

HALF YEARLY REPORT 2025

For the half year ended December 31, 2025

MOVING TOWARDS
EXCELLENCE

TABLE OF CONTENT

Corporate Information	02
Report of the Directors of Management Company	03
HBL ISLAMIC MONEY MARKET FUND	
Fund Information	07
Independent Auditors' Review Report to the unit holders	08
Trustee Report to the Unit Holders	09
Condensed Interim Statement of Assets and Liabilities	10
Condensed Interim Income Statement	11
Condensed Interim Statement of Comprehensive Income	12
Condensed Interim Cash Flow Statement	13
Condensed Interim Statement of Movement in Unit Holders' Fund	14
Notes to the Condensed Interim Financial Information	15
HBL ISLAMIC ASSET ALLOCATION FUND	
Fund Information	28
Independent Auditors' Review Report to the unit holders	31
Trustee Report to the Unit Holders	33
Condensed Interim Statement of Assets and Liabilities	35
Condensed Interim Income Statement	37
Condensed Interim Statement of Comprehensive Income	39
Condensed Interim Cash Flow Statement	41
Condensed Interim Statement of Movement in Unit Holders' Fund	43
Notes to the Condensed Interim Financial Information	44
HBL ISLAMIC STOCK FUND	
Fund Information	54
Independent Auditors' Review Report to the unit holders	55
Trustee Report to the Unit Holders	56
Condensed Interim Statement of Assets and Liabilities	57
Condensed Interim Income Statement	58
Condensed Interim Statement of Comprehensive Income	59
Condensed Interim Cash Flow Statement	60
Condensed Interim Statement of Movement in Unit Holders' Fund	61
Notes to the Condensed Interim Financial Information	62
HBL ISLAMIC INCOME FUND	
Fund Information	73
Independent Auditors' Review Report to the unit holders	74
Trustee Report to the Unit Holders'	75
Statement of Assets & Liabilities	76
Income Statements and Statement of Comprehensive Income	77
Statement of Movement in Unit Holders' Fund	78
Cash Flow Statement	79
Note to the Financial Statements	80
HBL ISLAMIC EQUITY FUND	
Fund Information	90
Independent Auditors' Review Report to the unit holders	91
Trustee Report to the Unit Holders	92
Condensed Interim Statement of Assets and Liabilities	93
Condensed Interim Income Statement	94
Condensed Interim Statement of Comprehensive Income	95
Condensed Interim Cash Flow Statement	96
Condensed Interim Statement of Movement in Unit Holders' Fund	97
Notes to the Condensed Interim Financial Information	98
HBL ISLAMIC FIXED TERM FUND	
Fund Information	107
Independent Auditors' Review Report to the unit holders	108
Trustee Report to the Unit Holders	109
Condensed Interim Statement of Assets and Liabilities	110
Condensed Interim Income Statement	112
Condensed Interim Statement of Comprehensive Income	114
Condensed Interim Cash Flow Statement	116
Condensed Interim Statement of Movement in Unit Holders' Fund	120
Notes to the Condensed Interim Financial Information	122
HBL ISLAMIC SAVINGS FUND	
Fund Information	133
Independent Auditors' Review Report to the unit holders	134
Trustee Report to the Unit Holders	135
Condensed Interim Statement of Assets and Liabilities	136
Condensed Interim Income Statement	137
Condensed Interim Statement of Comprehensive Income	138
Condensed Interim Cash Flow Statement	139
Condensed Interim Statement of Movement in Unit Holders' Fund	140
Notes to the Condensed Interim Financial Information	141

CORPORATE INFORMATION

Corporate Information

Management Company

HBL Asset Management Limited

Board of Directors (Composition as of February 25, 2026)

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. Raymond 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. Raymond 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. Raymond 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.hblasset.com

Head Office & Registered Office

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

REVIEW REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY FOR THE HALF YEAR ENDED DECEMBER 31, 2025

REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY

The Board of Directors of HBL Asset Management Limited is pleased to present its report together with Financial Statements of **HBL Islamic Money Market Fund, HBL Islamic Income Fund, HBL Islamic Stock Fund, HBL Islamic Equity Fund, HBL Islamic Asset Allocation Fund, HBL Islamic Savings Fund and HBL Islamic Fixed Term Fund** (the Funds) for the period ended December 31, 2025

ECONOMIC REVIEW

Pakistan's economy has shown continued progress during FY26, signaling an optimistic outlook for the current fiscal year. Macroeconomic fundamentals have strengthened, highlighted by a moderation in inflation due to stable food and energy prices and favorable base effects. The economy witnessed improved fiscal discipline, with stronger revenue performance and restrained spending, helping to contain the budget deficit and sustain a positive primary balance. The external sector remained resilient, supported by robust remittances, steady export performance in key segments such as ICT services, and a broadly stable exchange rate, which contributed to a healthy buildup of foreign exchange reserves, further bolstered by ongoing engagement with the IMF and continued support from bilateral partners, including Saudi Arabia, the UAE, and China. These improvements have strengthened both business and consumer confidence, reflected in rising private sector credit and positive trends in financial markets, laying a stronger foundation for sustained growth momentum.

During the period under review, the current account balance posted a deficit of USD 1,174 million, compared to a surplus of USD 957 million recorded in the same period last year. However, remittances showed a notable improvement, increasing by 11% to USD 19.7 billion, which helped partially offset external pressures. The trade deficit during the period under review stood at USD 15.8 billion, reflecting an increase of 37% compared to the corresponding period last year. Domestic currency also remained resilient, appreciating by 1% since June to reach 280.12 during the period under review. Foreign exchange reserves also strengthened to USD 21.03 billion compared to USD 19.27 billion at the end of June 2025.

Headline inflation continued on a downward trajectory during the period under review and has remained in single digits since last year, with December 2025 outturn around 5.61%. Average inflation for the period stood at approximately 5.1%, compared to 7.2% in the corresponding period of the previous year. Apart from favorable base effects, moderation in food prices and stable energy costs were the key factors behind this persistent disinflation. Core Non-Food-Non-Energy inflation also eased, reflecting underlying stability in domestic demand and price pressures. In response, the Monetary Policy Committee (MPC) of the central bank gradually reduced the policy rate from mid-FY26, bringing it down to 10.5% by December 2025, citing inflation within the target range and strengthening external account as the main drivers.

Real GDP growth for the first quarter of the ongoing fiscal year stands at 3.71%. The SBP's estimated range for real GDP growth during the current fiscal year is 3.25% to 4.25% compared to 3.0% of the previous year. The growth in FY26 is largely driven by the services sector, contributing significantly to the projected GDP growth of 3.7%. Large-scale manufacturing is expected to grow by 4.0%, while agriculture expands modestly by 2.3%, reflecting lingering flood impacts and below-target crop and livestock outputs.

On the fiscal side, the government recorded a consolidated fiscal deficit of 1.6 percent of GDP during Jul-Sep FY2026, compared to 1.7 percent in the same period last year, reflecting improved fiscal management. The primary surplus also stood at 2.7 percent of GDP during Jul-Sep FY2026, compared to 2.8 percent in the same period last year.

Pakistan's economy is on a growth path in FY26, supported by improving industrial and services activity. Inflation is expected to remain contained due to stable food prices and easing underlying pressures, while the rupee is likely to depreciate gradually in an orderly manner. The fiscal outlook shows moderate improvement with better revenue performance and a positive primary balance, and external stability is strengthening with manageable current-account pressures and rising foreign exchange reserves.

STOCK MARKET REVIEW

During the period under review, Pakistan's equity market maintained a strong upward trajectory, driven by improved liquidity, significant monetary easing, and a stable external account. The benchmark KMI30 Index posted an impressive gain of 63,653 (34.43%) points closing at 248,539 points. It also needs to be highlighted that the KSE-100 ranked as the second-best performing frontier market, reaffirming equities as the preferred investment avenue amid improving macroeconomic conditions.

Positive sentiments and improved investor confidence were reflected in significant improvement in market turnover as the average daily trading volume for the period under review rose to 133 million shares, up 24% compared to 108 million shares of the same period last year. Similarly, the average daily traded value surged by 67%, reaching PKR30.8 billion compared to PKR18.4 billion the same period last year. Foreign investors however, remained net sellers, with a net sale of USD251 million. Domestically, companies were the main buyers in the market with net buying of USD1,515 million, followed by Individuals and Brokers with a net buying of USD221 million, and USD8 million respectively. On the other hand, Banks, Mutual funds, and Insurance were major sellers with a combined sale of USD 1,431 million.

The overall outlook for the equity market remains positive, supported by a stable external account and currency, backed by the IMF programs and continued support from bilateral partners. Additional drivers of optimism include improving prospects for foreign direct investment, potential sovereign credit rating upgrades, easing inflation and interest rates, strong domestic liquidity, and expected growth in corporate earnings. The KSE-100 is currently trading at a PER of 8.67x, slightly below its 15-year average of 8.80x, while the dividend yield stands at approximately 5.61%, modestly below the historical average of 6.18%. These valuations, combined with solid earnings momentum and favorable macro conditions, underscore the market's attractiveness for medium- to long-term investors.

MONEY MARKET REVIEW

In the last auction of Ijarah Sukuk held on December 10th, 2025, rental rates of fixed rate instruments with tenures of 3-year, and 5-year, declined to 10.74%, and 11.03%, respectively from 10.89%, and 11.39%, declining by 15 bps and 36 bps since the last Ijarah auction held on 25th June, 2025.

FUND'S PERFORMANCE AND PAYOUTS

HBL Islamic Money Market Fund

The total income and net income of the Fund was Rs. 4,462.44 million and Rs. 4,063.85 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the Fund was Rs. 106.5694 per unit as on December 31, 2025 as compared to Rs. 101.5544 per unit as on June 30, 2025, thereby giving an annualized return of 9.80%. During the period the benchmark return (90% 3 Month PKISRV & 10% 3 Month deposit rates) was 9.63%. The size of Fund was Rs. 71.61 billion as on December 31, 2025 as compared to Rs. 81.76 billion at the start of the period.

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

HBL Islamic Income Fund

The total income and net income of the Fund was Rs. 963.41 million and Rs. 884.38 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the Fund was Rs. 109.2310 per unit as on December 31, 2025 as compared to Rs. 104.0599 per unit as on June 30, 2025, thereby giving an annualized return of 9.86%. During the same period the benchmark return (75% 6 Month PKISRV & 25% 6 Month Deposit rates) was 9.39%. The size of Fund was Rs. 18.95 billion as on December 31, 2025 as compared to Rs. 17.57 billion at the start of the period.

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

HBL Islamic Stock Fund

The total and net income of the Fund was Rs. 318.28 million and Rs. 286.67 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the Fund was Rs. 264.0589 per unit as on December 31, 2025 as compared to Rs. 207.5929 per unit as on June 30, 2025, thereby giving a return of 27.20% during the period, against the benchmark return (KMI 30 Index) of 34.43%. The size of Fund was Rs. 1.42 billion as on December 31, 2025 as compared to Rs. 0.80 billion at the start of the period.

HBL Islamic Equity Fund

The total income and net loss of the Fund was Rs. 326.48 million and Rs. 296.45 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the Fund was Rs. 209.0436 per unit as on December 31, 2025 as compared to Rs. 158.8867 per unit as on June 30, 2025, thereby giving a return of 31.57% during the period, against the benchmark return (KMI 30 Index) of 34.43%. The size of Fund was Rs. 1.06 billion as on December 31, 2025 as compared to Rs. 1.14 billion at the start of the period.

HBL Islamic Asset Allocation Fund

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

The total and net income of the Fund was Rs. 132.46 million and Rs. 119.90 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the HBL-IAAF increased from Rs. 253.2553 per unit as on June 30, 2025 to Rs. 319.4869 per unit as on December 31, 2025, thereby giving a return of 26.15% during the period against the benchmark return (Weighted average daily return of KMI 30 Index & 6 months deposit rate of A rated or above banks) of 30.31%.

The Net Assets of HBL IAAF were 0.57 billion as at December 31, 2025 as compared to 0.99 billion as at the start of the period. All the units were redeemed and fund size stands zero of HBL-IAAF Plan- & Plan-II as at December 31, 2025.

HBL Islamic Savings Fund

The total and net income of the Fund was Rs. 561.77 million and Rs. 478.69 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the Fund was Rs. 105.4968 per unit as on December 31, 2025 as compared to Rs. 100.6142 as on June 30, 2025, thereby giving a return of 9.63% during the period, against the benchmark (90% 3 Month PKISRV & 10% 3 Month Deposit rate) return of 9.63%. The size of Fund was Rs. 10.90 billion as on December 31, 2025 as compared to Rs. 5.36 billion as at start of the period.

HBL Islamic Fixed Term Fund

The HBL Islamic Fixed Term Fund launches different plans of varying maturities. The fund performance of each plan under the fund is presented below.

HBL Islamic Fixed Term Plan-II

The total and net income of the plan was Rs. 12.79 million and Rs. 12.49 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the Fund was Rs. 100.5759 per unit as on December 31, 2025 giving a return of 10.51% during the period, against the benchmark return of 9.87%. The size of Fund was Rs. 2.18 billion as on December 31, 2025.

HBL Islamic Fixed Term Plan-V

The total and net income of the plan was Rs. 99.94 million and Rs. 97.53 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the Fund was Rs. 101.7733 per unit as on December 31, 2025 giving a return of 10.44% during the period, against the benchmark return of 9.96%. The size of Fund was Rs. 5.63 billion as on December 31, 2025.

HBL Islamic Fixed Term Plan-VI

The total and net income of the plan was Rs. 53.28 million and Rs. 51.86 million respectively during the period ended December 31, 2025. The Net Asset Value (NAV) of the Fund was Rs. 101.4058 per unit as on December 31, 2025 giving a return of 10.48% during the period, against the benchmark return of 9.94%. The size of Fund was Rs. 3.74 billion as on December 31, 2025.

MANAGEMENT COMPANY RATING

The VIS Credit Rating Company Limited (VIS) has reaffirmed the management quality rating of 'AM-I' (AM-One) to the Management Company and the outlook on the assigned rating has been assessed at 'Stable'.

ACKNOWLEDGEMENT

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

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

On behalf of the Board of
HBL Asset Management Limited

Chief Executive Officer

**REVIEW REPORT OF THE DIRECTORS OF THE MANAGEMENT COMPANY
FOR THE HALF YEAR ENDED DECEMBER 31, 2025**



HBL

Islamic Money Market Fund



FUND INFORMATION

NAME OF FUND	HBL Islamic Money Market Fund
NAME OF AUDITOR	AFF Fergusons & Co., Chartered Accountants
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited (CDC)
NAME OF SHARIAH ADVISOR	Al Hilal Shariah Advisors (Pvt.) Limited
BANKERS	Habib Bank Limited Askari Bank Limited Habib Metropolitan Bank Limited Bank Al Habib Limited Allied Bank Limited Faysal Bank Limited Bank Alfalah Limited Meezan Bank Limited National Bank Limited United Bank Limited MCB Bank limited Dubai Islamic Bank Soneri Bank limited
FUND RATING	AA+(f)' (JCR-VIS)

**AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**



INDEPENDENT AUDITOR'S REVIEW REPORT

To the unitholders of HBL Islamic Money Market Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Islamic Money Market Fund** as at December 31, 2025 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, and condensed interim cash flow statement, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). The Management Company (HBL Asset Management Limited) is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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


Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarter ended December 31, 2025 have not been subjected to the review, as our engagement was limited to the review of the cumulative figures for the half year ended December 31, 2025.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.


A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: February 27, 2026
UDIN: RR202510061cP7gA1wet

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*KARACHI *LAHORE *ISLAMABAD

**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC MONEY MARKET FUND**

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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URL: www.cdcpakistan.com
Email: info@cdcpak.com




**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC MONEY MARKET FUND**

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

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Islamic Money Market Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2025 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2026



HBL Islamic Money Market Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	26,762,933	26,641,638
Investments	6	44,516,487	55,914,660
Profit receivable	7	401,999	369,327
Deposit, prepayments and other receivables	8	37,759	38,147
Total assets		71,719,178	82,963,772
LIABILITIES			
Payable to HBL Asset Management Limited - Management Company	9	62,449	62,654
Payable to Central Depository Company of Pakistan Limited - Trustee	10	3,865	3,997
Payable to the Securities and Exchange Commission of Pakistan	11	4,584	4,758
Accrued expenses and other liabilities	12	39,354	1,103,278
Payable against redemption of units		-	18,346
Advance against issuance of units		-	7,034
Total liabilities		110,252	1,200,067
NET ASSETS		<u>71,608,926</u>	<u>81,763,705</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		<u>71,608,926</u>	<u>81,763,705</u>
CONTINGENCIES AND COMMITMENTS	13		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		<u>671,946,553</u>	<u>805,122,190</u>
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		<u>106.5694</u>	<u>101.5544</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Money Market Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year Ended December 31, 2025

	Note	Half year ended December 31,		Quarter ended December 31,	
		2025	2024	2025	2024
----- (Rupees in '000) -----					
INCOME					
Profit on savings accounts with banks		980,580	1,184,032	477,867	406,683
Profit earned on investments	16	3,477,011	4,332,621	1,636,727	2,275,459
(Loss) / gain on sale of investments - net		(538)	(14,458)	1,625	(9,386)
Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.5	5,382	277,705	(6,273)	162,190
		4,844	263,247	(4,648)	152,804
Total income		4,462,435	5,779,900	2,109,946	2,834,946
EXPENSES					
Remuneration of HBL Asset Management Limited - Management Company	9.1	293,929	290,125	112,515	155,615
Sindh sales tax payable on remuneration of the Management Company	9.2	44,089	43,519	16,877	23,342
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	23,321	18,884	8,020	10,129
Sindh sales tax payable on remuneration of the Trustee	10.2	3,498	2,833	1,203	1,519
Fee to the Securities and Exchange Commission of Pakistan	11.1	31,801	25,751	15,085	13,812
Settlement and bank charges		591	769	115	253
Auditors' remuneration		621	653	346	567
Legal and professional charges		73	-	-	-
Fees and subscription		627	305	76	179
Printing and stationery		35	95	35	95
Total expenses		398,585	382,933	154,272	205,511
Net income for the period before taxation		4,063,850	5,396,966	1,955,674	2,629,434
Taxation	15	-	-	-	-
Net income for the period after taxation		4,063,850	5,396,966	1,955,674	2,629,434
Allocation of net income for the period:					
Net income for the period after taxation		4,063,850	5,396,966		
Income already paid on units redeemed		(1,222,228)	(874,716)		
		2,841,622	4,522,250		
Accounting income available for distribution:					
- Relating to capital gains		4,844	263,247		
- Excluding capital gains		2,836,778	4,259,004		
		2,841,622	4,522,250		

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Money Market Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31,		Quarter ended, December 31,	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
Net income for the period after taxation	4,063,850	5,396,966	1,955,674	2,629,434
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>4,063,850</u>	<u>5,396,966</u>	<u>1,955,674</u>	<u>2,629,434</u>

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Money Market Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31, 2025			Half year ended December 31, 2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	-----Rupees in '000-----					
Net assets at the beginning of the period (audited)	81,488,015	275,690	81,763,705	64,966,613	135,440	65,102,053
Issuance of 517,092,682 units (December 31, 2024: 849,432,864 units)						
- Capital value (at net asset value per unit at the beginning of the period)	52,513,037	-	52,513,037	86,092,994	-	86,092,994
- Element of income	875,214	-	875,214	4,015,704	-	4,015,704
Total proceeds on issuance of units	53,388,251	-	53,388,251	90,108,698	-	90,108,698
Redemption of 650,268,319 units (December 31, 2024: 641,695,245 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(66,037,609)	-	(66,037,609)	(65,038,059)	-	(65,038,059)
- Element of loss	(347,043)	(1,222,228)	(1,569,271)	(1,416,707)	(874,716)	(2,291,423)
Total payments on redemption of units	(66,384,652)	(1,222,228)	(67,606,880)	(66,454,766)	(874,716)	(67,329,482)
Total comprehensive income for the period	-	4,063,850	4,063,850	-	5,396,966	5,396,966
Distribution made during the period	-	-	-	-	(146,900)	(146,900)
Net assets at the end of the period (un-audited)	68,491,614	3,117,312	71,608,926	88,620,545	4,510,790	93,131,335
Undistributed income brought forward comprising of:						
- Realised income		240,419			135,440	
- Unrealised gain		35,271			-	
		<u>275,690</u>			<u>135,440</u>	
Accounting income available for distribution						
- Relating to capital gains		4,844			263,247	
- Excluding capital gains		2,836,778			4,259,004	
		<u>2,841,622</u>			<u>4,522,250</u>	
Distribution made during the period		-			(146,900)	
Undistributed income carried forward		<u><u>3,117,312</u></u>			<u><u>4,510,790</u></u>	
Undistributed income carried forward comprising of:						
- Realised income		3,111,930			4,233,086	
- Unrealised income		5,382			277,705	
		<u><u>3,117,312</u></u>			<u><u>4,510,790</u></u>	
		(Rupees)			(Rupees)	
Net asset value per unit at the beginning of the period		<u><u>101.5544</u></u>			<u><u>101.3535</u></u>	
Net asset value per unit at the end of the period		<u><u>106.5694</u></u>			<u><u>109.5580</u></u>	

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Money Market Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31,	
	2025	2024
CASH FLOWS FROM OPERATING ACTIVITIES	Note ----- (Rupees in '000) -----	
Net income for the period before taxation	4,063,850	5,396,966
Adjustments for :		
Profit earned on investments	(3,477,011)	(4,332,621)
Profit on savings accounts with banks	(980,580)	(1,184,032)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.5 (5,382)	(277,705)
	(399,123)	(397,391)
Decrease / (increase) in assets		
Investments - net	13,903,555	(49,601,981)
Deposit, prepayments and other receivables	388	24
	13,903,943	(49,601,957)
Increase / (decrease) in liabilities		
Payable to HBL Asset Management Limited - Management Company	(205)	23,959
Payable to Central Depository Company of Pakistan Limited - Trustee	(132)	1,196
Payable to the Securities and Exchange Commission of Pakistan	(174)	1,359
Accrued expenses and other liabilities	(1,063,924)	(279,532)
	(1,064,435)	(253,018)
Profit received on savings accounts with banks and investments	4,424,919	5,690,542
Net cash generated from / (used in) operating activities	16,865,304	(44,561,825)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units - net	53,381,217	90,433,863
Payment against redemption and conversion of units - net	(67,625,226)	(67,309,342)
Dividend paid	-	(146,900)
Net cash (used in) / generated from financing activities	(14,244,009)	22,977,621
Net increase / (decrease) in cash and cash equivalents	2,621,295	(21,584,204)
Cash and cash equivalents at the beginning of the period	26,641,638	48,680,062
Cash and cash equivalents at the end of the period	17 29,262,933	27,095,858

The annexed notes from 1 to 21 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Money Market Fund
Notes To The Condensed Interim Financial Information (Un-audited)
For The Half Year Ended December 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL Islamic Money Market Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was initially executed under the Trust Act, 1882 on November 23, 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 10, 2010. During the year ended June 30, 2021, the Trust Act, 1882 was repealed upon the promulgation of Provincial Trust Act namely "Sindh Trust Act, 2020" (the Sindh Trust Act) as empowered under the Eighteenth Amendment to the Constitution of Pakistan. The Fund was required to be registered under the "Sindh Trust Act, 2020". Accordingly, on August 24, 2021, the above-mentioned Trust Deed was registered under the Sindh Trust Act.
- 1.2** The Management Company of the Fund has been registered as Non-Banking Finance Company (NBFC) under the NBFC Rules, 2003 and has obtained the requisite licence from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block-5, Main Clifton Road, Clifton, Karachi, Pakistan.
- 1.3** The Fund is an open ended mutual fund categorised as 'Islamic Money Market Scheme' and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund. The units of the Fund were initially offered for public subscription at par from May 9, 2011 to May 10, 2011.
- 1.4** The principal objective of the Fund is to seek high liquidity and competitive returns for investors by investing in low risk securities of shorter duration and maturity.
- 1.5** VIS Credit Rating Company Limited (VIS) has re-affirmed the Management Quality Rating of 'AM1' dated December 31, 2025 (June 30, 2025: 'AM1' dated December 31, 2024) and the outlook on the rating has been re-affirmed as 'Stable' (June 30, 2025: 'Stable'). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Further, the Fund is not rated by any credit rating agency as of December 31, 2025.
- 1.6** The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.

- 3.2** These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. These condensed interim financial statements also include the condensed interim income statement and the condensed interim statement of comprehensive income for the quarter ended December 31, 2025 which are not subject to the auditor's review. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at and for the half year period ended December 31, 2025.

4 MATERIAL ACCOUNTING POLICY INFORMATION, SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2025.

4.2 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by the management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2025. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended June 30, 2025.

4.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 1, 2025. However, these are not expected to have any significant impact on the Fund's operations and, therefore, have not been detailed in these condensed interim financial statements.

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective in the current period

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 01, 2026. However, these are not considered to be relevant or will not have any material effect on the Fund's condensed interim financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with an applicability date of January 01, 2027. IFRS 18 when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 01, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the condensed interim financial statements of the Fund.

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
5 BANK BALANCES			
- In savings accounts	5.1	<u>26,762,933</u>	<u>26,641,638</u>

5.1 These include a balance of Rs. 8,803.46 million (June 30, 2025: Rs. 8,200.33 million) with Habib Bank Limited (a related party) and this account carries profit at the rate of 10.60% (June 30, 2025: 11.11%) per annum. Other savings accounts of the Fund carry profit at the rates ranging from 10.50% to 10.75% (June 30, 2025: 9.00% to 10.40%) per annum.

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
6 INVESTMENTS			
At fair value through profit or loss			
- GoP ijarah sukuk	6.1	9,951,859	23,583,588
- Corporate sukuk certificates	6.2	5,855,000	2,564,000
- Bai muajjal	6.3	26,209,628	29,767,072
- Islamic term deposit receipts	6.4	<u>2,500,000</u>	-
		<u>44,516,487</u>	<u>55,914,660</u>

6.1 GoP ijarah sukuk

Tenure	Issue date	Maturity date	Profit rate	As at July 01, 2025	Purchased during the period	Sold / matured during the period	As at December 31, 2025	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Unrealised appreciation / (diminution) as at December 31, 2025	Market value as a percentage of	
											net assets of the Fund	total investments of the Fund
----- Number of certificates -----							----- (Rupees in '000) -----			----- % -----		
1 Year	July 26, 2024	July 25, 2025	17.20%	600,000	-	600,000	-	-	-	-	-	-
1 Year	September 18, 2024	September 17, 2025	15.00%	50,001	-	50,001	-	-	-	-	-	-
5 Years	July 29, 2020	September 29, 2025	8.37%	5,000	-	5,000	-	-	-	-	-	-
5 Years	July 29, 2020	September 29, 2025	11.20%	41,350	-	41,350	-	-	-	-	-	-
1 Year	October 21, 2024	October 20, 2025	11.80%	25,000	-	25,000	-	-	-	-	-	-
1 Year	November 7, 2024	November 6, 2025	11.00%	1,250,000	-	1,250,000	-	-	-	-	-	-
1 Year	December 4, 2024	December 3, 2025	11.00%	600,000	-	600,000	-	-	-	-	-	-
1 Year	January 9, 2025	January 8, 2026	10.42%	37,400	-	3,200	34,200	170,690	170,811	121	0.24%	0.38%
1 Year	May 2, 2025	May 1, 2026	10.86%	200,000	-	-	200,000	967,968	968,800	832	1.35%	2.18%
1 Year	May 30, 2025	May 29, 2026	10.25%	1,220,000	-	-	1,220,000	5,869,987	5,868,810	(1,177)	8.20%	13.18%
1 Year	August 21, 2025	August 20, 2026	10.86%	-	625,000	-	625,000	2,937,832	2,943,438	5,606	4.11%	6.61%
Total as at December 31, 2025 (Un-audited)								9,946,477	9,951,859	5,382		
Total as at June 30, 2025 (Audited)								23,548,317	23,583,588	35,271		

6.2 Corporate sukuk certificates

Name of the security	Maturity date	Profit rate	As at July 01, 2025	Purchased during the period	Sold / matured during the period	As at December 31, 2025	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Unrealised appreciation / (diminution) as at December 31, 2025	Market value as a percentage of	
										net assets of the Fund	total investments of the Fund
----- Number of certificates -----							----- (Rupees in '000) -----			----- % -----	
Power generation & distribution											
K- Electric Limited PPST5-33 (A1+, PACRA) (Face value of Rs. 1,000,000 per certificate)	January 23, 2026	10.96%	-	1,050	-	1,050	1,050,000	1,050,000	-	1.47%	2.36%
Telecommunication											
Pakistan Telecommunication Company Limited STS-XI (A1+, VIS) (Face value of Rs. 1,000,000 per certificate)	September 19, 2025	12.12%	200	-	200	-	-	-	-	-	-
Pakistan Telecommunication Company Limited STS-XII (A1+, VIS) (Face value of Rs. 1,000,000 per certificate)	December 18, 2025	11.05%	650	-	650	-	-	-	-	-	-
Pakistan Telecommunication Company Limited STS-XIII (A1+, VIS) (Face value of Rs. 1,000,000 per certificate)	January 09, 2026	10.99%	-	362	-	362	362,000	362,000	-	0.51%	0.81%
Pakistan Telecommunication Company Limited STS-XIV (A1+, VIS) (Face value of Rs. 1,000,000 per certificate)	January 12, 2026	11.02%	-	1,500	-	1,500	1,500,000	1,500,000	-	2.09%	3.37%
Pakistan Telecommunication Company Limited STS-XV (A1+, VIS) (Face value of Rs. 1,000,000 per certificate)	March 18, 2026	11.11%	-	666	-	666	666,000	666,000	-	0.93%	1.50%
Pakistan Telecommunication Company Limited STS-XVI (A1+, VIS) (Face value of Rs. 1,000,000 per certificate)	March 30, 2026	11.13%	-	750	-	750	750,000	750,000	-	1.05%	1.68%

