	-	-	-	-	-
Pharmaceuticals											
AGP Limited		8,025	62,166	(15,341)	54,850	7,110	10,474	3,364	3.03	3.06	0.02
Ferozsons Laboratories Limited		11,500	1,500	(13,000)	-	-	-	-	-	-	-
Highnoon Laboratories Limited		2,395	15,735	(8,995)	9,135	8,120	9,025	905	2.61	2.64	0.02
Abbot Laboratories Pakistan Limited		2,800	5,088	(488)	7,400	5,896	7,193	1,297	2.08	2.10	0.01
GlaxoSmithKl ine		-	44,900	(17,800)	27,100	10,034	10,589	554	3.06	3.10	0.03
Haleon Pakistan		-	14,200	(7,810)	6,390	5,518	4,705	(813)	1.36	1.38	0.01
The Searle Company Limited	6.1.3	51,558	24,780	(75,881)	457	32	40	8	0.01	0.01	0.00
Power generation and distribution											
Hub Power Company Limited		51,558	112,242	(121,800)	42,000	5,904	5,788	(116)	1.67	1.69	0.00
K Electric Limited		602,500	2,346,000	(777,000)	2,171,500	10,870	11,400	530	3.29	3.33	0.01
Technology & Communication											
TPL Trakker Limited		296,500	-	(123,601)	172,899	1,810	1,233	(577)	0.36	0.36	0.09
P.T.C.L		-	114,000	(114,000)	-	-	-	-	-	-	-
Air Link Communication		-	16,250	(16,250)	-	-	-	-	-	-	-
Systems Limited		6,548	30,000	(6,548)	30,000	3,071	3,214	144	0.93	0.94	0.00
Refinery											
Attock Refinery Limited		6,440	45,100	(31,940)	19,600	12,759	13,317	558	3.85	3.90	0.02
Pak Refinery Limited		-	72,000	(72,000)	-	-	-	-	-	-	-
National Refinery Limited		4,795	-	(4,795)	-	-	-	-	-	-	-
Automobile Assembler											
Honda Atlas Cars Pakistan Limited		14,500	5,800	(20,300)	-	-	-	-	-	-	-
Atlas Honda Limited		-	3,000	(3,000)	-	-	-	-	-	-	-
Gandhara Ind		-	10,250	(10,250)	-	-	-	-	-	-	-
Gandhara Automobile		-	16,700	(16,700)	-	-	-	-	-	-	-
Sazgar Engineering Works Limited		980	4,009	(4,989)	-	-	-	-	-	-	-
Automobile Parts & Accessories											
Baluchistan Wheels Limited		22,500	-	(22,500)	-	-	-	-	-	-	-
Atlas Battery Limited		2,000	850	(2,850)	-	-	-	-	-	-	-
Exide Pakistan Limited		2,900	-	(2,900)	-	-	-	-	-	-	-
Miscellaneous											
TPL Properties Limited		57,500	-	(57,500)	-	-	-	-	-	-	-
Pak Hotels Development Limited		-	4,000	(4,000)	-	-	-	-	-	-	-
Shifa Int.Hospital		-	8,200	-	8,200	3,069	3,896	827	1.13	1.14	0.01
Total as at June 30, 2025		3,426,253	4,953,261	(4,231,986)	4,147,528	276,577	343,516	66,939			
Total as at June 30, 2024		1,553,904	5,609,801	(3,667,210)	3,426,253	137,334	163,874	26,540			

6.1.2 The above investments include shares with market value aggregating to Rs. 65.313 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. The details of pledged shares are as follows:

	June 30,2025	June 30,2024	June 30,2025	June 30,2024
	-----Number of Shares-----		-----Rupees in 000-----	
Attock Cement Pakistan Limited	16,500	-	4,827	-
D.G. Khan cement Company Limited	22,500	-	3,725	-
Fauji Cement Company limited	33,000	-	1,474	-
Maple Leaf Cement Factory Limited	15,000	-	1,264	-
Mughal Iron and Steel Industries Limited	-	3,000	-	279
Oil & Gas Development company limited	90,500	74,300	19,960	10,058
Pakistan Petroleum Limited	105,100	77,100	17,884	9,029
Pakistan State Oil Company Limited	35,000	11,000	13,213	1,828
Pioneer Cement Limited	13,000	-	2,966	-
Sui Northern Gas Pipelines Limited	-	67,700	-	4,297
	<u>330,600</u>	<u>233,100</u>	<u>65,313</u>	<u>25,491</u>

6.1.3 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 (MUFAP), has filed a petition in Honorable Sindh High Court (the 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 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.0.129 million at June 30, 2025 (2024: Rs. 0.065 million) and not yet deposited on CDC account of department of Federal Board Revenue. The final outcome of the case is pending however, the Management Company 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 year end.

6.1.4 During the tax year 2023, section 236Z of the Income Tax Ordinance, 2001 introduced for levy a withholding tax at the rate of 10% of amount of bonus shares declared by company. During the period, the Fund has received 26,072 bonus shares from Mari Petroleum Company Limited, against which 2,608 shares were withheld by the investee company as withholding tax under section 236Z of the income tax ordinance, 2001. The Management Company in consultation with other CISs, has formed a considered view that since the fund is a pass through entity and its income, upon distribution of 90% to unit holders, is not subject to tax. Therefore, the provision of Section 236Z - withholding tax is not applicable to the Fund as no tax incidence will eventually arise.

Further, a Petition having reference no. C.P. No. D-4747 of 2024 and C.P. No D-5461 of 2024 have been filed by the Central Depository Company of Pakistan Limited (CDC) as Trustee on behalf of CISs and management companies against the investee companies before the Honorable High court of Sindh (the Court) against implementation of Section 236Z on CISs and to seek exemption certificates from Income tax authorities. The Court has issued order and directed the investee companies to retain 10% of the bonus shares being issued to petitioners (i.e. investment management companies) and shall not pay any tax to Inland Revenue Department until further order received from the Court. In order to cater the fair value differences and resulting withholding tax amount as requested by the investee company, the Court has further directed to retain additional 10% shares. Accordingly, the CDC being the custodian of the shares has frozen additional 10% shares in the investment account held with them.

Based on Islamabad High Court order, Mari Energies Limited has disposed of the shares withheld and the proceeds has been deposited with government treasury except those entities which are in litigation with SHC. As a result, CDC released frozen additional 10% shares in the investment account held by CDC irrespective of litigation. However, SHC decision is still pending adjudication.

6.2 Government Securities - Ijarah Sukuk

6.2.1 Held by Debt Sub-Fund

Issue Date	Tenor	Face value				Market value as a percentage of			
		As at July 1, 2024	Purchases during the period	Sales / matured during the period	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Total investments of sub-fund	Net assets of sub- fund
(Rs in 000)				Rupees in ('000)		(%)			
July 29, 2020	5 Year	-	4,600	-	4,600	4,646	4,600	1.08%	0.86%
October 6, 2021	5 Year	-	23,700	-	23,700	23,700	23,950	5.61%	4.48%
June 26, 2023	3 Year	-	15,000	-	15,000	16,183	16,157	3.78%	3.02%
December 4, 2023	3 Years	105,000	-	27,000	78,000	78,086	83,926	19.66%	15.71%
January 24, 2024	1 Year	14,665	-	14,665	-	-	-	-	0.00%
April 26, 2024	1 Year	75,000	-	75,000	-	-	-	-	0.00%
October 20, 2024	3 Year	-	68,500	-	68,500	68,570	70,507	16.51%	13.20%
October 21, 2024	5 Year	-	20,000	-	20,000	20,311	21,188	4.96%	3.97%
January 9, 2025	1 Year	-	10,000	-	10,000	9,506	9,516	2.23%	1.78%
May 2, 2025	1 Year	-	25,000	-	25,000	22,961	22,945	5.37%	4.30%
Total as at June 30, 2025		194,665	166,800	116,665	244,800	243,962	252,789	59.21%	47.33%
Total as at June 30, 2024		100,000	577,415	482,750	194,665	183,009	183,590	99%	50%

6.2.2 Held by Money Market Sub-Fund

Issue Date	Tenor	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Market value as a percentage of	
		As at July 1, 2024	Purchases during the period	Sales / matured during the period	As at June 30, 2025			Total investments of sub-fund	Net assets of sub- fund
----- Rupees in ('000) -----				----- Rupees in ('000) -----		----- (%) -----			
April 30, 2020	5 Years	-	111,000	111,000	-	-	-	0.00%	0.00%
December 4, 2023	3 Years	25,000	-	-	25,000	25,028	26,898	3.07%	2.38%
January 24, 2024	1 Year	18,495	-	18,495	-	-	-	0.00%	0.00%
April 26, 2024	1 Year	93,750	-	93,750	-	-	-	0.00%	0.00%
May 30, 2024	1 Year	-	100,000	-	100,000	91,541	91,620	10.46%	8.10%
July 26, 2024	1 Year	-	275,000	-	275,000	272,342	273,323	31.22%	24.16%
October 20, 2024	3 Years	-	35,000	-	35,000	35,408	36,026	4.11%	3.18%
October 21, 2024	1 Year	-	125,000	-	125,000	121,002	121,425	13.87%	10.73%
October 21, 2024	1 Year	-	15,000	-	15,000	14,569	14,571	1.66%	1.29%
November 7, 2024	1 Year	-	20,000	-	20,000	19,305	19,338	2.21%	1.71%
January 9, 2025	1 Year	-	10,000	-	10,000	9,506	9,516	1.09%	0.84%
May 2, 2025	1 Year	-	100,000	-	100,000	91,844	91,780	10.48%	8.11%
Total as at June 30, 2025		137,245	791,000	223,245	705,000	680,545	684,496	78.18%	60.51%
Total as at June 30, 2024		145,000	760,445	768,200	137,245	122,651	123,258	67.26%	18.98%

6.3 Sukuk Bonds

6.3.1 Held by Debt Sub-Fund

Investee Company	Issue Date	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Provision against non-performing securities 6.3.1.1	Market value as a percentage of				
		As at July 1, 2024	Purchases during the period	Sales / matured during the period	As at June 30, 2025				Total investment s of sub-fund	Net assets of sub-fund			
		(Number of certificates)							Rupees in ('000)			(%)	
TECHNOLOGY & COMMUNICATION													
TPL Tracker Limited	30-Mar-21	1	-	-	1	167	168		0.04%	0.03%			
Pakistan Telecommunication Company Limited-160924	16-Sep-24	-	15	15	-	-	-			0.00%			
Pakistan Telecommunication Company Limited-190325	19-Mar-25	-	14	-	14	14,000	14,000		3.28%	2.62%			
Pakistan Mobile Communications Limited-280325	28-Mar-25	-	70	-	70	70,000	70,000		16.40%	13.11%			
Select Technologies Private Limited-160625	16-Jun-25	-	20	-	20	20,000	20,000		4.68%	3.74%			
		1	119	15	105	104,167	104,168		24.40%	19.50%			
POWER GENERATION & DISTRIBUTION													
Lucky Electric Power Company Limited - 150824	15-Aug-24	-	20	20	-	-	-		-	0.00%			
K-Electric Limited 050824	5-Aug-24	-	20	20	-	-	-		0.00%	0.00%			
Lucky Electric Power Company Limited - 140225	14-Feb-25	-	45	-	45	45,000	45,000		10.54%	8.43%			
			85	40	45	45,000	45,000		10.54%	8.43%			
Fertilizer													
Engro Fertilizer Limited	13-May-25	-	25	-	25	25,000	25,000		5.86%	4.68%			
			25	-	25	25,000	25,000		5.86%	4.68%			

Investee Company	Issue Date	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Provision against non-performing securities 6.3.1.1	Market value as a percentage of				
		As at July 1, 2024	Purchases during the period	Sales / matured during the period	As at June 30, 2025				Total investments of sub-fund	Net assets of sub-fund			
		(Number of certificates)							Rupees in ('000)			(%)	(%)
MISCELLANEOUS													
Agha Steel Industries Limited (Disclosure for provision)	9-Aug-23	1	-	-	1	-	-	544	0.00%	0.00%			
		1	-	-	1	-	-	-	0.00%	0.00%			
Total as at June 30, 2025		2	229	55	176	174,167	174,168	544	40.79%	32.61%			
Total as at June 30, 2024		109	7	114	2	987	997	544	0.54%	0.16%			

6.3.1.1 This represents Provision made against non performing securities in accordance with the criteria specified in Circular No. 33 of 2012 dated October 24, 2012 issued by SECP.

6.3.2 Held by Money Market sub fund

Investee Company	Issue Date	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Market value as a percentage of		
		As at July 1, 2024	Purchases during the period	Sales / matured during the	As at June 30, 2025			Total investments of sub-fund	Net assets of sub-fund	
		----- (Number of certificates) -----						----- Rupees in ('000) -----	----- (%) -----	
TECHNOLOGY & COMMUNICATION										
Pakistan Telecommunication Company Limited-160924	16-Sep-24	-	55	55	-	-	0.00%	0.00%		
Pakistan Telecommunication Company Limited-190325	19-Mar-25	-	26	-	26	26,000	26,000	2.97%	2.30%	
Pakistan Mobile Communications Limited-280325	28-Apr-25	-	70	-	70	70,000	70,000	8.00%	6.19%	
		-	151	55	96	96,000	96,000	10.97%	8.49%	
POWER GENERATION & DISTRIBUTION										
Lucky Electric Power Company Limited - 260324	26-Mar-24	60		60	-	-	-	0.00%	0.00%	
K-Electric Limited 050824	5-Aug-24	-	33	33	-	-	-	0.00%	0.00%	
Lucky Electric Power Company Limited - 140225	14-Feb-25	-	90	-	90	90,000	90,000	10.28%	7.96%	
		60	123	93	90	90,000	90,000	10.28%	7.96%	
Fertilizer										
Engro Fertilizer Limited	13-May-25	-	5	-	5	5,000	5,000	0.57%	0.44%	
		-	5	-	5	5,000	5,000	0.57%	0.44%	
Total as at June 30, 2025		60	279	148	191	191,000	191,000	21.82%	16.88%	
Total as at June 30, 2024		46	65	51	60	60,000	60,000	32.74%	9.24%	

7. DIVIDEND AND PROFIT RECEIVABLE

Particulars	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Note							
(Rupees in '000)								
Dividend receivable	7	-	-	7	10	-	-	10
Profit receivable on bank deposit	40	3,402	1,264	4,706	98	4,240	8,592	12,931
Profit receivable on Sukuk bonds	-	4,348	6,283	10,631	-	-	3,742	3,742
Profit receivable on Government securities	-	1,848	1,152	3,000	-	1,287	25	1,312
	47	9,598	8,699	18,344	109	5,527	12,360	17,996

8. ADVANCES, DEPOSITS AND OTHER RECEIVABLE

Particulars	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)								
Security deposit with Central Depository Company of Pakistan Limited (CDC)	100	100	100	300	100	100	100	300
Security deposit with National Clearing Company of Pakistan Limited (NCCPL)	2500	-	-	2,500	2500	-	-	2,500
Receivable against sale of investment	-	-	-	-	-	111	-	111
Advance tax	109	236	343	688	109	236	343	688
Others	24	14	12	50	26	13	11	51
	2,733	351	455	3,538	2,735	461	454	3,650

- 8.1** The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of Second Schedule to the income Tax Ordinance, 2001. Further, the Fund is exempt from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001.

The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). However, various withholding agents have deducted advance tax under section 151 of ITO 2001. The Management Company is confident that the same shall be refunded after filing refund application.

9. PAYABLE TO THE HBL ASSET MANAGEMENT LIMITED - PENSION FUND MANAGER

		June 30, 2025				June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees in '000)							
Remuneration payable to Pension Fund Manager	9.1	280	319	627	1,226	132	210	361	702
Sindh Sales Tax on remuneration to the Pension Fund Manager	9.2	42	48	94	184	17	27	47	91
		322	367	721	1,410	149	237	408	793

- 9.1** As per the Regulation 61 of the NBFC Regulations, Asset Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the Offering Document. The maximum limit disclosed in the Offering Document is 1.5% per annum of average annual net assets. During the year, the fee has been charged at the rate ranging between of 0.55% to 1.5% of the average annual net assets. The fee is payable monthly in arrears.

- 9.2** The Sindh Sales Tax charged at the rate of 15% (2024: 13%) on the remuneration of the Pension Fund Manager through the Sindh Sales Tax on Services Act, 2011.

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

		June 30, 2025				June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		(Rupees in '000)							
Remuneration payable	10.1	35	54	106	195	19	42	72	133
Sales tax on remuneration payable	10.2	5	8	16	29	2	5	9	16
		40	62	122	224	21	47	82	150

- 10.1** The Central Depository Company of Pakistan Limited is entitled to remuneration at the following rates on net assets of the Fund:

Net Assets

Tariff per annum

Up to Rs.1,000 million

0.15% per annum

Above Rs.1,001 million and up to Rs.3,000 million

Rs.1.5 million plus 0.10% per annum of net assets, on amount exceeding Rs.1,000 million

Above Rs.3,001 million and up to Rs.6,000 million

Rs.3.5 million plus 0.08% per annum of net assets, on amount exceeding Rs.3,000 million

Above Rs.6,000 million

Rs.5.9 million plus 0.06% per annum of net assets, on amount exceeding Rs.6,000 ,million

- 10.2** The Sales tax charged at the rate of 15% (2024: 13%) on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

11. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	Rupees in '000							
11.1	99	177	337	613	44	121	160	325

- 11.1** This represents annual SECP fee. SECP vide S.R.O. 1620 (I) / 2019, dated December 24, 2019 revised its annual fee to 0.04% (2024: 0.04%) per annum of average daily net assets of the Fund.

12. ACCRUED EXPENSES AND OTHER LIABILITIES

	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	Rupees in '000							
Auditor's remuneration	68	95	68	231	75	116	126	318
Federal excise duty	880	488	383	1,751	880	488	383	1,751
Payable against redemption of units	-	-	-	-	159	1,034	999	2,192
Payable against purchase of investment	10,950	-	-	10,950	1,380	-	-	1,380
Other payable	3,181	329	181	3,691	439	197	110	746
Payable to Pension Fund Manager	2,500	-	-	2,500	2,500	-	-	2,500
	17,579	912	632	19,123	5,434	1,835	1,618	8,887

12.1 FEDERAL EXCISE DUTY

As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Pension Fund Manager has been applied effective from June 13, 2013. The Pension Fund Manager is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the MUFAP along-with CDC with the Sindh High Court (SHC) on September 04, 2013. While disposing the above petition through order dated June 30, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from July 01, 2011. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

The Finance Act, 2016 excluded the mutual funds from the levy of FED with effect from July 01, 2016. therefore, no provision is charged during the year ending June 30, 2025.

However, since the appeal is pending in Supreme Court of Pakistan, the Pension Fund Manager has made a provision of FED on remuneration of the Pension Fund Manager, aggregating to Rs. 0.88 million, Rs. 0.488 million and Rs. 0.383 million (2024: Rs. 0.88 million, Rs. 0.488 million and Rs. 0.383 million), for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made, the net asset value per unit of the Fund as at June 30, 2025 would have been higher by Rs 2.37 per unit, Rs. 0.29 per unit and Rs. 0.10 per unit (2024 Rs 2.98 per unit, Rs. 0.36 per unit and Rs. 0.15 per unit) for equity sub-fund, debt sub-fund and money market sub-fund respectively.

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2025 (2024: Nil).

14 NUMBER OF UNITS IN ISSUE

Particulars	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Beginning of the year	295,280	1,369,573	2,499,200	4,164,053	262,883	1,202,593	1,367,718	2,833,194
Units issued during the year	403,116	1,348,000	3,246,084	4,997,200	301,783	840,477	1,959,579	3,101,839
Units redeemed during the year	(327,424)	(1,009,087)	(1,931,071)	(3,267,582)	(269,386)	(673,497)	(828,097)	(1,770,980)
Total units in issue at the end of the year	370,972	1,708,486	3,814,213	5,893,671	295,280	1,369,573	2,499,200	4,164,053

15. AUDITOR'S REMUNERATION

Annual audit fee	28	60	43	131	17	85	136	238
Review of condensed interim financial information	25	50	34	109	16	49	42	107
Shariah compliance certification	23	-	-	23	23	-	-	23
	76	110	77	263	56	134	178	368
Sales tax	6	9	6	21	5	11	12	28
Out of pocket expenses	8	11	8	27	6	13	15	34
	90	130	91	311	123	292	383	430

16. TAXATION

The income of the fund is exempt from tax under clause 57 (3) (viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further, the Fund is also exempt from the provisions of sec 113 (Minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

17. EARNING PER UNIT

Earnings per unit (EPU) has not been disclosed as in the opinion of the Pension Fund Managers the determination of the cumulative weighted average number of outstanding units is not practicable.

18. FINANCIAL INSTRUMENTS BY CATEGORY

Particulars	June 30, 2025								
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund		
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total

(Rupees in '000)

Financial assets

Balances with banks	17,946	-	17,946	98,727	-	98,727	248,438	-	248,438
Investments	-	343,516	343,516	-	426,957	426,957	-	875,496	875,496
Dividend and profit receivable	47	-	47	9,598	-	9,598	8,699	-	8,699
Advances, deposits and other receivables	2,624	-	2,624	115	-	115	112	-	112
	20,617	343,516	364,133	108,440	426,957	535,397	257,249	875,496	1,132,745

Transactions during the year

Particulars	June 30, 2024								
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund		
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total

(Rupees in '000)

Financial assets

Balances with banks	5,126	-	5,126	178,082	-	178,082	455,530	-	455,530
Investments	-	163,874	163,874	-	184,587	184,587	-	183,258	183,258
Dividend and profit receivable	109	-	109	5,527	-	5,527	12,360	-	12,360
Advances, deposits and other receivables	2,626	-	2,626	225	-	225	111	-	111
	7,861	163,874	171,735	183,834	184,587	368,421	468,001	183,258	651,259

Particulars	June 30, 2025								
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund		
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total
(Rupees in '000)									
Financial liabilities									
Payable to HBL Asset Management Limited- Pension Fund Manager	280	-	280	319	-	319	627	-	627
Payable to the Central Depository Company of Pakistan Limited - Trustee	35	-	35	54	-	54	106	-	106
Accrued expenses and other liabilities	16,699	-	16,699	912	-	912	632	-	632
	17,014	-	17,014	1,285	-	1,285	1,365	-	1,365
(Rupees in '000)									
Particulars	June 30, 2024								
	Equity Sub Fund			Debt Sub Fund			Money Market Sub Fund		
	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total	Amortised cost	At fair value through profit or loss	Total
(Rupees in '000)									
Financial liabilities									
Payable to HBL Asset Management Limited- Pension Fund Manager	132	-	132	210	-	210	361	-	361
Payable to the Central Depository Company of Pakistan Limited - Trustee	19	-	19	42	-	42	72	-	72
Accrued expenses and other liabilities	4,554	-	4,554	1,835	-	1,835	1,618	-	1,618
	4,704	-	4,704	2,086	-	2,086	2,051	-	2,051

19 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Pension Fund Manager, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, Collective Investment Schemes and other Voluntary Pension Systems managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager, directors of connected persons and persons having 10% or more beneficial ownership or voting power of the units of the Fund or the capital of the Pension Fund Manager.

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

Remuneration payable to Pension Fund Manager and Trustee is determined in accordance with the provisions of the Voluntary Pension System Rules, 2005 and the Trust Deed respectively.

The details of the transactions with connected persons and balances with them, if not disclosed elsewhere in these financial statements are as follows:

19.1 Transactions during the period

	For the year ended June 30, 2025				For the year ended June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)								
HBL Asset Management Limited - Pension Fund Manager								
Remuneration of the Pension Fund Manager	2,481	3,177	6,044	11,701	558	1,945	2,329	4,831
Sindh Sales Tax on remuneration of the Pension Fund Manager	372	476	907	1,755	73	253	303	628
Allocation of fees and expenses / (reversal) related to registrar services, accounting, operation and valuation services	-	191	347	538	-	706	1,129	1,836
Central Depository Company of Pakistan Limited - Trustee								
Remuneration to Central Depository Company of Pakistan Limited - Trustee	345	589	1,118	2,052	913	451	597	1,960
Sindh Sales Tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	51	89	167	307	119	59	78	255

	For the year ended June 30, 2025				Total	For the year ended June 30, 2024			Total
	Equity	Debt	Money	Equity		Debt	Money		
	Sub-Fund	Sub-Fund	Market Sub-Fund	Sub-Fund		Sub-Fund	Market Sub-Fund		
(Rupees in '000)									
Habib Bank Limited - Sponsor									
Bank charges	35	48	50	133	22	43	49	114	
Profit on bank deposits earned	1,556	5,430	9,933	16,919	10	606	1,411	2,027	
Purchase of GOP Ijara Sukuk	-	5,048	-	5,048					
Directors and Executives of the Pension Fund Manager and their relatives									
Directors and their relatives									
Issuance of units	Units	8,884	3,780	55,920	68,584	5,478	-	-	5,478
Amount of units issued		6,152	684	15,962	22,798	2,500	-	-	2,500
Reallocation of units	Units	16,347	1,119	22,993	40,459	2,786	-	(5,425)	(2,639)
Amount of units reallocated		13,556	321	6,574	20,451	1,270	-	(1,270)	-
Executives and their relatives									
Issuance of units	Units	-	-	-	-	26,491	22,629	3,445	52,565
Amount of units issued		-	-	-	-	12,673	5,609	818	19,100
Reallocation of units	Units	-	-	-	-	1,728	(200)	(3,279)	(1,751)
Amount of units reallocated		-	-	-	-	878	(56)	(822)	-
Directors of connected persons									
Redemption of units	Units	-	-	-	-	-	55,036	-	55,036
Amount of units redeemed		-	-	-	-	-	13,695	-	13,695
CDC Trustee HBL Islamic Income Fund - Under Common Management									
Purchase of GOP Ijara Sukuk	-	-	-	-	-	-	153,073	253,699	406,772
Sale of GOP Ijara Sukuk	-	30,837	-	30,837	-	-	8,885	-	
CDC Trustee HBL Financial Sector Income Fund - Under Common Management									
Sale of GOP Ijara Sukuk	-	-	-	-	-	-	106,995	216,555	323,550
CDC Trustee HBL Islamic Money Market Fund Under Common Management									
Sale of GOP Ijara Sukuk	-	-	-	-	-	-	-	21,537	

19.2 Balances outstanding as at period end

	For the year ended June 30, 2025				For the year ended June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)								
HBL Asset Management Limited - Pension Fund Manager								
Remuneration Payable to the Pension Fund Manager	280	319	627	1,226	132	210	361	702
Sindh Sales Tax payable on remuneration of the Pension Fund Manager	42	48	94	184	17	27	47	91
Allocation of expenses related to registrar services, accounting, operation and valuation services	-	191	347	538	-	167	257	423
Other payable to Pension Fund Manager	2,500	-	-	2,500	2,500	-	-	2,500
Habib Bank Limited - Sponsor								
Bank balances	2,746	96,368	234,575	333,689	3,264	177,057	454,464	634,784
Directors and Executives of the Pension Fund Manager and their relatives								
Directors and their relatives								
Units held	Units	51,722	11,267	32,946	95,935	30,853	40,287	15,662
Amount of units held		48,268	3,522	9,772	61,562	15,141	10,308	3,898
Executives and their relatives								
Units held	Units	-	-	-	-	60,937	25,332	690
Amount of units held		-	-	-	-	29,904	6,482	172
Central Depository Company of Pakistan Limited - Trustee								
Remuneration to Central Depository Company of Pakistan Limited - Trustee	345	589	1,118	2,052	19	42	72	133
Sindh Sales Tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	51	89	167	307	2	5	9	16
Security deposit receivable	100	100	100	300	100	100	100	300

20. FINANCIAL RISK MANAGEMENT

The Board of Directors of the Management Company has overall responsibility for the establishment and oversight of the Fund's risk management framework. The Board is also responsible for developing and monitoring the Fund's risk management policies.