Name of the security	Maturity date	Profit rate	As at July 01, 2025	Purchased during the period	Sold / matured during the period	As at December 31, 2025	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Unrealised appreciation / (diminution) as at December 31, 2025	Market value as a percentage of	
										Number of certificates	(Rupees in '000)
Pharmaceuticals											
Aspin Pharma Private Limited APPLSTS-I (A1, VIS) (Face value of Rs. 1,000,000 per certificate)	July 06, 2025	12.88%	300	-	300	-	-	-	-	-	-
Citi Pharma Limited CPHL-ST5 (A1, VIS) (Face value of Rs. 1,000,000 per certificate)	December 31, 2026	12.88%	-	228	-	228	228,000	228,000	-	0.32%	0.51%
Chemicals											
Engro Fertilizers Limited EFLSC6 (A1+, PACRA) (Face value of Rs. 1,000,000 per certificate)	November 14, 2025	11.26%	1,414	-	1,414	-	-	-	-	-	-
Engro Fertilizers Limited EFERT-ST5 (A1+, VIS) (Face value of Rs. 1,000,000 per certificate)	May 18, 2026	11.00%	-	1,229	-	1,229	1,229,000	1,229,000	-	1.72%	2.76%
Modarabas											
Burj Clean Energy Modaraba BCEM-ST5 (A1, VIS) (Face value of Rs. 1,000,000 per certificate)	January 09, 2026	12.82%	-	70	-	70	70,000	70,000	-	0.10%	0.16%
Miscellaneous											
Siddiqsons Tin Plate Limited STPL-ST5 II (A2, PACRA) (Face value of Rs. 1,000,000 per certificate)	December 16, 2025	12.81%	-	355	355	-	-	-	-	-	-
Total as at December 31, 2025 (Un-audited)							5,855,000	5,855,000	-		
Total as at June 30, 2025 (Audited)							2,564,000	2,564,000	-		

6.3 Bai muajjal

Name of the investee institution	Maturity date	Profit rate	As at December 31, 2025				Market value as a percentage of	
			Total transaction price	Deferred income	Accrued profit	Carrying value	net assets of the Fund	total investments of the Fund
(Rupees in '000)								
Commercial banks								
UBL Ameen Bank Limited	July 18, 2025	11.70%	2,651,258	-	-	-	-	-
UBL Ameen Bank Limited	July 21, 2025	11.70%	2,123,128	-	-	-	-	-
UBL Ameen Bank Limited	July 25, 2025	11.70%	1,025,600	-	-	-	-	-
Askari Bank Limited	August 15, 2025	10.80%	4,134,532	-	-	-	-	-
Askari Bank Limited	July 23, 2025	10.83%	1,553,844	-	-	-	-	-
Askari Bank Limited	July 28, 2025	10.83%	2,073,634	-	-	-	-	-
UBL Ameen Bank Limited	October 31, 2025	10.72%	12,213,494	-	-	-	-	-
UBL Ameen Bank Limited	November 3, 2025	10.70%	1,018,948	-	-	-	-	-
Askari Bank Limited	November 10, 2025	10.75%	4,082,934	-	-	-	-	-
Askari Bank Limited	November 11, 2025	10.75%	2,042,220	-	-	-	-	-
Askari Bank Limited	November 14, 2025	10.75%	3,576,353	-	-	-	-	-
United Bank Limited	December 26, 2025	10.95%	3,802,417	-	-	-	-	-

Name of the investee institution	Maturity date	Profit rate	As at December 31, 2025				Market value as a percentage of	
			Total transaction price	Deferred income	Accrued profit	Carrying value	net assets of the Fund	total investments of the Fund
			(Rupees in '000)				%	
Askari Bank Limited	February 3, 2026	10.80%	1,880,645	18,363	32,831	1,913,477	2.67%	4.30%
Askari Bank Limited	February 9, 2026	10.85%	1,465,753	16,993	22,221	1,487,975	2.08%	3.34%
Askari Bank Limited	February 10, 2026	10.85%	1,466,106	17,433	21,791	1,487,897	2.08%	3.34%
UBL Ameen Bank Limited	February 10, 2026	10.85%	1,573,155	18,705	22,914	1,596,069	2.23%	3.59%
Askari Bank Limited	February 11, 2026	10.85%	1,573,155	19,173	22,914	1,596,069	2.23%	3.59%
UBL Ameen Bank Limited	February 17, 2026	10.85%	3,989,159	55,733	52,176	4,041,335	5.64%	9.08%
Askari Bank Limited	February 18, 2026	10.87%	1,573,468	22,492	20,618	1,594,086	2.23%	3.58%
Development financial institutions								
Pak Brunie Investment Company Limited	August 21, 2025	10.85%	3,004,037	-	-	-	-	-
Pak Brunie Investment Company Limited	August 21, 2025	10.85%	2,078,261	-	-	-	-	-
Pak Oman Investment Company Limited	August 22, 2025	10.85%	1,020,542	-	-	-	-	-
Pak Oman Investment Company Limited	August 22, 2025	10.85%	2,382,560	-	-	-	-	-
Pak Oman Investment Company Limited	August 22, 2025	10.85%	2,073,834	-	-	-	-	-
Pak Oman Investment Company Limited	August 29, 2025	10.75%	1,038,145	-	-	-	-	-
Pak Oman Investment Company Limited	August 29, 2025	10.75%	4,203,963	-	-	-	-	-
Pak Oman Investment Company Limited	November 3, 2025	10.70%	2,547,370	-	-	-	-	-
Pak Brunie Investment Company Limited	November 13, 2025	10.70%	5,097,249	-	-	-	-	-
Pakistan Mortgage Refinance Company Limited	November 14, 2025	10.75%	3,576,353	-	-	-	-	-
Pak Oman Investment Company Limited	December 9, 2025	10.85%	3,115,230	-	-	-	-	-
Pak Brunie Investment Company Limited	January 29, 2026	10.90%	4,060,604	33,953	87,309	4,147,913	5.79%	9.32%
Pak Oman Investment Company Limited	February 4, 2026	10.85%	5,225,273	52,811	90,089	5,315,363	7.42%	11.94%
Pak Oman Investment Company Limited	February 9, 2026	10.85%	2,979,841	34,546	49,604	3,029,445	4.23%	6.81%
Total as at December 31, 2025 (Un-audited)			290,203	422,468	26,209,628			
Total as at June 30, 2025 (Audited)			777,073	406,552	29,767,072			

6.4 Islamic term deposit receipts

Name of the investee bank	Issue date	Maturity date	Profit rate	As at July 01, 2025	Placed during the period	Matured during the period	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Market value as a percentage of	
									net assets of the Fund	total investments of the Fund
				(Rupees in '000)				%		
COMMERCIAL BANKS										
Meezan Bank Limited (A1+, VIS)	July 3, 2025	July 7, 2025	10.35%	-	2,000,000	2,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 4, 2025	July 7, 2025	10.35%	-	2,000,000	2,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 4, 2025	July 7, 2025	10.35%	-	1,000,000	1,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	July 4, 2025	July 11, 2025	10.60%	-	2,500,000	2,500,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	July 4, 2025	July 11, 2025	10.60%	-	4,500,000	4,500,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	July 4, 2025	July 11, 2025	10.60%	-	4,500,000	4,500,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 11, 2025	July 18, 2025	10.55%	-	2,500,000	2,500,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 11, 2025	July 18, 2025	10.55%	-	2,500,000	2,500,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 11, 2025	July 25, 2025	10.55%	-	3,000,000	3,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 11, 2025	July 25, 2025	10.55%	-	3,500,000	3,500,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	July 16, 2025	July 18, 2025	10.45%	-	2,000,000	2,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	July 17, 2025	July 25, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 18, 2025	July 25, 2025	10.55%	-	2,500,000	2,500,000	-	-	-	-

Name of the investee bank	Issue date	Maturity date	Profit rate	As at July 01, 2025	Placed during the period	Matured during the period	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Market value as a percentage of	
									net assets of the Fund	total investments of the
				-----%-----	----- (Rupees in '000) -----				-----%-----	
Meezan Bank Limited (A1+, VIS)	July 18, 2025	July 25, 2025	10.55%	-	2,500,000	2,500,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 18, 2025	July 21, 2025	10.55%	-	1,000,000	1,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 21, 2025	July 22, 2025	10.65%	-	1,000,000	1,000,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	July 22, 2025	July 29, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 22, 2025	July 23, 2025	10.60%	-	1,000,000	1,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 23, 2025	July 24, 2025	10.60%	-	1,000,000	1,000,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	July 24, 2025	July 31, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	July 24, 2025	July 31, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	July 24, 2025	July 31, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	July 25, 2025	July 31, 2025	10.65%	-	4,000,000	4,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	July 25, 2025	July 31, 2025	10.65%	-	4,000,000	4,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	July 25, 2025	July 31, 2025	10.65%	-	4,000,000	4,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	July 25, 2025	July 28, 2025	10.50%	-	2,500,000	2,500,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	July 25, 2025	July 28, 2025	10.50%	-	1,500,000	1,500,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 28, 2025	July 29, 2025	10.50%	-	3,000,000	3,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 31, 2025	August 4, 2025	9.99%	-	4,000,000	4,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 31, 2025	August 5, 2025	9.99%	-	4,000,000	4,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 31, 2025	August 6, 2025	9.99%	-	4,000,000	4,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	July 31, 2025	August 7, 2025	9.99%	-	1,300,000	1,300,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	August 1, 2025	August 8, 2025	10.45%	-	4,000,000	4,000,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	August 4, 2025	August 5, 2025	10.25%	-	4,000,000	4,000,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	August 5, 2025	August 6, 2025	10.10%	-	1,500,000	1,500,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	August 8, 2025	August 15, 2025	10.55%	-	3,500,000	3,500,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	August 12, 2025	August 15, 2025	10.50%	-	2,000,000	2,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	August 15, 2025	August 22, 2025	10.50%	-	2,000,000	2,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	August 21, 2025	August 29, 2025	10.50%	-	1,500,000	1,500,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	August 22, 2025	August 29, 2025	10.50%	-	5,000,000	5,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	August 22, 2025	August 29, 2025	10.55%	-	2,000,000	2,000,000	-	-	-	-
Askari Bank Limited (A1+, PACRA)	August 27, 2025	September 10, 2025	10.60%	-	1,900,000	1,900,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	September 1, 2025	September 12, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	September 1, 2025	September 12, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	September 4, 2025	September 12, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Askari Bank Limited (A1+, PACRA)	September 8, 2025	September 9, 2025	10.60%	-	1,750,000	1,750,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 8, 2025	September 9, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 9, 2025	September 10, 2025	10.65%	-	3,000,000	3,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 9, 2025	September 10, 2025	10.65%	-	2,000,000	2,000,000	-	-	-	-
Askari Bank Limited (A1+, PACRA)	September 10, 2025	September 11, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	September 10, 2025	September 12, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	September 11, 2025	September 19, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 12, 2025	September 15, 2025	10.55%	-	2,000,000	2,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 12, 2025	September 16, 2025	10.55%	-	2,000,000	2,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 12, 2025	September 16, 2025	10.55%	-	4,000,000	4,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	September 12, 2025	September 19, 2025	10.55%	-	3,000,000	3,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	September 12, 2025	September 19, 2025	10.55%	-	3,000,000	3,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	September 15, 2025	September 16, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 16, 2025	September 23, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 16, 2025	September 23, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	September 16, 2025	September 17, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	September 16, 2025	September 17, 2025	10.55%	-	2,000,000	2,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	September 17, 2025	September 18, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	September 18, 2025	September 19, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 19, 2025	September 29, 2025	10.65%	-	5,000,000	5,000,000	-	-	-	-

Name of the investee bank	Issue date	Maturity date	Profit rate	As at July 01, 2025	Placed during the period	Matured during the period	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Market value as a percentage of	
									net assets of the Fund	total investments of the
				-----%-----	----- (Rupees in '000) -----				-----%-----	
Habib Bank Limited (A1+, VIS)	September 19, 2025	September 22, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	September 19, 2025	September 22, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	September 22, 2025	September 23, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 22, 2025	September 23, 2025	10.60%	-	2,750,000	2,750,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	September 23, 2025	September 24, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	September 23, 2025	September 24, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 23, 2025	September 24, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 23, 2025	September 24, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	September 24, 2025	September 25, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	October 1, 2025	October 2, 2025	10.60%	-	3,700,000	3,700,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	October 1, 2025	October 2, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	October 2, 2025	October 3, 2025	10.65%	-	2,700,000	2,700,000	-	-	-	-
Allied Bank Limited (A1+, PACRA)	October 2, 2025	October 10, 2025	10.65%	-	5,000,000	5,000,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	October 3, 2025	October 6, 2025	10.70%	-	2,700,000	2,700,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	October 6, 2025	October 8, 2025	10.70%	-	1,000,000	1,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	October 10, 2025	October 24, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	October 31, 2025	November 7, 2025	10.65%	-	3,200,000	3,200,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	October 31, 2025	November 6, 2025	10.60%	-	1,000,000	1,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	November 3, 2025	November 12, 2025	10.65%	-	11,000,000	11,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	November 4, 2025	November 5, 2025	10.60%	-	600,000	600,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 5, 2025	November 6, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	November 7, 2025	November 14, 2025	10.60%	-	3,000,000	3,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	November 7, 2025	November 14, 2025	10.60%	-	3,600,000	3,600,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	November 14, 2025	November 18, 2025	10.65%	-	2,000,000	2,000,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	November 14, 2025	November 18, 2025	10.65%	-	1,000,000	1,000,000	-	-	-	-
Dubai Islamic Bank Limited (A1+, VIS)	November 14, 2025	November 19, 2025	10.65%	-	1,000,000	1,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 14, 2025	November 17, 2025	10.65%	-	3,500,000	3,500,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 14, 2025	November 17, 2025	10.65%	-	3,500,000	3,500,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 14, 2025	November 17, 2025	10.65%	-	3,000,000	3,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 17, 2025	November 18, 2025	10.65%	-	1,000,000	1,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 17, 2025	November 18, 2025	10.65%	-	5,000,000	5,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 17, 2025	November 18, 2025	10.65%	-	5,000,000	5,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 18, 2025	November 19, 2025	10.65%	-	5,000,000	5,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 18, 2025	November 19, 2025	10.65%	-	2,000,000	2,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 19, 2025	November 20, 2025	10.65%	-	3,000,000	3,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 19, 2025	November 20, 2025	10.65%	-	2,000,000	2,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	November 19, 2025	November 28, 2025	10.65%	-	5,000,000	5,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	November 19, 2025	November 28, 2025	10.65%	-	1,000,000	1,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 20, 2025	November 21, 2025	10.65%	-	2,000,000	2,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 20, 2025	November 21, 2025	10.65%	-	3,000,000	3,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	November 21, 2025	November 23, 2025	10.55%	-	3,000,000	3,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	November 21, 2025	November 23, 2025	10.60%	-	1,000,000	1,000,000	-	-	-	-
United Bank Limited (A1+, VIS)	November 24, 2025	November 25, 2025	10.60%	-	4,000,000	4,000,000	-	-	-	-
United Bank Limited (A1+, VIS)	November 25, 2025	November 26, 2025	10.70%	-	4,000,000	4,000,000	-	-	-	-
United Bank Limited (A1+, VIS)	November 26, 2025	November 27, 2025	10.70%	-	3,900,000	3,900,000	-	-	-	-
United Bank Limited (A1+, VIS)	November 27, 2025	November 28, 2025	10.70%	-	2,600,000	2,600,000	-	-	-	-
United Bank Limited (A1+, VIS)	December 1, 2025	December 2, 2025	10.70%	-	1,000,000	1,000,000	-	-	-	-
Faysal Bank Limited (A1+, VIS)	December 2, 2025	December 3, 2025	10.65%	-	1,000,000	1,000,000	-	-	-	-
Bank Alfalah Limited (A1+, PACRA)	December 11, 2025	December 12, 2025	10.60%	-	2,000,000	2,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	November 12, 2025	December 15, 2025	10.73%	-	2,500,000	2,500,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	November 12, 2025	December 15, 2025	10.73%	-	1,500,000	1,500,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	November 12, 2025	December 15, 2025	10.73%	-	1,000,000	1,000,000	-	-	-	-

Name of the investee bank	Issue date	Maturity date	Profit rate	As at July 01, 2025	Placed during the period	Matured during the period	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Market value as a percentage of	
									net assets of the Fund	total investments of the
							(Rupees in '000)			
Meezan Bank Limited (A1+, VIS)	November 12, 2025	December 15, 2025	10.73%	-	2,000,000	2,000,000	-	-	-	-
Meezan Bank Limited (A1+, VIS)	November 12, 2025	December 15, 2025	10.73%	-	3,000,000	3,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	December 15, 2025	December 16, 2025	10.65%	-	5,000,000	5,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	December 15, 2025	December 17, 2025	10.70%	-	5,000,000	5,000,000	-	-	-	-
Habib Bank Limited (A1+, VIS)	December 17, 2025	December 19, 2025	10.35%	-	5,000,000	5,000,000	-	-	-	-
Askari Bank Limited (A1+, PACRA)	December 19, 2025	January 19, 2026	10.50%	-	2,500,000	-	2,500,000	2,500,000	3.49%	5.62%
Total as at December 31, 2025 (Un-audited)							2,500,000	2,500,000		
Total as at June 30, 2025 (Audited)										

6.5 Unrealised appreciation on re-measurement of investments classified as financial assets at fair value through profit or loss - net	Note	(Un-audited)	
		December 31, 2025	December 31, 2024
		----- (Rupees in '000) -----	
Market value of investments	6.1, 6.2, 6.3 & 6.4	44,516,487	85,189,116
Less: carrying value of investments	6.1, 6.2, 6.3 & 6.4	(44,511,105)	(84,911,411)
		<u>5,382</u>	<u>277,705</u>
		(Un-audited) December 31, 2025	(Audited) June 30, 2025
		----- (Rupees in '000) -----	
7 PROFIT RECEIVABLE			
Profit receivable on:			
Bank balances		178,216	108,362
GoP ijarah sukuk		-	211,985
Islamic term deposit receipts		9,349	-
Corporate sukuk certificates		214,434	48,980
		<u>401,999</u>	<u>369,327</u>
8 DEPOSIT, PREPAYMENTS AND OTHER RECEIVABLES			
Security deposit with Central Depository Company of Pakistan Limited		100	100
Prepaid rating and listing fee		3	391
Other receivable		18,782	18,782
Advance tax	8.1	18,874	18,874
		<u>37,759</u>	<u>38,147</u>
8.1	The status of advance tax is same as disclosed in the financial statements for the year ended June 30, 2025.		
9 PAYABLE TO HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration payable	9.1	45,839	38,129
Sindh sales tax payable on remuneration of the Management Company	9.2	6,876	5,719
Sales load payable		9,734	18,806
		<u>62,449</u>	<u>62,654</u>
9.1	As per regulation 61 of the NBFC Regulations, 2008, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the offering document and subject to a capping of 1.25% for a collective investment scheme categorised as 'Money Market Scheme'. Keeping in view the maximum allowable threshold, the Management Company has charged its remuneration at the rate of 1.25% (December 31, 2024: 0.85%) per annum of the daily net assets of the Fund during the period ended December 31, 2025. The remuneration is payable to the Management Company monthly in arrears.		
9.2	Sindh sales tax levied through the Sindh Sales Tax on Services, 2011 has been charged at the rate of 15% (December 31, 2024: 15%) on the Management Company's remuneration.		

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration payable	10.1	3,361	3,476
Sindh sales tax payable on remuneration of the Trustee	10.2	504	521
		<u>3,865</u>	<u>3,997</u>

10.1 The Trustee is entitled to a monthly remuneration for services rendered to the Fund under the provisions of the Trust Deed at the rate of 0.065% (December 31, 2024: 0.065%) per annum of the daily net assets of the Fund.

10.2 Sindh sales tax levied through the Sindh Sales Tax on Services, 2011 has been charged at the rate of 15% (December 31, 2024: 15%) on remuneration of the Trustee.

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Fee payable	11.1	4,584	4,758

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay a non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged the SECP fee at the rate of 0.075% (December 31, 2024: 0.075%) per annum of the daily net assets during the period. The Fund is required to pay the SECP fee within fifteen days of the close of every calendar month.

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
12 ACCRUED EXPENSES AND OTHER LIABILITIES			
Federal Excise Duty and related Sindh sales tax payable on the Management Company's remuneration	12.1	2,185	2,185
Auditors' remuneration		466	596
Withholding tax payable		162	415,689
Other payables		7,872	892
Capital gain tax payable		27,858	663,066
Unclaimed dividend		811	20,850
		<u>39,354</u>	<u>1,103,278</u>

12.1 The status of provision of Federal Excise Duty and related Sindh sales tax payable is same as disclosed in financial statement for the year ended June 30, 2025. Had the provision not being made, the net asset value per unit as at December 31, 2025 would have been higher by Re. 0.003 (June 30, 2025: Re. 0.002) per unit.

13 CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at December 31, 2025 and at June 30, 2025.

14 TOTAL EXPENSE RATIO

The SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The TER limit of 2.00% for a collective investment scheme categorised as an 'Money Market Scheme', applicable previously, has been replaced with the management fee cap as disclosed in note 9.1 to these condensed interim financial statements for a collective investment scheme categorised as an 'Money Market Scheme'.

15 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2026 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

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

		(Un-audited)	
		December 31, 2025	December 31, 2024
		----- (Rupees in '000) -----	
16	PROFIT EARNED ON INVESTMENTS	Note	
	Profit earned on:		
	GoP ijarah sukuks		821,387
	Islamic term deposit receipts		1,000,266
	Bai muajjal		540,764
	Corporate sukuk certificates		1,802,206
			312,654
			<u>3,477,011</u>
			<u>4,332,621</u>
17	CASH AND CASH EQUIVALENTS		
	Bank balances	5	26,762,933
	Islamic term deposit receipts	6.4	2,500,000
	Certificates of musharakah		-
			<u>18,900,000</u>
			<u>29,262,933</u>
			<u>27,095,858</u>

18 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons and related parties include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes / notified entities managed by the Management Company, any person or trust beneficially owning, directly or indirectly, ten percent or more of the capital of the Management Company or ten percent or more of the net assets of the Fund, any person or trust controlled by the same persons as defined herein, any member of the group of which that person or trust forms part of. Directors or officers of the Management Company or any of their connected persons as specified herein.

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

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Offering Document.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

The details of balances of the Fund with connected persons as at the period end and transactions occurred during the period with them are as follows:

		(Un-audited)	
		Half year ended	
		December 31,	
		2025	2024
		----- (Rupees in '000) -----	
18.1	Transactions during the period		
	HBL Asset Management Limited - Management Company		
	Remuneration of the Management Company	293,929	290,125
	Sindh sales tax on remuneration of the Management Company	44,089	43,519
	Amount received for issuance of units	-	4,609
	Issuance of 2,376,308 (December 31, 2024: 4,300) units	250,000	466
	Redemption of 2,640,376 (December 31, 2024: 1,910,051) units	279,451	196,000
	Dividend reinvestment Nil (December 31, 2024: 4,114) units	-	416

	(Un-audited) Half year ended December 31,	
	2025	2024
	----- (Rupees in '000) -----	
Habib Bank Limited - Sponsor		
Bank charges	410	767
Profit on savings accounts with banks	247,389	145,593
Purchase of Islamic term deposit receipts	98,200,000	-
Purchase of GoP ijarah sukuks	-	12,731,035
Sale of GoP ijarah sukuks	-	8,718,302
Directors, Executives and Key Management personnel		
Issuance of 19,653 (December 31, 2024: 38,939) units	2,002	4,085
Redemption of 103,871 (December 31, 2024: 101,218) units	10,663	10,756
Dividend reinvestment Nil (December 31, 2024: 286) units	-	29
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited	23,321	18,884
Sindh sales tax on remuneration of the Trustee	3,498	2,833
Archroma Pakistan Limited - Employees Gratuity Fund - An associate		
Redemption of Nil (December 31, 2024: 561,711) units	-	56,831
Dividend reinvestment Nil (December 31, 2024: 1,079) units	-	109
HBL Asset Management Limited Employees Gratuity Fund - An associate		
Dividend reinvestment Nil (December 31, 2024: 249) units	-	30
HBL Asset Management Limited Employees Provident Fund - An associate		
Issuance of 47,526 (December 31, 2024: Nil) units	5,000	466
Dividend reinvestment Nil (December 31, 2024: 552) units	-	56
Pakistan Petroleum Limited - An associate		
Redemption of Nil (December 31, 2024: 75,155,205) units	-	7,745,984
Dividend reinvestment Nil (December 31, 2024: 144,125) units	-	14,582
Jubilee Life Insurance Company Limited - An associate		
Issuance of Nil (December 31, 2024: 8,804,005) units	-	900,000
Bank of Khyber - An associate		
Issuance of Nil (December 31, 2024: 3,929,088) units	-	400,000
Redemption of Nil (December 31, 2024: 3,929,088) units	-	400,791
18.2 Balances outstanding as at period / year end	(Un-audited)	(Audited)
	December 31,	June 30,
	2025	2025
	----- (Rupees in '000) -----	
HBL Asset Management Limited - Management Company		
Remuneration payable	45,839	38,129
Sindh sales tax payable on remuneration of the Management Company	6,876	5,719
Sales load payable	9,734	18,806
Outstanding: Nil (June 30, 2025: 264,068) units	-	26,817
Habib Bank Limited - Sponsor		
Bank balances	8,803,464	8,200,331
Profit receivable	17,368	37,860

	(Un-audited) December 31, 2025	(Audited) June 30, 2025
	----- (Rupees in '000) -----	
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	3,361	3,476
Sindh sales tax payable on remuneration of the Trustee	504	521
Security deposit	100	100
HBL Asset Management Limited Employees Gratuity Fund - An associate		
Outstanding: 147,834 (June 30, 2025: 147,834) units	15,755	15,013
HBL Asset Management Limited Employees Provident Fund - An associate		
Outstanding: 373,873 (June 30, 2025: 326,347) units	39,843	33,142
Jubilee Life Insurance Company Limited - An associate		
Outstanding: 9,718,748 (June 30, 2025: 9,718,748) units	1,035,721	986,982
Directors, Executives and Key Management personnel		
Outstanding: 200,689 (June 30, 2025: 284,907) units	21,387	28,934
Bank of Khyber - An associate		
Outstanding 12 (June 30, 2025: 12) units	1	1

19 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

19.1 Fair value hierarchy

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

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

As at December 31, 2025 and June 30, 2025, the Fund held the following financial instruments measured at fair value:

	----- (Un-audited) -----			
	----- As at December 31, 2025 -----			
	Level 1	Level 2	Level 3	Total
Financial assets 'at fair value through profit or loss'				
GoP ijarah sukuk	9,951,859	-	-	9,951,859
Corporate sukuk certificates*	-	5,855,000	-	5,855,000
Bai muajjal**	-	26,209,628	-	26,209,628
Islamic term deposit receipts*	-	2,500,000	-	2,500,000
	9,951,859	34,564,628	-	44,516,487

	------(Audited)-----			
	----- As at June 30, 2025 -----			
	Level 1	Level 2	Level 3	Total
Financial assets ' at fair value through profit or loss'				
GoP ijarah sukuku	13,360,948	10,222,640	-	23,583,588
Corporate sukuk certificates*	-	2,564,000	-	2,564,000
Bai muajjal**	-	29,767,072	-	29,767,072
	<u>13,360,948</u>	<u>42,553,712</u>	<u>-</u>	<u>55,914,660</u>

* The carrying value of these securities approximate their fair value since these are short term in nature and are placed with counter parties which have high credit ratings.

** The valuation of Bai Muajjal receivable has been carried out based on amortisation to their face values / sale price as per the guidelines given in Circular 33 of 2012 of SECP since the residual maturity of these investments is less than six months and they are placed with counterparties which have high credit ratings.

Valuation techniques used in determination of fair values is as follows:

Item	Valuation technique
GoP ijarah sukuku	The fair value of GoP Ijarah sukuku listed on Pakistan Stock Exchange has been determined through closing rates of Pakistan Stock Exchange.
Corporate sukuk certificates	The valuation has been determined through closing rates announced by FMA (Financial Market Association) through Reuters.

There were no transfers between levels during the period.

20 GENERAL

20.1 Corresponding figures have been rearranged and reclassified, wherever necessary, in these condensed interim financial statements for better presentation and disclosure.

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

20.3 Units have been rounded off to the nearest decimal place.

21 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on **25 February 2026**.

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

Chief Financial Officer

Chief Executive Officer

Director



HBL

Islamic Asset Allocation Fund



FUND INFORMATION

NAME OF FUND	HBL Islamic Asset Allocation Fund
NAME OF AUDITOR	Yousuf Adil & Co., Chartered Accountants
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited
NAME OF SHARIAH ADVISOR	Al Hilal Shariah Advisors (Pvt.) Limited
BANKERS	Habib Bank Limited Bank Al Habib Limited Dubai Islamic Bank Limited Askari Bank Limited Soneri Bank Limited Allied Bank Limited Bank Islami Pakistan Limited Al Baraka Bank Pakistan Limited MCB Islamic Bank Limited National Bank Limited The Bank of Khyber Faysal Bank Limited U Microfinance Bank Limited Meezan Bank Limited Bank Alfalah Limited

**AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**



Yousuf Adil
Chartered Accountants
Cavish Court, A-35, Block 7 & 8
KCHSU, Shahrah-e-Faisal
Karachi-75350
Pakistan
Tel: +92 (021) 3454 6494-7
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**INDEPENDENT AUDITOR'S REVIEW REPORT
To the unit holders of HBL Islamic Asset Allocation Fund**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Islamic Asset Allocation Fund** (the "Fund") as at December 31, 2025, and the related condensed interim income statement, the condensed interim statement of other comprehensive income, the condensed interim statement of movement in unit holders' fund and the condensed interim statement of cash flows and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The management of HBL Asset Management Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2025 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The cumulative figures for the half year, presented in the second quarter accounts are subject to limited scope review by the statutory auditors of the Fund. Accordingly, the figures of the condensed interim income statement and condensed interim statement of other comprehensive income for the three months period ended December 31, 2025 and December 31, 2024 have not been reviewed by us.