The Fund's risk management policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of equity, debt and money market investments such as shares of listed companies, investment - grade debt securities, government securities and other money market instruments. These activities are exposed to a variety of financial risks i.e. market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

20.1 Market risk

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

The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee. The Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP and the VPS Rules.

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

20.1.1 Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in foreign exchange rates. The Fund is not exposed to currency risk.

20.1.2 Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

20.1.2 a) Cash flow interest rate risk

The Fund's interest rate risk arises from the balances in savings accounts. The net income for the year would have increased / (decreased) by Rs. 0.1795 million for Equity Sub-Fund, Rs. 0.9873 million for Debt Sub- Fund and Rs. 2.4844 million for Money Market Sub-Fund, had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

20.1.2 b) Fair value interest rate risk

The Fund's investment in GOP Ijara Sukuk, Equity securities and Corporate Sukuk/ TFC exposes it to fair value interest rate risk.

In case of 100 basis points increase/decrease in rates announced by the Financial Market Association of Pakistan on June 30, 2025, with all other variables held constant, the net income for the year and the net assets would be lower/higher by Rs. 3.4188 million for Equity Sub-Fund , Rs. 4.2696 million for Debt Sub- Fund and Rs.8.7550 million for Money Market Sub-Fund .

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

Fair value interest rate risk

Effective yield / interest rate	Total	2025												
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				
		Exposed to			Not exposed to yield / interest rate risk	Exposed to			Not exposed to yield / interest rate risk	Exposed to			Not exposed to yield / interest rate risk	
		Up to three months	More than three months and up to one year	More than one year		Up to three months	More than three months and up to one year	More than one year		Up to three months	More than three months and up to one year	More than one year		
%		Rupees in '000												
On-balance sheet financial instruments														
Financial assets														
Balances with banks	9% - 21.15%	365,111	17,946	-	-	-	98,727	-	-	-	248,438	-	-	-
Investments		1,645,969	-	-	-	343,516	-	426,957	-	-	-	875,496	-	-
Dividend and profit receivable		18,344	-	-	-	47	-	-	-	9,598	-	-	-	8,699
Advances, deposits and other receivables		2,851	-	-	-	2,624	-	-	-	115	-	-	-	112
		2,032,276	17,946	-	-	346,187	98,727	426,957	-	9,713	248,438	875,496	-	8,811
Financial liabilities														
Payable to the Pension Fund Manager		1,226	-	-	-	280	-	-	-	319	-	-	-	627
Payable to the Trustee		195	-	-	-	35	-	-	-	54	-	-	-	106
Accrued and other liabilities		18,243	-	-	-	16,699	-	-	-	912	-	-	-	632
		19,664	-	-	-	17,014	-	-	-	1,285	-	-	-	1,365
On-balance sheet gap		2,012,612	17,946	-	-	329,173	98,727	426,957	-	8,427	248,438	875,496	-	7,447
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-	-	-	-	-	-	-	-	-
Effective yield / interest rate	Total	2024												
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				
		Exposed to			Not exposed to yield / interest rate risk	Exposed to			Not exposed to yield / interest rate risk	Exposed to			Not exposed to yield / interest rate risk	
		Up to three months	More than three months and up to one year	More than one year		Up to three months	More than three months and up to one year	More than one year		Up to three months	More than three months and up to one year	More than one year		
		Rupees in '000												
On-balance sheet financial instruments														
Financial assets														
Balances with banks	17.50% - 20.90%	638,739	5,126	-	-	-	178,082	-	-	-	455,530	-	-	-
Investments		531,719	-	-	-	163,874	-	184,587	-	-	-	183,258	-	-
Dividend and profit receivable		17,996	-	-	-	109	-	-	-	5,527	-	-	-	12,360
Advances, deposits and other receivables		2,962	-	-	-	2,626	-	-	-	225	-	-	-	111
		1,191,416	5,126	-	-	166,609	178,082	184,587	-	5,752	455,530	183,258	-	12,471
Financial liabilities														
Payable to the Pension Fund Manager		702	-	-	-	132	-	-	-	210	-	-	-	361
Payable to the Trustee		133	-	-	-	19	-	-	-	42	-	-	-	72
Accrued and other liabilities		8,007	-	-	-	4,554	-	-	-	1,835	-	-	-	1,618
		8,842	-	-	-	4,704	-	-	-	2,086	-	-	-	2,051
On-balance sheet gap		1,182,574	5,126	-	-	161,905	178,082	184,587	-	3,665	455,530	183,258	-	10,420
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap		-	-	-	-	-	-	-	-	-	-	-	-	-

20.1.3 Price risk

Price risk is the risk of volatility in prices of financial instruments resulting from their dependence on market sentiments, speculative activities, supply and demand for financial instruments and liquidity in the market. The value of investments may fluctuate due to factors specific to the individual financial instrument or its issuer such as, change in business cycles affecting the business of the company in which the investment is made, change in business circumstances of the company, or factors affecting all similar financial instruments traded in the market such as changes in the industry environment and / or the economy in general.

The Pension Fund Manager's strategy on the management of investment risk is driven by the Fund's investment objective. The primary objective of the Fund is to achieve long term capital growth by investing primarily in equity securities. The Fund's market risk is managed on a daily basis by the Pension Fund Manager in accordance with the policies and procedures laid down by the SECP. The funds are allocated among various asset classes based on the attractiveness of the particular asset class. The allocation among these is dependent on the time horizon for investments and liquidity requirements of the portfolio.

The market risk is managed by monitoring exposure to marketable securities, and by complying with the internal risk management policies and regulations laid down in VPS Rules and directives issued by the SECP.

The Fund does not hold any instrument that is exposed to price risk.

20.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in corporate Sukuk/TFC bonds, and bank deposit. Risks attributable to investments in GOP Ijara Sukuk are limited as these are guaranteed by the Federal Government while bank balances are maintained with banks with a reasonably high credit rating. The risk of default is considered minimal due to interest systematic measures taken therein.

20.2.1 The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2025.

Bank	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Latest available published rating as at June 30, 2025	Rating agency
Rupees in '000					
HABIB BANK LIMITED	2,746	96,368	234,575	A-1+	VIS
FAYSAL BANK LIMITED	-	2	676	A-1+	VIS
DUBAI ISLAMIC BANK	-	12	11	A-1+	VIS
BANK ISLAMI PAKISTAN LIMITED	15,200	95	-	A-1	PACRA
ALLIED BANK LIMITED	-	38	16	A-1+	PACRA
MEEZAN BANK LIMITED	-	6	4	A-1+	VIS
SONERI BANK LIMITED	-	691	-	A-1+	PACRA
BANK ALFALAH	-	10	10	A-1+	PACRA
NATIONAL BANK OF PAKISTAN	-	19	2,354	A-1+	PACRA
HABIB METROPOLITAN BANK LIMITED	-	589	9,865	A-1+	PACRA
UNITED BANK LIMITED	-	51	898	A-1+	VIS
BANK AL HABIB LIMITED	-	15	29	A-1+	PACRA
AL BARAKA BANK LIMITED	-	831	-	A-1	VIS
	17,946	98,727	248,438		

20.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category

A-1+	95.58%
A-1	4.42%

There is no exposure other than bank balance as disclosed above as at June 30, 2025.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in bank balances while the remaining transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk to counterparties other than the Government.

20.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund. Liquidity risk may result from an inability to sell a financial asset at close to its fair value. The Pension Fund Manager's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed. The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. As a result, the Fund may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. The present settlement system is a T+2 system, which means that proceeds from sales (to pay off redemptions) of holdings will be received on the second day after the sale, while redemptions have to be paid within a period of six working days from the date of the redemption request.

In addition, the Fund has the ability to borrow, with prior approval of trustee, for meeting redemption requests. No such borrowings were made during the year. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of net assets at the time of borrowing with repayment within 90 days of such borrowings. The facility would bear interest at commercial rates.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

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

Particulars	June 30, 2025											
	Equity Sub Fund				Debt Sub Fund				Money Market Sub Fund			
	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total
(Rupees in '000)												
Financial Liabilities												
Payable to HBL Asset Management Limited - Pension Fund Manager	280	-	-	280	319	-	-	319	627	-	-	627
Payable to the Central Depository Company of Pakistan Limited - Trustee	35	-	-	35	54	-	-	54	106	-	-	106
Accrued expenses and other liabilities	17,579	-	-	17,579	912	-	-	912	632	-	-	632
	17,894	-	-	17,894	1,285	-	-	1,285	1,365	-	-	1,365
												20,544

Particulars	June 30, 2024											
	Equity Sub Fund				Debt Sub Fund				Money Market Sub Fund			
	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total	Up to three months	Over three months and up to one year	Over one year	Total
(Rupees in '000)												
Financial Liabilities												
Payable to HBL Fund Manager Limited - Pension Fund Manager	132	-	-	132	210	-	-	210	361	-	-	361
Payable to the Central Depository Company of Pakistan Limited - Trustee	19	-	-	19	42	-	-	42	72	-	-	72
Accrued expenses and other liabilities	5,434	-	-	5,434	1,835	-	-	1,835	1,618	-	-	1,618
	5,585	-	-	5,585	2,086	-	-	2,086	2,051	-	-	2,051
												9,722

The above mentioned financial liabilities do not carry any mark-up.

21 UNITHOLDERS' FUND RISK MANAGEMENT

The unitholders' fund is represented by the net assets attributable to unitholders / redeemable units. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unitholders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unitholders' fund. Unitholders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unitholders;
- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and
- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current period.

22 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), 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 table below analyse financial instruments measured at the end of the reporting year by the level in the fair value hierarchy into which the fair value measurement is categorised:

	June 30, 2025			Total
	Level 1	Level 2	Level 3	
	Fair value (Rupees in '000)			
Investments at fair value through profit or loss				
Equity Sub-Fund				
Listed equity securities	343,516	-	-	343,516
Debt Sub-Fund				
Government of Pakistan - Ijara Sukuks	252,789	-	-	252,789
Corporate Sukuk bonds	-	174,168	-	174,168
Money Market Sub-Fund				
Government of Pakistan - Ijara Sukuks	684,496	-	-	684,496
Corporate Sukuk bonds	-	191,000	-	191,000
	1,280,800	174,168	-	1,454,968

	June 30, 2024			Total
	Level 1	Level 2	Level 3	
	Fair value (Rupees in '000)			
Investments at fair value through profit or loss				
Equity Sub-Fund				
Listed equity securities	163,874	-	-	163,874
Debt Sub-Fund				
Government of Pakistan - Ijara Sukuks	183,590	-	-	183,590
Corporate Sukuk bonds	-	997	-	997
Money Market Sub-Fund				
Government of Pakistan - Ijara Sukuks	123,258	-	-	123,258
Corporate Sukuk bonds	-	60,000	-	60,000
	470,722	60,997	-	531,719

22.1 Valuation techniques

For level 1 investments at fair value through profit or loss in units of mutual funds, Fund uses daily quotations which are taken from PSX, for the purpose of computation of Market value at the reporting date.

For level 2 investments at fair value through profit or loss in units of mutual funds, Fund uses PKISRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

22.2 The Fund has not disclosed the fair values of 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.

22.3 Transfers during the year

No transfer were made between various levels of fair value hierarchy during the year.

23. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of members of the Investment Committee of the Fund as on June 30, 2025 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mir Adil Rashid	Chief Executive Officer	BSc	26+
2	Muhammad Ali Bhabha	Chief Investment Officer	CFA, FRM, MBA	29+
3	Rahat Saeed Khan	Head of Fixed Income	MBA	27+
4	Amin Mohammad	Head of Risk	MBA	32+
5	Hammad Ali Abbas	Senior Fund Manager	MSC	20+
6	Wasim Akram	Senior Fund Manager	MBA	21+

24. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Nine meetings of the Board of Directors were held on August 28,2024 ,September 26,2024, October 24, 2024, , January 25,2025 ,February 18, 2025 , April 27, 2025,May 26,2025,May 27,2025 and June 04,2025 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	

Name of Director

1	Mr. Shahid Ghaffar	9	9	0	-
2	Ms. Ava A. Cowasjee	9	9	0	-
3	Mr. Rayomond H. Kotwal	9	6	3	August 28,2024, May 27,2025 & June 04,2025
4	Mr. Abrar Ahmed Mir	9	8	1	August 28,2024
5	Mr. Tariq Masaud	9	8	1	October 24,2024
6	Mr. Abid Sattar	6	6	0	-
7	Mr. Khalid Malik	9	9	0	-
8	Mr. Habib Yousuf Habib	3	2	1	May 27,2025
9	Ms. Sheeza Ahmed	3	3	0	

25. TOTAL EXPENSE RATIO

In accordance with the S.R.O 1068 (I) / 2021 dated August 23, 2021 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the equity sub fund, debt sub fund and money market sub fund for the year ended June 30, 2025 is 2.12%, 1.10% and 1.08% (June 30, 2024: 1.56%, 1.58% and 3.54%) respectively which includes 0.28%,0.18% and 0.17% (June 30, 2024: 0.33%,0.17% and 0.17%) respectively representing Government levy and SECP fee.

26. GENERAL

26.1 Figures have been rounded off to the nearest thousand rupees, where stated otherwise.

26.2 Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison.

27. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue by the Board of Directors of the Pension Fund Manager on August 28, 2025.

For HBL Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

HBL

Pension Fund

FUND INFORMATION

NAME OF FUND	HBL Pension Fund
NAME OF AUDITOR	BDO Ebrahim & Co.
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited
NAME OF BANKERS	Habib Bank Limited Faysal Bank Limited Allied Bank JS Bank Limited Sindh Bank Limited Soneri Bank Limited Zarai Taraqati Bank Limited U Microfinance Bank Limited Bank Alfalah Limited Khushhali Bank Limited Bank Al Habib Limited National Bank Of Pakistan HBL Microfinance Bank Limited Dubai Islamic Bank Limited

Summary of Actual Proxy voted by CIS

HBL PF	Meetings	Resolutions	For	Against
Number	5	11	11	-
(%ages)				-

(h) AMC did not participate in shareholders' meetings

Scrip	AGM Meeting Dt	EOGM Meeting Dt
Air Link Communication Ltd	2024-08-27	2025-03-27
Askari Bank Limited	2025-03-24	
Attock Cement Pakistan Ltd	2024-10-21	
Attock Refinery Ltd	14/10/2024 17-10-24	2024-07-12
Avanceon Limited	2025-05-30	
Bank AL Habib Limited	2025-02-27	
BF Biosciences Limited	2024-10-28	
Cherat Cement Company Ltd	2024-10-16	
Crescent Steel & Allied Products Limited	2024-10-28	
DG Khan Cement Co Ltd	2024-10-18	
Engro Fertilizer Limited	2025-03-24	
Engro Holding Limited	2025-04-25	
Fauji Cement Company Ltd	2024-10-14	2024-12-10
Fauji Fertilizer Bin Qasim Ltd		19/08/2024 4-11-24
Fauji Fertilizer Company Ltd	2025-03-25	08/10/2024 4-11-24
GHANDHARA AUTOMOBILES LIMITED	2024-10-24	2025-02-04
Ghandhara Industries Limited	2024-10-24	
Gharibwal Cement	2024-10-24	
GLAXOSMITHKLINE PAKISTAN LIMITED	2025-04-28	
Hub Power co. Ltd	30-Sep-24	
Habib Bank Limited	2025-03-26	
Honda Atlas Cars (Pakistan) Limited		
Loads Limited	2024-10-24	
LUCKY CEMENT LTD	2024-08-26	2025-03-18
Maple Leaf Cement Ltd.		
Mari Energies Limited	2024-09-24	2024-12-19
MCB Bank Limited	2025-03-27	2024-07-06
Meezan Bank Ltd	2025-03-28	2024-11-18
National Bank of Pakistan	2025-03-25	22/11/2024 6-1-25
Netsol Technologies Limited	2024-10-18	2024-12-31
NISHAT MILLS LIMITED	2024-10-28	
Oil & Gas Development Co Ltd	2024-10-25	
PAK ELEKTRON	2025-04-29	
PAKISTAN PETROLEUM LIMITED	2024-10-25	
Pakistan Refinery Ltd	2024-10-19	
Pakistan State Oil Company Ltd	2024-10-24	
Pakistan Stock Exchange Limited	2024-10-28	
PAKISTAN TELECOMMUNICATION COMPANY	2025-04-25	2024-11-06
Pioneer Cement Co Limited	2024-10-28	
Sazgar Engineering Works Limited	2024-10-26	
Secure Logistics Group Ltd		
SUI NORTHERN GAS PIPELINES LIMITED	2024-08-21	
SUI SOUTHERN GAS COMPANY LIMITED	29/11/2024 16-6-25	
Synthetic Products Enterprises Limi		21/02/2025 1-3-25
Systems Limited	2025-04-28	
Thatta Cement Company Limited	2024-10-15	2024-12-09
THE HUB POWER COMPANY LIMITED		
The Organic Meat Company Limited	2024-10-28	2025-01-25
United Bank Limited	2025-03-19	30/12/2024 15-5-25

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

Head Office:

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TRUSTEE REPORT TO THE PARTICIPANTS

HBL PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Pension Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 30, 2025

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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of HBL Pension Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, statement of comprehensive income, the statement of movement in Participant's Sub funds, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2025, and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

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

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

Responsibilities of the Management Company and its Board of Directors

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

In preparing the financial statements, the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and



using the going concern basis of accounting unless the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



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

Report on other legal and regulatory requirements

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

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

KARACHI

DATED: **22 SEP 2025**

UDIN: AR202510166drAgBZ5RG

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

HBL PENSION FUND

Statement of Assets and Liabilities

As at June 30, 2025

		June 30, 2025				June 30, 2024			
		Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
Note		-----Rupees in '000-----							
Assets									
	5	5,464	41,029	634,277	680,770	3,879	403,682	569,523	977,084
	6	231,980	987,950	915,642	2,135,572	94,743	478,931	468,914	1,042,588
	7	632	25,665	3,234	29,531	120	25,906	7,637	33,663
		-	-	-	-	-	1,464	-	1,464
	8	2,683	447	217	3,347	2,682	669	216	3,567
Total assets		240,759	1,055,091	1,553,370	2,849,220	101,424	910,652	1,046,290	2,058,366
Liabilities									
	9	212	1,164	1,648	3,024	115	879	1,069	2,063
	10	25	120	169	314	15	101	122	238
	11	64	391	498	953	42	203	350	595
		2,861	-	-	2,861	352	-	-	352
	12	4,544	1,054	1,470	7,068	3,617	1,037	3,160	7,814
Total liabilities		7,706	2,729	3,785	14,220	4,141	2,220	4,701	11,062
Net assets		233,053	1,052,362	1,549,585	2,835,000	97,283	908,432	1,041,589	2,047,304
PARTICIPANT'S SUB FUNDS (AS PER STATEMENT ATTACHED)									
		233,053	1,052,362	1,549,585	2,835,000	97,283	908,432	1,041,589	2,047,304
CONTINGENCIES AND COMMITMENTS									
	13								
Number of units in issue	15	287,683	2,593,895	4,557,888		188,020	2,667,461	3,518,606	
Net assets value per unit		810.1039	405.7070	339.9787		517.4060	340.5606	296.0229	

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL PENSION FUND

Income Statement

For the year ended June 30, 2025

		June 30, 2025				June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees in '000							
Income									
		15,754	4,221	1,700	21,675	27,333	7,178	1,023	35,534
		8,634	-	-	8,634	9,037	-	-	9,037
		2,240	16,559	20,602	39,401	655	36,614	25,594	62,863
		-	117,596	162,782	280,378	-	60,757	158,918	219,675
		26,628	138,376	185,084	350,088	37,025	104,549	185,535	327,109
		37,593	42,328	935	80,856	14,773	3,117	544	18,434
		64,221	180,704	186,019	430,944	51,798	107,666	186,079	345,543
Expenses									
Remuneration of the HBL Asset Management Limited - Management Company	9.1	1,598	11,283	14,277	27,158	1,205	5,953	10,307	17,465
Sindh Sales Tax on the remuneration of the HBL Asset Management Limited - Management Company	9.2	240	1,692	2,142	4,074	157	774	1,340	2,271
Remuneration of the Central Depository Company of Pakistan - Trustee	10.1	191	1,171	1,487	2,849	135	676	1,172	1,983
Sindh Sales Tax on the remuneration of the Central Depository Company of Pakistan - Trustee	10.2	29	176	223	428	18	88	152	258
Annual fees to the Securities and Exchange - Commission of Pakistan	11.1	64	391	497	952	42	203	351	596
Auditors' remuneration	16	90	191	266	547	66	150	252	468
Settlement, Bank charges & Others		142	259	200	601	77	155	72	304
Securities transaction cost		1,735	10	8	1,753	2,019	27	11	2,057
		4,089	15,173	19,100	38,362	3,719	8,026	13,657	25,402
Net income for the year before taxation		60,132	165,531	166,919	392,582	48,079	99,640	172,422	320,141
Taxation	17	-	-	-	-	-	-	-	-
Net income for the year		60,132	165,531	166,919	392,582	48,079	99,640	172,422	320,141
Earnings per unit	18								

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL PENSION FUND

Statement of Comprehensive Income

For the year ended June 30, 2025

	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	----- Rupees in '000 -----							
Net income for the year	60,132	165,531	166,919	392,582	48,079	99,640	172,422	320,141
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the year	60,132	165,531	166,919	392,582	48,079	99,640	172,422	320,141

The annexed notes from 1 to 29 form an integral part of these financial statements.

For HBL Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

HBL PENSION FUND

Statement of Movement in Participants' Funds

For the year ended June 30, 2025

	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	-----Rupees in '000-----							
Net assets at the beginning of the year	97,283	908,432	1,041,589	2,047,304	57,367	379,606	704,449	1,141,422
Amount received on issue of units	463,004	2,114,157	1,847,745	4,424,907	195,362	565,915	368,955	1,130,232
Amount paid on redemption of units	(387,366)	(2,135,758)	(1,506,668)	(4,029,792)	(203,525)	(136,729)	(204,237)	(544,491)
	75,638	(21,601)	341,077	395,114	(8,163)	429,186	164,718	585,741
Capital gain on sale of investments	15,754	4,221	1,700	21,675	27,333	7,178	1,023	35,534
Unrealised appreciation on 're-measurement - 'of investments classified at fair value 'through profit or loss' - net	37,593	42,328	935	80,856	14,773	3,117	544	18,434
Other income for the year - net	6,785	118,982	164,284	290,051	5,973	89,345	170,855	266,173
Total comprehensive income for the year	60,132	165,531	166,919	392,582	48,079	99,640	172,422	320,141
Net assets at the end of the year	233,053	1,052,362	1,549,585	2,835,000	97,283	908,432	1,041,589	2,047,304

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL PENSION FUND

Cash Flow Statement

For the year ended June 30, 2025

	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000							
CASH FLOW FROM OPERATING ACTIVITIES								
Net income for the year before taxation	60,132	165,531	166,919	392,582	48,079	99,640	172,422	320,141
Adjustments for:								
Capital (gain) on Investment	(15,754)	(4,221)	(1,700)	(21,675)	(27,333)	(7,178)	(1,023)	(35,534)
Unrealised appreciation on re-measurement of investments 'classified at fair value through profit or loss' - net	(37,593)	(42,328)	(935)	(80,856)	(14,773)	(3,117)	(544)	(18,434)
Dividend income	(8,634)	-	-	(8,634)	(9,037)	-	-	(9,037)
Profit on bank deposits	(2,240)	(16,559)	(20,602)	(39,401)	(655)	(36,614)	(25,594)	(62,863)
Mark-up / return on investments	-	(117,596)	(162,782)	(280,378)	-	(60,757)	(158,918)	(219,675)
	(4,089)	(15,173)	(19,100)	(38,362)	(3,719)	(8,026)	(13,657)	(25,402)
Decrease / (increase) in assets								
Investments	(83,890)	(462,470)	(444,093)	(990,453)	8	(224,925)	191,183	(33,734)
Receivable against issuance of Units	-	1,464	-	1,464	-	(1,464)	-	(1,464)
Deposits and other receivables	(1)	222	1	222	130	127	13	270
	(83,891)	(460,784)	(444,092)	(988,767)	138	(226,262)	191,196	(34,928)
Increase / (decrease) in liabilities								
Payable to the HBL Asset Management Limited - Management Company	97	285	579	961	37	394	162	593
Payable to the Central Depository Company of Pakistan Limited - Turstee	10	19	47	76	4	47	23	74
Payable to Securities and Exchange Commission of Pakistan	22	188	148	358	15	83	148	246
Payable against purchase of Securities	2,509	-	-	2,509	352	-	-	352
Accrued expenses and other liabilities	927	17	(1,690)	(746)	2,724	(613)	811	2,922
	3,565	509	(916)	3,158	3,132	(89)	1,144	4,187
	(84,415)	(475,448)	(464,108)	(1,023,971)	(449)	(234,377)	178,683	(56,143)
CASH (USED IN) / GENERATED FROM OPERATION								
Dividend received	8,685	-	-	8,685	8,977	-	-	8,977
Profit received on bank deposits	1,677	20,909	19,779	42,365	650	32,976	25,752	59,378
Mark-up received on investments	-	113,487	168,008	281,495	-	45,599	162,490	208,089
	10,362	134,396	187,787	332,545	9,627	78,575	188,242	276,444
Net cashflows (used in) / generated from operating activities	(74,053)	(341,052)	(276,322)	(691,426)	9,178	(155,802)	366,925	220,301
CASH FLOW FROM FINANCING ACTIVITIES								
Receipts from issue of units	463,004	2,114,157	1,847,745	4,424,906	195,362	565,915	368,955	1,130,232
Payment against redemption of units	(387,366)	(2,135,758)	(1,506,668)	(4,029,792)	(203,525)	(136,729)	(204,237)	(544,491)
Reallocation among funds	-	-	-	-	-	-	-	-
Net cash (used in) / generated from financing activities	75,638	(21,601)	341,076	395,114	(8,163)	429,186	164,718	585,741
Net increase / (decrease) in cash and cash equivalents	1,585	(362,653)	64,754	(296,314)	1,015	273,384	531,643	806,042
Cash and cash equivalents at beginning of the year	3,879	403,682	569,523	977,084	2,864	130,298	37,880	171,042
Cash and cash equivalents at the end of the year	5,464	41,029	634,277	680,770	3,879	403,682	569,523	977,084

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL Pension Fund ("the Fund") was established under a Trust Deed, dated August 17, 2011, between HBL Asset Management Limited as the Pension Fund Manager and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a pension fund on October 05, 2011.
- 1.2** The Trust Act, 1882 has been repealed due to the promulgation of Provincial Trust Act namely "Sindh Trusts Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund is required to be registered under the Sindh Trust Act. Accordingly, on September 08, 2021, the above-mentioned Trust Deed had been registered under the Sindh Trust Act.
- 1.3** The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (VPS Rules) through a certificate of registration issued by SECP. The registered office of the Pension Fund Manager is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.4** 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) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.
- 1.5** The Fund is an unlisted open end pension scheme and offers units for public subscription on a continuous basis. The units are non-transferable except in the circumstances mentioned in VPS Rules and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.
- 1.6** The objective of the Fund is to provide individuals with a portable, individualised, funded (based on defined contribution), flexible pension scheme, assisting and facilitating them to plan and provide for their retirement.
- 1.7** The Fund consists of three sub-funds namely, HBL Pension Fund Equity Sub-Fund ("Equity Sub-Fund"), HBL Pension Fund Debt Sub-Fund ("Debt Sub-Fund") and HBL Pension Fund Money Market Sub-Fund ("Money Market Sub-Fund") (collectively the "Sub-Funds"). The investment policy for each of the sub-funds is as follows:
- The Equity Sub-Fund consists of a minimum 90% of net assets invested in listed equity securities. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV or index weight, subject to a maximum of 35% of NAV. Remaining assets of the equity sub-fund shall be invested in any government security having less than one year time to maturity, or be deposited with scheduled commercial banks having at least 'A' rating. Composition of the remaining portion of the investments shall be as defined in the offering document.
 - The Debt Sub-Fund consist of tradable debt securities with weighted average duration of the investment portfolio of the Debt Sub-Fund not exceeding five years. At least twenty five percent (25%) of the net assets in the Debt Sub-Fund shall be invested in deposit with scheduled commercial bank (excluding TDRs) or government securities not exceeding 90 days maturity. Upto twenty five percent (25%) may be deposited with banks having not less than 'AA+' rating with stable outlook.
 - The Money Market Sub-Fund consists of short-term debt instruments with weighted average time to maturity not exceeding ninety days. There is no restriction on the amount of investment in securities issued by the Federal Government and deposits with commercial banks having 'A+' or higher rating provided that deposit with any one bank shall not exceed 20% of net assets of Money Market Sub-Fund. Investment in securities issued by provincial government, city government, government corporate entities with 'A' or higher rating or a corporate entity with 'A+' or higher rating or a government corporation with A+ or higher rating shall be in proportion as defined in offering document.

1.8 The Fund offers five types of allocation schemes, as prescribed by the SECP under NBFC Regulations, 2008, to the contributors of the Fund namely High Volatility, Medium Volatility, Low Volatility, Lower Volatility & Life Cycle Allocation. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The allocation to the Sub-Funds has to be done at the date of opening of contributor's pension account and on an anniversary date thereafter. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

1.9 VIS Credit Rating Agency has assigned management quality rating of 'AM1 (Stable Outlook)' as at December 31, 2024 to the Pension Fund Manager while the fund is not currently rated.

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

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as 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; part VIIIA of the repealed Companies Ordinance, 1984.
- Provisions of and directives issued under the Companies Act, 2017;
- NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations') and requirements of the Trust Deed and
- The requirements of the constitutive documents, Voluntary Pension System Rules, 2005 (VPS Rules),

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

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

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

Classification and measurement of financial assets and financial liabilities

For details please refer notes 4.2.1.1 and 6 to these financial statements.

Impairment of financial assets

For details please refer notes 4.2.2 to these financial statements.

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

3.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024

The Management Company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2024. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

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

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

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

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2027
IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).	
IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.	
IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)	
IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP)	

4 MATERIAL ACCOUNTING POLICY INFORMATION

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

4.1 Cash and cash equivalents

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

4.2 Financial instruments

4.2.1 Financial assets

Financial assets are classified into appropriate categories at amortized cost, fair value through other comprehensive income and at fair value through profit or loss. The management determines the classification of financial assets into categories based on fund's business model for managing the financial and the contractual terms of the cash flows.

4.2.1.1 Classification

4.2.1.1.1 Equity Instruments

On initial recognition of an equity investment that is not held for trading, the Fund may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis. An equity instrument held for trading purposes or in which FVOCI election is not taken is classified as measured at FVTPL. Given the objectives of the Fund, all investments have been classified as FVTPL.

4.2.1.1.2 Debt Instruments

Amortized cost

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

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

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

Fair value through profit or loss

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

Subsequent, the financial measured at:

Debt investments at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income, foreign exchange gains and losses and impairment are recognised in income statement.

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognised in income statement. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.

Debt investments at FVTPL

These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement.

Equity instruments at FVOCI

These assets are subsequently measured at their fair values. Gain/loss on remeasurement are recognised in other comprehensive income and are never recycled to income statement. Dividends are recognised in income statement when the right of the payment has been established, except when the Fund benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Equity investments at FVTPL

These assets are subsequently measured at fair value. Dividends are recognised as income in income statement unless the dividend clearly represents a recovery of part of the cost of the investment.

4.2.1.2 Regular way purchase and sale of financial asset

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

4.2.1.3 Derecognition

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

4.2.2 Impairment of financial assets

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

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

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

The Fund's financial assets include mainly bank balances, investments and other receivables.

4.2.3 Financial liabilities

All financial liabilities are recognised at the time when the Fund becomes a party to the contractual provisions of the instrument. These are initially recognised at fair value and subsequently stated at amortised cost. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired.

4.2.4 Offsetting of financial assets and liabilities

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

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of second schedule to the income Tax Ordinance, 2001. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

4.5 Proposed distributions

Distributions declared subsequent to the year end reporting date are considered as non-adjusting events and are recognised in the financial statements in the year in which such distributions are declared.

4.6 Issuance and redemption of units

Units issued are recorded at the offer price, determined by the Management Company for the applications received by the distributors during business hours on that day. The offer price represents the net assets value per unit as of the close of the business day plus the allowable sales load, provision for transaction costs and any provision for duties and charges, inapplicable.

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

4.7 Net asset value per unit

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

4.8 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Mark-up / profit / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the period in which they arise.
- Dividend income from equity securities is recognised when the right to receive the dividend is established.

4.9 Transactions with related parties / connected persons

Transactions with related parties / connected persons are based at arm's length at normal commercial rates on the same terms and conditions as applicable to third party transactions.

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

Note	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----							
5.1	5,464	41,029	634,277	680,770	3,879	403,682	569,523	977,084
	5,464	41,029	634,277	680,770	3,879	403,682	569,523	977,084

5.1 This includes balances of Rs.2.054 million, Rs.32.160 million & Rs.632.88 million (June 30, 2024: Rs.2.471 million, Rs.3.97 million & Rs.5.689 million) of equity sub-fund, debt sub-fund and money market sub-fund respectively placed with Habib Bank Limited (a related party), during the year these accounts carried profit at the rates ranging between 9% to 21.15% (June 30, 2024: 17.50% to 21.51%) respectively. During the year other savings accounts of the Fund carried profit at the rates ranging between 10.75% to 20.5% (June 30, 2024: 17.5% to 22.95%) per annum.

Note	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----							
6.1	231,980	-	-	231,980	94,743	-	-	94,743
6.2.1	-	311,482	915,642	1,227,124	-	60,274	378,914	439,188
6.2.2	-	435,541	-	435,541	-	342,182	-	342,182
		240,927	-	240,927		76,475	90,000	166,475
	231,980	987,950	915,642	2,135,572	94,743	478,931	468,914	1,042,588

6.1 Fair value through profit or loss Listed securities - Equity Sub-Fund

6.1 Held by Equity Sub-Fund

Name of the investee company	As at July 1, 2024	Purchases during the year	Bonus shares issued during the year	Right shares purchased / subscribed during the year	Sales during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealized (diminution)/ appreciation as at June 30,2025	Market value as a percentage		Percentage of paid up capital of the investee company held
										Net assets of the sub fund	Investments of sub fund	
(Number of shares) ----- (Rupees '000) ----- (%) -----												
Commercial Banks												
Askari Bank Limited	-	140,000	-	-	-	140,000	5,880	6,902	1,022	2.96%	2.98%	1.00%
Bank Islami Pakistan Limited -(6.1.3)	41,000	-	-	-	41,000	-	-	-	-	0.00%	0.00%	0.00%
Faysal Bank Limited -(6.1.1)	840	-	-	-	-	840	22	59	36	0.03%	0.03%	0.00%
MCB Bank Limited	8,820	22,300	-	-	31,120	-	-	-	-	0.00%	0.00%	0.00%
Meezan Bank Limited	7,431	16,500	-	-	23,931	-	-	-	-	0.00%	0.00%	0.00%
United Bank Limited - (6.1.3)	28,600	68,100	-	-	96,700	-	0	-	-	0.00%	0.00%	0.00%
Bank Al-Habib Limited	27,138	75,000	-	-	102,138	-	-	-	-	0.00%	0.00%	0.00%
Bank Alfalah Ltd	15,400	53,500	-	-	68,900	-	-	-	-	0.00%	0.00%	0.00%
Habib Bank Limited (a related party)	16,700	99,100	-	-	89,300	26,500	4,183	4,749	566	2.04%	2.05%	0.00%
National Bank of Pakistan	-	10,000	-	-	10,000	-	0	-	-	0.00%	0.00%	0.00%
The Bank of Punjab	-	93,000	-	-	93,000	-	-	-	-	0.00%	0.00%	0.00%
Habib Metropolitan Bank	7,400	1,400	-	-	8,800	-	-	-	-	0.00%	0.00%	0.00%
	153,329	578,900	-	-	564,889	167,340	10,085	11,710	1,624	5.03%	5.06%	
INV. BANKS / INV. COS. / SECURITIES COS.												
Engro Holdings	-	37,078	-	-	-	37,078	6,531	6,769	238	2.90%	2.92%	0.00%
Arif Habib Limited	-	14,500	-	-	-	14,500	981	1,094	112	0.47%	0.47%	2.00%
	-	51,578	-	-	-	51,578	7,512	7,863	350	3.37%	3.39%	
Cement												
Cherat Cement Company Limited	-	2,700	-	-	2,700	-	-	-	-	0.00%	0.00%	0.00%
Attock Cement Limited	-	48,300	-	-	3,000	45,300	10,124	13,255	3,131	5.69%	5.71%	3.00%
D. G. Khan Cement Co. Limited- (6.1.3)	68,293	129,727	-	-	160,100	37,920	3,932	6,278	2,346	2.69%	2.71%	1.00%
Fauji Cement Company Limited.	261,500	528,400	-	-	625,400	164,500	5,994	7,348	1,355	3.15%	3.17%	1.00%
Thatta Cement	-	50,000	-	-	50,000	-	-	-	-	0.00%	0.00%	0.00%
Lucky Cement Limited	-	29,235	-	-	14,400	14,835	3,863	5,270	1,407	2.26%	2.27%	0.00%
Power Cement Limited	-	82,000	-	-	82,000	976	1,114	138	0.48%	0.48%	1.00%	
Maple Leaf Cement Factory Limited -(6.1.3)	119,456	495,100	-	-	437,556	177,000	8,389	14,918	6,528	6.40%	6.43%	2.00%
Pioneer Cement Limited (6.1.3)	23,700	46,642	-	-	35,550	34,792	6,130	7,937	1,807	3.41%	3.42%	2.00%
Kohat Cement Limited	-	13,000	-	-	-	13,000	5,007	4,932	(75)	2.12%	2.13%	1.00%
Flying Cement Limited	-	21,000	-	-	21,000	-	-	-	-	0.00%	0.00%	0.00%
	472,949	1,446,104	-	-	1,349,706	569,347	44,415	61,052	16,637	26.20%	26.32%	

HBL PENSION FUND

Notes to the Financial Statements

For the year ended June 30, 2025

Name of the investee company	As at July 1, 2024	Purchases during the year	Bonus shares issued during the year	Right shares purchased / subscribed during the year	Sales during the year	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealized (diminution)/ appreciation as at June 30,2025	Market value as a percentage		
										Net assets of the sub fund	Investments of sub fund	Percentage of paid up capital of the investee company held
(Number of shares) (Rupees '000) (%)												
Chemicals												
ICL - ITTEHAD CHEMICALS LIMITED	10,000	-	-	-	10,000	-	-	-	-	0.00%	0.00%	0.00%
Sitara Chemical	-	1,131	-	-	-	1,131	497	561	64	0.24%	0.24%	1.00%
Biafo Industries Limited	-	23,281	-	-	-	23,281	3,578	4,089	511	1.76%	1.76%	5.00%
Agritech Limited	-	57,000	-	-	31,500	25,500	1,592	1,384	(208)	0.59%	0.60%	0.00%
	10,000	81,412	-	-	41,500	49,912	5,667	6,034	367	2.59%	2.60%	
Glass and Ceremics												
Tariq Glass Limited	8,000	40,700	-	-	28,000	20,700	3,245	5,199	1,954	2.23%	2.24%	0.00%
	8,000	40,700	-	-	28,000	20,700	3,245	5,199	1,954	2.23%	2.24%	
Engineering												
International Steels Limited	10,700	13,500	-	-	24,200	-	-	-	-	0.00%	0.00%	0.00%
AGHA STEEL INDUSTRIES LTD	65,005	40,000	-	-	105,005	-	-	-	-	0.00%	0.00%	0.00%
AISHA STEEL MILLS LIMITED	91,000	190,000	-	-	281,000	-	-	-	-	0.00%	0.00%	0.00%
Mughal Iron and Steel Industries Limited - (6.1.1)	12,176	39,000	-	-	50,400	776	65	56	(9)	0.02%	0.02%	0.00%
	178,881	282,500	-	-	460,605	776	65	56	(9)	0.02%	0.02%	
Fertilizer												
Engro Fertilizers Limited	-	5,500	-	-	5,500	-	-	-	-	0.00%	0.00%	0.00%
Fauji Fertilizer Company Ltd	28,500	73,000	-	-	98,000	3,500	1,354	1,373	20	0.59%	0.59%	0.00%
	28,500	78,500	-	-	103,500	3,500	1,354	1,373	20	0.59%	0.59%	
Food and Personal Care												
National Foods Limited	-	8,000	-	-	-	8,000	1,642	2,618	976	1.12%	1.13%	0.00%
Murree Brewery Company Limited	5,500	-	-	-	2,050	3,450	1,208	2,795	1,587	1.20%	1.20%	1.00%
	5,500	8,000	-	-	2,050	11,450	2,850	5,413	2,563	2.32%	2.33%	
Oil and gas exploration companies												
Oil & Gas Dev. Co - (6.1.3)	45,534	196,300	-	-	157,834	84,000	15,323	18,527	3,204	7.95%	7.99%	0.00%
Mari Enrgies Ltd - (6.1.2)	-	14,405	14,440	-	17,157	11,688	6,995	7,327	332	3.14%	3.16%	0.00%
Pak Oi Ifields	-	16,500	-	-	16,500	-	-	-	-	0.00%	0.00%	0.00%
Pak Petroleum Limited - (6.1.3)	49,950	246,050	-	-	183,600	112,400	17,423	19,127	1,704	8.21%	8.25%	0.00%
	95,484	473,255	14,440	-	375,091	208,088	39,741	44,981	5,240	19.30%	19.40%	
Oil and gas marketing companies												
Pakistan State Oil Company Limited (6.1.1 and 6.1.3)	27,200	79,200	-	-	49,281	57,119	16,155	21,564	5,409	9.25%	9.30%	1.00%
Sui Northern Gas Pipelines Limited-(6.1.3)	96,100	203,800	-	-	219,700	80,200	8,844	9,360	516	4.02%	4.03%	1.00%
	123,300	283,000	-	-	268,981	137,319	24,999	30,924	5,925	13.27%	13.33%	
Paper and Board												
Century Paper and Board Mills Limited	29,400	21,000	-	-	50,400	-	-	-	-	0.00%	0.00%	0.00%
Security Paper	-	12,000	-	-	25	11,975	1,955	1,917	(38)	0.82%	0.83%	0.00%
	29,400	33,000	-	-	50,425	11,975	1,955	1,917	(38)	0.82%	0.83%	
Pharmaceuticals												
Hignoon Laboratories Limited - (6.1.1)	56	10,331	-	-	5,581	4,806	4,260	4,748	488	2.04%	2.05%	1.00%
Ferozsons Laboratories Limited	3,940	2,220	-	-	6,160	-	-	-	-	0.00%	0.00%	0.00%
Abbot Laboatories (Pakistan) Ltd. (6.1.3)	1,329	1,610	-	-	630	2,309	1,731	2,244	514	0.96%	0.97%	0.00%
AGP Limited (6.1.3)	-	27,720	-	-	7,000	20,720	2,765	3,957	1,191	1.70%	1.71%	1.00%
GlaxoSmithKli ine	-	21,250	-	-	3,750	17,500	6,327	6,838	511	2.93%	2.95%	1.00%
Haleon Pakistan	-	4,412	-	-	1,912	2,500	2,185	1,841	(344)	0.79%	0.79%	0.00%
Searle Pakistan Limited - (6.1.1)	16,672	15,500	-	-	15,999	16,173	1,115	1,418	304	0.61%	0.61%	0.00%
	21,997	83,043	-	-	41,032	64,008	18,383	21,046	2,664	9.03%	9.08%	
Power generation and distribution												
The Hub Power Company Limited -(6.1.3)	51,320	113,250	-	-	127,570	37,000	5,193	5,099	(94)	2.19%	2.20%	0.00%
K-Electric Limited	185,000	1,872,982	-	-	450,000	1,607,982	7,604	8,442	838	3.62%	3.64%	1.00%
	236,320	1,986,232	-	-	577,570	1,644,982	12,797	13,541	744	5.81%	5.84%	
Technology & Communication												
Air Link Communication Limited	-	10,600	-	-	10,600	-	-	-	-	0.00%	0.00%	0.00%
Pakistan Telecommunication Company	-	67,500	-	-	28,000	39,500	985	1,005	19	0.43%	0.43%	0.00%
Avanceon Ltd	-	19,500	-	-	19,500	-	-	-	0	0.00%	0.00%	0.00%
Systems Limited	-	13,810	-	-	2,810	11,000	1,139	1,179	40	0.51%	0.51%	0.00%
TPL Trakker Limited	140,000	-	-	-	-	140,000	1,928	998	(930)	0.43%	0.43%	7.00%
	140,000	111,410	-	-	60,910	190,500	4,052	3,182	(871)	1.37%	1.37%	
Refinery												
Attock Refinery Limited	2,460	25,350	-	-	18,060	9,750	6,422	6,624	202	2.84%	2.86%	1.00%
Pak Refinery Limited	-	41,000	-	-	16,000	25,000	1,060	848	(212)	0.36%	0.37%	0.00%
National Refinery Limited	3,210	-	-	-	3,210	-	-	-	-	0.00%	0.00%	0.00%
	5,670	66,350	-	-	37,270	34,750	7,482	7,472	(10)	3.20%	3.23%	
Automobile Assembler												
Honda Atlas Cars Pakistan Limited	8,530	1,700	-	-	10,230	-	-	-	-	0.00%	0.00%	0.00%
Indus Motor Company Limited	313	637	-	-	950	-	-	-	-	0.00%	0.00%	0.00%
Atlas Honda Limited	-	2,000	-	-	-	2,000	1,760	2,060	300	0.88%	0.89%	0.00%
AL-Ghazi Tractors Ltd.	3,900	-	-	-	1,131	2,769	1,037	1,170	133	0.50%	0.50%	0.00%
Ghandhara Ind	-	9,350	-	-	5,872	3,478	2,101	2,262	161	0.97%	0.98%	1.00%
Ghandhara Automobile	-	8,400	-	-	4,850	3,550	1,693	1,340	(354)	0.58%	0.58%	1.00%
Sazgar Engineering Works Limited	560	2,470	-	-	2,070	960	997	1,094	97	0.47%	0.47%	0.00%
	13,303	24,557	-	-	25,103	12,757	7,588	7,926	337	3.40%	3.42%	
Automobile Parts & Accessories												
Baluchistan Wheels Limited	18,000	-	-	-	8,390	9,610	1,445	1,366	(79)	0.59%	0.59%	7.00%
Panther Tyres Limited	4,500	37,434	-	-	41,934	-	-	-	-	0.00%	0.00%	0.00%
Exide Pakistan Limited	2,300	-	-	-	2,300	-	-	-	-	0.00%	0.00%	0.00%
	24,800	37,434	-	-	52,624	9,610	1,445	1,366	(79)	0.59%	0.59%	
Miscellaneous												
Pakistan Hotels Developers Limited	-	700	-	-	700	-	-	-	-	0.00%	0.00%	0.00%
TPL Properties Limited	-	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
Shifa Int.Hospital	-	1,950	-	-	-	1,950	752	927	175	0.00%	0.00%	0.00%
	-	2,650	-	-	700	1,950	752	927	175	0.00%	0.00%	
Total as at June 30, 2025	1,547,433	5,668,625	14,440	-	4,039,956	3,190,542	194,387	231,980	37,593	99.14%	100.00%	
Total as at June 30, 2024	1,318,488	6,920,680	-	-	6,691,735	1,547,433	83,027	94,743	11,716			

6.1.1 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 (MUFAP), has filed a petition in Honorable Sindh High Court (the 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 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.0.315 million at June 30, 2025 (2024: Rs. 0.194 million) and not yet deposited on CDC account of department of Federal Board of Revenue. The final outcome of the case is pending however, the Management Company 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 year end.

6.1.2 During the tax year 2023, section 236Z of the Income Tax Ordinance, 2001 introduced for levy a withholding tax at the rate of 10% of amount of bonus shares declared by company. During the period, the Fund has received 14,440 bonus shares from Mari Energies Limited (Previously Mari Petroleum Company Limited), against which 1,444 shares were withheld by the investee company as withholding tax under section 236Z of the income tax ordinance, 2001. The Management Company in consultation with other CISs, has formed a considered view that since the fund is a pass through entity and its income, upon distribution of 90% to unit holders, is not subject to tax. Therefore, the provision of Section 236Z - withholding tax is not applicable to the Fund as no tax incidence will eventually arise.

Further, a Petition having reference no. C.P. No. D-4747 of 2024 and C.P. No D-5461 of 2024 have been filed by the Central Depository Company of Pakistan Limited (CDC) as Trustee on behalf of CISs and management companies against the investee companies before the Honorable High court of Sindh (the Court) against implementation of Section 236Z on CISs and to seek exemption certificates from Income tax authorities. The Court has issued order and directed the investee companies to retain 10% of the bonus shares being issued to petitioners (i.e. investment management companies) and shall not pay any tax to Inland Revenue Department until further order received from the Court. In order to cater the fair value differences and resulting withholding tax amount as requested by the investee company, the Court has further directed to retain additional 10% shares. Accordingly, the CDC being the custodian of the shares has frozen additional 10% shares in the investment account held with them.

Based on Islamabad High Court order, Mari Energies Limited has disposed of the shares withheld and the proceeds has been deposited with government treasury except those entities which are in litigation with SHC. As a result, CDC released frozen additional 10% shares in the investment account held by CDC irrespective of litigation. However, SHC decision is still pending adjudication.