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


Chartered Accountants

Place: Karachi
Date: February 27, 2026
UDIN: RR2025100578IK7bLwxE

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**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC ASSET ALLOCATION FUND**

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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



**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC ASSET ALLOCATION FUND**

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

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Islamic Asset Allocation Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2025 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2026



HBL Islamic Asset Allocation Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

December 31, 2025 (Un-Audited)					
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
ASSETS	Note	----- (Rupees in '000) -----			
Bank balances	4	63,729	-	-	63,729
Investments	5	510,335	-	-	510,335
Profit receivable		569	-	-	569
Advances, deposits and other receivables		3,246	-	-	3,246
Total assets		577,879	-	-	577,879
LIABILITIES					
Payable to the Management Company	6	1,617			1,617
Payable to the Trustee		109			109
Payable to Securities and Exchange Commission of Pakistan	7	45			45
Payable against redemption of units		2,127			2,127
Payable against purchase of investment		1,659			1,659
Dividend payable		62			62
Accrued expenses and other liabilities	8	2,879			2,879
Total liabilities		8,498			8,498
NET ASSETS		569,381	-	-	569,381
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		569,381	-	-	
CONTINGENCIES AND COMMITMENTS	9				
		----- (Number of units) -----			
NUMBER OF UNITS IN ISSUE		1,782,173	-	-	
		----- (Rupees) -----			
NET ASSETS VALUE PER UNIT		319.4866	-	-	

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

					June 30, 2025 (Audited)				
					Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	
					----- (Rupees in '000) -----				
ASSETS		Note							
Bank balances	4			338,454	3,228	3,291	344,973		
Investments	5			656,864	-	-	656,864		
Profit receivable				286	155	19	460		
Advances, deposits and other receivables				3,184	100	100	3,384		
Total assets				998,788	3,483	3,410	1,005,681		
LIABILITIES									
Payable to the Management Company	6			1,843	273	2,918	5,034		
Payable to the Trustee				112	2	30	144		
Payable to Securities and Exchange Commission of Pakistan	7			43	2	33	78		
Payable against redemption of units				12,060	2,535	-	14,595		
Payable against purchase of investment				69,180	-	-	69,180		
Dividend payable				62	-	-	62		
Accrued expenses and other liabilities	8			8,969	671	429	10,069		
Total liabilities				92,269	3,483	3,410	99,162		
NET ASSETS				906,519	-	-	906,519		
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)				906,519	-	-			
CONTINGENCIES AND COMMITMENTS		9							
					----- (Number of units) -----				
NUMBER OF UNITS IN ISSUE				3,579,466	-	-			
					----- (Rupees) -----				
NET ASSETS VALUE PER UNIT				253.2553	-	-			

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year Ended December 31, 2025

					For the half year ended December 31, 2025						
					Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total			
					----- (Rupees in '000) -----						
INCOME											
	Note										
Net realised gain / (loss) on sale of investments				38,939	-	-	-	38,939			
Dividend income				7,547	-	-	-	7,547			
Return on investments				-	-	-	-	-			
Profit on bank deposit				3,919	-	-	-	3,919			
Unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss' - net	5.2			82,055	-	-	-	82,055			
				132,460	-	-	-	132,460			
EXPENSES											
Remuneration of the Management Company	6.1			7,242	-	-	-	7,242			
Sindh Sales Tax on remuneration of the Management Company	6.2			1,086	-	-	-	1,086			
Remuneration of the Trustee				527	-	-	-	527			
Sindh Sales Tax on remuneration of the Trustee				79	-	-	-	79			
Securities and Exchange Commission of Pakistan fee	7			250	-	-	-	250			
Auditors' remuneration				390	-	-	-	390			
Amortisation of preliminary expenses and floatation costs				-	-	-	-	-			
Settlement and bank charges				326	-	-	-	326			
Fees and subscription				56	-	-	-	56			
Charity expense				70	-	-	-	70			
Printing expense				-	-	-	-	-			
Securities transaction cost				2,374	-	-	-	2,374			
Shariah advisory fee				159	-	-	-	159			
Provision against non-performing securities				-	-	-	-	-			
				12,559	-	-	-	12,559			
Net income from operating activities				119,901	-	-	-	119,901			
Net income for the period before taxation				119,901	-	-	-	119,901			
Taxation	10			-	-	-	-	-			
Net income for the period after taxation				119,901	-	-	-	119,901			
Allocation of net income for the period after taxation											
Net income for the period after taxation				119,901	-	-	-	119,901			
Income already paid on redemption of units				(24,831)	-	-	-	(24,831)			
Accounting income available for distribution				95,070	-	-	-	95,070			
Accounting income available for distribution:											
- Relating to capital gains				95,070	-	-	-	95,070			
- Excluding capital gains				-	-	-	-	-			
				95,070	-	-	-	95,070			

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year Ended December 31, 2025

		For the half year ended December 31, 2024			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
		(Rupees in '000)			
INCOME	Note				
Net realised gain / (loss) on sale of investments		127,599	3,878	(176)	131,301
Dividend income		10,963	-	-	10,963
Return on investments		-	33,529	41,391	74,920
Profit on bank deposit		4,771	14,763	6,050	25,584
Unrealised gain on re-measurement of investments classified as 'at fair value through profit or loss' - net	5.2	147,486	-	10,312	157,798
		290,819	52,170	57,577	400,566
EXPENSES					
Remuneration of the Management Company	6.1	6,701	934	2,056	9,691
Sindh Sales Tax on remuneration of the Management Company	6.2	1,005	140	308	1,453
Remuneration of the Trustee		447	199	237	883
Sindh Sales Tax on remuneration of the Trustee		67	30	36	133
Securities and Exchange Commission of Pakistan fee	7	213	252	300	765
Auditors' remuneration		97	101	160	358
Amortisation of preliminary expenses and floatation costs		-	15	-	15
Settlement and bank charges		235	205	62	502
Fees and subscription		-	5	6	11
Charity expense		1,298	-	-	1,298
Printing expense		33	30	15	78
Securities transaction cost		2,660	156	-	2,816
Shariah advisory fee		19	64	40	123
Provision against non-performing securities		-	5,610	-	5,610
		12,775	7,741	3,220	23,736
Net income from operating activities		278,044	44,429	54,357	376,830
Net income for the period before taxation		278,044	44,429	54,357	376,830
Taxation	10	-	-	-	-
Net income for the period after taxation		278,044	44,429	54,357	376,830
Allocation of net income for the period after taxation					
Net income for the period after taxation		278,044	44,429	54,357	376,830
Income already paid on redemption of units		(123,855)	(22,421)	-	(146,276)
Accounting income available for distribution		154,189	22,008	54,357	230,554
Accounting income available for distribution:					
- Relating to capital gains		152,543	1,921	10,136	164,600
- Excluding capital gains		1,646	20,087	44,221	65,954
		154,189	22,008	54,357	230,554

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Income Statement (Un-audited)
For The Quarter Ended December 31, 2025

		For the quarter ended December 31, 2025			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
		----- (Rupees in '000) -----			
INCOME					
	Note				
Net realised gain / (loss) on sale of investments		21,542	-	-	21,542
Dividend income		6,146	-	-	6,146
Return on investments		-	-	-	-
Profit on bank deposit		1,386	-	-	1,386
Unrealised gain on re-measurement of investments 'at fair value through profit or loss' - net		1,745	-	-	1,745
		30,819	-	-	30,819
EXPENSES					
Remuneration of the Management Company	6.1	3,713	-	-	3,713
Sindh Sales Tax on remuneration of the Management Company	6.2	557	-	-	557
Remuneration of the Trustee		270	-	-	270
Sindh Sales Tax on remuneration of the Trustee		40	-	-	40
Securities and Exchange Commission of Pakistan fee	7	128	-	-	128
Auditors' remuneration		195	-	-	195
Amortisation of preliminary expenses and floatation costs		-	-	-	-
Settlement and bank charges		121	-	-	121
Fees and subscription		37	-	-	37
Charity expense		-	-	-	-
Printing expense		-	-	-	-
Securities transaction cost		569	-	-	569
Shariah advisory fee		150	-	-	150
Provision against non-performing securities -		-	-	-	-
		5,780	-	-	5,780
Net income from operating activities		25,039	-	-	25,039
Net income for the period before taxation		25,039	-	-	25,039
Taxation	10	-	-	-	-
Net income for the period after taxation		25,039	-	-	25,039

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Income Statement (Un-audited)
For The Quarter Ended December 31, 2025

		For the quarter ended December 31, 2024			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
		----- (Rupees in '000) -----			
INCOME					
	Note				
Net realised gain / (loss) on sale of investments		126,683	1,105	(88)	127,700
Dividend income		6,841	-	-	6,841
Return on investments		-	7,123	18,197	25,320
Profit on bank deposit		3,885	5,747	185	9,817
Unrealised gain on re-measurement of investments 'at fair value through profit or loss' - net		145,198	-	3,140	148,338
		282,607	13,975	21,434	318,016
EXPENSES					
Remuneration of the Management Company	6.1	5,074	654	1,051	6,779
Sindh Sales Tax on remuneration of the Management Company	6.2	761	98	157	1,016
Remuneration of the Trustee		323	59	121	503
Sindh Sales Tax on remuneration of the Trustee		48	9	19	76
Securities and Exchange Commission of Pakistan fee	7	161	75	153	389
Auditors' remuneration		84	52	136	272
Amortisation of preliminary expenses and floatation costs		-	11	-	11
Settlement and bank charges		141	142	62	345
Fees and subscription		-	1	3	4
Charity expense		1,244	-	-	1,244
Printing expense		17	15	4	36
Securities transaction cost		2,435	79	-	2,514
Shariah advisory fee		10	42	30	82
Provision against non-performing securities -		-	3,366	-	3,366
		10,298	4,603	1,736	16,637
Net income from operating activities		272,309	9,372	19,698	301,379
Net income for the period before taxation		272,309	9,372	19,698	301,379
Taxation	10	-	-	-	-
Net income for the period after taxation		272,309	9,372	19,698	301,379

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year Ended December 31, 2025

	For the half year ended December 31, 2025			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
	----- (Rupees in '000) -----			
Net income for the period after taxation	119,901	-	-	119,901
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	119,901	-	-	119,901

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year Ended December 31, 2025

	For the half year ended December 31, 2024			Total
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	
	----- (Rupees in '000) -----			
Net income for the period after taxation	278,044	44,429	54,357	376,830
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>278,044</u>	<u>44,429</u>	<u>54,357</u>	<u>376,830</u>

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	HBL Islamic Asset Allocation Fund			HBL Islamic Asset Allocation Fund Plan - I			HBL Islamic Asset Allocation Fund Plan - II		
	For the half year ended December 31, 2024			For the half year ended December 31, 2024			For the half year ended December 31, 2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	(Rupees in '000)								
Net assets at the beginning of the period	22,067	170,146	192,213	1,119,012	27,788	1,146,800	593,450	1,994	595,444
Issue of 5,334,668 units in HBL Islamic Asset Allocation, Nil units in HBL Islamic Asset Allocation Plan I and Nil units in HBL Islamic Asset Allocation Plan II									
- Capital value	913,070	-	913,070	-	-	-	-	-	-
- Element of income	193,101	-	193,101	-	-	-	-	-	-
	1,106,171	-	1,106,171	-	-	-	-	-	-
Redemption of 3,968,097 units in HBL Islamic Asset Allocation, 8,436,279 units in HBL Islamic Asset Allocation Plan I and Nil units in HBL Islamic Asset Allocation Plan II									
- Capital value	(679,171)	-	(679,171)	(862,579)	-	(862,579)	-	-	-
- Element of income	(123,651)	(123,855)	(247,506)	-	(22,421)	(22,421)	-	-	-
	(802,822)	(123,855)	(926,677)	(862,579)	(22,421)	(885,000)	-	-	-
Total comprehensive income for the period	-	278,044	278,044	-	44,429	44,429	-	54,357	54,357
Net assets at the end of the period	325,416	324,335	649,751	256,433	49,796	306,229	593,450	56,351	649,801
Undistributed income brought forward									
- Realised		137,292			27,353			-	
- Unrealised		32,854			435			1,994	
		170,146			27,788			1,994	
Accounting income available for distribution									
- Relating to capital gains		152,543			1,921			10,136	
- Excluding capital gains		1,646			20,087			44,221	
		154,189			22,008			54,357	
Undistributed income carried forward		324,335			49,796			56,351	
Undistributed income carried forward comprises of:									
- Realised		176,849			49,796			46,039	
- Unrealised		147,486			-			10,312	
		324,335			49,796			56,351	
		(Rupees)			(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		171.1578			102.2464			100.5438	
Net assets value per unit at end of the period		260.9878			110.1636			109.7223	

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

		For the half ended December 31, 2025			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
CASH FLOWS FROM OPERATING ACTIVITIES	Note	----- (Rupees in '000) -----			
Net profit for the period before taxation		119,901	-	-	119,901
Adjustments for non cash and other items:					
Dividend income		(7,547)	-	-	(7,547)
Return on investments		-	-	-	-
Profit on bank deposit		(3,919)	-	-	(3,919)
Amortisation of preliminary expenses and floatation costs		-	-	-	-
Unrealised gain on re-measurement of investments 'at fair value through profit or loss' - net		(82,055)	-	-	(82,055)
		26,380	-	-	26,380
(Increase) / decrease in assets					
Investments		161,063	-	-	161,063
Advances, deposits, other receivables and floatation cost		(62)	100	100	138
		161,001	100	100	161,201
Increase / (decrease) in liabilities					
Payable to Management Company		(226)	(273)	(2,918)	(3,417)
Payable to Trustee		(3)	(2)	(30)	(35)
Payable to Securities and Exchange Commission of Payable to PIA Holding Company		2	(2)	(33)	(33)
Accrued expenses and other liabilities		(6,090)	(671)	(429)	(7,190)
		(6,317)	(948)	(3,410)	(10,675)
Cash generated from / (used in) operating activities		181,064	(848)	(3,310)	176,906
Profit received on bank deposits		3,636	155	19	3,810
Dividend income received		7,547	-	-	7,547
Profit received on investments		-	-	-	-
Net cash generated from / (used in) operating activities		192,247	(693)	(3,291)	188,263
CASH FLOWS FROM FINANCING ACTIVITIES					
Amount received on issue of units		466,249	-	-	466,249
Payment against redemption of units		(933,221)	(2,535)	-	(935,756)
Net cash generated / (used in) from financing activities		(466,972)	(2,535)	-	(469,507)
Net (decrease) / increase in cash and cash equivalents		(274,725)	(3,228)	(3,291)	(281,244)
Cash and cash equivalents at beginning of the period		338,454	3,228	3,291	344,973
Cash and cash equivalents at end of the period	4	63,729	-	-	63,729

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

		For the half ended December 31, 2024			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total
CASH FLOWS FROM OPERATING ACTIVITIES	Note	----- (Rupees in '000) -----			
Net profit for the period before taxation		278,044	44,429	54,357	376,830
Adjustments for non cash and other items:					
Dividend income		(10,963)	-	-	(10,963)
Return on investments		-	(33,529)	(41,391)	(74,920)
Profit on bank deposit		(4,771)	(14,763)	(6,050)	(25,584)
Amortisation of preliminary expenses and floatation costs		-	15	-	15
Unrealised gain on re-measurement of investments 'at fair value through profit or loss' - net		(147,486)	-	(10,312)	(157,798)
		114,824	(3,848)	(3,396)	107,580
(Increase) / decrease in assets					
Investments		(243,688)	837,463	(48,344)	545,431
Advances, deposits, other receivables and floatation cost		3	(659)	-	(656)
		(243,685)	836,804	(48,344)	544,775
Increase / (decrease) in liabilities					
Payable to Management Company		2,130	203	51	2,384
Payable to Trustee		132	(58)	5	79
Payable to Securities and Exchange Commission of Payable to PIA Holding Company		55	(66)	5	(6)
		-	-	(1,458)	(1,458)
Accrued expenses and other liabilities		17,383	(353)	(224)	16,806
		19,700	(274)	(1,621)	17,805
Cash generated from / (used in) operating activities		(109,161)	832,682	(53,361)	670,160
Profit received on bank deposits		5,089	15,636	6,874	27,599
Dividend income received		11,009	-	-	11,009
Profit received on investments		-	59,035	42,608	101,643
Net cash generated from / (used in) operating activities		(93,063)	907,353	(3,879)	810,411
CASH FLOWS FROM FINANCING ACTIVITIES					
Amount received on issue of units		1,106,171	-	-	1,106,171
Payment against redemption of units		(633,989)	(885,000)	-	(1,518,989)
Net cash generated / (used in) from financing activities		472,182	(885,000)	-	(412,818)
Net (decrease) / increase in cash and cash equivalents		379,119	22,353	(3,879)	397,593
Cash and cash equivalents at beginning of the period		34,104	263,203	118,828	416,135
Cash and cash equivalents at end of the period	4	413,223	285,556	114,949	813,728

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Asset Allocation Fund
Notes To The Condensed Interim Financial Information (Un-audited)
For The Half Year Ended December 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL Islamic Asset Allocation Fund (the Fund) was established under a Trust Deed, dated September 07, 2015, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) as a unit trust scheme on October 28, 2015.
- 1.2** The Management Company of the Fund has been licensed to act as an Asset Management Company under the NBFC Rules through a certificate of registration issued by the SECP. The registered office of the Management Company is situated at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.3** The Fund is an open ended mutual fund and offers units for public subscription on a continuous basis. The initial public offer period was from January 07, 2016 to January 08, 2016 (both days inclusive). The units are transferable and can also be redeemed by surrendering to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited.
- 1.4** The primary objective of the Fund is to provide superior returns through investments in Shari'ah Compliant Equity Securities and Shari'ah Compliant Income / Money Market Instruments.
- 1.5** VIS Credit Rating Company has upgraded a management quality rating to 'AM 1' (stable Outlook) of the Management Company on December 31, 2025 (2024: 'AM 1' (stable Outlook) dated on December 31, 2024).
- 1.6** Title to the assets of the Fund are held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations, the requirements of Trust deed, differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed have been followed.

2.1.2 This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2025.

2.1.3 This condensed interim financial information is unaudited and has been reviewed by the external auditors. Further, the figures of the condensed interim income statement and condensed interim statement of other comprehensive income for the quarters ended December 31, 2025 and December 31, 2024 have not been reviewed.

2.1.4 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2025.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost basis, unless stated otherwise.

2.3 Functional and presentation currency

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies and methods of computation adopted in preparation of this condensed interim financial information are same as those applied in preparation of financial statements of the Fund as at and for the year ended June 30, 2025.

- 3.2 The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited financial statements as at and for the year ended June 30, 2025.
- 3.3 Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore, not disclosed in this condensed interim financial information.
- 3.4 The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2025.

		(Un-audited) December 31, 2025				(Audited) June 30, 2025				
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	
4.	BANK BALANCES	Note ----- (Rupees in '000) -----								
	Savings accounts	4.1	63,729	-	-	63,729	338,454	3,228	3,291	344,973

- 4.1 These bank accounts carry profit at rates ranging between 6.64% - 11.50% per annum (June 30, 2025: 6% - 13.50%). This includes a balance held by Habib Bank Limited, a related party, amounting to Rs. 1.345 million (2025: Rs. 184.17 million) in Islamic Asset Allocation Fund, which carry profit at the rate of 6.64% per annum (June 30, 2025: 11.11% per annum).

		December 31, 2025 (Un-Audited)				June 30, 2025 (Audited)				
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Total	
5.	INVESTMENTS	Note ----- (Rupees in '000) -----								
At fair value through profit or loss										
	Listed equity securities	5.1	510,335	-	-	510,335	656,864	-	-	656,864
	Total Investments		510,335	-	-	510,335	656,864	-	-	656,864

5.1 **Listed equity securities - at fair value through profit or loss**

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

Name of the Investee Company	As at July 01, 2025	Purchases during the period	Bonus / Rights issue	Sales during the period	As at December 31, 2025	As at December 31, 2025			Market value as a percentage of Total investments	Market value as a percentage of Net assets	Par value as a percentage of issued capital of the investee company
						Carrying Value	Market value	Unrealised gain / (loss)			
----- (Number of shares) ----- (Rupees in '000) ----- (%) -----											
Automobile Assembler											
Gandhara Automobiles Limited	-	34,500	-	34,500	-	-	-	-	-	-	-
Gandhara Industries Limited	-	8,000	-	8,000	-	-	-	-	-	-	-
Cable & Electrical Goods											
Pak Elektron Limited	-	262,000	-	262,000	-	-	-	-	-	-	-
Cement											
Attock Cement Pakistan Limited	93,800	40,000	-	133,800	-	-	-	-	-	-	-
Cherat Cement Company Limited	-	71,300	-	1,000	70,300	24,816	23,446	(1,370)	4.59	4.12	0.04
Dewan Cement Limited	-	346,500	-	346,500	-	-	-	-	-	-	-
D.G. Khan Cement Company Limited	109,498	8,500	-	64,300	53,698	8,926	12,346	3,420	2.42	2.17	0.01
Fauji Cement Company Limited	402,000	320,500	-	315,000	407,500	19,088	22,800	3,712	4.47	4.00	0.02
Lucky Cement Limited***	-	58,600	-	-	58,600	22,475	27,833	5,358	5.45	4.89	-
Maple Leaf Cement Factory Limited	865,200	323,500	-	810,000	378,700	33,007	44,471	11,464	8.71	7.81	0.04
Pioneer Cement Limited	100,549	32,600	-	86,450	46,699	14,145	18,093	3,948	3.55	3.18	0.02
Power Cement Limited	-	330,000	-	102,000	228,000	3,348	3,992	644	0.78	0.70	0.02
						125,805	152,981	27,176	29.98	26.87	0.15

Name of the Investee Company	As at July 01, 2025	Purchases during the period	Bonus / Rights issue	Sales during the period	As at December 31, 2025	As at December 31, 2025			Market value as a percentage of Total investments	Market value as a percentage of Net assets	Par value as a percentage of issued capital of the investee company
						Carrying Value	Market value	Unrealised gain / (loss)			
(Number of shares)						(Rupees in '000)			(%)		
Chemical											
Berger Paints Pakistan Limited	-	35,332	-	35,332	-	-	-	-	-	-	-
Blaflo Industries Limited	52,876	-	-	-	52,876	9,286	8,489	(797)	1.66	1.49	0.11
Ittehad Chemical Limited	-	28,060	-	-	28,060	3,647	4,445	798	0.87	0.78	0.03
Sitara Chemical Limited	6,000	-	-	6,000	-	-	-	-	-	-	-
						12,933	12,934	1	2.53	2.27	0.14
Commercial Banks											
Meezan Bank Limited	-	11,000	-	11,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
Engineering											
Aisha Steel Mills Limited	-	353,000	-	32,000	321,000	4,479	4,234	(245)	0.83	0.74	0.03
International Industries Limited	-	11,000	-	-	11,000	2,211	2,048	(163)	0.40	0.36	0.01
International Steels Limited	-	10,700	-	10,700	-	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited	-	76,472	-	14,500	61,972	4,793	6,388	1,595	1.25	1.12	0.02
						11,483	12,670	1,187	2.48	2.22	0.06
Fertilizer											
Engro Fertilizer Limited	-	32,000	-	32,000	-	-	-	-	-	-	-
Fauji Fertilizer Company Limited	-	98,500	-	-	98,500	47,355	58,185	10,830	11.40	10.22	0.01
						47,355	58,185	10,830	11.40	10.22	0.01
Food & Personal Care Products											
Al-Tahur Limited	-	60,000	-	60,000	-	-	-	-	-	-	-
National Foods Limited*	13,500	10,300	-	16,700	7,100	2,443	2,813	370	0.55	0.49	0.01
						2,443	2,813	370	0.55	0.49	0.01
Glass & Ceramics											
Tariq Glass Industries Limited	49,000	-	-	36,300	12,700	3,190	2,709	(481)	0.53	0.48	0.01
						3,190	2,709	(481)	0.53	0.48	0.01
Investment Banks											
Engro Holding Limited	-	53,000	-	53,000	-	-	-	-	-	-	-
						-	-	-	-	-	-
Miscellaneous											
Shifa International Hospital Limited	10,993	-	-	10,993	-	-	-	-	-	-	-
						-	-	-	-	-	-
Oil & Gas Exploration Companies											
Mari Energies Limited	3,040	7,500	-	7,500	3,040	1,895	2,176	281	0.43	0.38	-
Oil & Gas Development Company Limited	518,400	226,200	-	537,100	207,500	50,896	58,326	7,430	11.43	10.24	-
Pakistan Petroleum Limited	670,141	366,000	-	722,400	313,741	60,498	73,902	13,404	14.48	12.98	0.01
						113,289	134,404	21,115	14.48	12.98	0.01
Oil & Gas Marketing Companies											
Pakistan State Oil Company Limited	344,403	112,700	-	341,900	115,203	46,358	54,625	8,267	10.70	9.59	0.02
Sui Northern Gas Pipelines Limited	155,500	47,200	-	156,000	46,700	5,989	5,582	(407)	1.09	0.98	0.01
Sui Southern Gas Company Limited	-	100,000	-	100,000	-	-	-	-	-	-	-
						52,347	60,207	7,860	11.80	10.57	0.03
Pharmaceuticals											
Abbott Laboratories (Pakistan) Limited	13,100	-	-	9,118	3,982	3,871	4,182	311	0.82	0.73	-
AGP Limited	59,570	5,700	-	43,100	22,170	4,231	4,504	273	0.88	0.79	0.01
Citi Pharma Limited	-	50,000	-	50,000	-	-	-	-	-	-	-
Glaxosmithkline Pakistan Limited	28,400	3,000	-	20,900	10,500	4,118	4,093	(25)	0.80	0.72	-
Haleon Pakistan Limited	6,368	-	-	1,450	4,918	3,621	4,098	477	0.80	0.72	-
Highnoon Laboratories Limited	11,700	-	-	7,605	4,095	4,046	4,187	141	0.82	0.74	0.01
The Searle Company Limited	1,333	92,500	11,825	104,324	1,334	128	160	32	0.03	0.03	-
						20,015	21,224	1,209	4.16	3.73	0.02
Power Generation & Distribution											
K-Electric Limited**	2,491,415	-	-	1,855,000	636,415	3,341	3,774	433	0.74	0.66	0.01
The Hub Power Company Limited	34,000	40,500	-	50,000	24,500	3,572	5,424	1,852	1.06	0.95	-
						6,913	9,198	2,285	1.80	1.61	0.01

Name of the Investee Company	As at July 01, 2025	Purchases during the period	Bonus / Rights during the period	Sales during the period	As at December 31, 2025	As at December 31, 2025			Market value as a percentage of Total investments	Market value as a percentage of Net assets	Par value as a percentage of issued capital of the investee company
						Carrying Value	Market value	Unrealised gain / (loss)			
(Number of shares)						(Rupees in '000)			[%]		
Property											
TPL Properties Limited.	-	2,000,000	-	1,500,000	500,000	5,885	6,165	280	1.21	1.08	0.09
						5,885	6,165	280	1.21	1.08	0.09
Refinery											
Attock Refinery Limited	7,300	12,000	-	19,300	-	-	-	-	-	-	-
National Refinery Limited	-	3,200	-	-	3,200	1,221	1,316	95	0.26	0.23	-
						1,221	1,316	95	-	-	-
Technology & Communication											
Pakistan Telecommunication Company	-	316,000	-	201,000	115,000	4,255	6,839	2,584	1.34	1.20	-
Systems Limited***	64,000	23,000	-	-	87,000	10,073	14,867	4,794	2.91	2.61	0.01
TPL Tracker Limited	513,500	-	-	-	513,500	3,662	5,517	1,855	1.08	0.97	0.27
						17,990	27,223	9,233	5.33	1.81	-
Textile Composite											
Nishat Mills Limited	-	48,000	-	12,000	36,000	6,241	6,357	116	1.25	1.12	0.01
						6,241	6,357	116	1.25	1.12	0.01
Transport											
Pakistan International Bulk Terminal Limited.	-	103,500	-	-	103,500	1,170	1,949	779	0.38	0.34	0.01
						1,170	1,949	779	0.38	0.34	0.01
Total as at December 31, 2025						428,280	510,335	82,055			
Total as at June 30, 2025						575,690	656,864	81,174			

5.1.1 These investments include gross bonus shares as per Fund's entitlement declared by the investee company. Previously due to amendments brought by the Finance Act, 2014 in the Income Tax Ordinance, 2001, the bonus shares received by the shareholders were to be treated as income and a tax at the rate of 5 percent was 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 was to be collected at source by the investee company which was considered as final discharge of tax liability on such income. The Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan (MUFAP), filed a petition in Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Sindh High Court granted stay order till the final outcome of the case. However, the investee company(s) had already withheld the shares (from Tax Year 2014 to Tax Year 2018) equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 2.575 million at December 31, 2025 (June 30, 2025: Rs. 2.213 million) and not yet deposited on CDC account of department of Income tax while during the period no tax on bonus shares is being withheld by the investee company(s) due to the amendments brought by the Finance Act, 2018 in the Income Tax Ordinance, 2001 which excluded the requirement of tax on bonus shares. Management is of the view that the decision will be in favor of the asset management company and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

During 2018, the Supreme Court of Pakistan passed a judgment on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the previous year.

Finance Act, 2018 effective from July 01, 2018 has omitted Section 236M of the Income Tax Ordinance (the Ordinance), 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold 5% of the bonus shares to be issued. Accordingly, post July 01, 2018 shares are not being withheld at the time of bonus issue.

In 2019, the CISs had have filed a fresh constitutional petition via CP4653 dated July 11, 2019. In this regard, on July 15, 2019, the High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in mean time. The matter is still pending and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitution petition will be in favour of the CISs.

Further, through Finance Act 2023, 10% tax on value of bonus shares has been introduced. During the year ended June 30, 2025, an investee company, Mari Energies Limited (Mari) withheld 30,400 shares, having aggregate fair value of 13.641 million which is 10% of the bonus shares issued by Mari to comply with the requirements of 236Z of the Income Tax Ordinance, 2001. The Management Company, along with other asset management companies, filed a constitutional petition (C.P. No 4747 of 2024) in the High Court of Sindh (SHC) on September 30, 2024, challenging the applicability of withholding tax provisions on bonus shares received by Collective Investment Schemes. The SHC has issued a stay order on September 30, 2024 whereby Mari was directed to retain the 10% of bonus shares issued to the Fund but not to liquidate / sell the same to pay the amount to income tax authority until the case is decided by the Court. The case pending further adjudication in the SHC. Management is of the view that the decision will be favourable and accordingly, has recorded such bonus shares on gross basis at fair value in its investments at period end.

	December 31, 2025 (Un-audited) ---- (Number of shares) ----	June 30, 2025 (Audited)	December 31, 2025 (Un-audited) ----- (Rupees in 000's) -----	June 30, 2025 (Audited)
Mari Energies Limited	3,040	3,040	2,176	1,906
Pakistan State Oil Company Limited	503	503	239	190
The Searle Company Limited	1,333	1,333	160	117
	4,876	4,876	2,575	2,213

5.1.2 The above investments include shares with market value aggregating to Rs. 132.391 million (June 30, 2025: Rs. 111.587 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.

Name of investee company	(Un-audited) December 31, 2025 ---- (Number of shares) ----	(Audited) June 30, 2025	(Un-audited) December 31, 2025 ----- (Rupees in 000's) -----	(Audited) June 30, 2025
Maple Leaf Cement Factory Limited	205,000	5,000	24,073	421
Oil & Gas Development Company Limited	94,500	180,700	26,563	39,855
Pioneer Cement Limited	21,000	100,000	8,136	22,813
Pakistan Petroleum Limited	151,500	285,000	35,686	48,498
Pakistan State Oil Company Limited	80,000	-	37,933	-
	552,000	570,700	132,391	111,587

5.2 Unrealised on re-measurement of investments classified as 'at fair value through profit or loss' - net	Note	(Un-audited) December 31, 2025 ----- (Rupees in 000's) -----	(Audited) June 30, 2025
Market value of investment	5.1	510,335	656,864
Less: carrying value of investment	5.1	428,280	575,690
		82,055	81,174

6. PAYABLE TO THE MANAGEMENT COMPANY	Note	December 31, 2025 (Un-audited)				June 30, 2025 (Audited)			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan II	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total
		----- (Rupees in '000) -----							
Remuneration to the Management Company	6.1	1,307	-	-	1,307	1,359	24	229	1,612
Sindh Sales Tax on Management Company's remuneration	6.2	196	-	-	196	204	4	34	242
Sales load payable		114	-	-	114	280	-	-	280
Payable to the management company		-	-	-	-	-	-	2,500	2,500
Formation cost payable		-	-	-	-	-	245	155	400
		1,617	-	-	1,617	1,843	273	2,918	5,034

6.1 Pursuant to the amendments in the NBFC Regulations by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the management fee for hybrid schemes is subject to a weighted average cap determined based on the respective allocation of net assets to each asset class, effective from July 1, 2025. Accordingly, based on the Fund's asset allocation between equity and other debt instruments, the applicable management fee cap has been computed at 3% per annum. The Management Company has charged management fees at a rate of 2.75% of the Fund's net assets calculated on a daily basis. The management fee is payable to the Management Company on a monthly basis in arrears.

6.2 The Sindh Provincial Government has levied Sindh Sales Tax (SST) at the rate of 15% (June 30, 2025: 15%) on the remuneration of Management Company through Sindh Sales Tax on Services Act, 2011.

	December 31, 2025 (Un-audited)				June 30, 2025 (Audited)			
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan II	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total
7. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	(Rupees in '000)							
SECP fee payable	45	2	33	80	14	91	47	152

The Fund has charged SECP Fee at the rate of 0.095% of the average daily net assets of the Fund which is payable on monthly basis in arrears.

	Note	December 31, 2025 (Un-audited)				June 30, 2025 (Audited)			
		Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan II	Islamic Asset Allocation Fund Plan II	Total	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan I	Islamic Asset Allocation Fund Plan II	Total
8. ACCRUED EXPENSES AND OTHER LIABILITIES		(Rupees in '000)							
Federal excise duty	8.1	1,063	-	-	1,063	1,063	-	-	1,063
Capital gain tax payable		637	-	-	637	737	-	-	737
Auditors' remuneration payable		460	-	-	460	70	232	189	491
Payable to brokers		305	-	-	305	776	-	-	776
Zakat payable		272	-	-	272	270	-	-	270
Charity payable	8.2	70	-	-	70	2,735	-	-	2,735
Printing and stationery payable		32	-	-	32	32	39	16	87
Payable to NCCPL		26	-	-	26	30	163	29	222
Withholding tax payable		14	-	-	14	3,242	-	7	3,249
Payable to Shariah advisor		-	-	-	-	5	3	13	21
Legal charges payable		-	-	-	-	9	234	175	418
		2,879	-	-	2,879	8,969	671	429	10,069

8.1 The legal status of applicability of Federal Excise Duty (FED) on the Fund is the same as disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2025. However, since the appeal filed by the tax authorities is pending in the Supreme Court of Pakistan, the Management Company, as a matter of prudence, has retained a provision for FED on remuneration of Management Company, aggregating to Rs. 1.063 million (June 30, 2025: Rs. 1.063 million). Had the provision not been made, the net asset value per unit of the Fund as at December 31, 2025 would have been higher by Re. 0.5965 per unit (June 30, 2025: Re. 0.2970 per unit).

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

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2025 and June 30, 2025.

10. TAXATION

The Fund's income is exempt from income tax as per Clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001, subject to the condition that not less than 90 percent of its accounting income for the year, as reduced by accumulated losses and capital gains whether realised or unrealised, is distributed to the unit holders as cash dividend. The Fund is also exempt from the provision of section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. The Fund has not recorded a tax liability in the current period, as the Management Company intends to distribute more than 90 percent of the Fund's accounting income as reduced by accumulated losses and capital gains (whether realised or unrealised) for the year ending June 30, 2026 to its unit holders.

11. TOTAL EXPENSE RATIO

HBL Islamic Asset Allocation

The total annualised expense ratio of the Fund for the period from July 1, 2025 to December 31, 2025 is 4.74% (December 2024: 5.12%), which includes 0.65% (December 2024: 0.72%) representing government levy, SECP fee, and other related charges. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.

HBL Islamic Asset Allocation Plan I

The total annualised expense ratio of the Fund for the period from July 1, 2025 to December 31, 2025 is Nil (December 2024: 0.8%), which includes Nil (December 2024: 0.16%) representing government levy, SECP fee, and other related charges. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.

HBL Islamic Asset Allocation Plan II

The total annualised expense ratio of the Fund for the period from July 1, 2025 to December 31, 2025 is Nil (December 2024: 1.02%), which includes Nil (December 2024: 0.21%) representing government levy, SECP fee, and other related charges. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.

12. TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties comprise of HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, collective investment schemes managed by the Management Company, directors and officers of the Management Company. Trustee and unit holders holding 10 percent or more units of the Fund.

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

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

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

	December 31, 2025 (Un-Audited)			December 31, 2024 (Un-Audited)		
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2
----- (Rupees in '000') -----						
12.1 Transactions during the period						
HBL Asset Management Limited - Management Company						
Remuneration of the Management Company	7,242	-	-	6,701	934	2,056
Sindh Sales Tax on remuneration of Management Company	1,086	-	-	1,005	140	308
Amount received from Management Company against issuance to unitholders*	-	-	-	49	-	-
Issuance of 296,144 units (2024: Nil units)	75,000	-	-	-	-	-
Redemption of 311,089 units (2024: Nil units)	80,610	-	-	-	-	-
Habib Bank Limited - Sponsor						
Redemption of Nil units (2024: Nil units)	-	-	-	-	-	-
Bank charges	13	-	-	10	-	-
Profit earned during the period	712	-	-	95	-	-
Central Depository Company of Pakistan Limited - Trustee						
Remuneration of Trustee	527	-	-	447	199	237
Sindh Sales Tax on remuneration of the Trustee	79	-	-	67	30	36
CDS charges	70	-	-	22	-	-

	December 31, 2025 (Un-Audited)			June 30, 2024 (Audited)		
	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2	Islamic Asset Allocation Fund	Islamic Asset Allocation Fund Plan 1	Islamic Asset Allocation Fund Plan 2
	----- (Rupees in '000') -----					
Habib Bank Limited - Sponsor						
Bank balances	1,345	-	-	184,170	-	-
Profit accrued on deposits	60	-	-	136	-	-
HBL Asset Management Limited Employees Gratuity Fund						
Investment held in the Fund: 5,225 units (June 30, 2025: 5,225 units)	1,669	-	-	1,323	-	-
HBL Asset Management Limited Employees Provident Fund						
Investment held in the Fund: 15,084 units (June 30, 2025: 15,084 units)	4,812	-	-	3,820	-	-
Executives and their relatives						
Investment held in the Fund: 57,876 units (June 30, 2025: 54,538 units)	18,491	-	-	13,812	-	-
Tariq Mahmood Malik - Connected Person due to holding more than 10% holding						
Unit held: 195,941 units (June 30, 2025: 195,941 units)	63,075	-	-	49,623	-	-

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

Levels	Description	Valuation approach and input used
Level 1:	quoted prices in active markets for identical assets or liabilities;	Listed government securities traded on PSX are valued at revaluation rates disseminated by PSX and listed equity securities are valued at quoted rates. The fair value of debt securities (other than government securities) is based on the value determined and announced by MUFAP.
Level 2:	those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and	The government securities not listed on a stock exchange and traded are valued at the average rates quoted on electronic quotation system (PKISRV). For Debt securities for which MUFAP valuation is not available are valued at face value of the securities.
Level 3:	those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	The Fund applies discretion on the effective yield as per the allowable limits. The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/50 bps. For unrated securities the allowable limits +50 bps.

December 31, 2025 (Un-Audited)							
Carrying amount			Fair value				
Fair Value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in'000) -----							
Financial assets measured at fair value							
Listed equity securities	510,335	-	510,335	510,335	-	-	510,335
	<u>510,335</u>	<u>-</u>	<u>510,335</u>	<u>510,335</u>	<u>-</u>	<u>-</u>	<u>510,335</u>
Financial assets not measured at fair value							
Bank balances	-	63,729	63,729				
Profit receivable	-	569	569				
Deposits and other receivables	-	3,146	3,146				
	<u>-</u>	<u>67,444</u>	<u>67,444</u>				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	1,421	1,421				
Payable to the Trustee	-	95	95				
Payable against redemption of units	-	2,127	2,127				
Payable against purchase of investment	-	1,659	1,659				
Accrued expenses and other liabilities	-	819	819				
	<u>-</u>	<u>6,121</u>	<u>6,121</u>				

June 30, 2025 (Audited)							
Carrying amount			Fair value				
Fair Value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total	
----- (Rupees in'000) -----							
Financial assets measured at fair value							
Listed equity securities	656,864	-	656,864	656,864	-	-	656,864
Financial assets not measured at fair value							
Bank balances	-	344,973	344,973				
Profit receivable	-	460	460				
Deposits and other receivables	-	3,384	3,384				
	<u>-</u>	<u>348,817</u>	<u>348,817</u>				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	4,792	4,792				
Payable to the Trustee	-	144	144				
Payable against redemption of units	-	14,595	14,595				
Payable against purchase of investment	-	69,180	69,180				
Accrued expenses and other liabilities	-	4,613	4,613				
	<u>-</u>	<u>93,324</u>	<u>93,324</u>				

14. GENERAL

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

15. CORRESPONDING FIGURES

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

16. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorised for issue by the Board of Directors of the Management Company **25 February 2026**.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Stock Fund

FUND INFORMATION

NAME OF FUND	HBL Islamic Stock Fund
NAME OF AUDITOR	A.F.Ferguson & Co.
NAME OF TRUSTEE	Central Depository of Pakistan Limited
NAME OF SHARIAH ADVISOR	Al - Hilal Shariah Advisors (Pvt.) Limited
BANKERS	Habib Bank Limited Dubai Islamic Bank Limited Bank Islamic Pakistan Limited Bank Al Baraka Limited

**AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**



INDEPENDENT AUDITOR'S REVIEW REPORT

To the unitholders of HBL Islamic Stock Fund

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Islamic Stock Fund** as at December 31, 2025 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in unit holders' fund, and condensed interim cash flow statement, and notes to the condensed interim financial statements for the half year then ended (here-in-after referred to as the "interim financial statements"). The Management Company (HBL Asset Management Limited) is responsible for the preparation and presentation of these interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these interim financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The figures of the condensed interim income statement and the condensed interim statement of comprehensive income for the quarter ended December 31, 2025 have not been subjected to the review, as our engagement was limited to the review of the cumulative figures for the half year ended December 31, 2025.

The engagement partner on the audit resulting in this independent auditor's report is **Noman Abbas Sheikh**.


A. F. Ferguson & Co.
Chartered Accountants
Karachi
Dated: February 27, 2026
UDIN: RR202510061CRIsAXuQe

A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network, State Life Building No. 1-C, I. I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007

**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC STOCK FUND**

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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



**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC STOCK FUND**

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

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Islamic Stock Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2025 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2026



HBL Islamic Stock Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
ASSETS			
Bank balances	5	60,377	145,559
Investments	6	1,386,417	883,568
Dividend and profit receivable	7	1,047	524
Receivable against sale of investments		45,619	-
Deposits and other receivables	8	3,000	3,000
Receivable from HBL Asset Management Limited - Management Company		-	1,488
Total assets		<u>1,496,460</u>	<u>1,034,139</u>
LIABILITIES			
Payable to HBL Asset Management Limited - Management Company	9	4,222	4,634
Payable to Central Depository Company of Pakistan Limited - Trustee	10	204	187
Payable to the Securities and Exchange Commission of Pakistan	11	112	79
Payable against purchase of investments		-	28,783
Payable against redemption of units		53,644	174,099
Accrued expenses and other liabilities	12	17,804	22,401
Total liabilities		<u>75,986</u>	<u>230,183</u>
NET ASSETS		<u>1,420,474</u>	<u>803,956</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		<u>1,420,474</u>	<u>803,956</u>
CONTINGENCIES AND COMMITMENTS	13	----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		<u>5,379,384</u>	<u>3,872,754</u>
		----- (Rupees) -----	
NET ASSET VALUE PER UNIT		<u>264.0589</u>	<u>207.5929</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Stock Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year and Quarter Ended December 31, 2025

	Note	Half year ended December 31,		Quarter ended December 31,	
		2025	2024	2025	2024
(Rupees in '000)					
INCOME					
Dividend income		20,878	11,350	17,392	3,511
Profit on savings accounts with banks		2,392	2,036	1,364	1,463
Gain on sale of investments - net		124,498	84,464	92,092	85,068
Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.2	170,508	107,916	(61,504)	112,112
		295,006	192,380	30,588	197,180
Total income		318,276	205,766	49,344	202,154
EXPENSES					
Remuneration of HBL Asset Management Limited - Management Company	9.1	18,821	3,995	9,801	3,139
Sindh sales tax on remuneration of the Management Company	9.2	2,823	599	1,470	471
Remuneration of Central Depository Company of Pakistan Limited - Trustee	10.1	1,196	343	654	269
Sindh sales tax on remuneration of the Trustee	10.2	179	51	98	40
Fee to the Securities and Exchange Commission of Pakistan	11.1	596	144	310	111
Auditors' remuneration		306	346	153	211
Settlement and bank charges		360	378	150	140
Securities transaction costs		5,617	3,115	3,121	2,772
Fees and subscription		180	312	90	168
Charity expense		1,531	2,838	1,375	2,838
Reimbursement from HBL Asset Management Limited - Management Company		-	(1,286)	-	(1,286)
Total expenses		31,609	10,835	17,222	8,873
Net income for the period before taxation		286,667	194,931	32,122	193,281
Taxation	15	-	-	-	-
Net income for the period after taxation		286,667	194,931	32,122	193,281
Allocation of net income for the period:					
Net income for the period after taxation		286,667	194,931		
Income already paid on units redeemed		(161,683)	(80,381)		
		124,984	114,550		
Accounting income available for distribution:					
- Relating to capital gains		124,984	113,051		
- Excluding capital gains		-	1,499		
		124,984	114,550		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Stock Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year and Quarter Ended December 31, 2025

	Half year ended December 31,		Quarter ended, December 31,	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
Net income for the period after taxation	286,667	194,931	32,122	193,281
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>286,667</u>	<u>194,931</u>	<u>32,122</u>	<u>193,281</u>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Stock Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31, 2025			Half year ended December 31, 2024		
	Capital value	Accumulated loss	Total	Capital value	Accumulated loss	Total
	-----Rupees in '000-----					
Net assets at the beginning of the period (audited)	1,241,383	(437,427)	803,956	579,380	(437,427)	141,953
Issuance of 12,184,201 units (December 31, 2024: 9,346,344 units)						
- Capital value (at net asset value per unit at the beginning of the period)	2,529,354	-	2,529,354	414,227	-	1,249,242
- Element of income	365,049	-	365,049	1,249,242	-	414,227
Total proceeds on issuance of units	2,894,403	-	2,894,403	1,663,469	-	1,663,469
Redemption of 10,677,571 units (December 31, 2024: 6,707,375 units)						
- Capital value (at net asset value per unit at the beginning of the period)	2,216,588	-	2,216,588	896,514	-	896,514
- Element of loss	186,281	161,683	347,964	249,095	80,381	329,476
Total payments on redemption of units	2,402,870	161,683	2,564,552	1,145,609	80,381	1,225,990
Total comprehensive income for the period	-	286,667	286,667	-	194,931	194,931
Net assets at the end of the period (un-audited)	<u>1,732,917</u>	<u>(312,443)</u>	<u>1,420,474</u>	<u>1,097,240</u>	<u>(322,877)</u>	<u>774,363</u>
Accumulated loss brought forward comprising of:						
- Realised loss		(484,084)			(447,962)	
- Unrealised income / (loss)		46,657			10,535	
		<u>(437,427)</u>			<u>(437,427)</u>	
Accounting income available for distribution:						
- Relating to capital gains	124,984			113,051		
- Excluding capital gains	-			1,499		
	<u>124,984</u>			<u>114,550</u>		
Accumulated loss carried forward		<u>(312,443)</u>			<u>(322,877)</u>	
Accumulated loss carried forward comprising of:						
- Realised loss		(482,951)			(430,793)	
- Unrealised income		170,508			107,916	
		<u>(312,443)</u>			<u>(322,877)</u>	
		<u>(Rupees)</u>			<u>(Rupees)</u>	
Net asset value per unit at the beginning of the period	<u>207.5929</u>			<u>133.6610</u>		
Net asset value per unit at the end of the period	<u>264.0589</u>			<u>209.2304</u>		

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Stock Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31,	
	2025	2024
Note	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income for the period before taxation	286,667	194,931
Adjustments for:		
Dividend income	(20,878)	(11,350)
Profit on savings accounts with banks	(2,392)	(2,036)
Unrealised appreciation on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.2 (170,508)	(107,916)
	92,889	73,629
(Increase) / decrease in assets		
Investments - net	(406,743)	(473,838)
Receivable from HBL Asset Management Limited - Management Company	1,488	671
	(405,255)	(473,167)
(Decrease) / increase in liabilities		
Payable to HBL Asset Management Limited - Management Company	(412)	5,025
Payable to Central Depository Company of Pakistan Limited - Trustee	17	103
Payable to the Securities and Exchange Commission of Pakistan	33	61
Accrued expenses and other liabilities	(4,597)	23,771
	(4,959)	28,960
Profit received on savings accounts with banks	1,946	1,466
Dividend received	20,801	11,341
	22,747	12,807
Net cash used in operating activities	(294,578)	(357,771)
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipts against issuance and conversion of units	2,894,403	1,663,469
Payment against redemption and conversion of units - net	(2,685,007)	(1,225,990)
Net cash generated from financing activities	209,396	437,479
Net (decrease) / increase in cash and cash equivalents during the period	(85,182)	79,708
Cash and cash equivalents at the beginning of the period	145,559	8,560
Cash and cash equivalents at the end of the period	5 60,377	88,268

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Stock Fund
Notes To The Condensed Interim Financial Information (Un-audited)
For The Half Year Ended December 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL Islamic Stock Fund (the Fund) is an open ended mutual fund constituted under a Trust Deed entered between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was initially executed under the Trust Act, 1882 on November 23, 2010 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on December 10, 2010. During the year ended June 30, 2021, the Trust Act, 1882 was repealed upon 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. Accordingly, on September 8, 2021, the above-mentioned Trust Deed was registered under the Sindh Trust Act.
- 1.2** The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules) and has obtained the requisite licence from the Securities and Exchange Commission of Pakistan (SECP) to undertake Asset Management Services. The registered office of the Management Company is located at 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.3** The Fund has been categorised as a Shariah compliant equity scheme by the Board of Directors of the Management Company pursuant to the provisions contained in Circular 7 of 2009 issued by the SECP. The Fund is an open-ended shariah compliant fund and offers units for public subscription on a continuous basis. The units are transferable and can also be redeemed by surrendering them to the Fund. The Fund is listed on the Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par from May 9, 2011 to May 10, 2011.
- 1.4** The principal objective of the Fund is to provide long-term capital growth by investing mainly in shariah compliant equity securities and short-term government securities.
- 1.5** VIS Credit Rating Company Limited (VIS) has maintained the Management Quality Rating of 'AM1' dated December 31, 2025 (June 30, 2025: AM1 dated December 31, 2024) and the outlook on the rating has been assigned as 'Stable' (June 30, 2025: 'Stable'). The rating reflects the Management Company's experienced management team, structured investment process and sound quality of systems and processes. Further, the Fund is not rated by any credit rating agency as of December 31, 2025.
- 1.6** The title to the assets of the Fund is held in the name of Central Depository Company of Pakistan Limited as the Trustee of the Fund.

2 BASIS OF PRESENTATION

The transactions undertaken by the Fund in accordance with the process prescribed under the Shariah guidelines issued by the Shariah Advisor and are accounted for on substance rather than the form prescribed by the aforementioned guidelines. This practice is being followed to comply with the requirements of the accounting and reporting standards as applicable in Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

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

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

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

- 3.2** The disclosures made in these condensed interim financial statements have, however, been limited based on the requirements of the International Accounting Standard 34: 'Interim Financial Reporting'. These condensed interim financial statements do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.

3.3 These condensed interim financial statements are unaudited. However, a limited scope review has been performed by the statutory auditors. These condensed interim financial statements also include the condensed interim income statement and the condensed interim statement of comprehensive income for the three months period ended December 31, 2025 which are not subject to the auditor's review. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that these condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at and for the six months period ended December 31, 2025.

4 MATERIAL ACCOUNTING POLICY INFORMATION, SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS AND RISK MANAGEMENT POLICIES

4.1 The material accounting policies adopted and the methods of computation of balances used in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Fund for the year ended June 30, 2025.

4.2 The preparation of these condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan for interim financial reporting requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision. In preparing the condensed interim financial statements, the significant judgments made by the management in applying the Fund's accounting policies and the key sources of estimation and uncertainty were the same as those applied to the financial statements as at and for the year ended June 30, 2025. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Fund for the year ended June 30, 2025.

4.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period

There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 01, 2025. However, these are not considered to be relevant or do not have any material impact on the Fund's condensed interim financial statements and, therefore, have not been detailed in these condensed interim financial statements.

4.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective in the current period

There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 01, 2026. However, these are not considered to be relevant or will not have any material effect on the Fund's condensed interim financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with an applicability date of January 01, 2027. IFRS 18 when applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 01, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial assets and financial liabilities.

The management is in the process of assessing the impacts of the new standards and amendments on the condensed interim financial statements of the Fund.

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
		----- (Rupees in '000) -----	
5	BANK BALANCES	Note	
	- In savings accounts	5.1	60,377 145,559
5.1	These include balances of Rs. 56.91 million (June 30, 2025: Rs. 7.09 million) with Habib Bank Limited (a related party) and carry profit at the rate of 6.00% to 7.73% (June 30, 2025: 7.00% to 11.11%) per annum. Other savings accounts of the Fund carry profit at the rates ranging from 6.50% to 10.65% (June 30, 2025: 5.00% to 10.60%) per annum.		
		(Un-audited) December 31, 2025	(Audited) June 30, 2025
		----- (Rupees in '000) -----	
6	INVESTMENTS	Note	
	At fair value through profit or loss		
	- Quoted equity securities	6.1	1,386,417 883,568

6.1 Quoted equity securities at fair value through profit or loss

Name of the investee company	As at July 01, 2025	Purchased during the period	Bonus / rights issue received during the period	Sold during the period	As at December 31, 2025	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Unrealised appreciation / (diminution) as at December 31, 2025	Market value as a percentage of		Holding as a percentage of paid-up capital of the investee company	Total investments	
									total market value of investments	net assets of the Fund		Net assets	Par Value
						(Number of shares)						1,386,417	
						Rupees in '000'						1,420,474	
												1,000,000	
Engineering													
Asha Steel Mills Limited	-	1,265,000	-	290,000	975,000	12,949	12,860	(1,089)	0.93%	0.91%	0.10%	9,300,160	10
International Industries Limited	-	33,600	-	14,900	18,700	3,656	3,481	(175)	0.25%	0.25%	0.01%	1,318,820	10
International Steels Limited	-	80,600	-	39,800	40,800	4,432	4,299	(133)	0.31%	0.30%	0.01%	4,350,000	10
Mughal Iron & Steel Industries Limited	-	197,477	-	119,500	77,977	5,386	5,038	(2,052)	0.58%	0.57%	-	3,356,340	10
						28,023	28,678	655	2.07%	2.03%			
Cement													
Attock Cement Pakistan Limited (note 6.1.5)	109,319	95,767	-	205,086	-	-	-	-	-	-	0.02%	1,374,270	10
Cherat Cement Company Limited	-	229,734	-	65,303	164,431	57,785	54,841	(2,944)	3.96%	3.86%	0.08%	1,942,950	10
Dewan Cement Limited	-	1,169,500	-	1,169,500	-	-	-	-	-	-	-	4,841,130	10
D.G. Khan Cement Company Limited (note 6.1.2)	194,734	65,000	-	163,789	95,945	16,067	22,059	5,992	1.59%	1.55%	0.02%	4,381,190	10
Fuji Cement Company Limited (note 6.1.2)	784,000	508,000	-	300,000	992,000	49,537	55,502	5,975	4.00%	3.91%	0.04%	24,528,470	10
Lucky Cement Limited (note 6.1.1)	46,500	144,500	-	36,000	155,000	63,425	73,619	10,194	5.31%	5.18%	0.01%	2,930,000	2
Maple Leaf Cement Factory Limited (note 6.1.2)	829,999	463,500	-	577,000	716,499	69,072	84,138	15,066	6.07%	5.92%	0.07%	10,475,630	10
Pioneer Cement Limited (note 6.1.2)	145,917	191,000	-	155,200	181,717	65,219	70,404	5,185	5.08%	4.96%	0.08%	2,271,490	10
Power Cement Limited	-	1,986,636	-	1,184,000	802,636	13,931	14,054	123	1.01%	0.99%	0.06%	12,905,240	10
						335,026	374,617	39,591	27.02%	26.37%			
Power generation & distribution													
The Hub Power Company Limited	66,500	303,000	-	287,000	82,500	14,215	18,354	4,049	1.32%	1.29%	0.01%	12,971,540	10
K.Electric Limited (note 6.1.1)	4,598,000	1,000,000	-	2,800,000	2,798,000	14,999	16,592	1,593	1.20%	1.17%	0.01%	96,653,180	3.5
						29,214	34,856	5,642	2.52%	2.46%			
INV. BANKS / INV. COS. / SECURITIES COS.													
Engro Holdings Limited	47,500	228,000	-	275,500	-	-	-	-	-	-	-	12,042,320	10
Pharmaceuticals													
Abbott Laboratories (Pakistan) Limited	25,044	6,659	-	21,640	10,063	10,286	10,568	282	0.76%	0.74%	0.01%	979,000	10
AGP Limited (note 6.1.2)	104,458	40,091	-	89,500	55,049	10,553	11,183	630	0.81%	0.79%	0.02%	2,800,000	10
Citil Pharma Limited	-	140,000	-	140,000	-	-	-	-	-	-	-	2,284,610	10
Glasomithline Pakistan Limited (note 6.1.2)	52,421	69,158	-	88,200	23,279	13,715	13,010	(705)	0.94%	0.92%	0.01%	3,184,670	10
Haleem Pakistan Limited	20,441	15,138	-	22,900	12,669	9,997	10,557	560	0.76%	0.74%	0.01%	1,170,550	10
Highnoon Laboratories Limited	17,303	4,935	-	11,962	10,276	10,443	10,509	66	0.76%	0.74%	0.02%	529,830	10
The Searle Company Limited (note 6.1.3)*	62,968	166,000	4,345	230,345	2,968	289	356	87	0.03%	0.03%	-	5,882,190	10
						55,263	56,183	920	4.06%	3.96%			
Miscellaneous													
Pakistan Services Limited	-	3,400	-	3,400	-	-	-	-	-	-	-	325,240	10
Shifa International Hospital Limited	22,559	10,000	-	32,559	-	-	-	-	-	-	-	632,140	10
Food & Personal Care Products													
National Foods Limited (note 6.1.1)	50,000	22,000	-	54,000	18,000	6,168	7,132	964	0.51%	0.50%	0.01%	1,165,580	5
At-Tahur Limited	-	147,000	-	147,000	-	-	-	-	-	-	-	2,186,390	10
						6,168	7,132	964	0.51%	0.50%			
Cable & Electrical goods													
Pak Elektron Limited	-	138,500	-	-	138,500	5,847	7,942	2,095	0.57%	0.56%	0.01%	9,236,500	10
						5,847	7,942	2,095	0.57%	0.56%			
Transport													
Pakistan International Bulk Terminal Limited	-	235,647	-	235,647	-	-	-	-	-	-	-	17,860,930	10
Chemical													
Berger Paints Pakistan Limited	-	99,252	-	99,252	-	-	-	-	-	-	-	245,520	10
Biafo Industries Limited	119,404	-	-	31,243	88,161	15,483	14,153	(1,330)	1.02%	1.00%	0.19%	463,830	10
Ghani Chemical Industries Limited	-	180,000	-	180,000	-	-	-	-	-	-	-	5,704,520	10
Ittehad Chemicals Limited	-	92,284	-	32,521	59,763	7,716	9,466	1,750	0.68%	0.67%	0.06%	1,000,000	10
Sitara Chemical Industries Limited	27,000	-	-	20,200	6,800	3,372	5,758	2,386	0.42%	0.41%	0.03%	214,290	10
						26,571	29,377	2,806	2.12%	2.08%			
Textile Composite													
Nishat Mills Limited	-	166,000	-	124,000	42,000	7,077	7,416	339	0.53%	0.52%	0.01%	3,516,000	10
Kohinoor Textile Mills Limited (note 6.1.1 & 6.1.5)	-	211,500	-	-	211,500	15,488	13,701	(1,787)	0.99%	0.96%	0.02%	2,692,990	2
						22,565	21,117	(1,448)	1.52%	1.48%			

Name of the investee company	As at July 01, 2025	Purchased during the period	Bonus / rights issue received during the period	Sold during the period	As at December 31, 2025	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Unrealised appreciation / (diminution) as at December 31, 2025	Market value as a percentage of		Holding as a percentage of paid-up capital of the investee company	Total Investments		
									total market value of investments	net assets of the Fund		Net assets	Par Value	
					(Number of shares)		(Rupees in '000)				1,000,000			
Oil & gas exploration companies													1,386,417	
Mari Energies Limited (note 6.1.3)*	3,145	35,500	-	35,500	3,145	2,005	2,251	246	0.16%	0.16%	-	12,006,230	10	
Oil & Gas Development Company Limited (note 6.1.2)	480,700	769,632	-	572,500	677,822	172,386	190,529	18,133	13.74%	13.41%	0.02%	43,009,280	10	
Pakistan Petroleum Limited (note 6.1.2)	620,800	1,066,894	-	775,200	912,494	173,239	214,938	41,699	15.50%	15.13%	0.03%	27,209,670	10	
						347,640	407,718	60,078	29.40%	28.70%				
Glass & ceramics														
Tariq Glass Industries Limited	62,000	11,000	-	45,500	27,500	6,832	5,866	(966)	0.42%	0.41%	0.02%	1,721,670	10	
						6,832	5,866	(966)	0.42%	0.41%				
Oil & gas marketing companies														
Pakistan State Oil Company Limited (note 6.1.2 & 6.1.3)	339,450	282,500	-	371,700	250,250	102,952	118,659	15,707	8.56%	8.35%	0.05%	4,694,730	10	
Sui Northern Gas Pipelines Limited (note 6.1.2)	171,500	152,000	-	103,000	220,500	27,554	26,354	(1,200)	1.90%	1.86%	0.03%	6,342,170	10	
Sui Southern Gas Company Limited	-	280,000	-	280,000	-	-	-	-	-	-	-	8,809,160	10	
Refinery														
National Refinery Limited (note 6.1.5)	-	50,000	-	-	50,000	21,041	20,570	(471)	1.48%	1.45%	0.06%	799,670	10	
Attock Refinery Limited (note 6.1.2)	56,725	45,000	-	101,725	-	-	-	-	-	-	-	1,066,160	10	
						21,041	20,570	(471)	1.48%	1.45%				
Commercial banks														
Meezan Bank Limited	-	124,000	-	124,000	-	-	-	-	-	-	-	18,005,550	10	
Fertilizer														
Engro Fertilizer Limited	-	88,000	-	88,000	-	-	-	-	-	-	-	13,352,990	10	
Fauji Fertilizer Company Limited (note 6.1.5)	-	344,500	-	85,000	259,500	131,888	153,289	21,401	11.06%	10.79%	0.02%	14,231,100	10	
						131,888	153,289	21,401	11.06%	10.79%				
Technology & communication														
Pakistan Telecommunication Company Limited (note 6.1.5)*	-	628,000	-	508,000	120,000	4,935	7,136	2,201	0.51%	0.50%	-	37,740,000	10	
Systems Limited (note 6.1.1)	309,000	186,264	-	67,544	427,720	52,433	73,089	20,656	5.27%	5.15%	0.03%	2,945,760	2	
TPL Trakler Limited	656,000	-	-	656,000	-	4,677	7,052	2,375	0.51%	0.50%	0.35%	1,872,630	10	
						62,045	87,277	25,232	6.29%	6.15%				
Automobile assembler														
Al-Ghazi Tractors Limited (note 6.1.1)	11,848	-	-	11,848	-	-	-	-	-	-	-	289,820	5	
Gandhara Automobiles Limited	-	51,000	-	51,000	-	-	-	-	-	-	-	570,020	10	
Gandhara Industries Limited	-	15,000	-	15,000	-	-	-	-	-	-	-	426,090	10	
Property														
TPL Properties Limited	-	550,000	-	-	550,000	7,280	6,782	(498)	0.49%	0.48%	0.10%	5,610,870	10	
						7,280	6,782	(498)	0.49%	0.48%				
Total as at December 31, 2025 (Un-audited)						1,215,909	1,386,417	170,508	100%	98%				
Total as at June 30, 2025 (Audited)						836,911	883,568	46,657	100%					

*Nil figures due to rounding off difference

6.1.1 All shares have a nominal value of Rs. 10 each except for the shares of following:

Name of the investee company	Nominal value per share as at December 31, 2025
	(Rupees)
Lucky Cement Limited	2
K-Electric Limited	3.5
National Foods Limited	5
Kohinoor Textile Mills Limited	2
Systems Limited	2
Al-Ghazi Tractors Limited	5

6.1.2 The above investments include shares of the following companies which have been pledged with National Clearing Company of Pakistan for guaranteeing settlement of the Fund's trades in accordance with Circular no. 11 of 2007 dated October 23, 2007 issued by the SECP. The details of shares which have been pledged are as follows:

Particular	(Un-audited)		(Audited)	
	December 31, 2025		June 30, 2025	
	Number of shares	Rupees in '000	Number of shares	Rupees in '000
AGP Limited	50,000	10,157	50,000	9,548
Maple Leaf Cement Factory Limited	476,700	55,979	476,700	40,176
Fauji Cement Company Limited	3,000	150	3,000	134
Oil & Gas Development Company Limited	260,400	73,196	260,400	57,434
Sui Northern Gas Pipelines Limited	100,000	11,952	100,000	11,671
Pakistan Petroleum Limited	409,200	96,387	452,200	76,951
GlaxoSmithKline Pakistan Limited	30,321	11,818	50,321	19,661
D.G. Khan Cement Company Limited	50,000	11,496	50,000	8,278
Attock Refinery Limited	-	-	21,000	14,268
Pioneer Cement Limited	-	-	62,826	14,332
Pakistan State Oil Company Limited	167,000	79,185	107,000	40,396
	<u>1,546,621</u>	<u>350,320</u>	<u>1,633,447</u>	<u>292,849</u>

6.1.3 The Finance Act, 2014 introduced amendments to the Income Tax Ordinance 2001 as a result of which companies are liable to withhold five percent of the bonus shares to be issued. The shares so withheld shall only be released if the Fund deposit tax equivalent to five percent of the value of the bonus shares issued to the Fund including bonus shares withheld, determined on the basis of day-end price on the first day of closure of books of the issuing company.