6.1.3 As at June 30, 2025 the Fund has pledged shares 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, of following companies

	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
	-----Number of Shares-----		-----Rupees in 0000-----	
Abot Laboratories (Pakistan) Limited	1,000	-	972	-
AGP Limited	6,000	-	1,146	-
The Hub Power Company Limited	-	20,000	-	3,260
Bank Islami Pakistan Limited	-	30,000	-	660
D.G Khan Cement Company Limited	14,000	50,000	2,318	4,500
Maple Leaf Cement Factory Limited	85,000	50,000	7,164	1,900
Oil & Gas Development company limited	47,500	37,500	10,477	5,063
Pakistan Petroleum Limited	60,000	40,000	10,210	4,680
Pakistan State Oil Company Limited	25,000	25,000	9,438	4,150
Sui Northern Gas Pipelines Limited	-	60,000	-	3,780
United Bank Limited	-	15,500	-	3,968
Pioneer Cement Limited	2,000	-	456	-
Fauji Fertilizer Company Limited	1,500	-	589	-
Fauji Cement Company Limited	20,000	-	893	-
	<u>262,000</u>	<u>328,000</u>	<u>43,663</u>	<u>31,961</u>

6.2 Investment in Government Securities - at fair value through profit or loss
Issue date

Held by Debt Sub-Fund

6.2.1 Market Treasury Bills

Treasury Bill - 12 months	02-May-20	70,000	-	70,000	-	-	-	-	-
Treasury Bill - 12 months	02-May-25	-	2,000	-	2,000	1,822	1,834	0.19%	0.17%
Treasury Bill - 12 months	12-Jun-25	-	50,000	-	50,000	28,153	28,138	4.59%	4.31%
Treasury Bill - 12 months	02-Nov-23	-	277,000	277,000	-	-	-	-	-
Treasury Bill - 12 months	19-Oct-23	-	150,000	150,000	-	-	-	-	-
Treasury Bill - 12 months	03-Oct-24	-	100,000	100,000	-	-	-	-	-
Treasury Bill - 12 months	11-Jul-24	-	5,000	5,000	-	-	-	-	-
Treasury Bill - 12 months	14-Nov-24	-	40,000	40,000	-	-	-	-	-
Treasury Bill - 12 months	17-Oct-24	-	60,000	60,000	-	-	-	-	-
Treasury Bill - 12 months	22-Aug-24	-	50,000	50,000	-	-	-	-	-
Treasury Bill - 12 months	25-Jul-24	-	150,000	150,000	-	-	-	-	-
Treasury Bill - 12 months	28-Nov-24	-	50,000	50,000	-	-	-	-	-
Treasury Bill - 6 months	05-Mar-21	-	40,000	-	40,000	39,214	39,227	3.97%	3.73%
Treasury Bill - 6 months	31-Oct-24	-	90,000	90,000	-	-	-	-	-
Treasury Bill - 6 months	09-Jan-24	-	6,350	6,350	-	-	-	-	-
Treasury Bill - 3 months	29-May-25	-	250,000	50,000	200,000	196,966	196,940	19.93%	18.71%
Treasury Bill - 3 months	25-Jul-24	-	150,000	150,000	-	-	-	-	-
Treasury Bill - 3 months	06-Mar-25	-	250,000	250,000	-	-	-	-	-
Treasury Bill - 3 months	12-Dec-24	-	280,000	280,000	-	-	-	-	-
Treasury Bill - 3 months	31-Oct-24	-	280,000	280,000	-	-	-	-	-
Treasury Bill - 3 months	11-Jul-24	-	250,000	250,000	-	-	-	-	-
Total as at June 30, 2025		70,000	2,580,350	2,328,350	322,000	311,500	311,482	31.53%	29.59%
Total As at June 30, 2024		14,000	2,064,000	1,742,100	14,000	13,455	13,436	5.51%	3.54%

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

Held by Debt Sub-Fund	Issue date	Face value				Carrying Value as at June 30, 2025	Market value as at June 30, 2025	Market value as a percentage	
		As at July 1, 2024	Purchases during the period	Sales / matured during the period	As at June 30, 2025			Total investments of sub-fund	Net assets of sub-fund
		(Rupees in '000)						%	
Market Treasury Bills									
Treasury Bill - 12 months	01-May-16	70,000	-	70,000	-	-	-	-	-
Treasury Bill - 12 months	01-May-21	-	2,000	-	2,000	1,822	1,834	0.19%	0.17%
Treasury Bill - 12 months	05-Feb-21	-	50,000	20,000	30,000	28,153	28,138	2.85%	2.67%
Treasury Bill - 12 months	11-Jun-21	-	50,000	-	50,000	45,345	45,343	4.59%	4.31%
Treasury Bill - 12 months	01-Nov-19	-	277,000	277,000	-	-	-	-	-
Treasury Bill - 12 months	18-Oct-19	-	150,000	150,000	-	-	-	-	-
Treasury Bill - 12 months	02-Oct-20	-	100,000	100,000	-	-	-	-	-
Treasury Bill - 12 months	10-Jul-20	-	5,000	5,000	-	-	-	-	-
Treasury Bill - 12 months	13-Nov-20	-	40,000	40,000	-	-	-	-	-
Treasury Bill - 12 months	16-Oct-20	-	60,000	60,000	-	-	-	-	-
Treasury Bill - 12 months	21-Aug-20	-	50,000	50,000	-	-	-	-	-
Treasury Bill - 12 months	24-Jul-20	-	150,000	150,000	-	-	-	-	-
Treasury Bill - 12 months	27-Nov-20	-	50,000	50,000	-	-	-	-	-
Treasury Bill - 6 months	05-Mar-21	-	40,000	-	40,000	39,214	39,227	3.97%	3.73%
Treasury Bill - 6 months	30-Oct-20	-	90,000	90,000	-	-	-	-	-
Treasury Bill - 6 months	08-Jan-20	-	6,350	6,350	-	-	-	-	-
Treasury Bill - 3 months	28-May-21	-	250,000	50,000	200,000	196,966	196,940	19.93%	18.71%
Treasury Bill - 3 months	24-Jul-20	-	150,000	150,000	-	-	-	-	-
Treasury Bill - 3 months	05-Mar-21	-	250,000	250,000	-	-	-	-	-
Treasury Bill - 3 months	11-Dec-20	-	280,000	280,000	-	-	-	-	-
Treasury Bill - 3 months	30-Oct-20	-	280,000	280,000	-	-	-	-	-
Treasury Bill - 3 months	10-Jul-20	-	250,000	250,000	-	-	-	-	-
Total as at June 30, 2025		70,000	2,580,350	2,328,350	322,000	311,500	311,482	31.53%	29.60%
Total As at June 30, 2024		14,000	2,064,000	1,742,100	14,000	13,455	13,436	5.51%	3.54%

6.2.3 Term Finance Certificate and Sukuk Bonds - at fair Value through Profit or loss

Held by Debt Sub-Fund

Name of the Investee Company	Issue date	As at July 1, 2024	Purchases during the period	Sales / Matured during the period	As at June 30, 2025	Carrying Value as at June 30, 2025	Market value as at June 30, 2025	Market value as a percentage of	
								Total Investments	Net Assets
		----- (Number of certificates) -----				----- (Rupees in '000) ---		----- % -----	
Commercial Banks									
Askari Bank Limited	17-Mar-20	30	-	-	30	28,650	30,274	3.06%	2.88%
Soneri Bank Limited	26-Dec-22	200	-	-	200	19,988	19,984	2.02%	1.90%
		230	-	-	230	48,638	50,258	5.08%	4.78%
Multiutilities									
Lucky Electric Power Company Limited - 130623	13-Jun-23	25	-	25	-	-	-	-	-
Aspine Pharma (Pvt) Limited	07-Jan-29	90	-	-	90	90,000	90,000	9.11%	8.55%
Selcet Technologies (Pvt) Limited	17-Jun-29	100	-	-	100	100,000	100,000	10.12%	9.50%
		215	-	25	190	190,000	190,000	19.23%	9.50%
Miscellaneous									
TPL Trakker Limited	30-Mar-21	4	-	-	4	1,556	897	0.09%	0.09%
		4	-	-	4	1,556	897	0.09%	0.09%
Total as at June 30, 2025		449	-	25	424	240,194	240,927	24.39%	14.37%
Total As at June 30, 2024		4,546	298	182	4,662	74,867	74,670	30.64%	19.67%

Held by Money Market Sub-Fund

Multiutilities									
PTCL	21-Sep-28	100	-	100	-	-	-	-	-
K-Electric	19-Sep-28	28	-	28	-	-	-	-	-
Lucky Electric Power Company Limited - 260324	26-Mar-24	90	-	90	-	-	-	-	-
		218	-	218	-	-	-	0.00%	0.00%
Total as at June 30, 2025		93	124	127	90	90,000	90,000	19.19%	8.64%

Note	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000				Rupees in '000			
7 DIVIDEND AND PROFIT RECEIVABLE								
Dividend receivable	16	-	-	16	67	-	-	67
Profit receivable on saving account	616	1,187	3,234	5,037	53	5,537	2,411	8,001
Profit on Term finance certificates and sukuk bonds	-	6,325	-	6,325	-	1,969	5,226	7,195
Markup on government securities	-	18,153	-	18,153	-	18,400	-	18,400
	632	25,665	3,234	29,531	120	25,906	7,637	33,663
8 ADVANCES, DEPOSITS AND OTHER RECEIVABLES								
Security Deposit with Central Depository Company of Pakistan Limited	100	100	100	300	100	100	100	300
Security deposit with National Clearing Company of Pakistan Limited	2,500	-	-	2,500	2,500	-	-	2,500
Advance tax	53	314	71	438	-	314	71	385
Receivable from Pension Fund Manager	-	-	-	-	53	-	45	98
Other Receivables	30	33	45	108	29	255	-	284
	2,683	447	217	3,346	2,682	669	216	3,567

8.1 The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of second schedule to the income Tax Ordinance, 2001. Further, the Fund is exempt from withholding of tax under section 150, 150A, 151 and 233 of ITO 2001.

The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/ 2008-Vol.II- 66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). However, various withholding agents have deducted advance tax under section 151 of ITO 2001. The Management Company is confident that the same shall be refunded after filing refund application.

9 PAYABLE TO THE HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Remuneration payable	9.1	184	1,012	1,433	2,629	103	778	946	1,827
Sindh Sales Tax payable	9.2	28	152	215	395	12	101	123	236
		212	1,164	1,648	3024	115	879	1,069	2,063

9.1 As per Rule 67F of the NBFC Regulations, 2008, Pension Fund Manager may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the offering document, further subject to the guidelines as may be issued by the Commission from time to time.

Based on offering document, the fee is being charged at the rate of 1.5% of the average annual net assets accordingly. The fee is payable monthly in arrears.

9.2 The Sindh Sales Tax (SST) is charged at the rate of 15% (June 30, 2024: 13%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

		June 30, 2025				June 30, 2024				
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note		Rupees in '000				Rupees in '000				
10.	PAYABLE TO THE CENTRAL DEPOSITORY OF PAKISTAN LIMITED - TRUSTEE									
	Remuneration payable	10.1	22	104	147	273	13	89	108	210
	Sindh Sales Tax Payable	10.2	3	16	22	41	2	12	14	28
			25	120	169	314	15	101	122	238

- 10.1** The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed as per the tariff specified there in, based on the daily Net Asset Value (NAV) of the Fund. The remuneration is paid to the trustee monthly in arrears.

Based on the Trust Deed, the tariff structure applicable to the Fund as at June 30, 2025 is as follows:

Net assets

Up to Rs. 1,000 million

Exceeding Rs. 1,000 million up to Rs. 3,000 million

Exceeding Rs. 3,000 million up to Rs. 6,000 million

Exceeding Rs. 6,000 million

Tariff per annum

Rs. 0.3 million or 0.15% of NAV, whichever is higher

Rs. 1.5 million plus 0.10% of NAV exceeding Rs. 1,000 million

Rs. 3.5 million plus 0.08% of NAV exceeding Rs. 3,000 million

Rs. 5.9 million plus 0.06% of NAV exceeding Rs. 6,000 million

- 10.2** The Sindh Government has levied Sindh Sales Tax (SST) at the rate of 15% (June 30, 2024: 13%) on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

		June 30, 2025				June 30, 2024			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees in '000				Rupees in '000			
11.	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN								
	Annual fee payable	64	391	498	953	42	203	350	595
		64	391	498	953	42	203	350	595

- 11.1** This represents annual fee payable to Securities And Exchange Commission of Pakistan in accordance with the Rule 36 of the VPS Rules whereby the Fund is required to pay SECP an amount equal to one twenty-Fifth of 1% (June 30, 2024: one thirtieth of 1%) of average annual net asset value of each of the sub-fund.

		June 30, 2025				June 30, 2024			
		Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
		-----Rupees in '000-----				-----Rupees in '000-----			
12.	ACCRUED EXPENSES AND OTHER LIABILITIES								
	Auditors' remuneration	126	73	149	348	66	108	156	330
	Payable against redemption of units	350	-	-	350	217	-	2,146	2,363
	Payable to National Clearing Company of Pakistan	31	-	-	31	40	-	-	40
	Payable to Asset Management Company	2,500	-	-	2,500	2,500	-	-	2,500
	Federal Excise Duty Payable on Remuneration of - 12.1								
	Pension Fund Manager	763	878	835	2,476	763	878	835	2,476
	Withholding Tax Payable	18	14	86	118	-	-	-	-
	Brokerage Payable	582	2	5	589	-	-	-	-
	Sales Load Payable to management Company	38	77	369	484	-	-	-	-
	Others	136	10	26	172	31	51	23	105
		4,544	1,054	1,470	7,068	3,617	1,037	3,160	7,814

- 12.1** "As per the requirement of the Finance Act, 2013, Federal Excise Duty (FED) at the rate of 16% on the remuneration of the Pension Fund Manager has been applied effective from June 13, 2013. The Pension Fund Manager is of the view that since the remuneration is already subject to the provincial sales tax, further levy of FED results in double taxation, which does not appear to be the spirit of the law, hence, a petition was collectively filed by the MUFAP along-with CDC with the Sindh High Court (SHC) on September 04, 2013. While disposing the above petition through order dated June 30, 2016, the SHC declared the said provisions to be ultra vires and as a result no FED is payable with effect from July 01, 2011. However, the tax authorities subsequently filed appeal against the decision of the SHC in the Supreme Court of Pakistan, which is pending for the decision.

The Finance Act, 2016 excluded the mutual funds from the levy of FED with effect from July 01, 2016. therefore, no provision is charged during the year ending June 30, 2025.

However, since the appeal is pending in Supreme Court of Pakistan, the Pension Fund Manager has made a provision of FED on remuneration of the Pension Fund Manager, aggregating toRs. 0.763, 0.878 & 0.836 million (2024: Rs.0.763,0.878,0.836 million), for Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively. Had the provision not been made, the net asset value per unit of the Fund as at June 30, 2025 would have been higher by Rs.2.65, 0.34 & 0.18 per unit (2024: Re. 4.05, 0.33 & 0.24 per unit) for equity sub-fund, debt sub-fund and money market sub-fund respectively.

13. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at June 30, 2025. (June 30, 2024 : Nil)

14. CONTRIBUTION TABLE

Contribution received during the period / year is as follows:

From:	June 30, 2025							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000
Individuals	404,722	463,004	2,609,247	2,114,157	2,454,563	1,847,745	5,468,532	4,424,906

From:	June 30, 2024							
	Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total	
	Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000	Units	Rupees in '000
Individuals	409,247	19,123	1,729,808	153,674	1,368,371	398,593	3,507,426	571,390

	June 30, 2025				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
15. NUMBER OF UNITS IN ISSUE								
Total units in issue at the beginning of the year	188,020	2,667,461	3,518,606	6,374,087	190,261	1,362,202	2,898,259	4,450,722
Add: Units issued during the year	404,722	2,609,247	2,454,563	5,468,532	409,247	1,729,808	1,368,371	3,507,426
Less: units redeemed during the year	(305,059)	(2,682,813)	(1,415,281)	(4,403,153)	(411,488)	(424,549)	(748,024)	(1,584,061)
Reallocation during the year	-	-	-	-	-	-	-	-
Total units in issue at the end of the year	287,683	2,593,895	4,557,888	7,439,466	188,020	2,667,461	3,518,606	6,374,087
16. AUDITORS' REMUNERATION								
Annual audit fee	41	102	147	290	30	80	140	250
Review of condensed interim financial information	34	61	82	177	25	48	77	150
Sales tax	7	13	16	36	5	10	15	30
Out of pocket expenses	8	15	21	44	6	12	20	38
	90	191	266	547	66	150	252	468

17. TAXATION

The income of the fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further, the Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A Part IV to Second Schedule of the Income Tax Ordinance 2001.

18. 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.

19. FINANCIAL INSTRUMENTS BY CATEGORY

Particular	June 30, 2025								
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
Rupees in '000									
Financial assets									
Balances with banks	-	5,464	5,464	-	41,029	41,029	-	634,277	634,277
Investments	231,980	-	231,980	987,950	-	987,950	915,642	-	915,642
Dividend and profit receivable	-	632	632	-	25,665	25,665	-	3,234	3,234
Receivable Against issuance of Units	-	-	-	-	-	-	-	-	-
Advance Deposits and other receivable	-	2,683	2,683	-	447	447	-	217	217
	231,980	8,779	240,759	987,950	67,141	1,055,091	915,642	637,728	1,553,370
Financial liabilities									
Payable to the HBL Asset Management Limited - Management Company	-	184	184	-	1,012	1,012	-	1,433	1,433
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	22	22	-	104	104	-	147	147
Payable against Purchase of Securities	-	2,861	2,861	-	-	-	-	-	-
Accrued expenses and other liabilities	-	4,544	4,544	-	1,054	1,054	-	1,470	1,470
	-	7,611	7,611	-	2,170	2,170	-	3,050	3,050

Particular	June 30, 2024								
	Equity Sub-Fund			Debt Sub-Fund			Money Market Sub-Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
Rupees in '000									
Financial assets									
Bank balances	-	3,879	3,879	-	403,682	403,682	-	569,523	569,523
Investments	94,743	-	94,743	478,931	-	478,931	468,914	-	468,914
Dividend and profit receivable	-	120	120	-	25,906	25,906	-	7,637	7,637
Payable against issuance of Securities	-	-	-	-	1,464	1,464	-	-	-
Advance Deposits and other receivable	-	2,682	2,682	-	355	355	-	145	145
	94,743	6,681	101,424	478,931	431,407	910,338	468,914	577,305	1,046,219
Financial liabilities									
Payable to the HBL Asset Management Limited - Management Company	-	103	103	-	778	778	-	946	946
Payable to the Central Depository Company of Pakistan Limited - Trustee	-	13	13	-	89	89	-	108	108
Accrued expenses and other liabilities	-	3,617	3,617	-	1,037	1,037	-	3,160	3,160
	-	3,733	3,733	-	1,904	1,904	-	4,214	4,214

20

TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons include HBL Asset Management Limited being the Pension Fund Manager, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, Collective Investment Schemes and other Voluntary Pension Systems managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager, directors of connected persons and persons having 10% or more beneficial ownership or voting power of the units of the Fund or the capital of the Pension Fund Manager.

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

Remuneration payable to Pension Fund Manager and Trustee is determined in accordance with the provisions of the Voluntary Pension System Rules, 2005 and the Trust Deed respectively.

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

20.1 Transactions during the period

	30-Jun-25				30-Jun-24			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)							
HBL Asset Management Limited - Pension Fund Manager								
Management fee including sales tax	1,838	12,975	16,419	31,232	1,362	6,727	11,647	19,736
Habib Bank Limited - Sponsor								
Bank charges	75	90	87	252	60	80	82	222
Profit on bank deposits earned	2,070	6,844	15,081	23,995	17	1,623	12,792	14,432
Purchase of Pakistan Investment Bond	-	-	-	-	-	-	1,260,972	1,260,972
Sale of Pakistan Investment Bond	-	-	-	-	-	-	1,261,204	1,261,204
Purchase of T-Bills	-	69,734	603,030	672,764	-	-	619,616	619,616
Sale of T-Bills	-	649,203	834,862	1,484,065	-	203,073	863,808	1,066,881
Directors and Executives of the Pension Fund Manager and their relatives								
Directors and their relatives								
Issuance of units	Units 594	48	-	642	-	-	19,530	19,530
Amount of units issued	320	18	-	338	-	-	4,915	4,915
Redemption of Units Issued	Units 47	779	810	1,636	387	603	706	1,696
Amount of units redeemed	68	304	265	637	656	635	117	1,408
Executives and their relatives								
Issuance of units	Units -	-	-	-	-	-	47,659	47,659
Amount of units issued	-	-	-	-	-	-	309,339	309,339
Redemption of units issued	Units -	-	-	-	-	-	367	367
Amount of units redeemed	-	-	-	-	-	-	148	148

	30-Jun-25				30-Jun-24			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000)							
Central Depository Company of Pakistan - Trustee								
Trustee's Remuneration including								
Sindh Sales Tax thereon	220	1,347	1,710	3,277	135	676	1,172	1,983
Central Depository System charges	27	7	7	41	18	88	152	258
CDC Trustee HBL Islamic Income Fund - Under Common Management								
Sale of GOP Ijarah Sukuk	-	-	-	-	-	73,391	-	73,391
CDC Trustee HBL Money Market Fund - Under Common Management								
Sale of T Bills	-	48,600	155,468	204,068	-	-	72,573	72,573
CDC Trustee HBL Government Securities Fund - Under Common Management								
Sale of Pakistan Investment Bond				-	-	157,877	-	157,877
Sale of T Bills		8,989	96,121	105,110	-	123,830	-	123,830
CDC Trustee HBL Financial Sector Income Fund Plan I - Under Common Management								
Sale of Pakistan Investment Bond			8,765	8,765	-	67,887	-	67,887
CDC Trustee HBL Cash Fund - Under Common Management								
Sale of T Bills			5,275	5,275	-	135,664	150,045	285,709

20.2 Balances outstanding as at period end

HBL Asset Management Limited - Management Company								
Management fee payable	184	1,012	1,433	2,629	103	778	946	1,827
Sindh Sales Tax payable	28	152	215	395	12	101	123	236
Other payable	2,500	-	-	2,500	2,500	-	-	2,500
Habib Bank Limited - Sponsor								
Bank balances	2,054	32,160	632,880	667,094	2,741	397,674	568,958	969,373
Directors and Executives of the Pension Fund Manager and their relatives								

	30-Jun-25				June 30, 2024			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
(Rupees in '000)								
Directors and their relatives								
Units held	Number 23,051	50,236	17,377	90,664	18,543	50,921	38,553	108,017
Amount of units held	18,674	20,381	5,908	44,963	9,594	17,342	11,413	38,349
Executives and their relatives								
Units held	Number -	-	-	-	-	-	107,984	107,984
Amount of units held	-	-	-	-	-	-	31,996	31,996
Central Depository Company of Pakistan Limited - Trustee								
Remuneration payable including sales tax	-	-	-	-	15	101	122	238
Security Deposit receivable	100	100	100	300	100	100	100	300
Directors of Connected Persons								
Units held	Number -	-	-	-	1,727	1,514	138,659	141,900
Amount of units held	-	-	-	-	894	516	41,046	42,456

21 FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. The Board of Directors (the Board) of the Pension Fund Manager has overall responsibility for the establishment and oversight of the Fund's risk management framework.

Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily setup to be performed based on limits established by the Pension Fund Manager, Fund's constitutive documents and the regulations and directives of the SECP. The policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Fund primarily invests in a portfolio of equity, debt and money market investments such as shares of listed companies, investment - grade debt securities, government securities and other money market instruments. These activities are exposed to a variety of financial risks i.e. market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

21.1 Market risk

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

The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee. The Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP and the VPS Rules.

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

21.1.1 Currency risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pakistan Rupees.

21.1.2 Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

a) Cash flow interest rate risk

The Fund's interest rate risk arises from the balances in savings accounts. The net income for the year would have increased / (decreased) by Rs. 0.0546M, 0.41029M and 6.3427Million for Equity sub-fund, Debt sub-fund and Money market sub-fund , had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

b) Fair value interest rate risk

The Fund investment in Treasury Bills , Corporate Sukuks /TFC bonds, Pakistan investment bonds and Listed equity securities expose it to the fair value interest rate risk.

The composition of the Fund's investment portfolio and rates announced by Financial Market Association of Pakistan is expected to change over time. Therefore, the sensitivity analysis prepared as of June 30, 2025 is not necessarily indicative of the effect on the Fund's net assets of future movements in interest rates.

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

Particulars	Effective yield / interest rate	June 30, 2025												Total
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				
		Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		
Rupees in '000														
On-balance sheet financial instruments														
Financial assets														
Bank balances	9% - 21.15%	5,464.00	-	-	-	41,029	-	-	-	634,277	-	-	-	680,770
Investments - net		231,980.00	-	-	-	311,482	-	676,468	-	915,642	-	-	915,642	3,051,214
Dividend and profit receivable		-	-	-	632	-	-	-	25,665	-	-	-	3,234	29,531
Receivable Against issuance of Units		-	-	-	-	-	-	-	-	-	-	-	-	-
Advance Deposits and other receivable		-	-	-	2,683	-	-	-	447	217	-	-	217.00	3,564.00
Sub total		237,444.00	-	-	-	3,315	352,511	-	676,468.00	26,112	1,550,136	-	-	919,093.00
Financial liabilities														
Payable to HBL Asset Management Limited - Management Company		-	-	-	184	-	-	-	1,012	-	-	-	1,433	2,629
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	22	-	-	-	104	-	-	-	147	273
Payable against Purchase of Securities		-	-	-	2,861	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities		-	-	-	4,544	-	-	-	1,054	-	-	-	1,470	7,068
		-	-	-	7,611	-	-	-	2,170	-	-	-	3,050	12,831
On-balance sheet gap (a)		237,444	-	-	(4,296)	352,511	-	676,468	23,942	1,550,136	-	-	916,043	3,752,248
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-	-	-	-

Particulars	Effective yield / interest rate	June 30, 2024												Total
		Equity Sub-Fund				Debt Sub-Fund				Money Market Sub-Fund				
		Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	Exposed to yield / interest rate risk			Not exposed to yield / interest rate risk	
		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		Upto three months	More than three months and upto one year	More than one year		
Rupees in '000														
On-balance sheet financial instruments														
Financial assets														
Bank balances	17.5%-22.955	3,879	-	-	-	403,682	-	-	-	569,523	-	-	-	977,084
Investments - net		94,743	-	-	-	478,931	-	-	478,931	468,914	-	-	468,914	1,990,433
Dividend and profit receivable		-	-	-	120	-	-	-	25,906	-	-	-	7,637	33,663
Receivable against Issuance of Units		-	-	-	-	-	-	-	1,464	-	-	-	-	1,464
Advance and deposits		-	-	-	2,682	-	-	-	355	216	-	-	145	3,398
		98,622	-	-	-	2,802	882,613	-	-	506,656	1,038,653	-	-	476,696
Financial liabilities														
Payable to HBL Asset Management Limited - Management Company		-	-	-	103	-	-	-	778	-	-	-	946	1,827
Payable to Central Depository Company of Pakistan Limited - Trustee		-	-	-	13	-	-	-	89	-	-	-	108	210
Payable against purchase of securities		-	-	-	3,617	-	-	-	1,037	-	-	-	3,160	7,814
		-	-	-	3,733	-	-	-	1,904	-	-	-	4,214	9,851
On-balance sheet gap (a)		98,622	-	-	(931)	882,613	-	-	504,752	1,038,653	-	-	472,482	2,996,191
Off-balance sheet financial instruments		-	-	-	-	-	-	-	-	-	-	-	-	-
Off-balance sheet gap (b)		-	-	-	-	-	-	-	-	-	-	-	-	-

21.1.3 Price Risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk) whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. Currently, The Fund's investment in corporate sukuk bonds exposes to price risk.

21.2 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in corporate Sukuk/TFC bonds, and bank deposit. Risks attributable to investments in Market Treasury Bills, Pakistan Investment Bonds are limited as these are guaranteed by the Federal Government while bank balances are maintained with banks with a reasonably high credit rating. The risk of default is considered minimal due to interest systematic measures taken therein.

21.2.1 The analysis below summarises the credit quality of the Fund's financial assets as at June 30, 2025.

-----2025-----					
Banks	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Latest available published rating as at June 30, 2025	Rating agency
-----Rupees in '000-----					
HABIB BANK LIMITED	2,054	32,160	632,880	A-1+	VIS
FAYSAL BANK LIMITED	39	-	19	A-1+	VIS
DUBAI ISLAMIC BANK	-	-	16	A-1+	VIS
ZARAI TARAQIATI BANK LIMITED	-	-	-	A-1+	VIS
ALLIED BANK LIMITED	-	19	18	A-1+	PACRA
SONERI BANK LIMITED	3,320	1,030	-	A-1+	PACRA
BANK ALFALAH	45	5,769	1,276	A-1+	PACRA
HBL MICRO-FINANCE BANK	-	1,683	-	A-1	VIS
U MICRO-FINANCE BANK	-	340	-	A-1	VIS
NATIONAL BANK OF PAKISTAN	-	10	-	A-1+	VIS
KHUSHHALI MICROFINANCE BANK LIMITED	-	18	-	A-2	VIS
ASKARI BANK LIMITED	-	-	14	A-1+	PACRA
BANK AL HABIB LIMITED	-	1	41	A-1+	PACRA
MCB BANK	-	-	12	A-1+	PACRA
SINDH BANK	-	-	1	A-1+	VIS
JS BANK	6	-	-	A-1+	PACRA
	5,464	41,030	634,277		
-----2024-----					
Banks	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Latest available published rating as at June 30, 2023	Rating agency
-----Rupees in '000-----					
HABIB BANK LIMITED	2,741	397,674	568,958	A-1+	VIS
FAYSAL BANK LIMITED	39	21	19	A-1+	PACRA
DUBAI ISLAMIC BANK	-	340	16	A-1+	VIS
ZARAI TARAQIATI BANK LIMITED	-	3	12	A-1+	VIS
ALLIED BANK LIMITED	-	17	18	A-1+	PACRA
FIRST MICRO FINANCE	-	203	-	A-1	VIS
SONERI BANK LIMITED	1,047	1,278	-	A-1+	PACRA
BANK ALFALAH	45	4,118	444	A-1+	PACRA
NATIONAL BANK OF PAKISTAN	-	10	-	A-1+	PACRA
KHUSHHALI MICROFINANCE BANK LIMITED	-	18	-	A-2	VIS
ASKARI BANK LIMITED	0	0	14	A-1+	PACRA
BANK AL HABIB LIMITED	-	-	41	A-1+	PACRA
SINDH BANK	-	-	1	A-1+	VIS
JS BANK	7	-	-	A-1+	PACRA
	3,879	403,682	569,523		

21.2.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

Rating by rating category	2025	2024
A-1+	99.70%	100%
A-1	0.30%	0%
A-2	0.003%	0.2%

There is no exposure other than bank balance as disclosed above as at June 30, 2025.

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in bank balances while the remaining transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk to counterparties other than the Government.