In this regard, a constitutional petition had been filed by Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CISs. The petition was based on the fact that because CISs are exempt from deduction of income tax under clause 99 Part I to the Second Schedule of the Income Tax Ordinance 2001, the withholding tax provision should also not be applicable on bonus shares received by CISs. A stay order had been granted by the High Court of Sindh (HCS) in favour of CISs.

During the year ended June 30, 2018, the Supreme Court of Pakistan passed a judgement on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50 percent of the tax calculated by the tax authorities is deposited with the authorities. Accordingly, CISs were required to pay minimum 50% of the tax calculated by the tax authorities for the case to remain continued. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the year ended June 30, 2019. Subsequent to the year ended June 30, 2019, the CISs have filed a fresh constitutional petition via CP 4653 dated July 11, 2019. In this regard, on July 15, 2019, the Honorable High court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in the meantime. The matter is still pending adjudication and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

Further, the Finance Act, 2023 had introduced Section 236Z of the Income Tax Ordinance, 2001 (ITO) effective from July 1, 2023, which mandates listed companies to withhold ten percent shares out of bonus shares issued to the Fund. The share so withheld are to be released if the Fund deposits tax equivalent to ten percent of the value of bonus share issues to the Fund. Such tax is to be deposited within fifteen days of the book closure of the respective dividend. In case of failure of the Fund to pay, the issuer company is liable to pay the tax and dispose of the bonus shares to recover the amount paid.

In this regard, a petition was filed by the Collective Investment Schemes (CISs) through their Trustees in the High Court of Sindh, challenging the applicability of withholding tax provisions on bonus shares received by CIS. The petition is based on the grounds that since the CISs are exempt from levy of income tax in terms of 99 of Part-I of the Second Schedule to the ITO, no tax is payable by the Fund under Section 236Z of the ITO. In this regard, the Honourable High Court of Sindh has issued notices to the relevant parties and ordered to retain the bonus shares being withheld and no tax shall be paid under section 236Z of the ITO till further orders of the Court. The matter is still pending adjudication and the Fund has included these shares in the portfolio, as the management is confident that the decision of the constitutional petition will be in favour of the CISs.

As at December 31, 2025, the following bonus shares of the Fund have been withheld by certain companies at the time of declaration of bonus shares.

Name of the investee company	December 31, 2025 (Un-audited)		June 30, 2025 (Audited)	
	-----Bonus shares-----			
	Number of shares with held	Rupees in '000	Number of shares with held	Rupees in '000
The Searle Company Limited (note 6.1.4)	2,968	356	2,968	260
Pakistan State Oil Company Limited	850	403	850	321
Mari Energies Limited	3,145	2,251	3,145	1,972
	<u>6,963</u>	<u>3,010</u>	<u>6,963</u>	<u>2,553</u>

6.1.4 During the period, The Searle Company Limited has withheld 435 bonus shares from the bonus shares issued to the Fund. The market value of these bonus shares withheld amounts to Rs. 52,187 as at December 31, 2025. The Fund has charged off this amount from the investments.

6.1.5 On November 24, 2025, the Pakistan Stock Exchange (PSX) issued a notice bearing serial PSX/N-1269 regarding the recomposition exercise carried out by PSX on KMI All Share Islamic Index. Accordingly, Pakistan Telecommunication Company Limited was declared as shariah non-compliant of the Index. The Fund may retain the shares of Pakistan Telecommunication Company Limited until the next two quarters after Shariah status is updated. The Fund is required to disclose the shariah non-compliant investments in accordance with the additional disclosure requirements enacted vide S.R.O.600(I)/2025.

Attock Cement Pakistan Limited, National Refinery Limited, Fauji Fertilizer Company Limited, and Kohinoor Textile Mills Limited were declared as shariah compliant of the Index in the said notice, previously declared as shariah non-compliant.

6.2 Unrealised appreciation on re-measurement of investments classified as financial assets 'at fair value through profit or loss' - net			(Un-audited) December 31,
			2025 2024
	Note	-----	(Rupees in '000) -----
Market value of investments	6.1	1,386,417	751,434
Less: carrying value of investments	6.1	<u>(1,215,909)</u>	<u>(643,518)</u>
		<u>170,508</u>	<u>107,916</u>
		(Un-audited)	(Audited)
		December 31,	June 30,
		2025	2025
7 DIVIDEND AND PROFIT RECEIVABLE	Note	-----	(Rupees in '000) -----
Dividend receivable		182	105
Profit receivable on bank balances		<u>865</u>	<u>419</u>
		<u>1,047</u>	<u>524</u>
8 DEPOSITS AND OTHER RECEIVABLES			
Security deposits with:			
- National Clearing Company of Pakistan Limited		2,500	2,500
- Central Depository Company of Pakistan Limited		100	100
Advance tax	8.1	<u>400</u>	<u>400</u>
		<u>3,000</u>	<u>3,000</u>
8.1 The status of advance tax is same as disclosed in the financial statements for the year ended June 30, 2025.			
9 PAYABLE TO HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY			
Remuneration payable	9.1	3,512	2,503
Sindh sales tax payable on remuneration of the Management Company	9.2	527	376
Sales load payable		<u>183</u>	<u>1,755</u>
		<u>4,222</u>	<u>4,634</u>

9.1 As per regulation 61 of the NBFC Regulations, the Management Company is entitled to a remuneration equal to an amount not exceeding the maximum rate of the management fee as disclosed in the offering document and subject to a capping of 3.00% for a collective investment scheme categorised as an 'Equity Scheme'. Keeping in view the maximum allowable threshold, the Management Company has charged remuneration at the rate of 3.00% (December 31, 2024: 2.30%) per annum of the daily net assets of the Fund during the period ended December 31, 2025. The remuneration is payable to the Management Company monthly in arrears.

9.2 Sindh sales tax levied through the Sindh Sales Tax on Services, 2011 has been charged at the rate of 15% (December 31, 2024: 15%) on the Management Company's remuneration.

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees) -----	
10 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE			
Remuneration payable	10.1	177	163
Sindh sales tax payable on remuneration of the Trustee	10.2	27	24
		<u>204</u>	<u>187</u>

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 therein, based on the daily net assets of the Fund. The remuneration is payable to the Trustee according to the following tariff structure:

Tariff structure	
Net assets	Fee
- Up to Rs. 1,000 million	0.20% p.a. of Net Assets value
- Exceeding Rs. 1,000 million	Rs. 2 million plus 0.10% per annum of NAV exceeding Rs.1,000 million.

10.2 Sindh sales tax levied through the Sindh Sales Tax on Services, 2011 has been charged at the rate of 15% (December 31, 2024: 15%) on remuneration of the Trustee.

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees) -----	
11 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
Fee payable	11.1	<u>112</u>	<u>79</u>

11.1 In accordance with the NBFC Regulations, a Collective Investment Scheme (CIS) is required to pay a non-refundable fee to the Securities and Exchange Commission of Pakistan (SECP). Accordingly, the Fund has charged the SECP fee at the rate of 0.095% (December 31, 2024: 0.095%) per annum of the daily net assets during the period.

The Fund is required to pay the SECP fee within fifteen days of the close of every calendar month.

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees) -----	
12 ACCRUED EXPENSES AND OTHER LIABILITIES			
Charity payable	12.1	1,538	4,534
Federal Excise Duty and related Sindh sales tax payable on the Management Company's remuneration	12.2	6,785	6,785
Capital gain tax payable		7,397	-
Withholding tax payable		279	1,706
Auditors' remuneration payable		207	376
Zakat payable		1	113
Brokerage payable		1,435	-
Securities transaction costs payable		-	57
Other payable		162	8,830
		<u>17,804</u>	<u>22,401</u>

12.1 According to the instructions of the Shariah Advisor, any income earned by the Fund from investments whereby portion of the investment of investee company has been made in Shariah non-compliant avenues, such proportion of income of the Fund from those investments should be given away for charitable purposes directly by the Fund.

Accordingly, during the period ended December 31, 2025, non-shariah compliant income amounting to Rs. 1.53 million (December 31, 2024: Rs. 2.84 million) was charged as an expense in the books of the Fund. This will be distributed as charity after the approval of the Shariah Advisor.

- 12.2 The status of provision of Federal Excise Duty and related Sindh sales tax payable is same as disclosed in financial statement for the year ended June 30, 2025. Had the provision not being made, the net asset value per unit as at December 31, 2025 would have been higher by Rs. 1.26 (June 30, 2025: Rs. 1.75) per unit.

13 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments outstanding as at December 31, 2025 and June 30, 2025.

14 TOTAL EXPENSE RATIO

The SECP, vide S.R.O. 600(I)/2025 dated April 10, 2025, has removed the Total Expense Ratio (TER) limit with effect from July 1, 2025. The TER limit of 4.5% for a collective investment scheme categorised as an 'Equity Scheme', applicable previously, has been replaced with the management fee cap as disclosed in note 9.1 to these condensed interim financial statements for a collective investment scheme categorised as an 'Equity Scheme'.

15 TAXATION

The income of the Fund is exempt from income tax under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001 subject to the condition that not less than 90% of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders as cash dividend. Furthermore, as per Regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute not less than 90% of its accounting income for the year derived from sources other than capital gains as reduced by such expenses as are chargeable thereon to the unit holders. Since the Management Company intends to distribute the required minimum percentage of income earned by the Fund for the year ending June 30, 2026 to the unit holders in the manner as explained above, no provision for taxation has been made in these condensed interim financial statements during the period.

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

16 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons and related parties include HBL Asset Management Limited being the Management Company, Habib Bank Limited being the Sponsor, Central Depository Company of Pakistan Limited, being the Trustee of the Fund, other collective investment schemes / notified entities managed by the Management Company, any person or trust beneficially owning, directly or indirectly, ten percent or more of the capital of the Management Company or ten percent or more of the net assets of the Fund, any person or trust controlled by the same persons as defined herein, any member of the group of which that person or trust forms part of. Directors or officers of the Management Company or any of their connected persons as specified herein.

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

Remuneration to the Management Company of the Fund is determined in accordance with the provisions of the NBFC Regulations and the Offering Document.

Remuneration to the Trustee of the Fund is determined in accordance with the provisions of the Trust Deed.

The details of balances of the Fund with connected persons as at the period end and transactions occurred during the period with them are as follows:

16.1 Transactions during the period

	(Un-audited)	
	Half year ended December 31,	
	2025	2024
	---- (Rupees in '000) ----	
HBL Asset Management Limited - Management Company		
Remuneration of the Management Company	18,821	3,995
Sindh sales tax on remuneration of the Management Company	2,823	599
Amount received for issuance of units	-	1,225
Redemption of 39,464 (December 31, 2024: Nil) units	9,822	-
Reimbursement from HBL Asset Management Limited - Management Company	-	1,286

	(Un-audited) Half year ended December 31,	
	2025	2024
	---- (Rupees in '000) ----	
Habib Bank Limited - Sponsor		
Profit on savings accounts with bank	1,431	685
Executives and their relatives		
Issuance of 276,442 (December 31, 2024: 136,826) units	61,650	21,319
Redemption of 248,307 (December 31, 2024: 30,397) units	56,766	5,903
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of Central Depository Company of Pakistan Limited	1,196	343
Sindh sales tax on remuneration of the Trustee	179	51
Central Depository services charges	-	38
Mr. Irshad Wasti		
Connected person due to holding of 10% or more units		
Issuance of Nil (December 31, 2024: 506,582) units	-	100,000
Ms. Fazeela Abbasi		
Connected person due to holding of 10% or more units		
Issuance of 645,467 (December 31, 2024: Nil) units	169,500	-
Balances outstanding as at period / year end	(Un-audited)	(Audited)
	December 31,	June 30,
	2025	2025
	--- (Rupees in '000) ---	
HBL Asset Management Limited - Management Company		
Remuneration payable	3,512	2,503
Sindh sales tax payable on remuneration of the Management Company	527	376
Sales load payable	183	1,755
Receivable from HBL Asset Management Limited - Management Company	-	1,488
Outstanding: Nil (June 30, 2025: 39,464) units	-	8,192
Habib Bank Limited - Sponsor		
Bank balances	56,910	7,088
Profit receivable on bank balances	390	133
Outstanding: 2,193 (June 30, 2025: 2,193) units	579	455
Central Depository Company of Pakistan Limited - Trustee		
Remuneration payable	177	163
Sindh sales tax payable on remuneration of the Trustee	27	24
Security deposit	100	100
Executives and their relatives		
Outstanding: 92,973 (June 30, 2025: 64,838) units	24,550	13,459

17 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

17.1 Fair value hierarchy

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

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

As at December 31, 2025 and June 30, 2025, the Fund held the following financial instruments measured at fair value:

------(Un-audited)-----				
As at December 31, 2025				
	Level 1	Level 2	Level 3	Total
------(Rupees in '000)-----				
Financial assets ' at fair value through profit or loss'				
Quoted equity securities	1,386,417	-	-	1,386,417
	<u>1,386,417</u>	<u>-</u>	<u>-</u>	<u>1,386,417</u>
------(Audited)-----				
As at June 30, 2025				
	Level 1	Level 2	Level 3	Total
------(Rupees in '000)-----				
Financial assets ' at fair value through profit or loss'				
Quoted equity securities	883,568	-	-	883,568
	<u>883,568</u>	<u>-</u>	<u>-</u>	<u>883,568</u>

Valuation techniques used in determination of fair values is as follows:

Item	Valuation technique
Quoted equity securities	The fair value of investment in listed equity securities is valued on the basis of closing quoted market prices available at the Pakistan Stock Exchange.

18 GENERAL

18.1 Corresponding figures have been rearranged and reclassified, wherever necessary, in these condensed interim financial statements for better presentation and disclosure.

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

18.3 Units have been rounded off to the nearest decimal place.

19 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue by the Board of Directors of the Management Company on **25 February 2026**.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Income Fund

FUND INFORMATION

NAME OF FUND	HBL Islamic Income Fund
NAME OF AUDITOR	BDO Ebrahim & Co., Chartered Accountants
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited
NAME OF SHARIAH ADVISOR	Al - Hilal Shariah Advisors (Pvt.) Limited
BANKERS	Bank Islami Pakistan Limited Bank Al Baraka Limited Faysal Bank Limited Habib Bank Limited Dubai Islamic Bank Limited Askari Bank Limited Bank Al Habib Limited Soneri Al Tijarah MCB Islamic Bank Limited U Microfinance Bank National Bank Limited

**AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**



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**INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE
PARTICIPANTS OF HBL ISLAMIC INCOME FUND**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of HBL ISLAMIC INCOME FUND ("the Fund") as at December 31, 2025 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in participants' sub funds', condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-month period ended (here-in-after referred to as "interim financial statements"). HBL Asset Management Limited (the "Management Company") is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter


Only cumulative figures for the six months, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Fund. Accordingly, the figures of condensed interim income statement and condensed interim statement of comprehensive income for the three-month period ended December 31, 2025 have not been reviewed by us.

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

KARACHI

DATED: 27 FEB 2026

UDIN: RR202510166L9mcgBG8H


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

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

**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC INCOME FUND**

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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



**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC INCOME FUND**

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

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Islamic Income Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2025 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2026



HBL Islamic Income Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

		December 31, 2025 (Un-Audited)	June 30, 2025 (Audited)
	Note	----- (Rupees in '000) -----	
ASSETS			
Balances with banks	4	6,722,340	7,586,814
Investments	5	12,096,538	10,178,317
Profit receivable	6	158,618	243,611
Deposits	7	100	2,915
TOTAL ASSETS		<u>18,977,596</u>	<u>18,011,657</u>
LIABILITIES			
Payable to the HBL Asset Management Limited - Management Company	8	11,978	15,165
Payable to the Central Depository Company of Pakistan Limited - Trustee	9	1,411	1,038
Payable to Securities and Exchange Commission of Pakistan	10	1,188	923
Dividend payable		-	176,461
Payable against conversion of units		-	178
Accrued expenses and other liabilities	11	9,376	247,046
TOTAL LIABILITIES		<u>23,953</u>	<u>440,811</u>
NET ASSETS		<u>18,953,643</u>	<u>17,570,845</u>
UNIT HOLDERS' FUND (AS PER CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS FUND)			
		<u>18,953,643</u>	<u>17,570,845</u>
CONTINGENCIES AND COMMITMENTS			
	12	----- (Number of Units) -----	
Number of units in issue		<u>173,518,977</u>	<u>168,853,143</u>
		----- (Rupees) -----	
Net assets value per unit		<u>109.2310</u>	<u>104.0599</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Income Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year and Quarter Ended December 31, 2025

	Note	Half year ended		Quarter ended	
		December 31,		December 31,	
		2025	2024	2025	2024
----- (Rupees in '000) -----					
Income					
Income from GOP Ijara sukuk certificates		332,280	794,729	208,372	409,718
Income from corporate sukuk bonds		220,550	135,056	(146,657)	96,895
Income from term deposit receipts		47,245	56,748	47,245	10,943
Profit on bank deposits		267,404	624,535	267,404	223,931
Profit from Bai Muajjal investment		87,934	-	-	-
		<u>955,413</u>	<u>1,611,068</u>	<u>376,364</u>	<u>741,487</u>
Capital gain / (loss) on sale of investments - net		625	(40,737)	625	56,419
Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	5.3	7,369	119,217	18,699	10,674
		<u>963,407</u>	<u>1,689,547</u>	<u>395,688</u>	<u>808,580</u>
Expenses					
Remuneration of HBL Asset Management Limited-Management Company	8.1	55,033	118,888	30,894	57,444
Sindh Sales Tax on remuneration of HBL Asset Management Limited - Management Company	8.2	8,255	17,833	4,920	8,616
Allocation of expenses related to registrar services, accounting, operation and valuation services		-	-	-	(27)
Remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.1	6,892	6,558	3,557	2,959
Sindh Sales Tax on remuneration of the Central Depository Company of Pakistan Limited - Trustee	9.2	1,034	984	534	444
Annual fee to Securities and Exchange Commission of Pakistan	10.1	6,889	7,340	3,554	3,943
Auditors' remuneration		374	169	374	100
Fee and subscription		317	639	317	413
Security transaction costs and settlement charges		7	17,304	7	17,302
Bank charges		35	-	35	-
Printing charges		-	61	-	61
Provision against GOP Ijarah sukuk		-	9,597	-	4,991
Shariah advisory charges		191	131	191	131
		<u>79,027</u>	<u>179,505</u>	<u>44,383</u>	<u>96,377</u>
Net income for the period before taxation		<u>884,380</u>	<u>1,510,042</u>	<u>351,305</u>	<u>712,203</u>
Taxation	13	-	-	-	-
Net income for the period after taxation		<u>884,380</u>	<u>1,510,042</u>	<u>351,305</u>	<u>712,203</u>
Allocation of net income for the period					
Income already paid on redemption of units		213,561	315,084	154,895	256,418
Accounting income available for distribution:					
Relating to capital gains		7,994	78,479	19,324	50,634
Excluding capital gains		662,825	1,116,479	177,086	405,151
		<u>670,819</u>	<u>1,194,958</u>	<u>196,410</u>	<u>455,785</u>
		<u>884,380</u>	<u>1,510,042</u>	<u>351,305</u>	<u>712,203</u>
Earnings per unit	14				

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Income Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year and Quarter Ended December 31, 2025

	Half year ended December 31,		Quarter ended December 31,	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
Net income for the period	884,380	1,510,042	351,305	712,203
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	<u>884,380</u>	<u>1,510,042</u>	<u>351,305</u>	<u>712,203</u>

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Income Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31					
	2025			2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
	------(Rupees in '000)-----					
Net assets at beginning of the period (Audited)	17,119,094	451,751	17,570,845	14,698,018	201,317	14,899,335
Issuance of 147,835,193 units (December 31, 2024: 163,310,544 units)						
Capital value (at net asset value per unit at the beginning of the period)	15,383,720	-	15,383,720	16,939,126	-	16,939,126
Element of income	344,435	-	344,435	802,199	-	802,199
Total proceeds on issuance of units	15,728,155	-	15,728,155	17,741,325	-	17,741,325
Redemption of 143,169,359 units (December 31, 2024: 101,338,048 units)						
Capital value (at net asset value per unit at the beginning of the period)	(14,898,193)	-	(14,898,193)	(10,511,127)	-	(10,511,127)
Income already paid on redemption of units	-	(213,561)	(213,561)	-	(315,084)	(315,084)
Element of loss	(117,984)	-	(117,984)	(256,662)	-	(256,662)
Total payments on redemption of units	(15,016,177)	(213,561)	(15,229,738)	(10,767,789)	(315,084)	(11,082,873)
Total comprehensive income for the period	-	884,380	884,380	-	1,510,042	1,510,042
	-	884,380	884,380	-	1,510,042	1,510,042
Net assets at end of the period (Un-Audited)	17,831,071	1,122,570	18,953,643	21,671,553	1,396,275	23,067,829
Undistributed income brought forward						
Realised income		401,438			249,408	
Unrealised (loss) / gain		50,313			(48,091)	
		451,750			201,317	
Accounting income available for distribution						
Relating to capital gains	7,994			62,104		
Excluding capital gains	662,825			1,132,854		
	670,819			1,194,958		
Undistributed income carried forward	1,122,570			1,396,275		
Undistributed income carried forward						
Realised income	1,115,201			1,225,806		
Unrealised income	7,369			170,469		
	1,122,570			1,396,275		
			(Rupees)			(Rupees)
Net assets value per unit at beginning of the period			104.0599			103.7234
Net assets value per unit at end of the period			109.2310			112.1881

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Income Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

	December 31,	
	2025	2024
	---(Rupees in '000)---	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income before taxation	884,380	1,510,042
Adjustments for:		
Capital (loss) / gain on sale of investments - net	(625)	40,737
Income from GOP Ijara sukuk certificates	(332,280)	(794,729)
Income from corporate sukuk bonds	(220,550)	(135,056)
Income from term deposit receipts	(47,245)	(56,748)
Profit on bank deposits	(267,404)	(624,535)
Income from Bai Muajjal investment	(87,934)	-
Provision against GOP Ijarah sukuk	-	9,597
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	(7,369)	(119,217)
	(79,027)	(169,909)
(Increase) / decrease in assets		
Investments - net	(1,910,227)	(7,573,976)
Deposits	2,815	-
	(1,907,412)	(7,573,976)
(Decrease) / increase in liabilities		
Payable to the Management Company	(3,187)	(11,828)
Payable to the Trustee	372	(289)
Payable to Securities and Exchange Commission of Pakistan	265	518
Dividend payable	(176,461)	(3,842)
Payable against conversion of units	(178)	-
Accrued expenses and other liabilities	(237,670)	(168,332)
	(416,859)	(183,773)
Cash used in operations	(2,403,298)	(7,927,658)
Income received from GOP Ijara sukuk certificates	439,955	1,036,587
Income received from corporate sukuk bonds	229,710	48,708
Income received from term deposit receipts	47,245	56,748
Income received from Bai Muajjal	87,934	-
Profit received on bank deposits	235,563	641,942
	1,040,407	1,783,985
Net cash (used in) from operating activities	(1,362,891)	(6,143,672)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received against issuance of units	15,728,155	17,741,325
Amount paid against redemption of units	(15,229,738)	(11,082,873)
Net cash generated from financing activities	498,417	6,658,452
Net increase in cash and cash equivalents	(864,474)	514,780
Cash and cash equivalents at beginning of the period	7,586,814	6,339,205
Cash and cash equivalents at end of the period	6,722,340	6,853,985

The annexed notes from 1 to 20 form an integral part of these condensed interim financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Income Fund
Notes To The Condensed Interim Financial Information (Un-audited)
For The Half Year Ended December 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 HBL Islamic Income Fund ('the Fund') was established under a Trust Deed executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SCD/AMCW/PIIF/949/2014 dated April 4, 2014 as a notified entity and the trust deed was executed on February 20, 2014.
- 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 August 17, 2021, the fund's Trust Deed had been registered under the Sindh Trust Act.
- 1.3 The Management Company of the fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules, 2003) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.4 The fund has been categorised as a Shariah Compliant Income Scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CISs) and is listed on the Pakistan Stock Exchange Limited. The units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the fund.
- 1.5 The core objective of the fund is to provide competitive risk adjusted returns to its investors by investing in a diversified portfolio of long, medium and short term Shariah compliant debt instruments while taking into account liquidity considerations.
- 1.6 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 is Shariah based. The Islamic income fund manager has appointed Al Hilal as Shariah Advisor to ensure that activities of the fund are in compliance with the principles of Shariah.
- 1.7 VIS Credit Rating Company has assigned a management quality rating of AM1 (Stable Outlook) to the HBL Asset Management Limited on December 31, 2025.
- 1.8 Title to the assets of the fund is held in the name of Trustee of the fund.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where the requirements of VPS Rules or provisions, directives, and notifications issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed differ with the requirements of the IAS 34, and the provisions of, directives and notifications issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations have been followed.

This condensed interim financial information is unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at and for the six months period ended December 31, 2025.

The disclosures made in this condensed interim financial information are limited based on the requirements of the International Accounting Standard (IAS) 34: 'Interim Financial Reporting'. This condensed interim financial informations do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

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

3. MATERIAL ACCOUNTING POLICIES INFORMATION, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the fund for the year ended June 30, 2025.

3.2 The preparation of this condensed interim financial information in conformity with the accounting and reporting standards as applicable in Pakistan requires management to use certain estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. Estimates and judgements are continuously evaluated and are based on historic experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised in the period in which the estimates is revised and in any future period affected. In the process of applying the Fund's accounting policies and the key source of estimation and uncertainties for condensed interim financial information. The significant judgement made by the management are the same as those applied to the audited financial statements for the year ended June 30, 2025. The Fund financial risk management objective and policies are consistent with those disclosed in the annual financial statement of the fund for the year ended June 30, 2025.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period.

3.3.1 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 01, 2025. However, these do not have any material impact on the Fund's financial information and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective.

3.4.1 There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 01, 2026. However, these are not considered to be relevant or will not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and

- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
4. BALANCES WITH BANKS	Note	---(Rupees in '000)---	
Savings accounts	4.1 & 4.2	6,722,321	7,586,796
Current accounts		19	19
		<u>6,722,340</u>	<u>7,586,814</u>

4.1 This represents bank accounts held with various banks. These carry profit at the rate ranging from 6% to 11.11% (June 30, 2025: 6% to 21.35%) per annum.

4.2 This includes a balance held by Habib Bank Limited (a related party), amounting to Rs. 92.48 million (June 30, 2025: Rs. 6,516.28 million) on which return is earned ranging between 9.95% to 11.11% (June 30, 2025: 8% to 21.35%) per annum.

5. INVESTMENTS

At fair value through profit or loss	5.1	7,842,135	10,178,317
At amortised cost	5.2	4,254,403	-
		<u>12,096,538</u>	<u>10,178,317</u>

5.1 Financial assets at fair value through profit or loss

Corporate Sukuk Bonds	5.1.1	3,814,592	3,437,396
GOP Ijara Sukuk Certificates	5.1.2	4,027,543	6,740,921
		<u>7,842,135</u>	<u>10,178,317</u>

5.1.1 Corporate sukuk bonds

Name of the investee company	Note	Issue date	Maturity date	As at July 1, 2025	Purchases made during the year	Sales / matured during the year	As at December 31, 2025	Carrying value as at December 31, 2025	Market value as at December 31, 2025	Un-realised appreciation / (diminution)	Provision against non-performing securities	Market value as a percentage of		
												Total investments	Net assets	
				(Number of units)				(Rupees in '000)				%		
Corporate sukuk bonds - listed														
Agha Steel Industries Limited	5.1.1.2	October 9, 2018	October 9, 2025	4,964	-	-	-	-	-	-	-	49,640	0.00%	0.00%
				4,964	-	-	-	-	-	-	-	49,640	0.00%	0.00%
Corporate sukuk bonds - unlisted														
TPJ Corporation Limited		June 23, 2021	June 22, 2027	150	-	-	150	10,000	10,000	-	-	-	0.08%	0.05%
Pakistan Mobile Communication Limited		April 28, 2025	October 28, 2025	695	-	695	-	-	-	-	-	-	0.00%	0.00%
Pakistan Telecommunication Company Limited		June 18, 2025	December 18, 2025	750	-	750	-	-	-	-	-	-	0.00%	0.00%
Pakistan Telecommunication Company Limited		March 19, 2025	September 19, 2025	750	-	750	-	-	-	-	-	-	0.00%	0.00%
Select Technology (Private) Limited		June 18, 2025	December 18, 2025	355	-	355	-	-	-	-	-	-	0.00%	0.00%
Lucky Electric Power Company Limited		February 18, 2025	August 18, 2025	570	-	570	-	-	-	-	-	-	0.00%	0.00%
Aspin Pharma (Private) Limited		January 6, 2025	July 7, 2025	300	-	300	-	-	-	-	-	-	0.00%	0.00%
Rajj Clean Energy Modaraba		July 20, 2025	January 9, 2026	-	105	-	105	105,000	105,000	-	-	-	0.87%	0.55%
City Pharma Limited		December 21, 2025	June 30, 2026	-	300	-	300	300,000	300,000	-	-	-	2.48%	1.58%
K-Electric Limited		November 23, 2022	November 23, 2029	-	2,570	-	2,570	236,505	263,168	26,663	-	-	2.18%	1.39%
K-Electric Limited		July 23, 2025	January 23, 2026	-	399	-	399	-	-	-	-	-	0.00%	0.00%
Lucky Electric Power Company Limited		February 14, 2025	August 15, 2025	-	512	-	512	512,000	512,000	-	-	-	4.23%	2.70%
Pakistan Telecommunication Company Limited		September 29, 2025	March 30, 2026	-	750	-	750	750,000	750,000	-	-	-	6.20%	3.96%
Pakistan Telecommunication Company Limited		July 5, 2025	January 9, 2026	-	388	-	388	388,000	388,000	-	-	-	3.21%	2.05%
Pakistan Telecommunication Company Limited		July 11, 2025	January 12, 2026	-	619	-	619	619,000	619,000	-	-	-	5.22%	3.27%
Shahangang Food Products Limited		May 19, 2025	May 19, 2030	-	1,000	-	1,000	100,000	100,000	-	-	-	0.83%	0.53%
Siddique Sons Tin Plate Limited		October 28, 2025	April 28, 2026	-	300	-	300	300,000	300,000	-	-	-	2.48%	1.58%
Siddique Sons Tin Plate Limited		December 18, 2025	June 18, 2026	-	450	-	450	450,000	450,000	-	-	-	3.72%	2.37%
PTJ Tracker Limited		March 30, 2021	March 29, 2026	44	-	-	44	7,397	17,424	10,027	-	-	0.14%	0.09%
Total - as at December 31, 2025 (Un-Audited)				3,614	7,387	3,813	7,198	3,777,302	3,814,593	36,690	49,640	31,459	20.07%	20.07%
Total - as at June 30, 2025 (Audited)				8,458	3,420	3,300	6,578	3,444,658	3,437,396	(7,262)	39,354	19,564	19.56%	19.56%

5.1.1.1 These corporate sukuk bonds, carries profit at the rate ranging from 10.63% to 12.10% (June 30, 2025: 11.38% to 19.32%) per annum.

5.1.1.2 The Securities and Exchange Commission of Pakistan vide circular 7 of 2009 dated March 6, 2009 required all Asset Management Companies to classify funds under their management on the basis of categorisation criteria laid down in the circular. HBL Asset Management Limited (Management Company) classified HBL Islamic Income Fund (the Fund) as 'Income Scheme' in accordance with the said circular. As at December 31, 2025, the Fund is compliant with all the requirements of the said circular except for clause 9 (v) which requires that the rating of any security in the portfolio shall not be lower than the investment grade.

5.1.2 GOP Ijara sukuk certificates

Issue Details	Issue date	Maturity	Face value				Carrying value as at December 31, 2025	Market value as at December 31, 2025	Un-realised appreciation / (diminution)	Market value as a percentage of total investments	Market value as a percentage of net assets
			As at July 1, 2025	Purchases during the year	Sales / matured during the period	As at December 31, 2025					
(Rupees in '000)											
GOPS FRR 26-06-2026	June 26, 2025	June 26, 2026	400,000.00	-	-	400,000	430,840	416,920	(13,020)	3%	2%
GOPS FRR 18-09-2027	September 18, 2024	September 18, 2027	62,500	-	-	62,500	66,250.00	65,981.25	(269)	1%	0%
GOPS FRR 21-10-2027	October 21, 2024	October 21, 2027	1,650,000	-	-	1,650,000	1,696,345.00	1,698,610.00	(9,735)	14%	9%
GOPS VRR 18-09-2027	September 18, 2024	September 18, 2027	62,500	-	-	62,500	63,006.25	62,581.25	(425)	1%	0%
GOPS VRR 21-10-2027	October 21, 2024	October 21, 2027	125,000	-	-	125,000	126,037.50	124,700.00	(1,338)	1%	1%
GOPS FRR 30-05-2028	May 30, 2025	May 30, 2028	-	562,500	-	562,500	567,736	564,919	(2,817)	5%	3%
GOPS FRR 21-10-2029	October 21, 2024	October 21, 2029	250,000	-	-	250,000	264,850.00	265,100.00	250	2%	1%
GOPS VRR 21-10-2029	October 21, 2024	October 21, 2029	125,000	-	-	125,000	127,313	124,663	(2,650)	1%	1%
GOPS FRR 30-05-2030	May 30, 2025	May 30, 2030	62,500	62,500	-	62,500	62,389	62,375	(14)	1%	0%
GOPS VRR 30-05-2030	May 30, 2025	May 30, 2030	62,500	-	-	62,500	62,513	62,488	(25)	1%	0%
GOPS 12M 04-12-2024	December 4, 2024	December 4, 2025	250,000	-	250,000	-	-	-	-	0%	0%
GOPS 12M 04-12-2024	December 4, 2024	December 4, 2025	5	-	5	-	-	-	-	0%	0%
GOPS 12M 07-11-2024	November 7, 2024	November 7, 2025	2,750,000	-	2,750,000	-	-	-	-	0%	0%
GOPS 12M 07-11-2024	November 7, 2024	November 7, 2025	5	-	5	-	-	-	-	0%	0%
GOPS 12M 07-11-2024	November 7, 2024	November 7, 2025	5	-	5	-	-	-	-	0%	0%
GOPS 12M 07-11-2024	November 7, 2024	November 7, 2025	1,000	-	1,000	-	-	-	-	0%	0%
GOPS 12M 07-11-2024	November 7, 2024	November 7, 2025	10	-	10	-	-	-	-	0%	0%
GOPS 12M 07-11-2024	November 7, 2024	November 7, 2025	5	-	5	-	-	-	-	0%	0%
GOPS 12M 09-01-2025	January 9, 2025	January 9, 2026	20	-	-	20	20	20	0.014	0%	0%
GOPS 12M 17-05-2025	September 17, 2024	September 17, 2025	250,000	-	250,000	-	-	-	-	0%	0%
GOPS 12M 21-10-2024	October 21, 2024	October 21, 2025	125,000	-	125,000	-	-	-	-	0%	0%
GOPS 12M 25-07-2024	July 25, 2024	July 25, 2025	1,000,000	-	1,000,000	-	-	-	-	0%	0%
GOPS 12M 25-07-2024	July 25, 2024	July 25, 2025	5	-	5	-	-	-	-	0%	0%
GOPS 12M 25-07-2024	July 25, 2024	July 25, 2025	5	-	5	-	-	-	-	0%	0%
GOPS 12M 25-07-2024	July 25, 2024	July 25, 2025	1,000	-	1,000	-	-	-	-	0%	0%
GOPS 12M 25-07-2024	July 25, 2024	July 25, 2025	25	-	25	-	-	-	-	0%	0%
GOPS 12M 21-08-2025	August 21, 2025	August 21, 2026	-	125,000	-	125,000	117,513	117,738	225	1%	1%
GOPS 12M 21-08-2025	August 21, 2025	August 21, 2026	-	250,000	-	250,000	235,027	235,475	448	2%	1%
GOPS 12M 21-08-2025	August 21, 2025	August 21, 2026	-	250,000	-	250,000	235,027	235,475	448	2%	1%
Total - as at December 31, 2025 (Un-Audited)			7,114,585	1,250,000	4,377,065	3,862,520	4,056,866	4,027,543	(29,322)	28.43%	18.14%
Total - as at June 30, 2025 (Audited)			6,684,100	38,936,585	38,506,100	4,364,585	7,045,847	6,740,921	(304,925)	40.11%	23.24%

5.1.2.1 These GOP Ijara sukuk certificates, during the period carries profit at the rates ranging from 10.24% to 23.44% (June 30, 2025: 11.50% to 17.31%)

5.2 Financial assets at amortised cost	Note	(Un-Audited)	(Audited)
		December 31, 2025	June 30, 2025
		----- (Rupees in '000) -----	
Term Deposit Receipts (TDRs)	5.2.1	-	-
Bai Muajjal-Letter of Placement	5.2.2	4,254,403	-
		<u>4,254,403</u>	<u>-</u>

5.2.1 Term Deposit Receipts (TDRs)

Name of the investee company	Issue Date	Maturity Date	As at July 1, 2025	Placement made during the year	Income accrued	Matured / sold during the year	As at December 31, 2025	Percentage of net assets	Percentage of total of investments
(Rupees in '000)									
UBL Ameen Islamic Banking	November 27, 2025	November 28, 2025	-	1,700,000	498	1,700,498	-	-	-
Askari Bank Limited Islamic Banking	August 25, 2025	September 8, 2025	-	500,000	2,023	502,023	-	-	-
UBL Ameen Islamic Banking	November 26, 2025	November 27, 2025	-	1,600,000	469	1,600,469	-	-	-
Meezan Bank Limited	July 21, 2025	July 22, 2025	-	2,000,000	584	2,000,584	-	-	-
Dubai Islamic Bank	October 3, 2025	October 6, 2025	-	1,500,000	1,319	1,501,319	-	-	-
Faysal Bank Limited Islamic Banking	July 25, 2025	July 31, 2025	-	1,000,000	1,726	1,001,726	-	-	-
Faysal Bank Limited Islamic Banking	August 12, 2025	August 15, 2025	-	1,000,000	863	1,000,863	-	-	-
Faysal Bank Limited Islamic Banking	August 15, 2025	August 22, 2025	-	1,000,000	2,014	1,002,014	-	-	-
The Bank Of Khyber	July 28, 2025	July 29, 2025	-	1,000,000	293	1,000,293	-	-	-
The Bank Of Khyber	August 26, 2025	August 29, 2025	-	500,000	436	500,436	-	-	-
The Bank Of Khyber	September 23, 2025	September 24, 2025	-	2,000,000	586	2,000,586	-	-	-
The Bank Of Khyber	September 24, 2025	September 25, 2025	-	1,200,000	352	1,200,352	-	-	-
The Bank Of Khyber	August 5, 2025	September 15, 2025	-	1,000,000	12,008	1,012,008	-	-	-
The Bank Of Khyber	September 22, 2025	September 23, 2025	-	1,950,000	572	1,950,572	-	-	-
The Bank Of Khyber	August 1, 2025	August 8, 2025	-	1,000,000	2,042	1,002,042	-	-	-
The Bank Of Khyber	August 1, 2025	August 5, 2025	-	1,000,000	1,167	1,001,167	-	-	-
The Bank Of Khyber	October 2, 2025	October 9, 2025	-	1,900,000	3,917	1,903,917	-	-	-
The Bank Of Khyber	November 21, 2025	November 24, 2025	-	500,000	440	500,440	-	-	-
The Bank Of Khyber	December 9, 2025	December 10, 2025	-	1,600,000	473	1,600,473	-	-	-
The Bank Of Khyber	November 5, 2025	November 6, 2025	-	1,000,000	293	1,000,293	-	-	-
MCB Islamic Bank Limited	August 29, 2025	September 5, 2025	-	1,000,000	2,033	1,002,033	-	-	-
MCB Islamic Bank Limited	August 22, 2025	August 29, 2025	-	1,000,000	2,033	1,002,033	-	-	-
MCB Islamic Bank Limited	September 5, 2025	September 12, 2025	-	1,500,000	3,078	1,503,078	-	-	-
MCB Islamic Bank Limited	August 29, 2025	September 5, 2025	-	500,000	1,016	501,016	-	-	-
MCB Islamic Bank Limited	September 17, 2025	September 18, 2025	-	1,000,000	293	1,000,293	-	-	-
MCB Islamic Bank Limited	September 15, 2025	September 22, 2025	-	1,500,000	3,064	1,503,064	-	-	-
MCB Islamic Bank Limited	November 4, 2025	November 5, 2025	-	1,000,000	293	1,000,293	-	-	-
MCB Islamic Bank Limited	October 6, 2025	October 7, 2025	-	2,800,000	828	2,800,828	-	-	-
MCB Islamic Bank Limited	December 3, 2025	December 9, 2025	-	1,500,000	446	1,500,446	-	-	-
MCB Islamic Bank Limited	December 8, 2025	December 9, 2025	-	1,600,000	473	1,600,473	-	-	-
MCB Islamic Bank Limited	November 11, 2025	November 12, 2025	-	1,000,000	292	1,000,292	-	-	-
MCB Islamic Bank Limited	November 24, 2025	November 25, 2025	-	1,500,000	440	1,500,440	-	-	-
MCB Islamic Bank Limited	November 25, 2025	November 26, 2025	-	1,500,000	440	1,500,440	-	-	-
UBL Ameen Islamic Banking	December 1, 2025	December 2, 2025	-	1,500,000	440	1,500,440	-	-	-
Total - as at December 31 2025 (Un-Audited)			-	43,850,000	47,245	43,897,244	-	-	-
Total - as at June 30, 2025 (Audited)			1,544,901	80,999,243	89,498	82,633,643	-	0.00%	0.00%

5.2.1.1 These Term deposit receipts carries profit at the rates ranging from 10.5% to 10.85% (June 30, 2025: 10.55% to 10.80%)

5.2.2 Bai Muajjal-Letter of Placement

Name of Investee Institutions	Profit Rate	As at December 2025				% in Relation to Total	
		Total Transaction Price	Deferred Income	Accrued Profit	Carrying value	Net Asset of the Fund	Investment of the Fund
		(Rupees in '000)				%age	
Pak Brunei Investment Company Limited	10.90%	2,604,081	83,201	54,958	2,659,039	14.03%	21.98%
Pak Libya Holding Company (Pvt) LIMITED.	10.92%	1,562,788	44,413	32,576	1,595,364	8.42%	13.19%
Total - December 31, 2025 (Un-Audited)		4,166,869	127,614	87,534	4,254,403	22.45%	35.17%
Total - June 30, 2025 (Audited)		-	-	-	-	-	-

		(Un-Audited) December 31, 2025	(Un-Audited) December 31, 2024
5.3 Unrealised appreciation / (diminution) on re-measurement of investments classified as	Note	----- (Rupees in '000) -----	
Financial assets at fair value through profit or loss' - net			
Market value of investments	5.1	7,842,135	10,178,317
Carrying value of investments	5.1.1, 5.1.4	<u>(7,834,768)</u>	<u>(10,490,505)</u>
		<u>7,368</u>	<u>(312,188)</u>
6. PROFIT RECEIVABLE		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
		----- (Rupees in '000) -----	
Bank deposits	6.1	58,224	26,382
Corporate Sukuk Bonds		96,307	105,467
GOP Ijara Sukuk Certificates		<u>4,087</u>	<u>111,762</u>
		<u>158,618</u>	<u>243,611</u>
6.1	This includes Rs. 0.931 million (June 30, 2025: Rs. 101.84 million) receivable from Habib Bank Limited, a related party.		
7. DEPOSITS		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
		----- (Rupees in '000) -----	
Security Deposit with Central Depository Company of Pakistan Limited -Trustee		100	100
		<u>100</u>	<u>100</u>
8. PAYABLE TO THE HBL ASSET MANAGEMENT LIMITED-MANAGEMENT COMPANY			
Remuneration payable	8.1	10,320	12,448
Sindh Sales Tax payable	8.2	1,548	1,867
Sales load payable		<u>110</u>	<u>850</u>
		<u>11,978</u>	<u>15,165</u>
8.1	As per Regulation 61 of the amended NBFC regulation, the Management Company may charge variable fee or fixed fee or the combination of both which shall not exceed the limit disclosed in the OD. The maximum limit disclosed in the OD is 1.5% per annum of average annual net assets. During the period, the fee is being charged at the rate ranging from 0.50% to 1.36% (June 30, 2025 : 0.50% to 1.36%) of the average annual net assets accordingly. The fee is payable monthly in arrears.		
8.2	The Sindh Sales Tax at the rate of 15% (June 30, 2025: 15%) on the remuneration of the Pension Fund Manager through Sindh Sales Tax on Services Act, 2011.		
9. PAYABLE TO THE CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE	Note	(Un-Audited) December 31, 2025	(Audited) June 30, 2025
		---- Rupees in '000 ----	
Trustee fee payable	9.1	1,191	903
Sindh Sales Tax payable	9.2	179	135
CDS charges payable		<u>41</u>	<u>-</u>
		<u>1,411</u>	<u>1,038</u>
9.1	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
Upto Rs. 1,000 million	0.17% per annum
Above Rs. 1,001 million and upto Rs. 5,000 million	Rs. 1.7 million plus 0.085% p.a of net assets exceeding by Rs.1,000 million
Above Rs. 5,000 million	Rs.5.1 million plus 0.07% p.a of net assets exceeding Rs. 5,000 million

9.2 The Sindh Sales Tax at the rate of 15% (June 30, 2025: 15%) on the remuneration of the trustee through Sindh Sales Tax on Services Act, 2011.

	(Un-Audited) December 31, 2025	(Audited) June 30, 2025
----- Rupees in '000 -----		
10. PAYABLE TO THE SECURITIES AND EXCHANGE		
COMMISSION OF PAKISTAN		
Annual fee payable	1,188	923

10.1 As per Regulation 62 of NBFC Regulations, the Management Company managing a CIS shall pay Securities and Exchange Commission of Pakistan (SECP) an annual fee of 0.075% of the average annual nets assets. The fee is payable annually in arrears.

	(Un-Audited) December 31, 2025	(Audited) June 30, 2025
----- Rupees in '000 -----		
11. ACCRUED EXPENSES AND OTHER LIABILITIES		
	Note	
Provision for Federal Excise Duty	11.1	1,344
Withholding tax payable		6,604
Auditors' remuneration		234
Mutual fund rating fee payable		135
Others		1,059
		<u>9,376</u>
		<u>247,046</u>

11.1 The legal status of applicability of Federal Excise Duty (FED) on the Fund is the same as that disclosed in note 12.1 to the annual audited financial statements of the Fund for the year ended June 30, 2025. However, since the appeal filed by the tax authorities is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, has retained a provision for FED on remuneration of Management Company, aggregating to Rs. 1.344 million (June 30, 2025: Rs. 1.344 million). Had the provision not been made, the net asset value per unit of the Fund as at December 31, 2025 would have been higher by Rs. 0.0077 per unit (June 30, 2025: Rs. 0.0080 per unit).

12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2025 (June 30, 2025: Nil).

13. 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.

14. EARNINGS PER UNIT

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

15. TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

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

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

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

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

Details of the transactions with related parties / connected persons and balances with them are as follows:

	(Un-Audited) December 31, 2025	(Un-Audited) December 31, 2024
15.1 Transactions during the period	----- (Rupees in '000) -----	
HBL Asset Management Limited - Management Company		
Remuneration of the HBL Asset Management Company- Management Company	118,888	118,888
Sindh Sales Tax on remuneration of the Management Company	17,833	17,833
Sales load	17,304	17,304
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	6,558	6,558
Sindh Sales Tax payable on the Trustee fee	984	984
Trustee Service charges	5	5
Habib Bank Limited - Sponsors		
Bank charges	-	-
Profit on bank deposit earned	624,535	624,535
Issue of 91,961 units (December 31, 2024: Nil units)	10,000	-
Purchase Of GOP Ijara Sukuk	-	2,067,306
Sale of GOP Ijara Sukuk	-	5,536,821
Directors and executives of the Management Company		
Issue of 123,452 units (December 31, 2024: 4,625 units)	13,136	500
Redemption of units 168,539 Units (December 31, 2024: 31,447)	17,814	3,367
HBL Islamic Pension - Debt Sub Fund		
Purchase of GOP Ijara Sukuk	-	30,837
HBL Financial Sector Income Fund - Plan I		
Purchase of KELSC6	231,300	-
	(Un-Audited) December 31, 2025	(Un-Audited) June 30, 2025
15.2 Balances outstanding as at the period end	----- (Rupees in '000) -----	
HBL Asset Management Limited - Management Company		
Remuneration payable to the Management Company	11,674	12,448
Sindh Sales Tax payable on Management Company's remuneration	1,751	1,867
Sales load payable	1,414	850
Units held: 196,117 (June 30, 2025: Nil)	21,420	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	645	903
Sindh Sales Tax on remuneration of the Trustee	97	135
Trustee charges payable	466	-
Habib Bank Limited - Sponsor		
Bank balances	92,480	6,516,285
Units held: 91,961 (June 30, 2025: Nil)	10,044	-

	(Un-Audited) December 31, 2025 ----- (Rupees in '000) -----	(Un-Audited) June 30, 2025 ----- (Rupees in '000) -----
HBL Asset Management Limited - Employees' Gratuity Fund Units held: 33,398 (June 30, 2025: 33,398)	3,648	3,475
HBL Asset Management Limited - Employees' Provident Fund Units held: 98,980 (June 30, 2025: 98,980)	10,811	10,300
Jubilee Life Insurance Company Limited Units held: 6,032,379 (June 30, 2025: 6,032,379)	658,855	627,729
Directors and executives of the Management Company Units held: 46,894 (June 30, 2025: 91,992) units	5,122	9,573

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the fund is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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

Particulars	December 31, 2025 (Un-Audited)						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----						
Financial assets measured at fair value							
Corporate sukuk bonds	3,814,592	-	3,814,592	-	3,814,592	-	3,814,592
GoP Ijara sukuk certificates	4,027,543	-	4,027,543	588,707	3,438,836	-	4,027,543
	<u>7,842,135</u>	<u>-</u>	<u>7,842,135</u>	<u>588,707</u>	<u>7,253,428</u>	<u>-</u>	<u>7,842,135</u>

Particulars	June 30, 2025 (Audited)						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----						
Financial assets measured at fair value							
Corporate sukuk bonds	3,437,396	-	3,437,396	-	376,182	-	376,182
GoP Ijara sukuk certificates	6,740,921	-	6,740,921	1,013,634	5,552,401	-	6,566,035
	10,178,317	-	10,178,317	1,013,634	5,928,583	-	6,942,217

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

16.2 Transfers during the period

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

17. TOTAL EXPENSE RATIO

The annualized total expense ratio of the fund for the half year ended December 31, 2025 is 0.86% which includes 0.18% representing Government Levy and SECP fee. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.

18. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation

19. GENERAL

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

20. DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **25 February 2026** by the Board of Directors of the Management Company.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Equity Fund

FUND INFORMATION

NAME OF FUND	HBL Islamic Equity Fund
NAME OF AUDITOR	Yousuf Adil & Co. Chartered Accountants
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited
NAME OF SHARIAH ADVISOR	Al - Hilal Shariah Advisors (Pvt.) Limited
BANKERS	Bank Islami Pakistan Limited Bank Al Baraka Limited MCB Bank Limited Faisal Bank Limited Habib Bank Limited

**AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**



Yousuf Adil
Chartered Accountants

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**INDEPENDENT AUDITOR'S REVIEW REPORT
To the unit holders of HBL Islamic Equity Fund**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Islamic Equity Fund** (the "Fund") as at **December 31, 2025**, and the related condensed interim income statement, the condensed interim statement of other comprehensive income, the condensed interim statement of movement in unit holders' fund and the condensed interim statement of cash flows and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The management of HBL Asset Management Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2025 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The cumulative figures for the half year, presented in the second quarter accounts are subject to limited scope review by the statutory auditors of the Fund. Accordingly, the figures of the condensed interim income statement and condensed interim statement of other comprehensive income for the three months period ended December 31, 2025 and December 31, 2024 have not been reviewed by us.

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


Chartered Accountants

Place: Karachi
Date: February 26, 2026
UDIN: RR202510057QS0718wsB

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**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC EQUITY FUND**

CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED

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Karachi - 74400, Pakistan.
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Fax: (92-21) 34326021 - 23
URL: www.cdcpakistan.com
Email: info@cdcpak.com



**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC EQUITY FUND**

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

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Islamic Equity Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2025 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2026



HBL Islamic Equity Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
	Note	---- (Rupees in '000) ----	
ASSETS			
Bank balances	4	51,105	33,716
Investments	5	1,023,179	1,133,686
Dividend and profit receivable	6	1,730	1,473
Deposits and prepayments		2,600	2,632
Receivable against issuance of unit		3,574	-
Receivable from the Management Company	7	-	3,574
Total assets		1,082,188	1,175,081
LIABILITIES			
Payable to the Management Company	8	3,427	4,502
Payable to the Trustee		209	325
Payable to Securities and Exchange Commission of Pakistan	9	92	95
Payable against sale of investments - net		986	17,201
Dividend payable		12	12
Accrued expenses and other liabilities	10	17,457	11,529
Total liabilities		22,183	33,664
NET ASSETS		1,060,005	1,141,417
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,060,005	1,141,417
CONTINGENCIES AND COMMITMENTS	11	---- (Rupees in '000) ----	
NUMBER OF UNITS IN ISSUE		5,070,736	7,183,843
NET ASSETS VALUE PER UNIT		209.0437	158.8867

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Equity Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31,		Quarter ended December 31,	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
INCOME				
Capital gain on sale of investment - net	129,097	91,226	75,825	81,093
Dividend income	24,400	7,119	18,160	4,371
Profit on bank deposits	4,266	2,980	2,835	2,210
Unrealised gain / (loss) on re-measurement of investments classified as at 'fair value through profit or loss' - net	5.2 168,715	86,092	(55,037)	100,315
	326,478	187,417	41,783	187,989
EXPENSES				
Remuneration of the Management Company	17,807	3,602	10,721	2,552
Sindh Sales Tax on remuneration of the Management Company	2,671	540	1,421	383
Remuneration of the Trustee	1,098	344	542	258
Sindh Sales Tax on remuneration of the Trustee	165	52	82	39
Securities and Exchange Commission of Pakistan Fee	564	154	300	110
Auditor's remuneration	227	220	227	151
Fee and subscription	16	-	16	212
Legal and professional charges	-	303	-	-
Brokerage and settlement charges	5,742	6,298	2,914	5,469
Bank charges	25	-	25	-
Printing charges	-	66	-	66
Shariah advisory services	191	131	191	131
Reversal against reimbursement from Management Company	-	(2,874)	-	(2,874)
Charity expense	1,519	482	192	469
	30,025	9,318	16,631	6,966
Net income for the period from operating activities	296,453	178,099	25,152	181,023
Taxation	12 -	-	-	-
Net income for the period after taxation	296,453	178,099	25,152	181,023
Allocation of net income for the period				
Net income for the period after taxation	296,453	178,099		
	(161,667)	(97,352)		
	134,786	80,747		
Accounting income available for distribution:				
Relating to capital gains	134,786	80,393		
Excluding capital gains	-	354		
	134,786	80,747		

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Equity Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31,		Quarter ended December 31,	
	2025	2024	2025	2024
	----- (Rupees in '000) -----			
Net income for the period after taxation	296,453	178,099	25,152	181,023
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	296,453	178,099	25,152	181,023

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Equity Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31,					
	2025			2024		
	Capital value	Undistributed (loss)	Total	Capital value	Undistributed (loss)	Total
	(Rupees in '000)					
Net assets at beginning of the period	1,450,842	(309,425)	1,141,417	428,323	(302,160)	126,163
Issuance of 9,524,585 units (2024: 18,048,107 units)						
- Capital value (at net asset value per unit at the beginning of the period)	1,513,330	-	1,513,330	2,010,998	-	2,010,998
- Element of income	285,769	-	285,769	838,949	-	838,949
	1,799,099	-	1,799,099	2,849,947	-	2,849,947
Redemption of 11,637,692 units (2024: 10,925,368 units)						
- Capital value (at net asset value per unit at the beginning of the period)	(1,849,074)	-	(1,849,074)	(1,217,352)	-	(1,217,352)
- Element of income	(166,223)	(161,667)	(327,890)	(418,100)	(97,352)	(515,452)
	(2,015,297)	(161,667)	(2,176,964)	(1,635,452)	(97,352)	(1,732,804)
Total comprehensive income for the period	-	296,453	296,453	-	178,099	178,099
Net assets at end of the period	1,234,644	(174,639)	1,060,005	1,642,818	(221,413)	1,421,405
Accumulated loss brought forward						
- Realised		(341,069)			(308,362)	
- Unrealised		31,644			6,202	
		(309,425)			(302,160)	
Accounting income available for distribution						
- Relating to capital gains		134,786			80,393	
- Excluding capital gains		-			354	
		134,786			80,747	
		(174,639)			(221,413)	
Accumulated loss carried forward						
- Realised		(343,354)			(307,505)	
- Unrealised		168,715			86,092	
		(174,639)			(221,413)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period	158.8867			111.4243		
	209.0436			172.1868		

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Equity Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended	
	December 31,	
	2025	2024
	----- (Rupees in '000) -----	
CASH FLOWS FROM OPERATING ACTIVITIES	Note	
Net income for the period before taxation		296,453 178,099
Adjustments for non-cash and other items:		
Dividend income		(24,400) (7,119)
Profit from bank deposits		(4,266) (2,980)
Unrealised gain on re-measurement of investments at fair value through profit or loss - net		(168,715) (86,092)
		99,072 81,908
(Increase) / Decrease in assets		
Investments - net		263,007 (713,797)
Receivable from the Management Company		3,574 (861)
Deposits and prepayments		32 (33)
		266,613 (714,691)
(Decrease) / Increase in liabilities		
Payable to the Management Company		(1,075) 2,941
Payable to the Trustee		(116) 169
Payable to Securities and Exchange Commission of Pakistan		(3) 61
Accrued expenses and other liabilities		5,928 17,361
		4,734 20,532
Cash generated / (used in) from operations		370,419 (612,251)
Dividend received		24,364 7,092
Profit received		4,045 1,694
Net cash generated / (used in) from operating activities		398,828 (603,465)
CASH FLOWS FROM FINANCING ACTIVITIES		
Amount received on issue of units		1,795,525 2,849,947
Amount paid on redemption of units		(2,176,964) (1,729,396)
Net cash (used in) / generated from financing activities		(381,439) 1,120,551
Net increase in cash and cash equivalents		17,389 517,086
Cash and cash equivalents at beginning of the period		33,716 5,139
Cash and cash equivalents at end of the period	4	51,105 522,225

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

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Equity Fund
Notes To The Condensed Interim Financial Information (Un-audited)
For The Half Year Ended December 31, 2025

1 LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 HBL Islamic Equity Fund ('the Fund') was established under a Trust Deed executed between PICIC Asset Management Limited (now, HBL Asset Management Limited) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Fund was approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter no. SCD/AMCW/PISF/965/2014 dated April 23, 2014 and the Trust Deed was executed on February 20, 2014.
- 1.2 Effective from September 1, 2016, HBL Asset Management Limited became Management Company of the Fund which is a wholly owned subsidiary of Habib Bank Limited. The Aga Khan Fund For Economic Development (AKFED), S.A. is the parent company of Habib Bank Limited.
- 1.3 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 (The 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 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.4 The Fund has been categorised as a Shariah Compliant equity scheme as per the criteria laid down by the SECP for categorisation of Open-End Collective Investment Schemes (CIS) and is listed on the Pakistan Stock Exchange Limited. Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund.
- 1.5 The objective of HBL Islamic Equity Fund is to provide the maximum total return to the unit holders from investment in 'Shariah Compliant' equity investments for the given level of risk.
- 1.6 VIS Credit Rating Company has assigned a long term management quality rating of 'AM1' (Stable outlook) to the Management Company as at December 31, 2025.
- 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 This condensed interim financial information of the Fund has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International 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 VIII A of the repealed Companies Ordinance, 1984; and
- The NBFC Rules, the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the 'Non-Banking Finance Companies Regulations') and the requirements of the Trust Deed.