21.3 Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund. Liquidity risk may result from an inability to sell a financial asset at close to its fair value. The Pension Fund Manager's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed. The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. As a result, the Fund may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. The present settlement system is a T+2 system, which means that proceeds from sales (to pay off redemptions) of holdings will be received on the second day after the sale, while redemptions have to be paid within a period of six working days from the date of the redemption request.

In addition, the Fund has the ability to borrow, with prior approval of trustee, for meeting redemption requests. No such borrowings were made during the year. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of net assets at the time of borrowing with repayment within 90 days of such borrowings. The facility would bear interest at commercial rates.

The table below summarises the maturity profile of the Fund's financial instruments. The analysis into relevant maturity groupings is based on the remaining period at the end of the reporting period to the contractual maturity date. However, assets and liabilities that are receivable / payable on demand including bank balances have been included in the maturity grouping of one month.

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

Particulars	June 30, 2025								
	EquitySub-Fund			DebtSub-Fund			Money Market Sub-Fund		
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year
----- Rupees in '000 -----									
Financial liabilities									
Payable to the HBL Asset Management Limited - Management Company	184	-	-	1,012	-	-	1,433	-	-
Payable to the Central Depository Company of Pakistan Limited - Trustee	22	-	-	104	-	-	147	-	-
Accrued expenses and other liabilities	4,544	-	-	1,054	-	-	1,470	-	-
Total Liabilities	4,750	-	-	2,170	-	-	3,050	-	-

Particulars	June 30, 2024								
	EquitySub-Fund			DebtSub-Fund			Money Market Sub-Fund		
	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year	Upto three months	More than three months and upto one year	Over one year
----- Rupees in '000 -----									
Financial liabilities									
Payable to the HBL Asset Management Limited - Management Company	103	-	-	778	-	-	946	-	-
Payable to the Central Depository Company of Pakistan Limited - Trustee	13	-	-	89	-	-	108	-	-
Accrued expenses and other liabilities	3,617	-	-	1,037	-	-	3,160	-	-
Total Liabilities	3,733	-	-	1,904	-	-	4,214	-	-

22 PARTICIPANTS' FUND RISK MANAGEMENT

The unitholders' fund is represented by the net assets attributable to unitholders / redeemable units. The amount of net assets attributable to unitholders can change significantly on a daily basis as the Fund is subject to daily issuance and redemptions at the discretion of unit holders. These unitholders of the Fund are entitled to distributions and to payment of a proportionate share based on the Fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in unitholders' fund. Unitholders fund risk management is carried out by the Management Company through following steps:

- Monitors the level of daily issuance and redemptions relative to the liquid assets and adjusts the amount of distributions the Fund pays to the unitholders;
- Redeems and issues units in accordance with the constitutive documents of the Fund. This includes the Fund's ability to restrict redemptions; and
- The Fund Manager / Investment Committee members and the Chief Executive Officer of the Management Company critically track the movement of 'Assets under Management'. The Board of Directors is updated regarding key performance indicators, e.g. yield and movement of NAV and total Fund size at the end of each quarter.

The Fund has maintained and complied with the requirements of minimum fund size during the current period.

23 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 amount 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.

As per the requirements of IFRS 7 (Financial Instruments: Disclosures) and IFRS 13 (Fair Value Measurement), 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 table below analyse financial instruments measured at the end of the reporting year by the level in the fair value hierarchy into which the fair value measurement is categorised:

	June 30, 2025			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Investments at fair value through profit or loss				
Equity Sub-Fund				
Listed equity securities	231,980	-	-	231,980
Debt Sub-Fund				
Investment in debt securities	-	987,950	-	987,950
Money Market Sub-Fund				
Investment in debt securities	-	915,642	-	915,642
	231,980	1,903,592	-	2,135,572

	June 30, 2024			
	Level 1	Level 2	Level 3	Total
	(Rupees in '000)			
Investments at fair value through profit or loss				
Equity Sub-Fund				
Listed equity securities	94,743	-	-	94,743
Debt Sub-Fund				
Government Securty-T Bills	-	478,931	-	478,931
Money Market Sub-Fund				
Government Securty-T Bills	-	468,914	-	468,914
	94,743	947,845	-	1,042,588

23.1 VALUATION TECHNIQUES

For level 1 investments at fair value through profit or loss in units of mutual funds, Fund uses market rate which are taken from pakistan stock exchange and For level 2 investments at fair value through profit or loss in units of mutual funds, Fund uses PKRV and PKFRV rates which are taken from MUFAP, for the purpose of computation of Market value at the reporting date.

23.2 TRANSFERS DURING THE YEAR

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

24. PARTICULARS OF THE INVESTMENT COMMITTEE AND THE FUND MANAGER

Details of members of the Investment Committee of the Fund as on June 30, 2025 are as follows:

S. no.	Name	Designation	Qualification	Experience in years
1	Mir Adil Rashid	Chief Executive Officer	BSc	26.2
2	Muhammad Ali Bhabha	Chief Investment Officer	CFA, FRM, MBA	29.9
3	Rahat Saeed Khan	Head of Fixed Income	MBA	27.7
4	Amin Mohammad	Head of Risk	MBA	32.6
5	Hammad Ali Abbas	Senior Fund Manager	MSC	20.4
6	Wasim Akram	Senior Fund Manager	MBA	21.5

25. ATTENDANCE AT MEETINGS OF THE BOARD OF DIRECTORS

Nine meetings of the Board of Directors were held on August 28,2024 ,September 26,2024, October 24, 2024, , January 25,2025 ,February 18, 2025 , April 27, 2025,May 26,2025,May 27,2025 and June 04,2025 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	

Name of Director

1	Mr. Shahid Ghaffar	9	9	0	-
2	Ms. Ava A. Cowasjee	9	9	0	-
3	Mr. Rayomond H. Kotwal	9	9	3	August 28,2024, May 27,2025 & June 04,2025
4	Mr. Abrar Ahmed Mir	9	9	1	August 28,2024
5	Mr. Tariq Masaud	9	9	1	October 24,2024
6	Mr. Abid Sattar	6	9	0	-
7	Mr. Khalid Malik	9	9	0	-
8	Mr. Habib Yousuf Habib	3	2	1	May 27,2025
9	Ms. Sheeza Ahmed	3	3	0	-

26. TOTAL EXPENSE RATIO

In accordance with the S.R.O 1068 (I) / 2021 dated August 23, 2021 issued by the Securities and Exchange Commission of Pakistan (SECP), the total expense ratio of the equity sub fund, debt sub fund and money market sub fund for the year ended June 30, 2025 is 2.56%, 1.54% and 1.52% (June 30, 2024: 1.56%, 1.58% and 3.54%) respectively which includes 0.33%,0.24% and 0.24% (June 30, 2024: 0.21%, 0.21% and 0.38%) respectively representing Government levy and SECP fee.

27. CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, where necessary, for the purpose of better presentation. No significant rearrangement or reclassification was made in these financial statements during the current year.

28. GENERAL

Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

29. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on August 28, 2025 by the Board of Directors of the Management Company.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL

KPK Pension Fund

FUND INFORMATION

NAME OF FUND

HBL ISLAMIC PENSION FUND

NAME OF AUDITOR

BDO Ebrahim & Co.

NAME OF TRUSTEE

Central Depository Company of Pakista Limited

NAME OF BANKERS

Soneri Bank Limited

Bank Alfalah Limited

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

Head Office:

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

TRUSTEE REPORT TO THE PARTICIPANTS



HBL KPK PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL KPK Pension Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 30, 2025



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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of HBL KPK Pension Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, statement of comprehensive income, the statement of movement in Participant's Sub funds, the statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2025, and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

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

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

Responsibilities of the Management Company and its Board of Directors

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

In preparing the financial statements, the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and



using the going concern basis of accounting unless the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



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

Report on other legal and regulatory requirements

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

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

KARACHI

DATED: 22 SEP 2025

UDIN: AR202510166DvCF3SaXw


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

HBL KPK PENSION FUND

Statement of Assets and Liabilities

As at June 30, 2025

June 30, 2025						June 30, 2024						
	Money market	Debt	Equity	Equity Index	Total		Money market	Debt	Equity	Equity Index	Total	
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund			Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		
Note	Rupees in "000"						Rupees in "000"					
ASSETS												
Balances with bank	5	287	624	648	2,206		1,119	544	554	554	2,771	
Investments	6	58,688	-	-	58,688		36,157	-	-	-	36,157	
Preliminary expenses and flotation costs	7	330	-	-	330		392	-	-	-	392	
Advances, Deposits and prepayments	8	354	-	-	354		350	-	-	-	350	
Receivable from the HBL Asset management Company-Management Company	9	24	-	-	24		-	-	-	-	-	
Profit/Mark-up receivable	10	4	-	-	4		195	9	10	10	224	
TOTAL ASSETS		59,687	624	648	61,606		38,213	553	564	564	39,894	
LIABILITIES												
Payable to the HBL Asset Management Limited - Management Company	11	460	-	-	460		460	-	-	-	460	
Payable to the Central Depository Company of Pakistan Limited - Trustee	12	7	-	-	7		10	-	-	-	10	
Annual fee payable to the Securities and Exchange Commission of Pakistan	13	20	-	-	20		7	-	-	-	7	
Accrued expenses and other liabilities	14	110	124	148	530		56	53	64	64	236	
TOTAL LIABILITIES		597	124	148	1,017		534	53	64	64	715	
NET ASSETS		59,090	500	500	60,590		37,680	500	500	500	39,180	
PARTICIPANTS' SUB FUNDS (AS PER STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS)												
		59,090	500	500	60,590		37,680	500	500	500	39,180	
CONTINGENCIES & COMMITMENTS												
15	(Number of units)						(Number of units)					
Number of units in issue	17	466,879	5,000	5,000	5,000		338,289	5,000	5,000	5,000		
	(Rupees)						(Rupees)					
Net assets value per unit		126.5634	100.0000	100.0000	100.0000		111.3831	100.0000	100.0000	100.0000		

The annexed notes from 1 to 31 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL KPK PENSION FUND

Income Statement

For the year ended June 30, 2025

June 30, 2025						June 30, 2024					
	Money market	Debt	Equity	Equity Index	Total	Money market	Debt	Equity	Equity Index	Total	
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		
Note	Rupees in "000"					Rupees in "000"					
Income											
Capital loss on sale of investments - net	(2)	-	-	-	(2)	(5)	-	-	-	(5)	
Income from corporate sukus	163	-	-	-	163	167	-	-	-	167	
Income from Investment	6,248	-	-	-	6,248	2,482	-	-	-	2,482	
Mark-up on bank deposits	268	71	84	84	507	1,185	53	64	64	1,365	
	6,677	71	84	84	6,916	3,829	53	64	64	4,009	
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	6.2	26	-	-	26	30	-	-	-	30	
	6,703	71	84	84	6,942	3,859	53	64	64	4,039	
Expenses											
Remuneration to HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-	
Sindh Sales Tax on remuneration to HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-	
Remuneration to Central Depository Company of Pakistan - Trustee	73	-	-	-	73	28	-	-	-	28	
Sindh Sales Tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	11	-	-	-	11	4	-	-	-	4	
Annual fee - Securities and Exchange Commission of Pakistan	20	-	-	-	20	7	-	-	-	7	
Auditors' remuneration	144	-	-	-	144	36	-	-	-	36	
Other Expenses	4	71	84	84	243	5	53	64	64	185	
Legal Fees	154	-	-	-	154	-	-	-	-	-	
Reversal against reimbursement from HBL Asset Management Limited - Management Company	(24)	-	-	-	(24)	-	-	-	-	-	
Amortisation of formation cost	62	-	-	-	62	58	-	-	-	58	
Total expenses	444	71	84	84	683	138	53	64	64	318	
Net income for the year before taxation	6,260	-	-	-	6,260	3,721	-	-	-	3,721	
Taxation	20	-	-	-	-	-	-	-	-	-	
Net income for the year after taxation	6,260	-	-	-	6,260	3,721	-	-	-	3,721	
Earnings per unit	21										

The annexed notes from 1 to 31 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL KPK PENSION FUND

Statement of Comprehensive Income

For the year ended June 30, 2025

	June 30, 2025					June 30, 2024				
	Money Market Sub-Fund	Debt Sub-Fund	Equity Sub-Fund	Equity Index Sub-Fund	Total	Money Market Sub-Fund	Debt Sub-Fund	Equity Sub-Fund	Equity Index Sub-Fund	Total
	(Rupees in "000")					(Rupees in "000")				
Net income for the year	6,260	-	-	-	6,260	3,721	-	-	-	3,721
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	6,260	-	-	-	6,260	3,721	-	-	-	3,721

The annexed notes from 1 to 31 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL KPK PENSION FUND

Statement of Movement in Participants' Funds

For the year ended June 30, 2025

	June 30, 2025					June 30, 2024				
	Money Market Sub-Fund	Debt Sub-Fund	Equity Sub-Fund	Equity Index Sub-Fund	Total	Money Market Sub-Fund	Debt Sub-Fund	Equity Sub-Fund	Equity Index Sub-Fund	Total
	Rupees in "000"					Rupees in "000"				
Net assets at the beginning of year	37,680	500	500	500	39,180	-	-	-	-	-
Amount received on issue of units	15,151	-	-	-	15,151	33,958	500	500	500	35,458
Net income for the year	6,260	-	-	-	6,260	3,721	-	-	-	3,721
Net assets at the end of year	59,090	500	500	500	60,590	37,680	500	500	500	39,180

The annexed notes from 1 to 31 form an integral part of these financial statements.

For HBL Asset Management Limited
(Pension Fund Manager)

Chief Financial Officer

Chief Executive Officer

Director

HBL KPK PENSION FUND

Cash Flow Statement

For the year ended June 30, 2025

Note	June 30, 2025					June 30, 2024				
	Money market	Debt	Equity	Equity Index	Total	Money market	Debt	Equity	Equity Index	Total
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
	Rupees in "000"					Rupees in "000"				
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income for the year	6,260	-	-	-	6,260	3,721	-	-	-	3,721
Adjustments for non cash items:										
Amortization of formation Cost	62	-	-	-	62	58	-	-	-	58
Capital loss on sale of investments - net	2	-	-	-	2	5	-	-	-	5
Income from corporate sukus	(163)	-	-	-	(163)	(167)	-	-	-	(167)
Income from Government securities	(6,248)	-	-	-	(6,248)	(2,482)	-	-	-	(2,482)
Mark-up on bank deposits	(268)	(71)	(84)	(84)	(507)	(1,185)	(53)	(64)	(64)	(1,365)
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	(26)	-	-	-	(26)	(30)	-	-	-	(30)
	(382)	(71)	(84)	(84)	(621)	(80)	(53)	(64)	(64)	(260)
(Increase) / Decrease in asset										
Investment-net	(22,508)	-	-	-	(22,508)	(36,132)	-	-	-	(36,132)
Preliminary expenses and flotation costs	-	-	-	-	-	(450)	-	-	-	(450)
Receivable from HBL Asset Management Limited - Management Company	(24)	-	-	-	(24)	-	-	-	-	-
Advances, deposits and prepayments	(4)	-	-	-	(4)	(350)	-	-	-	(350)
	(22,536)	-	-	-	(22,536)	(36,932)	-	-	-	(36,932)
Increase / (Decrease) in liabilities										
Payable to the HBL Asset Management Limited - Management Company	-	-	-	-	-	460	-	-	-	460
Payable to the Central Depository Company of Pakistan Limited - Trustee	(3)	-	-	-	(3)	10	-	-	-	10
Annual fee - Securities and Exchange Commission of Pakistan (SECP)	12	-	-	-	12	7	-	-	-	7
Accrued expenses and other liabilities	55	71	84	84	295	56	53	64	64	236
	64	71	84	84	304	534	53	64	64	714
Cash used in operating activities	(22,853)	0	0	0	(22,853)	(36,478)	-	(0)	(0)	(36,478)
Income received from corporate sukus	330	-	-	-	330	167	-	-	-	167
Income received from Government securities	6,248	-	-	-	6,248	2,482	-	-	-	2,482
Mark-up received on bank deposits	292	80	94	94	559	990	44	54	54	1,142
	6,870	80	94	94	7,137	3,639	44	54	54	3,791
Net cash flows (Used in) / generating from Operating Activates	(15,983)	80	94	94	(15,716)	(32,839)	44	54	54	(32,688)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipt from issuance of units	15,151	-	-	-	15,151	33,958	500	500	500	35,458
Net cash flows from financing activities	15,151	-	-	-	15,151	33,958	500	500	500	35,458
Net increase in cash and cash equivalents	(832)	80	94	94	(564)	1,119	544	554	554	2,771
Cash and cash equivalents at beginning of the year	1,119	544	554	554	2,771	-	-	-	-	-
Cash and cash equivalents at end of the year	5	287	624	648	2,206	1,119	544	554	554	2,771

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL KPK Pension Fund is established under a Trust deed executed between HBL Asset Management Limited as a Pension Fund Manager and Central Depository Company of Pakistan Limited as Trustee. The Central Depository Company of Pakistan Limited was appointed as a trustee for the Fund by SECP on June 22, 2023. The Trust Deed is approved by the Securities and Exchange Commission of Pakistan (SECP) on September 12, 2023 under the Voluntary Pension System (VPS) Rules, 2005. The Fund is registered under the Sindh Trust Act, 2020, as amended vide Sindh Trusts (Amendment) Act, 2021 and was launched on December 14, 2023.
- 1.2** The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (The VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Karachi, Pakistan.
- 1.3** The Fund is an unlisted open end pension scheme and units are offered on a continuous basis to employees of KPK Government appointed / recruited under Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 or an employee of KPK Government regularize as Civil Servant through any legal instrument issued after coming in to force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 irrespective of the effective date of regularization. The units are non-transferable except in the circumstances mentioned in VPS Rules and KPK Act 2022 and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.
- 1.4** The Fund consists of four sub-funds namely; Equity Index Sub Fund, Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund (collectively the "Sub-Funds"). Under the KPK Civil Servants Act 2022, the contribution by or on behalf of the employee for the first three years from the date of launch of the fund shall be invested 100% in Money Market Sub Fund only and the remaining sub-funds shall remain in operative till then. Moreover, in the remaining three sub funds (Equity Index Sub Fund, Equity Sub Fund and Debt Sub Fund) only seed capital be injected by the Pension Fund Manager which would remain invested till three years from the launch date of the Fund. Following the initial three years of appointment/ recruitment under Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022, KPK employees are eligible to change their allocation as per the life cycle allocation scheme. In cases where an employee fails to specify their asset allocation preferences, the pension fund manager, taking into consideration the employee's profile and age, will allocate the contribution to the default Asset Allocation Scheme outlined in the offering document and the KPK Rules, 2022.
- 1.5** Except for the departure from investment policy provided in the offering document, where the Pension Fund Manager shall place the seed capital amount of all sub-funds other than Money market Sub-Fund in a separate bank account in a commercial bank having at least such rating as prescribed thereunder for first three years from the date of launch of the Pension Fund, the investment shall be made as per the investment policy mentioned in the offering document. The investment policy for each of the sub-funds is as follows:
- The investment objective of the Equity Index Sub-Fund is to provide investors an opportunity to track closely the performance of the KSE-100 by investing in companies of the Index in proportion to their weightages. The Index Sub-fund shall strive to remain fully invested in accordance with the stated index, however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index or its subset during the year based on monthly average investment calculated on a daily basis. The un invested amount shall be kept in cash and/or near cash instruments where near cash instruments include cash in bank account (excluding TDRs), and Treasury bills not exceeding 90 days maturity. Composition of the remaining portion of the investments shall be as defined in the offering document;
 - The investment objective of the Equity Sub Fund of the Pension Fund is to earn returns from investments in Pakistani Capital Markets. Assets of Equity Sub Fund shall be invested in equity securities which are listed on Pakistan Stock Exchange (PSX) or for the listing of which an application has been approved by PSX or in units of Real Estate Investment Trusts and Exchange Traded Funds provided that entity/sector/group exposure limits as prescribed are complied with at least ninety percent (90%) of Net Assets of Equity Sub Fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis. Investment in a single company is restricted to lower of 10% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 30% of NAV or index weight, subject to a maximum of 35% of NAV. Composition of the remaining portion of the investments shall be as defined in the offering document;

- The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The Debt Sub-Fund consists of tradable debt securities with weighted average duration of the investment portfolio of the sub-fund not exceeding five years. At least twenty five percent (25%) of the net assets in the sub-fund shall be invested in debt securities issued by the Federal Government not exceeding 90 days' maturity. Exposure to any single entity or debt securities of a single entity shall not exceed 10% of NAV whereas, investment in a single stock exchange sector is restricted to 25% of NAV. Composition of the remaining portion of the investments shall be as defined in the offering document;
- The investment objective of the Money Market Sub Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund. The Money Market Sub-Fund consists of short-term money market securities with weighted average time to maturity not exceeding 90 days. Time to maturity of any assets in the portfolio shall not exceed six months. Exposure to any single entity or debt securities of a single entity, with the exception of those issued by the Federal Government, shall not exceed 10% of NAV whereas, investment in a single stock exchange sector is restricted to 25% of NAV. However, at all times, atleast 10% of the NAV of the Sub-Fund shall be invested scheduled commercial banks having prescribed ratings or government securities having upto 90 days maturity. Composition of the remaining portion of the investments shall be as defined in the offering document.

The Fund offers Life Cycle Allocation scheme to its participants with an option to allocate their contributions in a pre- planned allocation strategy as per their age. The exact exposure to each Sub Fund within the Allocation Scheme would be decided by the Employee at time of individual pension account opening and may be changed at any time at their discretion subject to age limits prescribed under KPK Rules. However, for initial three years from opening of account, the contribution of Employees will be invested in Money Market Sub-Fund only. The Employee may exercise the right to choose the exposure from the Allocation scheme subsequent to the initial three year period in the absence of which the Pension Fund Manager, keeping in view the profile and age of the Employee, shall allocate the Contributions to the Default Asset Allocation Scheme as specified in the offering document and the KPK Rules. The participants of the Fund voluntarily determine the contribution amount, subject to the minimum limit fixed by the Pension Fund Manager. The contribution amount may be paid by the contributor on a periodic basis such as annual, semi annual, quarterly or monthly basis.

1.6 VIS Credit Rating Agency has assigned management quality rating of 'AM1 (Stable Outlook)' as at December 31, 2024 to the Pension Fund Manager.

1.7 Title to the assets of the Fund is 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 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as 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.
- NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations') and requirements of the Trust Deed;
- The requirements of the constitutive documents, Voluntary Pension System Rules, 2005 (VPS Rules),

Where the provisions of and directives issued under the Companies Act, 2017, the requirements of VPS Rules and constitutive documents, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017, the requirements of VPS Rules the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

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

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

Classification and valuation of investment

For details please refer notes 4.2.1.1 and 6 to these financial statements.

Impairment of investment

For details please refer note 4.2.1.2 to these financial statements.

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

- 3.1** New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025
The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Fund's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024

The Management company adopted the narrow-scope amendments to the International Accounting Standard (IAS) 1, Presentation of Financial Statements which have been effective for annual reporting periods beginning on or after 1 January 2024. Although the amendments did not result in any changes to accounting policy themselves, they impacted the accounting policy information disclosed in the financial statements.

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

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

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

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

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	January 01, 2024
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
IFRS 17 Insurance Contracts	January 01, 2027

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

4 MATERIAL ACCOUNTING POLICIES INFORMATION

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

4.1 Cash and cash equivalents

Cash and cash equivalents comprise of balances with banks and short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents are carried in the statement of assets and liabilities at cost / nominal amount.

4.2 Financial instruments

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

4.2.1 Financial assets

4.2.1.1 Classification and measurement of financial assets and financial liabilities

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

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

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

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

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

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in income statement.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (refer note 4.2.1.2). Interest income, foreign exchange gains and losses and impairment are recognised in income statement.

4.2.1.2 Impairment of financial assets

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

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

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

The Fund's financial assets include mainly deposits, investment and bank balances.

SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012 dated October 24, 2012 in relation to impairment of debt securities.

4.2.1.3 Regular way purchase/sale of financial assets

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

4.2.1.4 Derecognition

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

4.2.2 Financial liabilities

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

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

4.2.3 Offsetting of financial assets and liabilities

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

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of second schedule to the income Tax Ordinance, 2001. The Fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001.

4.5 Proposed distributions

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

4.6 Issue and redemption of units

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

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

4.7 Net assets value per unit

The net assets value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.8 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Mark-up / return on Government securities, bank profits and investment in debt securities are recognized using the effective interest method.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.

4.9 Transactions with related parties / connected persons

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

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

5 BALANCES WITH BANK

		June 30, 2025					June 30, 2024				
		Money Market	Debt	Equity	Equity Index	Total	Money Market	Debt	Equity	Equity Index	Total
		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
Note		----- Rupees in "000" -----					----- Rupees in "000" -----				
Local Currency											
In saving accounts	5.1	287	624	648	648	2,206	1,119	544	554	554	2,771

5.1 These carries mark-up at the rates ranging between 13% to 20% % for Money Market Sub-Fund, Debt Sub-Fund, Equity Sub-Fund and Equity Index Sub-Fund (June 30, 2024: 15% to 22.5%) per annum.

6 INVESTMENTS

		June 30, 2025					June 30, 2024				
		Money Market	Debt	Equity	Equity Index	Total	Money Market	Debt	Equity	Equity Index	Total
		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
Financial assets classified at fair value through profit or loss		Rupees					Rupees				
	6.1	58,688	-	-	-	58,688	36,157	-	-	-	36,157
		58,688	-	-	-	58,688	36,157	-	-	-	36,157
6.1	Financial assets at fair value through profit or loss										
	Corporate Sukuk Bonds	6.1.1	-	-	-	-	3,000	-	-	-	3,000
	Market Treasury Bills	6.1.2	58,688	-	-	58,688	33,157	-	-	-	33,157
			58,688	-	-	58,688	36,157	-	-	-	36,157

6.1.1 Financial assets at fair value through profit or loss - Corporate Sukuk Bonds

Name of the investee company	As at June 30, 2024	Purchases during the period	Sales / Mature during the period	As at June 30, 2025	Carrying value as at June 30, 2025	Market value as at June 30, 2025	Un-realised gain / (loss)	Market value as a percentage of		
								Total	Net	
		(No. of units)					(Rupees in 000)		-----%	
Lucky Electric Power Co. Ltd	3	-	3	-	-	-	-	0.00%	0.00%	
Total - as at June 30, 2025	3	-	3	-	-	-	-	0.00%	0.00%	

6.1.1.1 These corporate sukuk bonds has a coupon rate of 21.85% per annum.

6.1.2 Financial assets at fair value through profit or loss - Market Treasury Bills

Issue date	Tenure	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation / (diminution) on re-measurement of investments	Market value as a percentage of total investments	Market value as a percentage of net assets
		As at July 1, 2024	Purchases during the period	Sales / matured during the period	As at June 30, 2025					
-----Rupees in "000"-----										
November 28, 2024	3 Months	-	4,000	4,000	-	-	-	-	-	-
March 6, 2025	3 Months	-	1,000	1,000	-	-	-	-	-	-
May 15, 2025	3 Months	-	21,500	-	21,500	21,262	21,259	(2.76)	36.22%	35.98%
June 27, 2024	6 Months	3,700	-	3,700	-	-	-	-	-	-
May 2, 2025	6 Months	-	7,000	1,000	6,000	5,775	5,789	14.21	9.86%	9.80%
February 6, 2025	6 Months	-	1,500	-	1,500	1,484	1,483	(0.39)	2.53%	2.51%
March 6, 2025	6 Months	-	3,500	-	3,500	3,431	3,432	1.08	5.85%	5.81%
June 12, 2025	6 Months	-	6,800	-	6,800	6,485	6,484	(0.63)	11.05%	10.97%
April 17, 2025	6 Months	-	5,000	-	5,000	4,834	4,844	9.81	8.25%	8.20%
January 23, 2025	6 Months	-	4,000	-	4,000	3,973	3,972	(0.88)	6.77%	6.72%
June 26, 2025	6 Months	-	4,200	-	4,200	3,988	3,988	(0.21)	6.80%	6.75%
May 29, 2025	6 Months	-	1,100	-	1,100	1,053	1,053	0.29	1.79%	1.78%
January 9, 2025	6 Months	-	2,500	-	2,500	2,493	2,493	(0.03)	4.25%	4.22%
October 3, 2024	6 Months	-	3,000	3,000	-	-	-	-	-	-
October 31, 2024	6 Months	-	5,000	5,000	-	-	-	-	-	-
December 12, 2024	6 Months	-	4,000	4,000	-	-	-	-	-	-
November 14, 2024	6 Months	-	3,500	3,500	-	-	-	-	-	-
December 26, 2024	6 Months	-	4,000	4,000	-	-	-	-	-	-
October 31, 2024	6 Months	-	6,500	6,500	-	-	-	-	-	-
October 3, 2024	6 Months	-	2,000	2,000	-	-	-	-	-	-
September 5, 2024	6 Months	-	850	850	-	-	-	-	-	-
August 22, 2024	6 Months	-	10,000	10,000	-	-	-	-	-	-
July 13, 2023	12 Months	19,000	-	19,000	-	-	-	-	-	-
November 16, 2023	12 Months	11,700	-	11,700	-	-	-	-	-	-
October 3, 2024	12 Months	-	4,000	-	4,000	3,884	3,890	5.91	6.63%	6.58%
October 19, 2023	12 Months	-	25,000	25,000	-	-	-	-	-	-
November 2, 2023	12 Months	-	20,000	20,000	-	-	-	-	-	-
December 14, 2023	12 Months	-	11,000	11,000	-	-	-	-	-	-
May 16, 2024	12 Months	-	14,500	14,500	-	-	-	-	-	-
Total - as at June 30, 2025		34,400	175,450	149,750	60,100	58,662	58,688	26	100%	99%

6.1.2.1 As at June 30, 2025, Market Treasury Bill (T-bill) had a face value of Rs. 60.1 million; Carrying effective yield of 19.76% per annum for T-bill with a face value of Rs.25 Million, 17.49% per annum for T-bill with a face value of Rs.20 Million, 15.04% per annum for T-bill with a face value of Rs.11 Million, 11.93% per annum for T-bill with a face value of Rs.14.5 Million & 11.07% per annum for T-bill with a face value of Rs.21.5 Million.

6.2 Net unrealized appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss'

Note	June 30, 2025					June 30, 2024				
	Money Market	Debt	Equity	Equity Index	Total	Money Market	Debt	Equity	Equity Index	Total
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
Rupees in "000"										
6.1.2	58,688	-	-	-	58,688	33,157	-	-	-	33,157
6.1.2	(58,662)	-	-	-	(58,662)	(33,126)	-	-	-	(33,126)
2	26	-	-	-	26	30	-	-	-	30

7 PRELIMINARY EXPENSES AND FLOTATION COSTS

Cost charged	7.1	392	-	-	392	450	-	-	-	450
Less: Amortization for the period		(62)	-	-	(62)	(58)	-	-	-	(58)
Closing Balance		330	-	-	330	392	-	-	-	392

7.1 Under Regulation 60(2) and 60(3)(i) of the NBFC Regulations, 2008, formation costs incurred in connection with the establishment and registration of the Fund borne by the Pension Fund Manager and reimbursable shall be chargeable to the Fund, not exceeding 1.5 % of the Seed Capital of each Sub-Fund and shall amortized over a period of five years.

8 ADVANCES, DEPOSITS AND OTHER RECEIVABLES

Security deposit-CDC	100	-	-	-	100	100	-	-	-	100
Other receivable	135	-	-	-	135	131	-	-	-	131
Advance tax	8.1	120	-	-	120	120	-	-	-	120
		354	-	-	354	350	-	-	-	350

8.1 The income of the Fund is exempt from income tax under clause 57(3)(viii) of part I of Second Schedule of the Income tax Ordinance,2001. Further, the Fund is exempt from withholding of tax under section 150, 150A,151 and 233 of ITO 2001.

The Federal Board of Revenue through a circular "C.No.1 (43) DG (WHT)/2008-Vol.II-66417-R" dated May 12, 2015, made it mandatory to obtain exemption certificates under section 159 (1) of the ITO 2001 from Commissioner Inland Revenue (CIR). However, various withholding agents have deducted advance tax under section 151 of ITO 2001. The Management Company is confident that the same shall be refunded after filing refund application.

9 RECEIVABLE FROM THE HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

As per SECP's direction No. SCD/PRDD/Direction/18/2016 all AMCs are required to calculate the TER in respect of each CIS to ensure the TER not in breach of required maximum percentage. The AMCs shall adjust the NAV of the CIS on the basis of TER at the end of each quarter during the financial year for the amount of expenses in excess of TER limit prescribed in Offering Document for that CIS by booking liability against AMC. Moreover, the reimbursement (if any) by an AMC to CIS shall be made on the basis of annual TER.

During the year ended June 30, 2025 , the Fund was in breach of TER ratio of maximum 0.75% as prescribe in Offering Document. As a result the Fund recorded receivable from Management Company to comply with the TER Ratio.

10	June 30, 2025					June 30, 2024				
	Money Market	Debt	Equity	Equity Index	Total	Money Market	Debt	Equity	Equity Index	Total
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
Rupees in "000"										
Bank Al Falah Limited - Main Branch 0001	4	-	-	-	4	28	-	-	-	28
Corporate Sukuk Bonds	-	-	-	-	-	167	-	-	-	167
Bank Alfalah Limited	-	-	-	-	-	-	9	-	-	9
Soneri Bank Limited	-	-	-	-	-	-	-	10	-	10
Soneri Bank Limited	-	-	-	-	-	-	-	-	10	10
	4	-	-	-	4	195	9	10	10	224

	Note	June 30, 2025					June 30, 2024				
		Money Market	Debt	Equity	Equity Index	Total	Money Market	Debt	Equity	Equity Index	Total
		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	
Rupees in "000"											
PAYABLE TO THE HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY											
Remuneration Payable	11.1	-	-	-	-	-	-	-	-	-	-
Sindh Sales Tax payable	11.2	-	-	-	-	-	-	-	-	-	-
Formation cost payable	11.3	460	-	-	-	460	460	-	-	-	460
		460	-	-	-	460	460	-	-	-	460

11.1 The HBL Asset Management Limited - Management Company is allowed to charge fees as remuneration for the management of fund within the limits of the Total Expense Ratio (TER) prescribed in the Trust Deed. However, no such fees was charged by the Pension Fund Manager during the period.

11.2 The Sindh Sales Tax is charged at the rate of 15% on the remuneration to the Pension Fund Manager through Sindh Sales Tax Act, 2011.

11.3 Formation Costs as agreed with the employer, not exceeding 1.5 % of the Seed Capital of each Sub-Fund, including expenditure incurred in connection with the establishment and authorization of the Pension Fund, then the cost shall be borne by the Pension Fund, paid to the Pension Fund Manager within the first three months of complete receipt of proceeds against Seed Capital Units subscribed by the Seed Investors.

12 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN-TRUSTEE

Remuneration Payable	12.1	6	-	-	-	6	9	-	-	-	9
Sindh Sales Tax Payable	12.2	1	-	-	-	1	1	-	-	-	1
		7	-	-	-	7	10	-	-	-	10

12.1 As per regulation 60 (3)(b) together with 67G (3) of the NBFC Regulations, 2008, the Pension Fund Manager shall charge remuneration of the Trustee related to the Fund within the limits of Total Expense Ratio as prescribed under the said regulations. The statement is shown below :

Net Assets

Tariff per annum

Upto Rs.1 billion	0.15% p.a. of Net Assets
Rs.1 billion to Rs.3 billion	Rs.1.5 million plus 0.10% p.a. of Net Assets exceeding Rs.1 billion
Rs.3 billion to Rs.6 billion	Rs.3.5 million plus 0.08% p.a. of Net Assets exceeding Rs.3 billion
Over Rs.6 billion	Rs.5.9 million plus 0.06% p.a. of Net Assets exceeding Rs.6 billion

12.2 Sales tax is charged at the rate of 15% on the remuneration of the Trustee is applied under the provisions of Sindh Sales Tax on Services Act, 2011.

13 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Annual fee payable	13.1	20	-	-	-	20	7	-	-	-	7
		20	-	-	-	20	7	-	-	-	7

13.1 This represents annual fee payable to Securities And Exchange Commission of Pakistan in accordance with the Rule 36 of the VPS Rules, 2005 whereby the Fund is required to pay SECP an amount equal to one Twenty-Fifth of 1% (June 30, 2024: one twenty-Fifth of 1%) of average annual net asset value.

14 ACCRUED EXPENSES AND OTHER LIABILITIES

Audit Fee Payable	56	-	-	-	56	36	-	-	-	36
Withholding tax payable	8	-	-	-	8	19	-	-	-	19
Legal Fees	9	-	-	-	9	-	-	-	-	-
Other Liabilities	36	124	148	148	456	1	53	64	64	181
	110	124	148	148	530	56	53	64	64	236

15 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at June 30, 2025 (June 30, 2024 : Nil).

16 CONTRIBUTION TABLE

Contribution (net of front end fee) received during the period.

From:	June 30, 2025										June 30, 2024									
	Money Market Sub-Fund		Debt Sub-Fund		Equity Sub-Fund		Equity Index Sub-Fund		Total		Money Market Sub-Fund		Debt Sub-Fund		Equity Sub-Fund		Equity Index Sub-Fund		Total	
	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")	(Units)	(Rupees in "000")
Individuals	128,590	15,151	-	-	-	-	-	-	128,590	15,151	38,289	3,958	-	-	-	-	-	-	38,289	3,958
HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- Sponsor	-	-	-	-	-	-	-	-	-	-	300,000	30,000	5,000	500	5,000	500	5,000	500	315,000	31,500

17 NUMBER OF UNITS IN ISSUE

	June 30, 2025					June 30, 2024				
	Money Market Sub-Fund	Debt Sub-Fund	Equity Sub-Fund	Equity Index Sub-Fund	Total	Money Market Sub-Fund	Debt Sub-Fund	Equity Sub-Fund	Equity Index Sub-Fund	Total
	(Number of units)					(Number of units)				
Total units outstanding at beginning of the period	338,289	5,000	5,000	5,000	353,289	-	-	-	-	-
Units issued during the period	128,590	-	-	-	128,590	338,289	5,000	5,000	5,000	353,289
Units redeemed during the period	-	-	-	-	-	-	-	-	-	-
Total units in issue at the end of the period	466,879	5,000	5,000	5,000	481,879	338,289	5,000	5,000	5,000	353,289

18 AUDITOR'S REMUNERATION

	June 30, 2025					June 30, 2024				
	Money Market Sub-Fund	Debt Sub-Fund	Equity Sub-Fund	Equity Index Sub-Fund	Total	Money Market Sub-Fund	Debt Sub-Fund	Equity Sub-Fund	Equity Index Sub-Fund	Total
	(Rupees in "000")					(Rupees in "000")				
Annual audit fee	72	-	-	-	72	23	-	-	-	23
Out-of-Pocket Expense	14	-	-	-	14	-	-	-	-	-
Fee for half yearly review	58	-	-	-	58	13	-	-	-	13
	144	-	-	-	144	36	-	-	-	36

19 BASIS OF ALLOCATION OF EXPENSES TO EACH SUB-FUND

- 19.1** Remuneration to the Pension Fund Manager and remuneration to the Trustee is allocated to each sub-fund on the basis of net assets of the sub-fund.
- 19.2** Formation Cost shall be divided equally among all the sub-funds operative.
- 19.3** Expenses specifically incurred by a sub-fund, such as custody and settlement charges, fees and subscription, brokerage and transaction costs, bank charges and all direct expenses of sub fund, shall be charged to the pertinent sub-funds.
- 19.4** Legal costs, audit fees and annual fees payable to the Commission and any other common expenses in accordance with the VPS Rules and NBFC Regulations, and as defined in the Constitutive documents, shall be charged to the pertinent sub-funds in proportion to their respective net assets.

20 TAXATION

The income of the fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further, the Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A Part IV to Second Schedule of the Income Tax Ordinance 2001. Accordingly Super Tax and any other taxes introduced in Finance Act 2015 are also not applicable on the Fund.

21 EARNINGS / (LOSS) PER UNIT

Earnings / (loss) per unit based on cumulative weighted average units for the period has not been disclosed as in the opinion of the Pension Fund Manager, the determination of the same is not practicable.

Particular	June 30, 2025											
	Money Market Sub Fund			Debt Sub-Fund			Equity Sub Fund			Equity Index Sub Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	Rupees in '000											
Financial assets												
Balances with banks	-	287	287	-	624	624	-	648	648	-	648	648
Investments												
Cooperate Sukuk bonds	-	-	-	-	-	-	-	-	-	-	-	-
Market treasury Bills	58,688	-	58,688	-	-	-	-	-	-	-	-	-
Profit / Mark-up receivable	-	4	4	-	-	-	-	-	-	-	-	-
Deposits and other receivable	-	235	235	-	-	-	-	-	-	-	-	-
	58,688	526	59,214	-	624	624	-	648	648	-	648	648
Financial liabilities												
Payable to HBL Asset Management Limited - Management Company	-	460	460	-	-	-	-	-	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	7	7	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	102	102	-	124	124	-	148	148	-	148	148
	-	569	569	-	124	124	-	148	148	-	148	148
	Rupees in '000											
Particular	June 30, 2024											
	Money Market Sub Fund			Debt Sub-Fund			Equity Sub Fund			Equity Index Sub Fund		
	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total	At fair value through profit or loss	Amortised cost	Total
	Rupees in '000											
Financial assets												
Balances with banks	-	1,119	1,119	-	543	543	-	554	554	-	554	554
Investments												
Cooperate Sukuk bonds	3,000	-	3,000	-	-	-	-	-	-	-	-	-
Market treasury Bills	33,157	-	33,157	-	-	-	-	-	-	-	-	-
Profit / Mark-up receivable	-	195	195	-	9	9	-	9	9	-	9	9
Deposits and other receivable	-	231	231	-	-	-	-	-	-	-	-	-
	36,157	1,545	37,702	-	552	552	-	563	563	-	563	563
Financial liabilities												
Payable to HBL Asset Management Limited - Management Company	-	460	460	-	-	-	-	-	-	-	-	-
Payable to Central Depository Company of Pakistan Limited - Trustee	-	10	10	-	-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	-	37	37	-	52	52	-	63	63	-	63	63
	-	507	507	-	52	52	-	63	63	-	63	63

23 TRANSACTIONS WITH RELATED PARTY/CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Pension Fund Manager, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, Collective Investment Schemes and other Voluntary Pension Systems managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager, directors of connected persons and persons having 10% or more beneficial ownership or voting power of the units of the Fund or the capital of the Pension Fund Manager.

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

Remuneration payable to Pension Fund Manager and Trustee is determined in accordance with the provisions of the Voluntary Pension System Rules, 2005 and the Trust Deed respectively.

The details of the transactions with connected persons and balances with them, if not disclosed elsewhere in these financial statements are as follows:

23.1 Transactions during the period

	June 30, 2025					June 30, 2024				
	Money Market Sub-Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total	Money Market Sub-Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
	(Rupees in "000")					(Rupees in "000")				
HBL Asset Management Limited - Pension Fund Manager										
Remuneration of HBL Asset Management Limited- Management Company	-	-	-	-	-	-	-	-	-	-
Sindh Sales Tax on remuneration of HBL Asset - Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-
Preliminary expenses and floatation costs	62	-	-	-	62	0.46	-	-	-	0.46
HBL Asset Management Company Limited - Sponsor										
Issuance of Seed Capital Units	-	-	-	-	-	338	5	5	5	353
Amount of Seed Capital Units issued	-	-	-	-	-	33,958	500	500	500	35,458
Central Depository Company of Pakistan Limited - Trustee										
Remuneration to the Central Depository Company of Pakistan Limited- Trustee	73	-	-	-	73	28	-	-	-	28
Sindh Sales Tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	11	-	-	-	11	4	-	-	-	4

23.2 Balances outstanding as at period end

	June 30, 2025					June 30, 2024				
	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total	Money Market Sub Fund	Debt Sub Fund	Equity Sub Fund	Equity Index Sub Fund	Total
	(Rupees in "000")					(Rupees in "000")				
HBL Asset Management Limited - Pension Fund Manager										
Remuneration of HBL Asset Management Limited- Management Company	-	-	-	-	-	-	-	-	-	-
Sindh Sales Tax on remuneration of HBL Asset - Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-
Formation cost payable to the HBL Asset Management Limited - Management Company	460	-	-	-	460	460	-	-	-	460
HBL Asset Management Limited Company - Sponsor										
Seed Capital Units held	300,000	5,000	5,000	5,000	315,000	300,000	5,000	5,000	5,000	315,000
Amount of Seed Capital Units held	37,969	500	500	500	39,469	33,415	500	500	500	34,915
Central Depository Company of Pakistan Limited - Trustee										
Remuneration to Central Depository Company of Pakistan Limited- Trustee	6	-	-	-	6	9	-	-	-	9
Sindh Sales Tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	1	-	-	-	1	1	-	-	-	1

24 FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. The Board of Directors (the Board) of the Pension Fund Manager has overall responsibility for the establishment and oversight of the Fund's risk management framework.

Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily setup to be performed based on limits established by the Pension Fund Manager, Fund's constitutive documents and the regulations and directives of the SECP. The policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Audit Committee oversees how management monitors compliance with the Fund's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Fund's Investment Manager, who has been authorised to manage the distribution of the assets to achieve the Fund's investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Fund's Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

The Fund primarily invests in a portfolio of equity, debt and money market investments such as shares of listed companies, investment - grade debt securities, government securities and other money market instruments. These activities are exposed to a variety of financial risks i.e. market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

24.1 Market risk

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

"The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee. The Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP and the VPS Rules."

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

24.1.1 Currency risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pakistan Rupees.

24.1.2 Interest rate Risk

Profit rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

24.1.3 a) Cash flow interest rate risk

The Fund's interest rate risk arises from the balances in savings accounts. The net income for the year would have increased / (decreased) by Rs. 2,873 for Money Market Sub-Fund, Rs. 6,236 for Debt Sub-Fund, Rs. 6,477 for Equity Sub-Fund, Rs. 6,477 for Equity Index Sub-Fund, had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

b) Fair value interest rate risk

The Fund's investment in Market Treasury Bills and Corporate Sukuk exposes it to fair value interest rate risk.

The composition of the Fund's investment portfolio and rates announced by Financial Market Association is expected to change over time.

24.1.4 Price Risk

Price risk is the risk of volatility in prices of financial instruments resulting from their dependence on market sentiments, speculative activities, supply and demand for financial instruments and liquidity in the market. The value of investments may fluctuate due to factors specific to the individual financial instrument or its issuer such as, change in business cycles affecting the business of the company in which the investment is made, change in business circumstances of the company, or factors affecting all similar financial instruments traded in the market such as changes in the industry environment and / or the economy in general.

The Pension Fund Manager's strategy on the management of investment risk is driven by the Fund's investment objective. The primary objective of the Fund is to achieve long term capital growth by investing primarily in equity securities. The Fund's market risk is managed on a daily basis by the Pension Fund Manager in accordance with the policies and procedures laid down by the SECP. The funds are allocated among various asset classes based on the attractiveness of the particular asset class. The allocation among these is dependent on the time horizon for investments and liquidity requirements of the portfolio.

The market risk is managed by monitoring exposure to marketable securities, and by complying with the internal risk management policies and regulations laid down in VPS Rules and directives issued by the SECP. The Fund does not hold any instrument that is exposed to price risk.

24.2 Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund. Liquidity risk may result from an inability to sell a financial asset at close to its fair value. The Pension Fund Manager's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation. The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed. The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. As a result, the Fund may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. The present settlement system is a T+2 system, which means that proceeds from sales (to pay off redemptions) of holdings will be received on the second day after the sale, while redemptions have to be paid within a period of six working days from the date of the redemption request.

In addition, the Fund has the ability to borrow, with prior approval of trustee, for meeting redemption requests. No such borrowings were made during the year. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of net assets at the time of borrowing with repayment within 90 days of such borrowings. The facility would bear interest at commercial rates.

In order to manage the Fund's overall liquidity, the Fund can also withhold daily redemption request in excess of ten percent of the units in issue and such requests would be treated as redemption request qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. No redemptions were made during the period.

24.3 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in corporate sukuk bonds, and bank deposit. Risks attributable to investments in Market Treasury Bills are limited as these are guaranteed by the Federal Government while bank balances are maintained with banks with a reasonably high credit rating. The risk of default is considered minimal due to interest systematic measures taken therein.

24.3.1 The analysis below summarises the credit quality of the Fund's bank balances and Investments as at June 30, 2025:

Name of bank / institutions	Balances held by the Fund as at June 30, 2025	Latest available published rating as at June 30, 2025	Rating agency	Balances held by the Fund as at June 30, 2024	Latest available published rating as at June 30, 2024	Rating agency
(Rupees in "000")				(Rupees in "000")		
Balances with banks by rating category						
Money Market Sub-Fund						
Bank Alfalah Limited	287	A-1+	PACRA	1,119	A-1+	PACRA
Debt Sub-Fund						
Bank Alfalah Limited	624	A-1+	PACRA	543	A-1+	PACRA
Equity Sub-Fund						
Soneri Bank Limited	648	A-1+	PACRA	543	A-1+	PACRA
Equity Index Sub-Fund						
Soneri Bank Limited	648	A-1+	PACRA	554	A-1+	PACRA
Corporate Sukuk Bonds						
Lucky Electric Power Limited	-	A-1+	PACRA	3,000	A-1+	PACRA

24.3.2 The analysis below summarizes the credit quality of the Fund's credit exposure:

	2025	2024
	----- (Percentage) -----	
Rating by rating category		
A-1+	100.00	100.00

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in bank balances while the remaining transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk to counterparties other than the Government.

25. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

- Quoted (unadjusted) market prices 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 tables show the carrying amounts and fair values of financial assets and financial liabilities held as at June 30, 2024 including their levels in the fair value hierarchy: 109

		Held by Money Market Sub-Fund													
		June 30, 2025							June 30, 2024						
		Carrying amount			Fair value				Carrying amount			Fair value			
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in "000"							Rupees in "000"						
Financial assets measured at fair value															
	Investment	-	-	-	-	-	-	-	3,000	-	3,000	-	3,000	-	3,000
	Corporate Sukuks	-	-	-	-	-	-	-	33,157	-	33,157	-	33,157	-	33,157
	Treasury Bills	58,688	-	58,688	-	58,688	-	58,688	36,157	-	36,157	-	36,157	-	36,157
		58,688	-	58,688	-	58,688	-	58,688	36,157	-	36,157	-	36,157	-	36,157
Financial assets not measured at fair value															
	Bank balances	24.1	-	287	287	-	-	-	-	1,119	1,119	-	-	-	-
	Profit / Mark-up receivable	25.1	-	4	4	-	-	-	-	9	9	-	-	-	-
			-		291	-	-	-	-	1,128	1,128	-	-	-	-
Financial liabilities not measured at fair value															
	Payable to the HBL Asset Management Limited-Management Company	25.1	-	460	460	-	-	-	-	460	460	-	-	-	-
	Payable to the Central Depository Company of Pakistan Limited- Trustee		-	7	7	-	-	-	-	10	10	-	-	-	-
	Accrued expenses and other liabilities		-	102	102	-	-	-	-	37	37	-	-	-	-
			-	569	569	-	-	-	-	507	507	-	-	-	-
Held by Debt Sub-Fund															
		June 30, 2025							June 30, 2024						
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in "000"							Rupees in "000"						
Financial assets not measured at fair value															
	Bank balances	25.1	-	624	624	-	-	-	-	554	554	-	-	-	-
	Profit / Mark-up receivable		-	-	-	-	-	-	-	9	9	-	-	-	-
			-	624	624	-	-	-	-	563	563	-	-	-	-
Financial liabilities not measured at fair value															
	Payable to the HBL Asset Management Limited-Management Company	25.1	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payable to the Central Depository Company of Pakistan Limited- Trustee		-	-	-	-	-	-	-	-	-	-	-	-	-
	Accrued expenses and other liabilities		-	124	124	-	-	-	-	53	53	-	-	-	-
			-	124	124	-	-	-	-	53	53	-	-	-	-
Held by Equity Sub-Fund															
		June 30, 2025							June 30, 2024						
		Carrying Amount			Fair Value				Carrying Amount			Fair Value			
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in "000"							Rupees in "000"						
Financial assets not measured at fair value															
	Bank balances	25.1	-	648	648	-	-	-	-	554	554	-	-	-	-
	Profit / Mark-up receivable		-	-	-	-	-	-	-	7	7	-	-	-	-
			-	648	648	-	-	-	-	561	561	-	-	-	-
Financial liabilities not measured at fair value															
	Payable to the HBL Asset Management Limited-Management Company	25.1	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payable to the Central Depository Company of Pakistan Limited- Trustee		-	-	-	-	-	-	-	-	-	-	-	-	-
	Accrued expenses and other liabilities		-	148	148	-	-	-	-	64	64	-	-	-	-
			-	148	148	-	-	-	-	64	64	-	-	-	-
Held by Equity Index Sub-Fund															
		June 30, 2025							June 30, 2024						
		Carrying Amount			Fair Value				Carrying Amount			Fair Value			
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
Note		Rupees in "000"							Rupees in "000"						
Financial assets not measured at fair value															
	Bank balances	25.1	-	648	648	-	-	-	-	554	554	-	-	-	-
	Profit / Mark-up receivable		-	-	-	-	-	-	-	10	10	-	-	-	-
			-	648	648	-	-	-	-	561	561	-	-	-	-
Financial liabilities not measured at fair value															
	Payable to the HBL Asset Management Limited-Management Company	25.1	-	-	-	-	-	-	-	-	-	-	-	-	-
	Payable to the Central Depository Company of Pakistan Limited- Trustee		-	-	-	-	-	-	-	-	-	-	-	-	-
	Accrued expenses and other liabilities		-	148	148	-	-	-	-	64	64	-	-	-	-
			-	148	148	-	-	-	-	64	64	-	-	-	-

25.1

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.

26 PARTICIPANTS' FUND RISK MANAGEMENT (CAPITAL RISK)

The Fund's capital is represented by redeemable units of the sub-funds. They are entitled to payment of a proportionate share based on the sub-fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in Participants' sub-funds.