Where the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations, the directives issued by SECP differ from the IFRS, the provisions of and directives issued under the Companies Act, 2017, Part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed have been followed.

2.1.2 This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2025.

2.1.3 This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2025 and December 31, 2024 have not been reviewed.

2.1.4 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2025.

3 MATERIAL ACCOUNTING POLICY INFORMATION

3.1 The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2025, unless otherwise stated.

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

3.3 The significant estimates, judgements and assumptions made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual audited financial statements as at and for the year ended June 30, 2025.

3.4 The Fund's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements of the Fund for the year ended June 30, 2025.

		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
4 BANK BALANCES	Note	----- (Rupees in '000) -----	
In current account		1	1
In profit or loss sharing account	4.1	51,104	33,715
		<u>51,105</u>	<u>33,716</u>

4.1 These accounts carry profit ranging from 6.0% to 10.9% (June 30, 2025: 6% to 11.11%) per annum. This includes an amount held in Habib Bank Limited (a related party) amounting to Rs. 3.836 million (June 30, 2025: Rs. 0.365 million) on which profit is earned at 6.64% (June 30, 2025: 11.11%) per annum.

		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
5 INVESTMENTS	Note	---- (Rupees in '000) ----	
Financial assets at 'fair value through profit or loss'			
Listed equity securities	5.1	<u>1,023,179</u>	<u>1,133,686</u>

5.1 **Financial assets at 'fair value through profit or loss' - Listed equity securities**
Shares of listed companies - fully paid up ordinary shares of Rs. 10 each, unless stated otherwise.

Name of investee companies	As at July 1, 2025	Purchases during the period	Bonus issue during the period	Sales during the period	As at December 31, 2025	Carrying value as at 31 December, 2025	Market value as at 31 December, 2025	Unrealised gain / (loss)	Market value as a percentage of net assets	Par value as Percentage of paid-up capital of the investee company
Automobile Assembler										
Ghandhara Automobiles Limited	51,860	100,000	-	151,860	-	-	-	-	-	-
Ghandhara Industries Limited	69,500	20,000	-	89,500	-	-	-	-	-	-
Cement										
Attock Cement Pakistan Limited	142,000	-	-	142,000	-	-	-	-	-	-
Cherat Cement Company Limited	-	40,000	-	5,000	35,000	13,218	11,673	(1,545)	1.10	0.02
D.G. Khan Cement Company Limited	505,000	-	-	391,000	114,000	18,874	26,210	7,336	2.47	0.03
Dewan Cement Limited	-	1,750,000	-	1,750,000	-	-	-	-	-	-
Fauji Cement Company Limited	618,000	246,000	-	587,000	277,000	14,077	15,498	1,421	1.46	0.01
Lucky Cement Limited**	-	368,000	-	157,000	211,000	81,966	100,217	18,251	9.45	0.01
Maple Leaf Cement Factory Limited	1,033,524	336,000	-	895,500	474,024	46,377	55,665	9,288	5.25	0.05
Pioneer Cement Limited	-	13,000	-	-	13,000	3,144	5,037	1,893	0.48	0.01
						<u>177,656</u>	<u>214,300</u>	<u>36,644</u>	<u>20.22</u>	<u>0.12</u>
Commercial Banks										
Faysal Bank Limited	-	611,000	-	611,000	-	-	-	-	-	-
Meezan Bank Limited	237,000	207,000	-	270,000	174,000	65,145	77,322	12,177	7.29	0.01
						<u>65,145</u>	<u>77,322</u>	<u>12,177</u>	<u>7.29</u>	<u>0.01</u>
Engineering										
Aisha Steel Mills Limited	-	179,000	-	179,000	-	-	-	-	-	-
Mughal Iron and Steel Industries Limited	-	152,456	-	152,456	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fertilizer										
Engro Fertilizers Limited	-	77,000	-	77,000	-	-	-	-	-	-
Fauji Fertilizer Company Limited	-	173,000	-	24,600	148,400	73,290	87,661	14,371	8.27	0.01
						<u>73,290</u>	<u>87,661</u>	<u>14,371</u>	<u>8.27</u>	<u>0.01</u>
Food and Personal Care Products										
At-Tahur Limited	-	136,000	-	136,000	-	-	-	-	-	-
						<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Name of investee companies	As at July 1, 2025	Purchases during the period	Bonus issue during the period	Sales during the period	As at December 31, 2025	Carrying value as at 31 December, 2025	Market value as at 31 December, 2025	Unrealised gain / (loss)	Market value as a percentage of net assets	Par value as Percentage of paid-up capital of the investee company
Investment Banks / Investment Companies /										
Securities Companies										
Engro Holdings Limited	-	179,000	-	89,000	90,000	20,965	21,354	389	2.01	-
						20,965	21,354	389	2.01	2.01
Miscellaneous										
Pakistan Services Limited	-	3,500	-	3,500	-	-	-	-	-	-
						-	-	-	-	-
Oil and Gas Exploration Companies										
Mari Energies Limited	218,555	50,500	-	244,000	25,055	16,801	17,937	1,136	1.69	0.00
Oil and Gas Development Company Limited	594,500	383,000	-	440,500	537,000	128,856	150,945	22,089	14.24	0.01
Pakistan Petroleum Limited	882,000	331,000	-	557,000	656,000	118,925	154,521	35,596	14.58	0.02
						264,582	323,403	58,821	30.51	0.04
Oil and Gas Marketing Companies										
Pakistan State Oil Company Limited	345,749	245,500	-	356,500	234,749	97,575	111,309	13,734	10.50	0.05
Sui Northern Gas Pipelines Limited	745,910	80,000	-	745,910	80,000	9,727	9,562	(165)	0.90	0.01
Sui Southern Gas Company Limited	-	270,000	-	270,000	-	-	-	-	-	-
						107,302	120,871	13,569	11.40	0.06
Pharmaceuticals										
Abbott Laboratories (Pakistan) Limited	-	4,800	-	-	4,800	5,478	5,041	(437)	0.48	0.00
AGP Limited	-	31,000	-	-	31,000	6,188	6,294	106	0.59	0.01
GlaxoSmithKline Pakistan Limited	-	67,157	-	41,600	25,557	10,621	9,962	(659)	0.94	-
The Searle Company Limited	1,985	308,000	46,497	354,497	1,985	197	238	41	0.02	-
						22,484	21,535	(949)	2.03	0.02
Power Generation and Distribution										
K-Electric Limited*	-	1,600,000	-	1,600,000	-	-	-	-	-	-
The Hub Power Company Limited	-	515,000	-	438,100	76,900	13,396	17,024	3,628	1.61	-
						13,396	17,024	3,628	1.61	-
Property										
TPL Properties Limited	-	2,025,000	-	233,985	1,791,015	22,676	22,083	(593)	2.08	-
						22,676	22,083	(593)	2.08	-
Refinery										
Attock Refinery Limited	88,335	-	-	88,335	-	-	-	-	-	-
						-	-	-	-	-
Technology and Communications										
Pakistan Telecommunication Company Limited	-	890,000	-	716,000	174,000	6,382	10,348	3,966	0.98	0.01
Systems Limited**	447,490	205,000	-	211,000	441,490	58,072	75,442	17,370	7.12	0.07
TPL Tracker Limited	898,000	-	-	-	898,000	6,403	9,654	3,251	0.91	0.48
						70,857	95,444	24,587	9.00	0.56
Textile Composite										
Nishat Mills Limited	-	205,000	-	205,000	-	-	-	-	-	-
						-	-	-	-	-
Transport										
Pakistan International Bulk Terminal Limited	-	2,830,000	-	1,652,000	1,178,000	16,111	22,182	6,071	1.56	0.02
						16,111	22,182	6,071	1.56	0.02
As at December 31, 2025						854,464	1,023,179	168,715		
As at June 30, 2025						1,102,042	1,133,686	31,644		
* These shares carry Face Value of Rs. 3.5										
** These shares carry Face Value of Rs. 2.										

5.1.1 As at December 31, 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 :

	31 December, 2025	June 30, 2025	31 December, 2025	June 30, 2025
	----- (Number of shares) -----		----- (Rupees in 000) -----	
Attock Cement (Pakistan) Limited	-	12,000	-	3,511
D.G. Khan Cement Company Limited	15,000	15,000	3,449	2,483
Fauji Cement Company Limited	18,000	-	1,007	-
GlaxoSmithKline Pakistan Limited	15,000	-	5,847	-
The Hub Power Company Limited	10,000	-	2,214	-
Lucky Cement Limited	45,000	-	21,373	-

	31 December, 2025	June 30, 2025	31 December, 2025	June 30, 2025
	----- (Number of shares) -----		----- (Rupees in 000) -----	
Mari Energies Limited	20,000	121,000	14,318	75,854
Meezan Bank Limited	27,000	17,000	11,998	5,645
Maple Leaf Cement Factory Limited	213,000	213,000	25,013	17,952
Oil & Gas Development Company Limited	330,000	473,500	92,760	104,435
Pakistan Petroleum Limited	390,700	360,700	92,029	61,380
Pakistan State Oil Company Limited	110,000	80,000	52,158	30,202
Sui Northern Gas Pipelines Limited	-	531,000	-	61,973
	1,193,700	1,823,200	322,165	363,435

5.1.2 These investments include gross bonus shares as per Fund's entitlement declared by the investee companies. Finance Act, 2014 has brought amendments in the Income Tax Ordinance, 2001 whereby the bonus shares received by the shareholder are to be treated as income and a tax at the rate 10% (5% for prior periods) to be applied on value of bonus shares determined on the basis of day end price on the first day of closure of books. The tax is to be collected at source by the investee company which shall be considered as final discharge of tax liability on such income. However, the Management Company of the Fund jointly with other asset management companies and Mutual Fund Association of Pakistan (MUFAP) has filed a petition in Sindh High Court to declare the amendments brought in Income Tax Ordinance, 2001 with reference to tax on bonus shares for collective investment schemes as null and void and not applicable on the funds based on the premise of exemption given to mutual funds under clause 99 of Part I of the Second Schedule to the Income Tax Ordinance, 2001. The Sindh High Court has granted stay order till the final outcome of the case. However, the investee companies have withheld the share equivalent to 5% of bonus announcement of the Fund having aggregate fair market value of Rs. 7.421 million at December 31, 2025 (2024: Rs. 4.970 million) and not yet deposited on CDC account of department of Income tax. The final outcome of the case is pending, however Management Company is of the view that the decision will be in the favour and accordingly has recorded the bonus shares on gross basis at fair value in its investments at period end.

These bonus shares include the following shares:

	As at December 31, 2025	As at June 30, 2025	As at December 31, 2025	As at June 30, 2025
	Number of shares withheld		-----Rs in 000-----	
The Searle Company Limited	1,985	1,985	238	174
Mari Energies Limited	1,305	1,305	934	818
Pakistan State Oil Company Limited	749	749	355	283
Systems Limited	34,490	34,490	5,894	3,695
	38,529	38,529	7,421	4,970

During 2018, the Supreme Court of Pakistan passed a judgment on June 27, 2018 whereby the suits which are already pending or shall be filed in future must only be continued / entertained on the condition that a minimum of 50% of the tax calculated by the tax authorities is deposited with the authorities. The CISs failed to deposit the minimum 50% of the tax liability and accordingly the stay got vacated automatically during the previous year.

In 2019, the CISs filed a fresh constitutional petition via CP4653 dated July 11, 2019. In this regard, on July 15, 2019, the High Court of Sindh has issued notices to the relevant parties and has ordered that no third party interest on bonus shares issued to the Funds in lieu of their investments be created in mean time. The matter is still pending and the Funds have included these shares in their portfolio, as the management is confident that the decision of the constitution petition will be in favour of the CISs.

The Finance Act, 2018 effective from July 01, 2018 has omitted Section 236M of the Income Tax Ordinance (the Ordinance), 2001 requiring every company quoted on stock exchange issuing bonus shares to the shareholders of the company, to withhold 5% of the bonus shares to be issued. Accordingly, post July 01, 2018 shares are not being withheld at the time of bonus issue.

Further, through Finance Act 2023, 10% tax on value of bonus shares has been introduced. During the year ended June 30, 2025, an investee company, Mari Energies Limited (Mari) withheld 1,305 shares, as at December 31, 2025 having aggregate fair value of 0.934 million (June 30, 2025: 0.818 million) which is 10% of the bonus shares issued by Mari to comply with the requirements of 236Z of the Income Tax Ordinance, 2001. The Management Company, along with other asset management companies, filed a constitutional petition (C.P. No 4747 of 2024) in the High Court of Sindh (SHC) on September 30, 2024, challenging the applicability of withholding tax provisions on bonus shares received by Collective Investment Schemes. The SHC has issued a stay order on September 30, 2024 whereby Mari was directed to retain the 10% of bonus shares issued to the Fund but not to liquidate / sell the same to pay the amount to income tax authority until the case is decided by the Court. The case pending further adjudication in the SHC. Management is of the view that the decision will be favourable and accordingly, has recorded such bonus shares on gross basis at fair value in its investments at period end.

		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
	Note	----- (Rupees in '000) -----	
5.2 Unrealised gain in fair value of investments classified as 'at fair value through profit or loss' - net			
Market value of investments	5.1	1,023,179	1,133,686
Less: carrying value of investments	5.1	854,464	1,102,042
		<u>168,715</u>	<u>31,644</u>
6 DIVIDEND AND PROFIT RECEIVABLE			
Dividend receivable		811	775
Profit receivable on savings accounts		919	698
		<u>1,730</u>	<u>1,473</u>
7 RECEIVABLE FROM THE MANAGEMENT COMPANY			
Receivable against expense reimbursement	7.1	-	3,574
7.1 As per SECP's Direction No. SCD/PRDD/Direction/18/2016 and Regulation 60(5) of the NBFC Regulations, AMCs were required to ensure that the Total Expense Ratio (TER) of each Collective Investment Scheme (CIS) remained within the prescribed limits and to adjust the NAV for any excess expenses.			
During the year ended June 30, 2025, the Fund exceeded the maximum TER limit of 4.5% applicable to equity schemes and accordingly recognized a receivable from the Management Company for the excess expenses.			
Pursuant to the amendments in the NBFC Regulations by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.			
		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
	Note	--- (Rupees in '000) ---	
8 PAYABLE TO THE MANAGEMENT COMPANY			
Remuneration of the Management Company	8.1	2,910	3,202
Sindh Sales Tax on remuneration of the Management Company	8.2	436	480
Sales load payable		81	820
		<u>3,427</u>	<u>4,502</u>
8.1 Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the management fee for an Equity Scheme is capped at 3% per annum, calculated on the basis of the average daily net assets, effective from July 1, 2025. Accordingly, the Management Company has charged management fees at a rate not exceeding 3% of the Fund's net assets, calculated on a daily basis. The management fee is payable to the Management Company on a monthly basis in arrears.			
8.2 The Sindh Provincial Government has levied Sindh Sales Tax at the rate of 15% (June 30, 2025: 15%) on the remuneration of Management Company through Sindh Sales Tax on Services Act, 2011.			
9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN			
The Fund has charged SECP Fee at the rate of 0.095% of the average daily net assets of the Fund which is payable on monthly basis in arrears.			

10 ACCRUED EXPENSES AND OTHER LIABILITIES	Note	December 31, 2025 (Un-Audited) ---- (Rupees in '000) ----	June 30, 2025 (Audited)
Withholding tax		10,315	1,090
Provision for Federal Excise Duty	10.1	3,268	3,268
Donation payable	10.2	1,519	5,109
Brokerage payable		1,111	1,122
Auditors' remuneration		306	79
Legal advisory fee payable		752	752
Others		186	109
		<u>17,457</u>	<u>11,529</u>

10.1 The legal status of applicability of Federal Excise Duty (FED) on the Fund is the same as disclosed in note 13.2 to the annual audited financial statements of the Fund for the year ended June 30, 2025 and the appeal filed by tax authorities with Supreme Court of Pakistan is pending for decision. In view of the above, the Management Company, as a matter of prudence, is carrying provision for FED for the period from January 13, 2013 to June 30, 2016 aggregating to Rs. 3.27 million. Had the provision not been retained, NAV per unit of the Fund as at December 31, 2025 would have been higher by Re. 0.64 per unit (June 30, 2025: Re. 0.455 per unit).

10.2 This represents amount recognised to purify dividend income derived from non-Shariah compliant (haram) sources during the period. The charity amount is calculated using the purification ratio, which is determined by dividing the company's non-compliant (haram) income by its total revenue

11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2025 and June 30, 2025.

12 TAXATION

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

13 TOTAL EXPENSE RATIO

The total annualised expense ratio of the Fund for the period from July 1, 2025 to December 31, 2025 is 4.80% (December 31, 2024: 5.44%), which includes 0.68% (December 31, 2024: 0.96%) representing government levy, SECP fee, and other related charges. However, pursuant to the amendments in the NBFC Regulations by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.

14 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

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

	(Un-Audited) Half year ended December 31,	
	2025	2024
	---- (Rupees in '000) ----	
14.1 Transactions during the period		
HBL Asset Management Limited - Management Company		
Remuneration of the Management Company	17,807	3,602
Sindh Sales tax on remuneration of the Management Company	2,671	540
Advance received against issuance to unitholders*	-	157
Issue of 251,594 (2024: Nil) units	50,000	-
Redemption of 355,902 (2024: Nil) units	69,158	-
Habib Bank Limited - Sponsor		
Bank charges paid	23	23
Profit on bank deposits earned	308	308
Executives of the Management Company		
Issue of 165,323 (2024: 73,734) units	29,778	11,068
Redemption of 147,450 (2024: 38,679) units	27,433	5,116
Central Depository Company of Pakistan Limited - Trustee		
Remuneration of the Trustee	1,098	344
Sindh Sales tax on remuneration of the Trustee	165	52
CDS charges	133	37
Fayyaz Aziz - Connected Person due to holding more than 10% units:		
Redemption of 315,041 (2024: Nil) units	57,724	-
	(Un-Audited) December 31, 2025	(Audited) June 30, 2025
14.2 Balances outstanding as at period / year end	---- (Rupees in '000) ----	
HBL Asset Management Limited - Management Company		
Remuneration payable to the Management Company	2,910	3,202
Sindh Sales Tax on Management Company's remuneration	436	480
Sales load payable	81	820
Units held: 251,594 (June 2025: 355,902) units	52,932	56,548
Habib Bank - Sponsor		
Bank balances	10,517	365
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	182	283
Sindh Sales Tax on trustee fee payable	27	42
Security deposit held	100	100
Executives of the Management Company		
Units held: 54,391 (June 30, 2025: 36,518)	11,443	5,802
Fayyaz Aziz - Connected Person due to holding more than 10% units:		
Units held: 667,106 units (June 30, 2025: 982,148 units)	139,454	156,050

This represents amount reimbursed by the Management Company in relation to reversal of excess amount charged against reimbursement of selling and marketing expenses as per the direction of Securities and Exchange Commission of Pakistan.

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the 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 recognised at fair value, based on:

Levels	Description	Valuation approach and input used
Level 1:	quoted prices in active markets for identical assets or liabilities;	Listed equity securities are valued at the rates quoted on PSX. Listed government securities traded on PSX are valued at revaluation rates disseminated by PSX.
Level 2:	those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and	The government securities not listed on a stock exchange and traded are valued at the average rates quoted on electronic quotation system (PKISRV).
Level 3:	those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	The Fund applies discretion on the effective yield as per the allowable limits. The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over

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

	December 31, 2025 (Un-Audited)						
	Carrying amount			Fair Value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	----- (Rupees in '000) -----						
Financial assets measured at fair value							
Equity investment	1,023,179	-	1,023,179	1,023,179	-	-	1,023,179
Financial assets not measured at fair value							
Bank balances	-	51,105	51,105				
Dividend and Profit receivable -		1,730	1,730				
Receivable against issuance of units	-	3,574	3,574				
Deposits and prepayments	-	2,600	2,600				
	-	59,009	59,009				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	2,991	2,991				
Payable to the Trustee	-	182	182				
Payable Against sale of investments	-	986	986				
Accrued expenses and other liabilities	-	2,187	2,187				
	-	6,346	6,346				

During the period ended December 31, 2025, there were no transfers between levels of fair value measurements, and no transfer into and out of level 3 fair value measurements.

June 30, 2025 (Audited)						
Carrying amount			Fair Value			
Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
----- (Rupees in '000) -----						
Financial assets measured at fair value						
Equity investment	1,133,686	-	1,133,686	1,133,686	-	- 1,133,686
Financial assets not measured at fair value						
Bank balances	-	33,716	33,716			
Dividend and profit receivable	-	1,473	1,473			
Deposits	-	2,600	2,600			
Receivable against reimbursement from Management Company	-	3,574	3,574			
	-	41,363	41,363			
Financial liabilities not measured at fair value						
Payable to the Management Company	-	4,022	4,022			
Payable to the Trustee	-	283	283			
Payable against sale of investments - net	-	17,201	17,201			
Accrued expenses and other liabilities	-	6,989	6,989			
	-	28,495	28,495			

During the year ended June 30, 2025, there were no transfers between levels of fair value measurements, and no transfer into and out of level 3 fair value measurements.

16 GENERAL

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

17 Corresponding figures

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

18 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on **25 February 2026**.

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

Chief Financial Officer

Chief Executive Officer

Director



HBL

Islamic Fixed Term Fund



FUND INFORMATION

NAME OF FUND	HBL Islamic Fixed Term Fund
NAME OF AUDITOR	BDO Ebrahim & Co. Chartered Accountants.
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited
NAME OF SHARIAH ADVISOR	Al - Hilal Shariah Advisors (Pvt.) Limited
BANKERS	United Bank Limited

**AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**



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Pakistan

**INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO
THE PARTICIPANTS OF HBL ISLAMIC FIXED TERM FUND**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of HBL ISLAMIC FIXED TERM FUND ("the Fund") as at December 31, 2025 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of movement in participants' sub funds', condensed interim statement of cash flows and notes to the condensed interim financial statements for the six-month period ended (here-in-after referred to as "interim financial statements"). HBL Asset Management Limited (the "Management Company") is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements is not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

Only cumulative figures for the six months, presented in the second quarter accounts are subject to a limited scope review by the statutory auditors of the Fund. Accordingly, the figures of condensed interim income statement and condensed interim statement of comprehensive income for the three-month period ended December 31, 2025 have not been reviewed by us.

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

KARACHI

DATED: 27 FEB 2026

UDIN: RR20251016634wy5XN8e


BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

BDO Ebrahim & Co. Chartered Accountants

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

**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC FIXED TERM FUND**

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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



**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC FIXED TERM FUND**

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

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Islamic Fixed Term Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2025 in accordance with the provisions of the following:

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


Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2026



HBL Islamic Fixed Term Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

-----December 31, 2025 (Un-Audited)-----						
Plan I	Plan II	Plan V	Plan VI	Total		
----- (Rupees in '000) -----						
ASSETS						
Balances with banks	4	188	98,643	235,104	30,467	364,402
Investments	5	-	2,082,577	5,395,124	3,711,569	11,189,270
Security deposit	7	100	-	-	-	100
Profit / mark-up receivable	6	-	561	1,429	-	1,990
TOTAL ASSETS		288	2,181,781	5,631,657	3,742,036	11,555,762
LIABILITIES						
Payable to the HBL Asset Management Limited - Management Company	8	-	27	384	254	665
Payable to the Central Depository Company of Pakistan Limited -Trustee	9	-	76	301	200	577
Payable to Securities and Exchange Commission of Pakistan	10	-	89	357	237	684
Accrued expenses and other liabilities	11	288	112	415	358	1,173
TOTAL LIABILITIES		288	304	1,457	1,049	3,097
NET ASSETS		-	2,181,477	5,630,200	3,740,987	11,552,664
PARTICIPANT'S SUB FUNDS (AS PER CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND)						
		-	2,181,477	5,630,200	3,740,987	11,552,664
CONTINGENCIES AND COMMITMENTS						
	12	--Number of units--				
Number of units in issue	13	-	21,689,866	55,320,997	36,891,255	
--(Rupees)--						
Net assets value per unit		-	100.5759	101.7733	101.4058	

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

		-----June 30, 2025 (Audited)-----				
		Plan I	Plan II	Plan V	Plan VI	Total
		----- (Rupees in '000) -----				
ASSETS						
Balances with banks	4	1,598	-	-	-	1,598
Investments	5	-	-	-	-	-
Security deposit	7	100	-	-	-	100
Profit / mark-up receivable	6	-	-	-	-	-
TOTAL ASSETS		1,698	-	-	-	1,698
LIABILITIES						
Payable to the HBL Asset Management Limited - Management Company	8	1,042	-	-	-	1,042
Payable to the Central Depository Company of Pakistan Limited -Trustee	9	-	-	-	-	-
Payable to Securities and Exchange Commission of Pakistan	10	-	-	-	-	-
Accrued expenses and other liabilities	11	656	-	-	-	656
TOTAL LIABILITIES		1,698	-	-	-	1,698
NET ASSETS		-	-	-	-	-
PARTICIPANT'S SUB FUNDS (AS PER CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND)						
		-	-	-	-	-
CONTINGENCIES AND COMMITMENTS						
	12	--Number of units--				
Number of units in issue	13	-	-	-	-	-
		--(Rupees)--				
Net assets value per unit		-	-	-	-	-

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year Ended December 31, 2025

	Note	Half year ended December 31,					Half year ended December 31,				
		2025					2024				
		Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
----- (Rupees in '000) -----											
Income											
Income from Bai Muajjal	5.1.1	-	12,233	96,835	53,281	162,349	160,860	-	-	-	160,860
Profit / markup on bank deposits		-	561	3,100	-	3,661	528	-	-	-	528
		-	12,794	99,935	53,281	166,010	161,388	-	-	-	161,388
Expenses											
Remuneration to the HBL Asset Management Limited - Management Company	8.1	-	24	660	349	1,033	3,953	-	-	-	3,953
Sindh Sales Tax on remuneration to the Asset Management Limited - Management Company	8.2	-	4	99	52	155	593	-	-	-	593
Remuneration of the Central Depository Company of Pakistan Limited -Trustee	9.2	-	66	518	274	858	483	-	-	-	483
Sindh Sales Tax on remuneration to the Central Depository Company -Trustee	9.3	-	10	78	41	129	72	-	-	-	72
Annual fee to Securities and Exchange Commission of Pakistan	10.1	-	89	707	374	1,170	660	-	-	-	660
Auditors' remuneration		-	65	205	162	432	409	-	-	-	409
Shariah Advisory fee		-	-	-	-	-	164	-	-	-	164
Central Depository Company of Pakistan Limited charges		-	-	-	-	-	94	-	-	-	94
Amortisation of preliminary expenses and flotation costs		-	-	-	-	-	4	-	-	-	4
Bank charges		-	-	34	27	61	105	-	-	-	105
Legal and professional charges		-	22	102	81	205	39	-	-	-	39
Other expenses		-	24	-	59	83	-	-	-	-	-
Printing and stationary charges		-	-	-	-	-	349	-	-	-	349
		-	304	2,403	1,420	4,126	6,925	-	-	-	6,925
Net income for the period before taxation		-	12,490	97,532	51,861	161,884	154,463	-	-	-	154,463
Taxation	14	-	-	-	-	-	-	-	-	-	-
Net income for the period		-	12,490	97,532	51,861	161,884	154,463	-	-	-	154,463
Allocation of net income for the period											
Income already paid on redemption of units		-	-	-	-	-	-	-	-	-	-
Accounting income available for distribution:											
Relating to capital gain		-	-	-	-	-	-	-	-	-	-
Excluding capital gain		-	12,490	97,532	51,861	161,884	154,463	-	-	-	154,463
		-	12,490	97,532	51,861	161,884	154,463	-	-	-	154,463
		-	12,490	97,532	51,861	161,884	154,463	-	-	-	154,463
Earnings per unit	15										

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year Ended December 31, 2025