In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the Participants invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited, such liquidity is augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments, where necessary.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the Fund and rank pari passu as their rights in the net assets and earning of the sub-fund are not tradeable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in respective such sub-fund, in his/her individual pension account (IPA).

27 ATTENDANCE AT MEETINGS OF BOARD OF DIRECTORS OF THE MANAGEMENT COMPANY

Nine meetings of the Board of Directors were held on August 28,2024 ,September 26,2024, October 24, 2024, January 25,2025 ,February 18, 2025 , April 27, 2025, May 26, 2025, May 27,2025 and June 04,2025 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Particular	Number of meetings			Meeting not attended
		Held	Attended	Leave granted	
Name of Director					
1	Mr. Shahid Ghaffar	9	9	0	-
2	Ms. Ava A. Cowasjee	9	9	0	-
3	Mr. Rayomond H. Kotwal	9	9	3	August 28,2024, May 27,2025 & June 04,2025
4	Mr. Abrar Ahmed Mir	9	9	1	August 28, 2024
5	Mr. Tariq Masaud	9	9	1	October 24, 2024
6	Mr. Abid Sattar	6	9	0	-
7	Mr. Khalid Malik	9	9	0	-
8	Mr. Habib Yousuf Habib	3	2	1	May 27,2025
9	Ms. Sheeza Ahmed	3	3	0	-

28 TOTAL EXPENSE RATIO

Section 67G of the NBFC Regulations 2008 prescribes annualised total expense ratio (TER) limits for Voluntary Pension Schemes (VPSs). However, the KPK Rules have specified a lower cap of 1%, 1.75%, 0.75% and 0.75% for TER excluding insurance charges and separate cap for insurance charges of 0.25% for Equity Index Sub Fund, Equity Sub Fund, Debt Sub Fund & Money Market Sub Fund. These thresholds are within the maximum limits prescribed under the NBFC Regulations of 4.5%, 4.5%, 2.5% & 2% for Equity Index Sub Fund, Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively. Based on the current period results the total expense ratio is as follows:

	June 30, 2025				June 30, 2024			
	Money Market	Debt	Equity	Equity Index	Money Market	Debt	Equity	Equity Index
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund
	----- % -----				----- % -----			
Annualized Total Expense Ratio	0.75%	-	-	-	0.73%	-	-	-
Government levy and SECP fees	0.07%	-	-	-	0.05%	-	-	-

29 PERFORMANCE TABLE

	June 30, 2025				June 30, 2024			
Performance Information	Money Market	Debt	Equity	Equity Index	Money Market	Debt	Equity	Equity Index
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund
	----- Rupees in "000" -----				----- Rupees in "000" -----			
Net Assets	59,090	500	500	500	37,680	500	500	500
Net Assets Value Per Unit	126.5634	100.0000	100.0000	100.0000	111.3831	100.0000	100.0000	100.0000
Net Income after Taxation	6,260	-	-	-	3,721	-	-	-
Realized Gain/Loss	(2)	-	-	-	(5)	-	-	-
Un-Realized Gain/loss	26	-	-	-	30	-	-	-
Net Contribution	15,151	-	-	-	-	-	-	-
	----- (Rupees per unit) -----				----- (Rupees per unit) -----			
Highest Issue Price	126.5634	100.0000	100.0000	100.0000	111.3831	100.0000	100.0000	100.0000
Lowest Issue Price	111.3831	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000	100.0000

30 GENERAL

30.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

30.2 The fund is registered and commenced its operations in current period, therefore no corresponding figure is to be reported.

31 DATE OF AUTHORISATION FOR ISSUE

31.1 These financial statements were authorised for issue to Board of directors on August 28, 2025.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director



KPK Islamic Pension Fund

FUND INFORMATION

NAME OF FUND	HBL KPK Islamic Pension Fund
NAME OF AUDITOR	BDO Ebrahim & Co.
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited
NAME OF SHARIAH ADVISOR	Al-Hilal Shariah Advisor
NAME OF BANKERS	Bank Al Habib Limited Bank Islamic Bank Limited

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

Head Office:

CDC House, 99-B, Block 'B'
S.M.C.H.S. Main Shahr-e-Faisal
Karachi - 74400, Pakistan
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URL: www.cdcpakistan.com
Email: info@cdcpak.com

TRUSTEE REPORT TO THE PARTICIPANTS



HBL KPK ISLAMIC PENSION FUND

Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL KPK Islamic Pension Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the year ended June 30, 2025 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

Further, in our opinion, the management fee, fee payable to Commission and other expenses paid from the Fund during the period are in accordance with the applicable regulatory framework.

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi, September 30, 2025





ASSET MANAGEMENT LTD.
ایسٹ مینجمنٹ لمیٹڈ

STATEMENT OF COMPLIANCE WITH THE SHARIAH PRINCIPLES

HBL KPK Islamic Pension Fund (the fund) has fully complied with the Shariah Principles specified in Trust Deed and in the guideline issued by the Shariah Advisor for its operations, investment and placements made during the year ended June 30, 2025. This has been duly confirmed by the Shariah Advisor of the Fund.

Mir Adil Rashid

Chief Executive Officer

Dated: August 28, 2025

HBL Asset Managment Limited
Head Office
7th Floor
Emerald Tower
G-19 Block-5,
Main Clifton Road,
Clifton, Karachi

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www.hblasasset.com

September 23, 2025



الحمد لله رب العالمين، والصلاة والسلام على سيد الأنبياء والمرسلين، وعلى آله وصحبه أجمعين، وبعد

The purpose of this report is to provide an opinion on the Shariah Compliance of the Fund's investment and operational activities with respect to Shariah guidelines provided.

It is the core responsibility of the Management Company to operate the Fund and invest the amount of money in such a manner which is in compliance with the Shariah principles as laid out in the Shariah guidelines. In the capacity of the Shariah Advisor, our responsibility lies in providing Shariah guidelines and ensuring compliance with the same by review of activities of the fund. We express our opinion based on the review of the information, provided by the management company, to an extent where compliance with the Shariah guidelines can be objectively verified.

Our review of Fund's activities is limited to enquiries of the personnel of Management Company and various documents prepared and provided by the management company.

Keeping in view the above; we certify that:

We have reviewed all the investment and operational activities of the fund including all transactions and found them to comply with the Shariah guidelines. On the basis of information provided by the management company, all operations of the fund for the year ended June 30, 2025 comply with the provided Shariah guidelines. Therefore, it is resolved that investments in **HBL KPK Islamic Pension Fund -Money Market Sub Fund** managed by **HBL Asset Management Limited** are Permissible and in accordance with Shariah principles.

May Allah (SWT) bless us and forgive our mistakes and accept our sincere efforts in accomplishment of cherished tasks and keep us away from sinful acts.

والله أعلم بالصواب، وصلى الله على نبيينا محمد وعلى آله وصحبه وبارك وسلم

For and on behalf of Al-Hilal Shariah Advisors (Pvt.) Limited.



Mufti Irshad Ahmad Aijaz
Member Shariah Council




Faraz Younus Bandukda, CFA
Chief Executive



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

Report on the audit of the financial statements

Opinion

We have audited the financial statements of HBL KPK Islamic Pension Fund ("the Fund"), which comprise the statement of assets and liabilities as at June 30, 2025, and the income statement, statement of comprehensive income, the statement of movement in participants' sub fund, statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 2025, and its financial performance and its cash flows for the year then ended in accordance with accounting and reporting standards as applicable in Pakistan.

Basis for opinion

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

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

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

Responsibilities of the Management Company and its Board of Directors

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

In preparing the financial statements, the Management Company is responsible for assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and



using the going concern basis of accounting unless the Management Company either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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



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

Report on other legal and regulatory requirements

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

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

KARACHI

DATED: 22 SEP 2025

UDIN: AR202510166qeBH1TYSh

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

HBL KPK ISLAMIC PENSION FUND

Statement of Assets and Liabilities

As at June 30, 2025

June 30, 2025							June 30, 2024										
	Equity Index Fund	Sub-Fund	Equity Fund	Sub-Fund	Debt Fund	Sub-Fund	Money Market Sub-Fund	Total	Equity Index Fund	Sub-Fund	Equity Fund	Sub-Fund	Debt Fund	Sub-Fund	Money Market Sub-Fund	Total	
Note	Rupees in '000'								Rupees in '000'								
ASSETS																	
Balances with bank	5		547		547		547	920	2,561		547		547		547	6,723	8,364
Investments	6		-		-		-	57,168	57,168		-		-		-	29,781	29,781
Profit / Mark-up and other receivable	7		8		8		8	628	652		8		8		8	595	619
Preliminary expenses and floatation costs	8		-		-		-	331	331		-		-		-	392	392
Receivable from the HBL Asset Management Limited - Management Company	9		-		-		-	204	204		-		-		-	-	-
Deposits	10		-		-		-	100	100		-		-		-	100	100
TOTAL ASSETS			555		555		555	59,351	61,016		555		555		555	37,591	39,256
LIABILITIES																	
Payable to the HBL Asset Management Limited - Management Company	11		-		-		-	460	460		-		-		-	460	460
Payable to the Central Depository Company of Pakistan - Trustee	12		-		-		-	7	7		-		-		-	8	8
Annual fee payable to the Securities and Exchange Commission of Pakistan	13		-		-		-	20	20		-		-		-	7	7
Accrued expenses and other liabilities	14		55		55		55	105	270		55		55		55	56	221
TOTAL LIABILITIES			55		55		55	592	757		55		55		55	531	696
NET ASSETS			500		500		500	58,759	60,259		500		500		500	37,060	38,560
PARTICIPANTS' SUB FUNDS (AS PER STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUNDS)																	
			500		500		500	58,759	60,259		500		500		500	37,060	38,560
CONTINGENCIES AND COMMITMENTS																	
	15	Number of units								Number of units							
Number of units in issue	16		5,000		5,000		5,000	469,392			5,000		5,000		5,000	335,921	
		Rupees								Rupees							
Net assets value per unit			100.0000		100.0000		100.0000	125.1803			100.0000		100.0000		100.0000	110.3225	

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL KPK ISLAMIC PENSION FUND

Income Statement

For the year ended June 30, 2025

	June 30, 2025					June 30, 2024				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	Rupees in '000'					Rupees in '000'				
Income										
Income from investments	-	-	-	6,687	6,687	-	-	-	1,135	1,135
Mark-up on bank deposits	-	-	-	219	219	55	55	55	2,203	2,368
Capital gain/(loss) on sale of investment	-	-	-	(494)	(494)	-	-	-	-	-
	-	-	-	6,412	6,412	55	55	55	3,338	3,503
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net 6.2	-	-	-	52	52	-	-	-	161	161
	-	-	-	6,464	6,464	55	55	55	3,499	3,664
Expenses										
Remuneration of the HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-
Sindh Sales Tax on remuneration of the HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-
Remuneration of the Central Depository Company - Trustee	-	-	-	73	73	-	-	-	26	26
Sindh Sales Tax on remuneration to Central Depository Company - Trustee	-	-	-	11	11	-	-	-	3	3
Annual fee to the Securities and Exchange Commission of Pakistan	-	-	-	20	20	-	-	-	7	7
Amortisation of preliminary expenses and floatation costs	-	-	-	61	61	-	-	-	58	58
Auditors' remuneration 17	-	-	-	150	150	-	-	-	36	36
Shariah advisory fee	-	-	-	97	97	-	-	-	-	-
Legal and professional charges	-	-	-	183	183	-	-	-	-	-
Reversal against reimbursement from Management Company	-	-	-	(204)	(204)	-	-	-	-	-
Other expenses	-	-	-	34	34	55	55	55	5	170
Total expenses	-	-	-	425	425	55	55	55	135	300
Net income for the year before taxation	-	-	-	6,039	6,039	-	-	-	3,364	3,364
Taxation 19	-	-	-	-	-	-	-	-	-	-
Net income for the year	-	-	-	6,039	6,039	-	-	-	3,364	3,364
Earnings per unit 20										

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL KPK ISLAMIC PENSION FUND

Statement of Comprehensive Income

For the year ended June 30, 2025

	June 30, 2025					June 30, 2024				
	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000'					Rupees in '000'				
Net income for the year	-	-	-	6,039	6,039	-	-	-	3,364	3,364
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	6,039	6,039	-	-	-	3,364	3,364

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL KPK ISLAMIC PENSION FUND

STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB-FUNDS

For the year ended June 30, 2025

	June 30, 2025					June 30, 2024				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	(Rupees in '000')					(Rupees in '000')				
Net assets at the beginning of the year	500	500	500	37,060	38,560					
Amount received on issue of units	-	-	-	15,660	15,660	500	500	500	33,696	35,196
Net income for the year	-	-	-	6,039	6,039				3,364	3,364
Net assets at the end of the year	500	500	500	58,759	60,259	500	500	500	37,060	38,560

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

HBL KPK ISLAMIC PENSION FUND

Cash Flow Statement

For the year ended June 30, 2025

	June 30, 2025					June 30, 2024				
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	Rupees in '000'					Rupees in '000'				
CASH FLOWS FROM OPERATING ACTIVITIES										
Net income for the year before taxation	-	-	-	6,039	6,039	-	-	-	3,364	3,364
Adjustments for:										
Income from Government securities	-	-	-	(6,687)	(6,687)	-	-	-	(1,135)	(1,135)
Mark-up on bank deposits	-	-	-	(219)	(219)	(55)	(55)	(55)	(2,203)	(2,368)
Amortisation of preliminary expenses and floatation costs	-	-	-	61	61	-	-	-	58	58
Unrealised (appreciation) / diminution on re-measurement of investments classified as 'fair value through profit or loss' - net	-	-	-	(52)	(52)	-	-	-	(161)	(161)
	-	-	-	(858)	(858)	(55)	(55)	(55)	(77)	(242)
(Increase) / Decrease in assets										
Investments - net	-	-	-	(27,337)	(27,337)	-	-	-	(29,620)	(29,620)
Profit / Mark-up and other receivable	-	-	-	(33)	(33)	(8)	(8)	(8)	(131)	(155)
Preliminary expenses and floatation costs	-	-	-	-	-	-	-	-	(450)	(450)
Receivable from the HBL Asset Management Limited - Management Company	-	-	-	(204)	(204)	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	(100)	(100)
	-	-	-	(27,574)	(27,574)	(8)	(8)	(8)	(30,301)	(30,325)
Increase / (Decrease) in liabilities										
Payable to the HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	460	460
Payable to the Central Depository Company of Pakistan - Trustee	-	-	-	(1)	(1)	-	-	-	8	8
Payable to Securities and Exchange Commission of Pakistan	-	-	-	12	12	-	-	-	7	7
Accrued expenses and other liabilities	-	-	-	49	49	55	55	55	56	221
	-	-	-	60	60	55	55	55	531	696
Cash used in operations	-	-	-	(28,372)	(28,372)	(8)	(8)	(8)	(29,847)	(29,871)
Income received from Government securities	-	-	-	6,472	6,472	-	-	-	860	860
Mark-up received on bank deposits	-	-	-	437	437	55	55	55	2,014	2,179
Net cashflows (used in) / generated from operating activities	-	-	-	(21,463)	(21,463)	47	47	47	(26,973)	(26,832)
CASH FLOWS FROM FINANCING ACTIVITIES										
Receipts from issue of units	-	-	-	15,660	15,660	500	500	500	33,696	35,196
Payment against redemption of units	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-
Net cash generated from financing activities	-	-	-	15,660	15,660	500	500	500	33,696	35,196
Net increase in cash and cash equivalents during the year	-	-	-	(5,803)	(5,803)	547	547	547	6,723	8,364
Cash and cash equivalents at the beginning of the year	547	547	547	6,723	8,364	-	-	-	-	-
Cash and cash equivalents at the end of the year	547	547	547	920	2,561	547	547	547	6,723	8,364

The annexed notes from 1 to 29 form an integral part of these financial statements.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL KPK Islamic Pension Fund is established under a Trust deed executed between HBL Asset Management Limited as a Pension Fund Manager and Central Depository Company of Pakistan Limited as Trustee. The Central Depository Company of Pakistan Limited was appointed as a trustee for the Fund by SECP on June 22, 2023. The Trust Deed is approved by the Securities and Exchange Commission of Pakistan (SECP) on September 12, 2023 under the Voluntary Pension System (VPS) Rules, 2005. The Fund is registered under the Sindh Trust Act, 2020, as amended vide Sindh Trusts (Amendment) Act, 2021 and was launched on December 14, 2023.
- 1.2** The Pension Fund Manager has been licensed to act as a Pension Fund Manager under the Voluntary Pension System Rules, 2005 (The VPS Rules) through a certificate of registration issued by the SECP. The registered office of the Pension Fund Manager is situated at 7th floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Karachi, Pakistan.
- 1.3** The Fund is an unlisted pension scheme and units are offered on a continuous basis to employees of KPK Government appointed / recruited under Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 or an employee of KPK Government regularize as Civil Servant through any legal instrument issued after coming in to force of the Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022 irrespective of the effective date of regularization. The units are non-transferable except in the circumstances mentioned in VPS Rules and KPK Act 2022 and can be redeemed by surrendering to the Fund. Further, as per the offering document, no distribution of income or dividend is allowed from any of the sub-funds.
- 1.4** The Fund consists of four sub-funds namely; Equity Index Sub Fund, Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund (collectively the "Sub-Funds"). Under the KPK Civil Servants Act 2022, the contribution by or on behalf of the employee for the first three years from the date of launch of the fund shall be invested 100% in Money Market Sub Fund only and the remaining sub-funds shall remain in operative till then. Moreover, in the remaining three sub funds (Equity Index Sub Fund, Equity Sub Fund and Debt Sub Fund) only seed capital be injected by the Pension Fund Manager which would remain invested till three years from the launch date of the Fund. Following the initial three years of appointment/recruitment under Khyber Pakhtunkhwa Civil Servants (Amendment) Act 2022, KPK employees are eligible to change their allocation as per the life cycle allocation scheme. In cases where an employee fails to specify their asset allocation preferences, the pension fund manager, taking into consideration the employee's profile and age, will allocate the contribution to the default Asset Allocation Scheme outlined in the offering document and the KPK Rules, 2022.
- 1.5** Except for the departure from investment policy provided in the offering document, where the Pension Fund Manager shall place the seed capital amount of all sub-funds other than Money market Sub-Fund in a separate bank account in a commercial bank having at least such rating as prescribed thereunder for first three years from the date of launch of the Pension Fund, the investment shall be made as per the investment policy mentioned in the offering document. The investment policy for each of the sub-funds is as follows:
- The investment Objective of the Equity Index Sub-Fund is to provide investors an opportunity to track closely the performance of the KMI-30 by investing in companies of the Index in proportion to their weightages. The Index Sub-fund shall strive to remain fully invested in accordance with the stated index, however, under no circumstances shall it be invested less than 85% of its net assets in securities covered in the index or its subset during the year based on monthly average investment calculated on a daily basis. The un invested amount shall be kept in cash and/or near cash instruments where near cash instruments include cash in bank account (excluding TDRs), and Government securities not exceeding 90 days maturity. Composition of the remaining portion of the investments shall be as defined in the offering document;

- The investment objective of the Equity Sub Fund of the Pension Fund is to earn returns from investments in Pakistani Capital Markets. Assets of Equity Sub Fund shall be invested in Shariah compliant equity securities which are listed on Pakistan Stock Exchange (PSX) or in units of Shariah compliant Real Estate Investment Trusts and Exchange Traded Funds provided that entity/sector/group exposure limits as prescribed are complied with at least ninety percent (90%) of Net Assets of Equity Sub Fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis. Investment in a single company is restricted to lower of 15% of Net Asset Value (NAV) or paid-up capital of the investee company. Investment in a single stock exchange sector is restricted to the higher of 35% of NAV or index weight, subject to a maximum of 40% of NAV. Composition of the remaining portion of the investments shall be as defined in the offering document;
- The investment objective of the Debt Sub Fund is to earn returns from investments in Shariah compliant debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The Debt Sub-Fund consists of tradable debt securities with weighted average duration of the investment portfolio of the sub-fund not exceeding five years. At least twenty five percent (25%) of the net assets in the sub-fund shall be invested in debt securities issued by the Federal Government not exceeding 90 days' maturity. Exposure to any single entity or debt securities of a single entity shall not exceed 15% of NAV whereas, investment in a single stock exchange sector is restricted to 25% of NAV. Composition of the remaining portion of the investments shall be as defined in the offering document;
- The investment objective of the Money Market Sub Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund. The Money Market Sub-Fund consists of Shariah compliant short-term money market securities with weighted average time to maturity not exceeding 90 days. Time to maturity of any assets in the portfolio shall not exceed six months. Exposure to any single entity or securities of a single entity, with the exception of those issued by the Federal Government, shall not exceed 15% of NAV whereas, investment in a single stock exchange sector is restricted to 25% of NAV. However, at all times, atleast 10% of the NAV of the Sub-Fund shall be invested scheduled commercial banks having prescribed ratings or government securities having upto 90 days maturity. Composition of the remaining portion of the investments shall be as defined in the offering document.

1.6 VIS Credit Rating Agency has assigned management quality rating of 'AM1 (VIS)' on December 31, 2024 to the Pension Fund Manager.

1.7 Title to the assets of the Fund is 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 These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards as 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; and
- NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'NBFC Regulations') and requirements of the Trust Deed.
- The requirements of the constitutive documents, Voluntary Pension System Rules, 2005 (VPS Rules),

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

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

2.4 Use of judgments and estimates

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

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

Classification and valuation of investments

For details please refer notes 4.2.1.1 and 6 to these financial statements.

Impairment of investment

For details please refer notes 4.2.1.2 to these financial statements.

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

- 3.1** New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025
The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current	- January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants	January 01, 2024
Amendments to IAS 7 'Statement of Cash Flows' - Supplier finance arrangements	January 01, 2024

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

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

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

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

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

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

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

Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
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Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments	January 01, 2026
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Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability	January 01, 2025
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Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
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Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs)	January 01, 2026
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IFRS 17 Insurance Contracts	January 01, 2027
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Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

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

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

4 MATERIAL ACCOUNTING POLICIES INFORMATION

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

4.1 Cash and cash equivalents

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

4.2 Financial instruments

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

4.2.1 Financial assets

4.2.1.1 Classification and measurement of financial assets and financial liabilities

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

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

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

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

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

The following accounting policies apply to the subsequent measurement of financial assets:

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in income statement.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses (refer note 4.2.1.2). Interest income and impairment are recognised in income statement.

4.2.1.2 Impairment of financial assets

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

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

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

The Fund's financial assets include mainly investment and bank balances.

SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds. Meanwhile, asset management companies shall continue to follow the requirements of Circular 33 of 2012 dated October 24, 2012 in relation to impairment of debt securities.

4.2.1.3 Regular way purchase/sale of financial assets

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

4.2.1.4 Derecognition

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

4.2.2 Financial liabilities

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

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

4.2.3 Offsetting of financial assets and liabilities

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

4.3 Provisions

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

4.4 Taxation

The income of the Fund is exempt from income tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The fund is also exempt from the provisions of section 113 (minimum tax) under clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance 2001.

4.5 Proposed distributions

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

4.6 Issue and redemption of units

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

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

4.7 Element of income

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

4.8 Net asset value per unit

The net assets value (NAV) per unit as disclosed in the statement of assets and liabilities is calculated by dividing the net assets of the Fund by the number of units in issue at the year end.

4.9 Revenue recognition

- Realised capital gains / (losses) arising on sale of investments are included in the income statement on the date at which the transaction takes place.
- Income on sukuk certificates, term deposit receipts and government securities is recognized on an accrual basis except for the securities which are classified as Non-Performing Asset under Circular No. 33 of 2012 issued by the SECP for which the profits are recorded on cash basis.
- Profit on saving accounts with banks is recognized on a time proportionate basis using bank's approved rates when accrued.
- Unrealised gains / (losses) arising on re-measurement of investments classified as 'financial assets at fair value through profit or loss' are included in the income statement in the year in which they arise.

4.10 Expenses

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

4.11 Distribution to the unit holders

No distribution of Income or dividend shall be allowed from any of the sub-funds. Any income earned shall be accumulated and retained in the respective sub-funds.

4.12 Earnings / (loss) per unit

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

4.13 Transactions with related parties / connected persons

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

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

	Note	June 30, 2025					June 30, 2024				
		Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees in '000'					Rupees in '000'				
5 Balances with bank											
Local Currency											
In saving accounts	5.1	547	547	547	920	2,561	547	547	547	6,723	8,364

5.1 These carries mark-up at the rates ranging between 7% to 10% per anum. (2024: 15% to 18%)

6 INVESTMENTS

Financial assets classified at fair value through profit or loss

6.1	-	-	-	57,168	57,168	-	-	-	29,781	29,781
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6.1 Financial assets at fair value through profit or loss

Corporate Sukuk Bond	6.1.1	-	-	-	11,000	11,000	-	-	-	5,000	5,000
GOP Ijara Sukuk	6.1.2	-	-	-	46,168	46,168	-	-	-	24,781	24,781
		-	-	-	57,168	57,168	-	-	-	29,781	29,781

6.1.1 Financial assets classified at fair value through profit or loss - Corporate Sukuk Bond

Name of Investee Funds	Total units as at July 1, 2024	Purchases made during the year	Sales made during the year	Total units as at June 30, 2025	Total carrying value as at June 30, 2025	Total market value as at June 30, 2025	Unrealised appreciation / (diminution) on re-measurement of investment	Market value as a percentage of net assets	Market value as a percentage of total value of investment
	Number of units				Rupees in '000'				
Money Market Sub-Fund									
LECPL STS 17	5	-	(5)	-	-	-	-	0%	0%
EFLSC6	-	1	-	1	1,000	1,000	-	1.7%	1.7%
LEPCLSC21	-	6	-	6	6,000	6,000	-	10.2%	10.5%
PTCSTSKI	-	4	-	4	4,000	4,000	-	6.8%	7.0%
Total as at June 30, 2025	5	11	(5)	11	11,000	11,000	-	19%	19%
Total as at June 30, 2024	-	5	-	5	5,000	5,000	-	13%	13%

6.1.1 Financial assets at fair value through profit or loss - Market Treasury Bills

6.1.1.1 These corporate sukuk bonds has a coupon rate ranging between 11.26% to 12.12% (2024: 21.85%) per annum.

6.1.2 Financial assets at fair value through profit or loss - GOP Ijara Sukuk

Issue date	Tenure	Face value				Carrying value as at June 30, 2025	Market value as at June 30, 2025	Unrealised appreciation on re-measurement of investments	Market value as a percentage of net assets	Market value as a percentage of total value of investment
		As at July 1, 2024	Purchases during the year	Sales / matured during the year	As at June 30, 2025					
-----Rupees in '000'-----										
Money Market Sub Fund										
26-Apr-24	12 months	24,781	-	(24,781)	-	-	-	-	0%	0%
07-Nov-24	12 months	-	2,000	-	2,000	1,930	1,934	4	3%	3%
15-Aug-24	12 months	-	600	-	600	591	593	2	1%	1%
21-Oct-24	12 months	-	9,000	-	9,000	8,712	8,743	31	15%	15%
25-Jul-24	12 months	-	11,500	-	11,500	11,393	11,430	37	19%	20%
02-May-25	12 months	-	15,000	-	15,000	13,779	13,767	(12)	23%	24%
29-Jul-20	5 Years	-	9,700	-	9,700	9,711	9,701	(10)	17%	17%
Total - as at June 30, 2025		24,781	47,800	(24,781)	47,800	46,116	46,168	52	79%	81%
Total - as at June 30, 2024			28,500	-	28,500	24,620	24,781	161	67%	83%

6.2 Net unrealised appreciation on re-measurement of investments classified as Financial Assets 'Fair Value through profit or loss'

	June 30, 2025					June 30, 2024				
	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees in '000'-----										
Market value of investments	-	-	-	57,168	57,168	-	-	-	29,781	29,781
Less: Carrying value of investments	-	-	-	57,116	57,116	-	-	-	29,620	29,620
	-	-	-	52	52	-	-	-	161	161

7 PROFIT / MARK UP AND OTHER RECEIVABLE

	June 30, 2025					June 30, 2024				
	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees in '000'-----										
Note										
Bank Al Habib Limited	-	-	-	7	7	-	-	-	189	189
Bank Islami Pakistan Limited	8	8	8	-	26	8	8	8	-	26
fixed income securities	-	-	-	490	490	-	-	-	275	275
Advance tax	-	-	-	131	131	-	-	-	131	131
	8	8	8	628	654	8	8	8	595	621

8 PRELIMINARY EXPENSES AND FLOATATION COSTS

	June 30, 2025					June 30, 2024				
	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
-----Rupees in '000'-----										
Cost charged	8.1	-	-	392	392	-	-	-	450	450
Less: Amortised during the year	-	-	-	(61)	(61)	-	-	-	(58)	(58)
Closing balance	-	-	-	331	331	-	-	-	392	392

8.1 Under Regulation 60(2) and 60(3)(i) of the NBFC Regulations, 2008, formation costs incurred in connection with the establishment and registration of the Fund borne by the Pension Fund Manager and reimbursable shall be chargeable to the Fund, not exceeding 1.5 % of the Seed Capital of each Sub-Fund shall amortized over a period of five years.

9 RECEIVABLE FROM THE HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

"As per SECP's direction No. SCD/PRDD/Direction/18/2016 all AMCs are required to calculate the TER in respect of each CIS to ensure the TER is not in breach of required maximum percentage. The AMCs shall adjust the NAV of the CIS on the basis of TER at the end of each quarter during the financial year for the amount of expenses in excess of TER limit prescribed as per the regulation 61. in Offering Document for that CIS by booking liability against AMC. Moreover, the reimbursement (if any) by an AMC to CIS shall be made on the basis of annual TER.

During the year ended June 30, 2025, the Fund was in breach of TER ratio of maximum 0.75% in Offering Document. As a result the Fund recorded receivable from Management Company to comply with the TER."

10 DEPOSITS

CDC Security Deposit	-	-	-	100	100	-	-	-	100	100
	-	-	-	100	100	-	-	-	100	100

June 30, 2025					June 30, 2024				
Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note ----- Rupees in '000'					Rupees in '000'				

11 PAYABLE TO THE HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Remuneration payable to the Management Company	11.1	-	-	-	-	-	-	-	-	-
Sindh Sales Tax payable on Management Company's remuneration	11.2	-	-	-	-	-	-	-	-	-
Formation cost payable to AMC	10.3	-	-	-	460	460	-	-	-	460
		-	-	-	460	460	-	-	-	460

11.1 The HBL Asset Management Limited - Management Company is allowed to charge fees as remuneration for the management of fund within the limits of the Total Expense Ratio (TER) prescribed in the Trust Deed. However, no such fees was charged by the HBL Asset management Limited - Management Company during the year.

11.2 The Sindh Sales Tax charge at the rate of 15% (2024: 13%) as per the Sindh Sales Tax on Services Act, 2011.

11.3 Formation costs as agreed with the employer, not exceeding 1.5 % of the Seed Capital of each Sub-Fund, including expenditure incurred in connection with the establishment and authorization of the Pension Fund, shall be borne by the Pension Fund, paid to the Pension Fund Manager within the first three months of complete receipt of proceeds against Seed Capital Units subscribed by the Seed Investors.

12 PAYABLE TO THE CENTRAL DEPOSITORY COMPANY - TRUSTEE

Remuneration payable	12.1	-	-	-	6	6	-	-	-	7	7
Sindh Sales Tax payable	12.2	-	-	-	1	1	-	-	-	1	1
		-	-	-	7	7	-	-	-	8	8

12.1 As per regulation 60 (3)(b) together with 67G (3) of the NBFC Regulations, 2008, the Pension Fund Manager shall charge remuneration of the Trustee related to the Fund within the limits of Total Expense Ratio as prescribed under the said regulations. The statement shown below:

Net Assets

Tariff per annum

Upto Rs.1 billion	0.15% p.a. of Net Assets
Rs.1 billion to Rs.3 billion	Rs.1.5 million plus 0.10% p.a. of Net Assets exceeding Rs.1 billion
Rs.3 billion to Rs.6 billion	Rs.3.5 million plus 0.08% p.a. of Net Assets exceeding Rs.3 billion
Over Rs.6 billion	Rs.5.9 million plus 0.06% p.a. of Net Assets exceeding Rs.6 billion

12.2 The Sindh Sales Tax charge at the rate of 15% (2024: 13%) as per the Sindh Sales Tax on Services Act, 2011.

13 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

June 30, 2025					June 30, 2024				
Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
----- Rupees in '000'					----- Rupees in '000'				

Annual fee payable	13.1	-	-	-	20	20	-	-	-	7	7
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As per Clause 36 of the VPS Rules, 2005 the Pension Fund Manager shall pay an annual fee to the Commission an amount equal to one twenty-fifth of one per cent of the average annual net asset value of the pension fund. The fees is chargeable to the fund under Regulation 60 (3)(f) and 67G (3) of the NBFC Regulations and is payable in arrears. During the year the Pension Fund Manager has charged the fees accordingly.

Withholding income tax payable	-	-	-	11	11	-	-	-	19	19
Auditors' remuneration	-	-	-	54	54	-	-	-	36	36
Legal fee	-	-	-	10	10	-	-	-	-	-
Others	55	55	55	30	195	55	55	55	1	166
	55	55	55	105	270	55	55	55	56	221

There were no contingencies and commitments as at June 30, 2025. (2024: Nil)

Contribution (net of front end fee) received during the year.

June 30, 2023										June 30, 2024										
Equity Index Sub-Fund		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total		Equity Index Sub-Fund		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub-Fund		Total		
(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	(Units)	(Rupees in '000')	
From:																				
Individuals		-	-	-	-	-	-	133,471	15,660	133,471	15,660	-	-	-	-	-	35,921	3,696	35,921	3,696
HB: Asset Management Limited - Seed Investor		-	-	-	-	-	-	133,471	15,660	133,471	15,660	5,000	500	5,000	500	5,000	300,000	30,000	315,000	35,500
		-	-	-	-	-	-	133,471	15,660	133,471	15,660	5,000	500	5,000	500	5,000	335,921	33,696	350,921	35,196

June 30, 2023					June 30, 2024				
Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Number of units					Number of units				
Total units in issue at the beginning of the year	5,000	5,000	5,000	335,921	-	-	-	-	-
Add Units issued	-	-	-	133,471	5,000	5,000	5,000	335,921	350,921
Less Units redeemed	-	-	-	-	-	-	-	-	-
Total units in issue at the end of the year	5,000	5,000	5,000	469,392	484,392	5,000	5,000	5,000	335,921

June 30, 2023					June 30, 2024				
Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Rupees in '000'					Rupees in '000'				
Annual Audit fee	-	-	-	150	150	-	-	-	36
	-	-	-	150	150	-	-	-	36

18.1 Remuneration to the Pension Fund Manager and remuneration to the Trustee is allocated to each sub-fund on the basis of net assets of the sub-fund.

18.2 Formation cost shall be divided equally among all the Sub-Funds operative.

18.3 Expenses specifically incurred by a sub-fund, such as custody and settlement charges, fees and subscription, brokerage and transaction costs, bank charges and all direct expenses of Sub Fund, shall be charged to the pertinent Sub-Funds.

18.4 Legal costs, audit fees and annual fees payable to the Commission and any other common expenses in accordance with the VPS Rules and NBFC Regulations, and as defined in the Constitutive documents, shall be charged to the pertinent Sub-Funds in proportion to their respective net assets.

The income of the fund is exempt from tax under clause 57(3)(viii) of Part I of the Second Schedule to the Income Tax Ordinance, 2001. Further, the Fund is also exempt from the provisions of Section 113 (minimum tax) under clause 11A Part IV to Second Schedule of the Income Tax Ordinance 2001. Accordingly Super Tax and any other taxes introduced in Finance Act 2015 are also not applicable on the Fund.

20 EARNINGS PER UNIT

Earnings/(Loss) per unit based on cumulative weighted average units for the year has not been disclosed as in the opinion of the Pension Fund Manager, the determination of the same is not practicable.

21 TRANSACTIONS WITH RELATED PARTY/CONNECTED PERSONS

Connected persons include HBL Asset Management Limited being the Pension Fund Manager, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, Collective Investment Schemes and other Voluntary Pension Systems managed by the Pension Fund Manager, directors and officers of the Pension Fund Manager, directors of connected persons and persons having 10% or more beneficial ownership or voting power of the units of the Fund or the capital of the Pension Fund Manager.

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

Remuneration payable to Pension Fund Manager and Trustee is determined in accordance with the provisions of the Voluntary Pension System Rules, 2005 and the Trust Deed respectively.

The details of the transactions with connected persons and balances with them, if not disclosed elsewhere in these financial statements are as follows:

	June 30, 2025					June 30, 2024				
	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Index Sub-Fund	Equity Sub Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000'					Rupees in '000'				
Transactions during the year										
HBL Asset Management Limited - Management Company										
Remuneration of the HBL Asset Management Limited - Management Company		-	-	-	-	-	-	-	-	-
Sindh Sales Tax on remuneration of the HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-
Amortization of Preliminary expenses and floatation costs	-	-	-	61	61	-	-	-	58	58
HBL Asset Management Limited - Sponsor										
Issuance of Seed Capital Units	-	-	-	-	-	5,000	5,000	5,000	300,000	315,000
Amount of Seed Capital Issued (Rs in '000')	-	-	-	-	-	500	500	500	30,000	31,500
Central Depository Company of Pakistan Limited - Trustee										
Remuneration to the Central Depository Company of Pakistan Limited - Trustee	-	-	-	73	73	-	-	-	26	26
Sindh Sales Tax on remuneration to Central Depository Company of Pakistan Limited - Trustee	-	-	-	11	11	-	-	-	3	3
Balances outstanding as at year end										
HBL Asset Management Limited - Management Company										
Remuneration Payable to the HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-
Sindh Sales Tax payable on remuneration of the HBL Asset Management Limited - Management Company	-	-	-	-	-	-	-	-	-	-
Formation cost payable to the HBL Asset Management Limited - Management Company	-	-	-	460	460	-	-	-	460	460
HBL Asset Management Limited - Sponsor										
Seed Capital Units held	5,000	5,000	5,000	300,000	315,000	5,000	5,000	5,000	300,000	315,000
Amount of Seed Capital Units held at NAV	500	500	500	37,554	39,054	500	500	500	33,097	34,597
Central Depository Company of Pakistan Limited - Trustee										
Remuneration to Payable Central Depository Company of Pakistan Limited - Trustee	-	-	-	6	6	-	-	-	7	7
Sindh Sales Tax Payable on remuneration to Central Depository Company of Pakistan Limited - Trustee	-	-	-	1	1	-	-	-	1	1

22 FINANCIAL RISK MANAGEMENT

The Fund's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Fund's financial performance. The Board of Directors (the Board) of the Pension Fund Manager has overall responsibility for the establishment and oversight of the Fund's risk management framework.

Risk is inherent in the Fund's activities, but it is managed through monitoring and controlling activities which are primarily setup to be performed based on limits established by the Pension Fund Manager, Fund's constitutive documents and the regulations and directives of the SECP. The policies are established to identify and analyse the risks faced by the Fund, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Fund's activities.

The Audit Committee oversees how management monitors compliance with the Fund's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Fund. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes regular reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Asset purchases and sales are determined by the Fund's Investment Manager, who has been authorised to manage the distribution of the assets to achieve the Fund's investment objectives. Compliance with the target asset allocations and the composition of the portfolio is monitored by the Investment Committee. In instances where the portfolio has diverged from target asset allocations, the Fund's Investment Manager is obliged to take actions to rebalance the portfolio in line with the established targets, within prescribed time limits.

The Fund primarily invests in a portfolio of equity, debt and money market investments such as shares of listed companies, investment - grade debt securities, government securities and other money market instruments. These activities are exposed to a variety of financial risks i.e. market risk (which includes currency risk, interest rate risk and price risk), credit risk and liquidity risk arising from the financial instruments it holds.

22.1 Market risk

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

"The Pension Fund Manager manages the market risk through diversification of the investment portfolio and by following the internal guidelines established by the Investment Committee. The Pension Fund Manager manages market risk by monitoring exposure on marketable securities by following the internal risk management policies and investment guidelines approved by the Board and regulations laid down by the SECP and the VPS Rules."

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

22.1.1 Currency risk

This is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Fund, at present is not exposed to currency risk as its operations are geographically restricted to Pakistan and all transactions are carried out in Pakistan Rupees.

22.1.2 Interest rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market interest rates.

a) Cash flow interest rate risk

The Fund's interest rate risk arises from the balances in savings accounts. The net income for the year would have increased / (decreased) by Rs. 3.363 million for Money Market Sub-Fund, had the interest rates on savings accounts with banks increased / (decreased) by 100 basis points.

b) Fair value interest rate risk

The Fund investment in GOP Ijara Sukuk and Corporate Sukuks expose it to the fair value interest rate risk.

The composition of the Fund's investment portfolio and rates announced by Financial Market Association is expected to change over time.

22.1.3 Price Risk

Price risk is the risk of volatility in prices of financial instruments resulting from their dependence on market sentiments, speculative activities, supply and demand for financial instruments and liquidity in the market. The value of investments may fluctuate due to factors specific to the individual financial instrument or its issuer such as, change in business cycles affecting the business of the company in which the investment is made, change in business circumstances of the company, or factors affecting all similar financial instruments traded in the market such as changes in the industry environment and / or the economy in general.

The Pension Fund Manager's strategy on the management of investment risk is driven by the Fund's investment objective. The primary objective of the Fund is to achieve long term capital growth by investing primarily in equity securities. The Fund's market risk is managed on a daily basis by the Pension Fund Manager in accordance with the policies and procedures laid down by the SECP. The funds are allocated among various asset classes based on the attractiveness of the particular asset class. The allocation among these is dependent on the time horizon for investments and liquidity requirements of the portfolio.

The market risk is managed by monitoring exposure to marketable securities, and by complying with the internal risk management policies and regulations laid down in VPS Rules and directives issued by the SECP.

The Fund does not hold any instrument that is exposed to price risk.

22.2 Liquidity Risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligation in full as they fall due or can only do so on terms that are materially disadvantageous to the Fund. Liquidity risk may result from an inability to sell a financial asset at close to its fair value. The Pension Fund Manager's approach to managing liquidity is to ensure, as far as possible, that the Fund will always have sufficient liquidity to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Fund's reputation.

The Fund's policy is, therefore, to invest the majority of its assets in investments that are traded in an active market and can be readily disposed and are considered readily realisable.

The Fund aims to maintain the level of cash and cash equivalents and other highly marketable securities at an amount in excess of expected cash outflows on financial liabilities. The Fund is exposed to cash redemptions of its units on a regular basis. Units are redeemable at the holder's option based on the Fund's net asset value per unit at the time of redemption calculated in accordance with the Fund's constitutive document and guidelines laid down by Securities and Exchange Commission of Pakistan (SECP).

Management of liquidity risk

The Fund's policy is to manage this risk by investing majority of its assets in investments that are traded in an active market and can be readily disposed. The Fund invests primarily in marketable securities and other financial instruments, which under normal market conditions are readily convertible to cash. As a result, the Fund may be able to liquidate quickly its investments in these instruments at an amount close to their fair value to meet its liquidity requirement. The present settlement system is a T+2 system, which means that proceeds from sales (to pay off redemptions) of holdings will be received on the second day after the sale, while redemptions have to be paid within a period of six working days from the date of the redemption request.

In addition, the Fund has the ability to borrow, with prior approval of trustee, for meeting redemption requests. No such borrowings were made during the year. The maximum amount available to the Fund from borrowings is limited to the extent of 15% of net assets at the time of borrowing with repayment within 90 days of such borrowings. The facility would bear interest at commercial rates.

In order to manage the Fund's overall liquidity, the Fund can also withhold daily redemption request in excess of ten percent of the units in issue and such requests would be treated as redemption request qualifying for being processed on the next business day. Such procedure would continue until the outstanding redemption requests come down to a level below ten percent of the units then in issue. No redemptions were made during the year.

22.3 Credit risk

Credit risk represents the risk of a loss if the counter parties fail to perform as contracted. The Fund's credit risk is primarily attributable to its investment in corporate sukuk bonds, and bank deposit. Risks attributable to investments in Market Treasury Bills are limited as these are guaranteed by the Federal Government while bank balances are maintained with banks with a reasonably high credit rating. The risk of default is considered minimal due to interest systematic measures taken therein.

The analysis below summarises the credit quality of the Fund's bank balances and Investments as at June 30, 2025

	June 30, 2025								June 30, 2024							
	Equity Index Sub-Fund		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub Fund		Equity Index Sub-Fund		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub Fund	
	Rupees in '000'								Rupees in '000'							
	Balance as per the statement of assets and liabilities	Maximum exposure	Balance as per the statement of assets and liabilities	Maximum exposure	Balance as per the statement of assets and liabilities	Maximum exposure	Balance as per the statement of assets and liabilities	Maximum exposure	Balance as per the statement of assets and liabilities	Maximum exposure	Balance as per the statement of assets and liabilities	Maximum exposure	Balance as per the statement of assets and liabilities	Maximum exposure	Balance as per the statement of assets and liabilities	Maximum exposure
Balance with banks	547	547	547	547	547	547	920	920	547	547	547	547	547	547	6,723	6,723

	June 30, 2025								June 30, 2024							
	Equity Index Sub-Fund		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub Fund		Equity Index Sub-Fund		Equity Sub-Fund		Debt Sub-Fund		Money Market Sub Fund	
	Rupees in '000'								Rupees in '000'							
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Bank balance by rating category																
AAA/AA-	547	100%	547	100%	547	100%	920	100%	547	100%	547	100%	547	100%	6,723	100%
Total balance including profit due	547	100%	547	100%	547	100%	920	100%	547	100%	547	100%	547	100%	6,723	100%

Concentration of credit risk

Concentration of credit risk exists when changes in economic or industry factors similarly affect groups of counterparties whose aggregate credit exposure is significant in relation to the Fund's total credit exposure. The Fund's portfolio of financial instruments is mainly concentrated in bank balances while the remaining transactions are entered into with diverse credit-worthy counterparties thereby mitigating any significant concentration of credit risk to counterparties other than the Government.

23. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

- Quoted (unadjusted) market prices 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 tables show the carrying amounts and fair values of financial assets and financial liabilities held as at June 30 including their levels in the fair value hierarchy:

	Note	Held by Equity Index Sub-Fund June 30, 2025							Held by Equity Index Sub-Fund June 30, 2024						
		Carrying amount			Fair value				Carrying amount			Fair value			
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000')													
Financial assets not measured at fair value	23.1	-	547	547	-	-	-	-	-	547	547	-	-	-	-
Balances with bank		-	547	547	-	-	-	-	-	547	547	-	-	-	-
Financial liabilities not measured at fair value	23.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to the HBL Asset Management Limited - Management Company		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to the Central Depository Company of Pakistan - Trustee		-	55	55	-	-	-	-	-	55	55	-	-	-	-
Accrued expenses and other liabilities		-	55	55	-	-	-	-	-	55	55	-	-	-	-
		-	55	55	-	-	-	-	-	55	55	-	-	-	-
	Note	Held by Equity Sub-Fund June 30, 2025							Held by Equity Sub-Fund June 30, 2024						
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000')													
		(Rupees in '000')													
Financial assets not measured at fair value	23.1	-	547	547	-	-	-	-	-	547	547	-	-	-	-
Balances with bank		-	547	547	-	-	-	-	-	547	547	-	-	-	-
Financial liabilities not measured at fair value	23.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to the HBL Asset Management Limited - Management Company		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to the Central Depository Company of Pakistan - Trustee		-	55	55	-	-	-	-	-	55	55	-	-	-	-
Accrued expenses and other liabilities		-	55	55	-	-	-	-	-	55	55	-	-	-	-
		-	55	55	-	-	-	-	-	55	55	-	-	-	-
	Note	Held by Debt Sub-Fund June 30, 2025							Held by Debt Sub-Fund June 30, 2024						
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000')													
		(Rupees in '000')													
Financial assets not measured at fair value	23.1	-	547	547	-	-	-	-	-	547	547	-	-	-	-
Balances with bank		-	547	547	-	-	-	-	-	547	547	-	-	-	-
Financial liabilities not measured at fair value	23.1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to the HBL Asset Management Limited - Management Company		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Payable to the Central Depository Company of Pakistan - Trustee		-	55	55	-	-	-	-	-	55	55	-	-	-	-
Accrued expenses and other liabilities		-	55	55	-	-	-	-	-	55	55	-	-	-	-
		-	55	55	-	-	-	-	-	55	55	-	-	-	-
	Note	Held by Money Market Sub Fund June 30, 2025							Held by Money Market Sub Fund June 30, 2024						
		At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total	At fair value through profit or loss	At amortised cost	Total	Level 1	Level 2	Level 3	Total
		(Rupees in '000')													
		(Rupees in '000')													
Financial assets measured at fair value		11,000	-	11,000	-	11,000	-	11,000	5,000	-	5,000	-	5,000	-	5,000
Corporate Sukuk Bond		46,168	-	46,168	-	46,168	-	46,168	24,781	-	24,781	-	24,781	-	24,781
GOP Ijara Sukuk		57,168	-	57,168	-	57,168	-	57,168	29,781	-	29,781	-	29,781	-	29,781
Financial assets not measured at fair value	23.1	-	920	920	-	-	-	-	-	6,723	6,723	-	-	-	-
Balances with bank		-	920	920	-	-	-	-	-	6,723	6,723	-	-	-	-
Financial liabilities not measured at fair value	23.1	-	460	460	-	-	-	-	-	460	460	-	-	-	-
Payable to the HBL Asset Management Limited - Management Company		-	7	7	-	-	-	-	-	8	8	-	-	-	-
Payable to the Central Depository Company of Pakistan - Trustee		-	105	105	-	-	-	-	-	56	56	-	-	-	-
Accrued expenses and other liabilities		-	572	572	-	-	-	-	-	524	524	-	-	-	-
		-	572	572	-	-	-	-	-	524	524	-	-	-	-

- 23.1** 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.

24 PARTICIPANTS' FUND RISK MANAGEMENT (CAPITAL RISK)

The Fund's capital is represented by redeemable units of the sub-funds. They are entitled to payment of a proportionate share based on the sub-fund's net asset value per unit on the redemption date. The relevant movements are shown on the statement of movement in Participants' sub-funds.

In accordance with the risk management policies, the Fund endeavours to invest the subscriptions received in appropriate investments while maintaining sufficient liquidity to meet redemption. Since the Participants invest in the Funds with a long-term objective, possibility of a significant redemption pressure is limited, such liquidity is augmented by borrowing arrangements (which can be entered if necessary) or disposal of investments, where necessary.

All units, including the core units, and fractions thereof represent an undivided share in the pertinent sub-funds of the Fund and rank pari passu as their rights in the net assets and earning of the sub-fund are not tradeable or transferable. Each participant has a beneficial interest in the sub-fund proportionate to the units held by such participant in respective such sub-fund, in his/her individual pension account (IPA).

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

Nine meetings of the Board of Directors were held on August 28, 2024, September 26, 2024, October 24, 2024, January 25, 2025, February 18, 2025, April 27, 2025, May 26, 2025, May 27, 2025 and June 04, 2025 respectively. Information in respect of the attendance by the Directors in the meetings is given below:

S.No.	Name of Director	Number of meetings			Meetings not attended
		Held	Attended	Meetings not attended	
1	Mr. Shahid Ghaffar	9	9	-	-
2	Ms. Ava A. Cowasjee	9	9	-	-
3	Mr. Rayomond H. Kotwal	9	6	3	August 28, 2024, May 27, 2025 & June 04, 2025
4	Mr. Abrar Ahmed Mir	9	8	1	August 28, 2024
5	Mr. Tariq Masaud	9	8	1	October 24, 2024
6	Mr. Abid Sattar	6	6	-	-
7	Mr. Khalid Malik	9	9	-	-
8	Mr. Habib Yousuf Habib	3	2	1	May 27, 2025
9	Ms. Sheeza Ahmed	3	3	-	-

26 TOTAL EXPENSE RATIO

Section 67G of the NBFC Regulations 2008 prescribes annualised total expense ratio (TER) limits for Voluntary Pension Schemes (VPSs). However, the KPK Rules have specified a lower cap of 1%, 1.75%, 0.75% and 0.75% for TER excluding insurance charges and separate cap for insurance charges of 0.25% for each sub-fund. These thresholds are within the maximum limits prescribed under the NBFC Regulations of 4.5%, 4.5%, 2.5% and 2% for Equity Index Sub Fund, Equity Sub Fund, Debt Sub Fund and Money Market Sub Fund respectively. Based on the current year results the total expense ratio is as follows:

	June 30, 2025				June 30, 2024			
	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Equity Index Sub-Fund	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund
	----- % -----				----- % -----			
Annualized Total Expense Ratio	-	-	-	0.72%	-	-	-	0.73%
Government levy and SECP fees	-	-	-	0.05%	-	-	-	0.05%

27 PERFORMANCE TABLE

Performance Information	June 30, 2025				June 30, 2024			
	Equity Index	Equity	Debt	Money Market	Equity Index	Equity	Debt	Money Market
	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund	Sub-Fund
	(Rupees in '000')				(Rupees in '000')			
Net Assets	500	500	500	58,759	500	500	500	37,060
Net Assets Value Per Unit	100.0000	100.0000	100.0000	125.1803	100.0000	100.0000	100.0000	110.3225
Net Income after Taxation	-	-	-	6,039	-	-	-	3,364
Realized Gain/Loss	-	-	-	-	-	-	-	-
Un-Realized Gain/loss	-	-	-	52	-	-	-	161
Dividend Income	-	-	-	-	-	-	-	-
Net Contribution	-	-	-	15,660	500	500	500	33,696
Highest Issue Price	100.0000	100.0000	100.0000	125.1803	100.0000	100.0000	100.0000	110.3225
Lowest Issue Price	100.0000	100.0000	100.0000	110.3225	100.0000	100.0000	100.0000	100.0000

28 GENERAL

28.1 Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

29 DATE OF AUTHORISATION FOR ISSUE

29.1 These financial statements were authorised for issue on August 28, 2025 by the Board of Directors of the Pension Fund Manager.

**For HBL Asset Management Limited
(Pension Fund Manager)**

Chief Financial Officer

Chief Executive Officer

Director



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HBL

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