	Note	Quarter ended December 31,					Quarter ended December 31,				
		2025					2024				
		Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
----- (Rupees in '000) -----											
Income											
Income from Bai Muajjal	5.1.1	-	12,233	96,835	53,281	162,349	80,430	-	-	-	80,430
Profit / markup on bank deposits		-	561	3,100	-	3,661	224	-	-	-	224
		-	12,794	99,935	53,281	166,010	80,654	-	-	-	80,654
Expenses											
Remuneration to the HBL Asset Management Limited - Management Company	8.1	-	24	660	349	1,033	2,020	-	-	-	2,020
Sindh Sales Tax on remuneration to the Asset Management Limited - Management Company	8.2	-	4	99	52	155	303	-	-	-	303
Remuneration of the Central Depository Company of Pakistan Limited -Trustee	9.2	-	66	518	274	858	247	-	-	-	247
Sindh Sales Tax on remuneration to the Central Depository Company -Trustee	9.3	-	10	78	41	129	37	-	-	-	37
Annual fee to Securities and Exchange Commission of Pakistan	10.1	-	89	707	374	1,170	337	-	-	-	337
Auditors' remuneration		-	65	205	162	431	146	-	-	-	146
Shariah Advisory fee		-	-	-	-	-	82	-	-	-	82
Central Depository Company of Pakistan Limited charges		-	-	-	-	-	60	-	-	-	60
Amortisation of preliminary expenses and flotation costs		-	-	-	-	-	4	-	-	-	4
Bank charges		-	-	34	27	61	52	-	-	-	52
Legal and professional charges		-	22	102	81	205	20	-	-	-	20
Other expenses		-	24	-	59	83	-	-	-	-	-
Printing and stationary charges		-	-	-	-	-	175	-	-	-	175
		-	304	2,403	1,420	4,126	3,482	-	-	-	3,482
Net income for the period before taxation		-	12,490	97,532	51,861	161,884	77,172	-	-	-	77,172
Taxation	14	-	-	-	-	-	-	-	-	-	-
Net income for the period		-	12,490	97,532	51,861	161,884	77,172	-	-	-	77,172
Allocation of net income for the period											
Income already paid on redemption of units		-	-	-	-	-	-	-	-	-	-
Accounting income available for distribution:											
Relating to capital gain		-	-	-	-	-	-	-	-	-	-
Excluding capital gain		-	12,490	97,532	51,861	161,884	77,172	-	-	-	77,172
		-	12,490	97,532	51,861	161,884	77,172	-	-	-	77,172
		-	12,490	97,532	51,861	161,884	77,172	-	-	-	77,172
Earnings per unit	15										

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31,					Half year ended December 31,				
	2025					2024				
	Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
	----- (Rupees in '000) -----									
Net income for the period	-	12,490	97,532	51,861	161,884	154,463	-	-	154,463	154,463
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	12,490	97,532	51,861	161,884	154,463	-	-	154,463	154,463

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year Ended December 31, 2025

	Quarter ended December 31,					Quarter ended December 31,				
	2025					2024				
	Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
	----- (Rupees in '000) -----									
Net income for the period	-	12,490	97,532	51,861	161,884	-	-	-	77,172	77,172
Other comprehensive income	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	12,490	97,532	51,861	161,884	-	-	-	77,172	77,172

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	Plan - II		
	2025		
	Capital value	Undistributed income	Total
	-----Rupees in '000-----		
Net assets at beginning of the period	-	-	-
Issuance of 21,689,866 units (2024: Nil)			
Capital value (at net asset value per unit at the beginning of the period)	2,168,987	-	2,168,987
Element of income	-	-	-
Total proceeds on issuance of units	2,168,987	-	2,168,987
Redemption of Nil units (2024: Nil Units)			
Capital value (at net asset value per unit at the beginning of the period)	-	-	-
Element of Loss	-	-	-
Total proceeds on redemption of units	-	-	-
Total comprehensive income for the period	-	12,490	12,490
Interim distribution			
Refund of capital	-	-	-
Distributed during the period	-	-	-
Net assets at end of the period	2,168,987	12,490	2,181,477
Undistributed income brought forward			
Realized income	-	-	-
Unrealized income	-	-	-
Accounting income available for distribution			
Relating to capital gain	-	-	-
Excluding capital gain	-	12,490	12,490
Income pertaining to previous period	-	-	-
Distributions during the period:			
	-	-	-
Undistributed income carried forward			
Realized income	-	12,490	12,490
Unrealized income	-	-	-
	-	12,490	12,490
			(Rupees)
Net assets value per unit at beginning of the period			-
Net assets value per unit at end of the period			100.5759

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	Plan - V		
	2025		
	Capital value	Undistributed income	Total
	-----Rupees in '000-----		
Net assets at beginning of the period	-	-	-
Issuance of 55,320,997 units (2024: Nil)			
Capital value (at net asset value per unit at the beginning of the period)	5,532,668	-	5,532,668
Element of income	-	-	-
Total proceeds on issuance of units	5,532,668	-	5,532,668
Redemption of Nil Units (2024: Nil Units)			
Capital value (at net asset value per unit at the beginning of the period)	-	-	-
Element of Loss	-	-	-
Total proceeds on redemption of units	-	-	-
Total comprehensive income for the period	-	97,532	97,532
Interim distribution			
Refund of capital	-	-	-
Distributed during the period	-	-	-
	-	97,532	97,532
Net assets at end of the period	5,532,668	97,532	5,630,200
Undistributed income brought forward			
Realized income	-	-	-
Unrealized income	-	-	-
Accounting income available for distribution			
Relating to capital gain	-	-	-
Excluding capital gain	-	97,532	97,532
Income pertaining to previous period	-	-	-
Distributions during the period:	-	-	-
	-	-	-
Undistributed income carried forward			
Realized income	-	97,532	97,532
Unrealized income	-	-	-
	-	97,532	97,532
			(Rupees)
Net assets value per unit at beginning of the period			-
Net assets value per unit at end of the period			101.7733

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	Plan - VI 2025		
	Capital value	Undistributed income	Total
	-----Rupees in '000-----		
Net assets at beginning of the period	-	-	-
Issuance of 36,891,255 units (2024: Nil)			
Capital value (at net asset value per unit at the beginning of the period)	3,689,125	-	3,689,125
Element of income	-	-	-
Total proceeds on issuance of units	3,689,125	-	3,689,125
Redemption of Nil units (2024: Nil Units)			
Capital value (at net asset value per unit at the beginning of the period)	-	-	-
Element of Loss	-	-	-
Total proceeds on redemption of units	-	-	-
Total comprehensive income for the period	-	51,861	51,861
Interim distribution			
Refund of capital	-	-	-
Distributed during the period	-	-	-
	-	51,861	51,861
Net assets at end of the period	3,689,125	51,861	3,740,987
Undistributed income brought forward			
Realised income		-	-
Unrealised income		-	-
Accounting income available for distribution			
Relating to capital gain		-	-
Excluding capital gain		51,861	51,861
Income pertaining to previous period		-	-
Distributions during the period:			
		-	-
		-	-
Undistributed income carried forward			
Realised income		51,861	51,861
Unrealised income		-	-
		51,861	51,861
			(Rupees)
Net assets value per unit at beginning of the period			-
Net assets value per unit at end of the period			101.4058

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

December 31,					
2025					
Plan I	Plan II	Plan V	Plan VI	Total	
----- (Rupees in '000) -----					
CASH FLOWS FROM OPERATING ACTIVITIES					
Net income for the period before taxation					
-	12,490	97,532	51,861	161,883	
Adjustments for:					
Income from Bai Muajjal					
-	(12,233)	(96,835)	(53,281)	(162,349)	
Profit on bank deposits					
-	(561)	(3,100)	-	(3,661)	
-	(304)	(2,403)	(1,420)	(4,127)	
(Increase) in assets					
Investments in Bai Muajjal-Net					
-	(2,082,577)	(5,395,124)	(3,711,569)	(11,189,270)	
CDC security deposits					
-	-	-	-	-	
-	(2,082,577)	(5,395,124)	(3,711,569)	(11,189,270)	
(Decrease)/increase in liabilities					
Payable of remuneration to the Asset Management Limited-Management Company					
(1,042)	27	384	254	(377)	
Payable to the Central Depository Company of Pakistan Limited -Trustee					
-	76	301	200	578	
Payable to Securities and Exchange Commission of Pakistan					
-	89	357	237	683	
Shariah fee payable					
-	-	-	-	-	
Accrued expenses and other liabilities					
(368)	112	416	358	517	
(1,410)	304	1,458	1,049	1,400	
(1,410)	(2,082,577)	(5,396,069)	(3,711,940)	(11,191,996)	
Cash (used in) operating activities					
Income received from Bai Muajjal					
-	12,233	96,835	53,281	162,349	
Profit / mark-up received on bank deposits					
-	-	1,670	-	1,670	
-	12,233	98,505	53,281	164,019	
(1,410)	(2,070,344)	(5,297,564)	(3,658,659)	(11,027,977)	
CASH FLOWS FROM FINANCING ACTIVITIES					
Receipts from issue of units					
-	2,168,987	5,532,668	3,689,125	11,390,780	
Dividend paid					
-	-	-	-	-	
Transfer of unit holder's investment in another fund					
-	-	-	-	-	
Net cash generated from financing activities					
-	2,168,987	5,532,668	3,689,125	11,390,780	
Net increase in cash and cash equivalents					
(1,410)	98,643	235,104	30,467	362,804	
Cash and cash equivalents at beginning of the period					
1,598	-	-	-	1,598	
Cash and cash equivalents at end of the period					
4	188	98,643	235,104	30,467	364,402

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

		December 31,				
		2024				
		Plan I	Plan II	Plan V	Plan VI	Total
		----- (Rupees in '000) -----				
CASH FLOWS FROM OPERATING ACTIVITIES						
	Net income for the period before taxation	154,463	-	-	-	154,463
	Adjustments for:					
	Income from Bai Muajjal	(160,860)	-	-	-	(160,860)
	Profit on bank deposits	(528)	-	-	-	(528)
		(6,925)	-	-	-	(6,925)
	(Increase) in assets					
	Investments in Bai Muajjal-Net	(100)	-	-	-	(100)
	CDC security deposits	-	-	-	-	-
		(100)	-	-	-	(100)
	(Decrease)/increase in liabilities					
	Payable of remuneration to the Asset Management Limited-Management Company	(46)	-	-	-	(46)
	Payable to the Central Depository Company of Pakistan Limited -Trustee	(85)	-	-	-	(85)
	Payable to Securities and Exchange Commission of Pakistan	13	-	-	-	13
	Shariah fee payable	14	-	-	-	14
	Accrued expenses and other liabilities	(10,017)	-	-	-	(10,017)
		(10,121)	-	-	-	(10,121)
	Cash (used in) operating activities	(17,146)	-	-	-	(17,146)
	Income received from Bai Muajjal	-	-	-	-	-
	Profit / mark-up received on bank deposits	600	-	-	-	600
		600	-	-	-	600
	Net cash (used in) operating activities	(16,545)	-	-	-	(16,545)
CASH FLOWS FROM FINANCING ACTIVITIES						
	Receipts from issue of units	-	-	-	-	-
	Dividend paid	-	-	-	-	-
	Transfer of unit holder's investment in another fund	-	-	-	-	-
	Net cash generated from financing activities	-	-	-	-	-
	Net increase in cash and cash equivalents	(16,545)	-	-	-	(16,545)
	Cash and cash equivalents at beginning of the period	18,556	-	-	-	18,556
	Cash and cash equivalents at end of the period	2,010	-	-	-	2,010

Note

4

The annexed notes from 1 to 21 form an integral part of these financial statements.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Fixed Term Fund
Notes To The Condensed Interim Financial Information (Un-audited)
For The Half Year Ended December 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1 HBL Islamic Fixed Term Fund (the Fund) was established under a Trust Deed executed between HBL Asset Management Limited as the Management Company, and Central Depository Company of Pakistan Limited (CDC), as the Trustee. The Fund was authorised by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SCD/AMCW/HBLIFTF/2023/376 dated December 04, 2023.
- 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, therefore the fund is required to be registered under the Sindh Trust Act. The fund's Trust Deed of the fund had been registered under the Sindh Trust Act.
- 1.3 The HBL Asset Management Limited has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (the 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 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.4 The Fund is an Open-End Fixed Rate/Return Scheme. The Management Company have the intention of launching 10 fixed return plans having maturity upto thirty six months from the date of closure of the IPO. The Allocation Plans shall be closed for new subscriptions after the close of the subscription period. During the year, HBL Islamic Fixed Term Fund Plan-I is matured. Plan II was launched on 12 December 2025 and will mature on 13 March 2026. Plan V was launched on 31 October 2025 and will mature on 29 January 2026. Plan VI was launched on 13 Nov 2025 and will mature on 11 Feb 2026. The management is in the phase of launching further plans in future.
- 1.5 The Fund has been categorised as a Fixed Rate/Return scheme as per the criteria laid down by the SECP for categorisation of open-end Collective Investment Schemes (CISs).
- 1.6 The Core objective of the Fund is to provide competitive returns to its investors through active investments in low risk portfolio of short duration, while maintaining high liquidity.
- 1.7 Title to the assets of the fund is held in the name of CDC as Trustee of the fund.
- 1.8 VIS Credit Rating Company has assigned a management quality rating of AM1 (Stable Outlook) to the Management Company on December 31, 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where the provisions of, directives and notifications issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and the requirements of the Trust Deed differ with the IAS 34, the provisions of, directives and notifications issued under the Companies Act, 2017, part VIII A of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations and requirements of the Trust Deed have been followed.

This condensed interim financial information is unaudited. However, a limited scope review has been performed by the statutory auditors. In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company declare that this condensed interim financial statements give a true and fair view of the state of affairs of the Fund as at and for the six months period ended December 31, 2025

The disclosures made in this condensed interim financial information are limited based on the requirements of the International Accounting Standard (IAS) 34: 'Interim Financial Reporting'. This condensed interim financial informations do not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2025.

2.2 Basis of measurement

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

2.3 Functional and presentation currency

These condensed interim financial statements is presented in Pakistani rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentation currency.

3 MATERIAL ACCOUNTING POLICY INFORMATION, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the fund for the year ended June 30, 2025.

3.2 The preparation of this condensed interim financial information in conformity with the accounting and reporting standards as applicable in Pakistan requires management to use certain estimates. It also requires management to exercise its judgement in the process of applying the Fund's accounting policies. Estimates and judgements are continuously evaluated and are based on historic experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Revision to accounting estimates are recognised in the period in which the estimates is revised and in any future period affected. In the process of applying the Fund's accounting policies and the key source of estimation and uncertainties for condensed interim financial information. The significant judgement made by the management are the same as those applied to the audited financial statements for the year ended June 30, 2025. The Fund financial risk management objective and policies are consistent with those disclosed in the annual financial statement of the fund for the year ended June 30, 2025.

3.3 Standards, interpretations and amendments to published accounting and reporting standards that are effective in the current period.

3.3.1 There are certain amendments to the published accounting and reporting standards that are mandatory for the Fund's annual accounting period beginning on July 01, 2025. However, these do not have any material impact on the Fund's financial information and, therefore, have not been detailed in these condensed interim financial statements.

3.4 Standards, interpretations and amendments to published accounting and reporting standards that are not yet effective.

3.4.1 There are certain new standards and amendments to the published accounting and reporting standards that will be applicable to the Fund for its annual periods beginning on or after July 01, 2026. However, these are not considered to be relevant or will not have any material effect on the Fund's financial statements except for:

- The new standard - IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) (published in April 2024) with applicability date of January 1, 2027 by IASB. IFRS 18 when adopted and applicable shall impact the presentation of 'Income Statement' with certain additional disclosures in the financial statements; and
- Amendments to IFRS 9 'Financial Instruments' which clarify the date of recognition and derecognition of a financial asset or financial liability including settlement of liabilities through banking instruments and channels including electronic transfers with effective date of January 1, 2026. The amendment when applied may impact the timing of recognition and derecognition of financial liabilities.

4	Balances with banks	Note	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----				
			Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
			(Rupees in '000)									
	Savings accounts	4.1	188	98,643	235,104	30,467	364,402	1,598	-	-	-	1,598

4.1 These carries mark-up at rates ranging between 9.49% to 10.50% (June 30, 2025: 6.00% to 18.75%) per annum.

5	INVESTMENTS	5.1	At fair value through profit or loss	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----				
				Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
				(Rupees in '000)									
	Bai Muajjal - GOP Ijara Sukuk	5.1.1	-	2,082,577	5,395,124	3,711,569	11,189,270	-	-	-	-	-	

5.1.1 Bai Muajjal - GOP Ijara Sukuk

Plans	Name of Investee Institutions	Maturity date	Profit Rate	As at December 2025				% in Relation to Total	
				Total Transaction Price	Deferred Income	Accrued Profit	Carrying value	Net Asset of the Fund	Investment of the Fund
				(Rupees in '000)				%age	
Plan II	UBL Ameen Islamic Banking	March 12, 2026	10.82%	1,328,039	35,428	7,833	1,335,871	80.04%	11.94%
Plan II	UBL Ameen Islamic Banking	March 12, 2026	10.82%	742,305	19,803	4,401	746,706	44.74%	6.67%
Plan V	Askari Bank Limited	January 28, 2026	10.80%	5,298,289	139,513	96,835	5,395,124	323.26%	48.22%
Plan VI	Askari Bank Limited	February 10, 2026	10.85%	3,658,288	96,426	53,281	3,711,569	222.38%	33.17%
Total - As at December 31, 2025				11,026,921	291,170	162,349	11,189,270	670.42%	100.00%
Total - As at June 30, 2025				-	-	-	-	0.00%	0.00%

6	PROFIT / MARK-UP RECEIVABLE	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----			
		Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI Total
(Rupees in '000)										
	Profit receivable on saving account	-	561	1,429	-	1,989	-	-	-	-

7	SECURITY DEPOSIT	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----			
		Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI Total
(Rupees in '000)										
	Security Deposit with Central Depository Company of Pakistan Limited -Trustee	100	-	-	-	100	100	-	-	100

8	PAYABLE TO THE HBL ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY	Note	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----			
			Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI Total
(Rupees in '000)											
	Remuneration payable	8.1	-	24	333	221	578	-	-	-	-
	Sindh Sales Tax payable	8.2	-	3	51	33	87	-	-	-	-
	Formation cost payable		-	-	-	-	1,042	-	-	-	1,042
			-	27	384	254	665	1,042	-	-	1,042

8.1 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 1.50% per annum of average annual net assets. During the period, the fee is being charged at the rate (0.02%-0.07%) of the average annual net assets. The fee is payable monthly in arrears.

8.2 The Sindh Government has levied Sindh Sales Tax at the rate of 15% on the remuneration of the Management Company through Sindh Sales Tax on Services Act, 2011.

9	PAYABLE TO THE CENTRAL DEPOSITORY COMPANY - TRUSTEE		-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----			
			Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI Total
(Rupees in '000)											
	Trustee fee payable	9.1 & 9.2	-	66	262	174	502	-	-	-	-
	Sindh Sales Tax payable	9.3	-	10	39	26	75	-	-	-	-
			-	76	301	200	577	-	-	-	-

9.1 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 therein, based on the average annual net assets of the Fund. The fee is paid to the Trustee monthly in arrears.

9.2 As per the trust deed and offering document, the trustee remuneration shall consist of reimbursement of actual custodian expenses plus trustee tariff of 0.055% p.a. of net assets.

Based on the Trust Deed, the tariff structure applicable to the Fund as at December 31, 2025 is as follows:

Net assets	Tariff per annum	Tariff per annum
Up to Rs. 1,000 million	Rs. 0.3 million or 0.15% of NAV, whichever is higher	Rs. 0.3 million or 0.15% of NAV, whichever is higher
Exceeding Rs. 1,000 million up to Rs. 3,000 million	Rs. 1.5 million plus 0.10% of NAV exceeding Rs. 1,000 million	Rs. 1.5 million plus 0.10% of NAV exceeding Rs. 1,000 million
Exceeding Rs. 3,000 million up to Rs. 6,000 million	Rs. 3.5 million plus 0.08% of NAV exceeding Rs. 3,000 million	Rs. 3.5 million plus 0.08% of NAV exceeding Rs. 3,000 million
Exceeding Rs. 6,000 million	Rs. 5.9 million plus 0.06% of NAV exceeding Rs. 6,000 million	Rs. 5.9 million plus 0.06% of NAV exceeding Rs. 6,000 million

9.3 The Sindh Sales Tax is charged at the rate of 15% on the Trustee fee through the Sindh Sales Tax on Services Act, 2011.

10 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----				
	Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
	----- (Rupees in '000) -----									
Annual fee payable	-	89	357	237	683	-	-	-	-	-

10.1 As per Regulation 62 of NBFC Regulations, an Asset Management Company managing a CIS shall pay SECP an annual fee of 0.075% of the average annual nets assets. The fee is payable annually in arrears.

11 ACCRUED EXPENSES AND OTHER LIABILITIES	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----				
	Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
	----- (Rupees in '000) -----									
Withholding tax payable	104	-	67	26	197	58	-	-	-	58
Auditors' remuneration	-	65	204	162	431	309	-	-	-	309
Printing charges	8	-	-	-	8	108	-	-	-	108
Legal and professional charges	150	22	102	81	355	150	-	-	-	150
Others	26	25	42	89	183	31	-	-	-	31
	288	112	415	358	1,174	656	-	-	-	656

12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2025.

13 NUMBER OF UNITS IN ISSUE	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----				
	Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
	-----Number of Units-----									
Total units in issue at the beginning of the period	-	-	-	-	-	-	-	-	-	-
Add: Units issued	-	21,689,866	55,320,997	36,891,255	113,902,118	-	-	-	-	-
Less: Units redeemed	-	-	-	-	-	-	-	-	-	-
Total units in issue at the end of the period	-	21,689,866	55,320,997	36,891,255	113,902,118	-	-	-	-	-

14 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.

15 EARNINGS PER UNIT

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

16 TRANSACTIONS AND BALANCES WITH RELATED PARTIES / CONNECTED PERSONS

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

16.1 Transactions during the period

HBL Asset Management Limited - Management Company

	-----December 31, 2025 (Un-Audited)-----					-----December 31, 2024 (Audited)-----				
	Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
Remuneration of Management Company	-	24	660	349	1,033	3953	-	-	-	-
Sindh Sales Tax on remuneration of the Management company	-	4	99	52	155	593	-	-	-	-

Central Depository Company of Pakistan Limited - Trustee

Remuneration	-	66	518	274	858	483	-	-	-	-
Sindh Sales Tax on remuneration of the Trustee	-	10	78	41	129	72	-	-	-	-

Habib Bank Limited

Profit on bank deposits earned	-	-	1,671	1,696	3,367	-	-	-	-	-
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Dalda Foods Limited - Connected Person due to holding of more than 10% units

(Plan V: Issuance of 7,500,000 units)	-	-	750,000	-	750,000	-	-	-	-	-
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Lucky Cement Limited - Connected Person due to holding of more than 10% units

(Plan V: Issuance of 19,994,322 units)	-	-	2,000,000	-	2,000,000	-	-	-	-	-
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Lucky Core Industries Limited-Connected Person due to holding of more than 10% units

(Plan VI: Issuance of 23,847,470 units)	-	-	-	2,384,747	2,384,747	-	-	-	-	-
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Nova Frontiers Limited - Connected Person due to holding of more than 10% units

(Plan V: Issuance of 15,020,386 units)	-	-	1,502,039	-	1,502,039	-	-	-	-	-
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Asim Ghani Usman- Connected Person due to holding of more than 10% units

(Plan II: Issuance of 5,140,000 units)	-	514,000	-	-	514,000	-	-	-	-	-
--	---	---------	---	---	---------	---	---	---	---	---

Fauji Kabirwala Power Co Ltd- Connected Person due to holding of more than 10% units

(Plan II: Issuance of 3,500,000 units)	-	350,000	-	-	350,000	-	-	-	-	-
--	---	---------	---	---	---------	---	---	---	---	---

Systems Limited Employees Provident Fund- Connected Person due to holding of more than 10% units

(Plan II: Issuance of 3,000,000 units)	-	300,000	-	-	300,000	-	-	-	-	-
--	---	---------	---	---	---------	---	---	---	---	---

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

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

Details of the transactions with connected persons and balances with them are as follows:

	-----December 31, 2025 (Un-Audited)-----					-----June 30, 2025 (Audited)-----				
	Plan I	Plan II	Plan V	Plan VI	Total	Plan I	Plan II	Plan V	Plan VI	Total
16.2 Balance outstanding as at the year end	(Rupees in '000)									
HBL Asset Management Limited - Management Company										
Remuneration payable to the Management Company	-	24	333	221	579	-	-	-	-	-
Sindh Sales Tax payable on Management Company's remuneration	-	4	50	33	87	-	-	-	-	-
Formation cost payable	-	24	-	59	83	-	-	-	-	1,041
Central Depository Company of Pakistan Limited - Trustee										
Trustee fee payable	-	66	262	174	501	-	-	-	-	-
Sindh Sales Tax payable on Trustee Remuneration	-	10	39	26	75	-	-	-	-	-
Habib Bank Limited										
Profit receivable	-	-	1,429	-	1,429	-	-	-	-	-
Dalda Foods Limited - Connected Person due to holding of more than 10% units										
(Plan V: Units held 7,500,000 units)	-	-	763,087	-	763,087	-	-	-	-	-
Lucky Cement Limited - Connected Person due to holding of more than 10% units										
(Plan V: Units held 19,994,322 units)	-	-	2,034,320	-	2,034,320	-	-	-	-	-
Lucky Core Industries Limited - Connected Person due to holding of more than 10% units										
(Plan VI: Units held 23,847,470 units)	-	-	2,417,587	2,417,587	-	-	-	-	-	-
Nova Frontiers Limited - Connected Person due to holding of more than 10% units										
(Plan V: Units held 15,020,386 units)	-	-	1,528,248	-	1,528,248	-	-	-	-	-
Asim Ghani Usman - Connected Person due to holding of more than 10% units										
(Plan II: Units held 5,140,000 units)	-	516,645	-	-	516,645	-	-	-	-	-
Fauji Kabirwala Power Co Ltd- Connected Person due to holding of more than 10% units										
(Plan II: Unit held 3,500,000 units)	-	351,801	-	-	351,801	-	-	-	-	-
Systems Limited Employees Provident Fund- Connected Person due to holding of more than 10% units										
(Plan II: Unit held 3,000,000 units)	-	301,544	-	-	301,544	-	-	-	-	-

17 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.

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).

17.1 The fair value of assets and liabilities are approximate to carrying amounts. There is no transfers among the levels taken place during the period.

17.2 Transfers during the period

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

18 TOTAL EXPENSE RATIO

The annualized total expense ratio for the period ended December 31, 2025 is 0.25%, 0.25% & 0.29% which includes 0.08%, 0.09% & 0.1% representing Government Levy and the SECP fee of plan II, plan V and plan VI respectively. However, Pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.

19 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 condensed interim financial statements during the current period.

20 GENERAL

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

21 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **25 February 2026** by the Board of Directors of the Management Company.

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

Chief Financial Officer

Chief Executive Officer

Director

HBL

Islamic Saving Fund

FUND INFORMATION

NAME OF FUND	HBL Islamic Saving Fund
NAME OF AUDITOR	Yousuf Adil, Chartered Accountants
NAME OF TRUSTEE	Central Depository Company of Pakistan Limited (CDC)
NAME OF SHARIAH ADVISOR	Al - Hilal Shariah Advisors (Pvt.) Limited
BANKERS	Faysal Bank Limited Habib Bank Limited United Bank Limited

**AUDITORS' REPORT TO THE UNIT HOLDERS ON REVIEW OF
INTERIM FINANCIAL INFORMATION**



Yousuf Adil
Chartered Accountants

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

Tel: +92 (021) 3454 6404-7
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**INDEPENDENT AUDITOR'S REVIEW REPORT
To the unit holders of HBL Islamic Savings Fund**

Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **HBL Islamic Savings Fund** (the "Fund") as at **December 31, 2025**, and the related condensed interim income statement, the condensed interim statement of other comprehensive income, the condensed interim statement of movement in unit holders' fund and the condensed interim statement of cash flows and notes to the condensed interim financial information (here-in-after referred to as the 'condensed interim financial information') for the half year then ended. The management of HBL Asset Management Limited (the Management Company) is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2025 is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The cumulative figures for the half year, presented in the second quarter accounts are subject to limited scope review by the statutory auditors of the Fund. Accordingly, the figures of the condensed interim income statement and condensed interim statement of other comprehensive income for the three months period ended December 31, 2025 and December 31, 2024 have not been reviewed by us.

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


Chartered Accountants

Place: Karachi
Date: February 26, 2026
UDIN: RR202510057iNeuYT0x5

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**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC SAVING FUND**

**CENTRAL DEPOSITORY COMPANY
OF PAKISTAN LIMITED**

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



**TRUSTEE REPORT TO THE UNIT HOLDERS
HBL ISLAMIC SAVINGS FUND**

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

We, Central Depository Company of Pakistan Limited, being the Trustee of HBL Islamic Savings Fund (the Fund) are of the opinion that HBL Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six months period ended December 31, 2025 in accordance with the provisions of the following:

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

Badiuddin Akber
Chief Executive Officer
Central Depository Company of Pakistan Limited

Karachi: February 27, 2026



HBL Savings Term Fund
Condensed Interim Statement Of Assets And Liabilities
As At December 31, 2025

		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
ASSETS	Note	----- (Rupees in '000) -----	
Bank balances	4	2,074,238	2,763,480
Investments	5	8,594,392	5,325,357
Profit receivable		250,376	106,431
Total assets		<u>10,919,006</u>	<u>8,195,268</u>
LIABILITIES			
Payable to the Management Company	6	15,841	21,829
Payable to the Trustee		792	679
Payable to Securities and Exchange Commission of Pakistan	7	714	804
Dividend payable		-	9,732
Payable against redemption and conversion of units-			2,725,768
Accrued expenses and other liabilities	8	3,891	73,503
Total liabilities		<u>21,238</u>	<u>2,832,315</u>
NET ASSETS		<u>10,897,768</u>	<u>5,362,953</u>
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		<u>10,897,768</u>	<u>5,362,953</u>
CONTINGENCIES AND COMMITMENTS	9		
		----- (Number of units) -----	
NUMBER OF UNITS IN ISSUE		<u>103,299,460</u>	<u>53,302,157</u>
		----- (Rupees) -----	
NET ASSETS VALUE PER UNIT		<u>105.4968</u>	<u>100.6142</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Savings Term Fund
Condensed Interim Income Statement (Un-audited)
For The Half Year and Quarter Ended December 31, 2025

	Note	Half year ended December 31,		Quarter ended December 31,	
		2025	2024	2025	2024
INCOME					
------(Rupees in '000)-----					
Capital loss on sale of investments - net		(735)	(781)	(485)	(480)
Return on investments		420,941	341,010	241,686	183,826
Profit on bank deposit		139,471	114,349	64,360	26,609
Unrealised gain on re-measurement of investments at 'fair value through profit or loss' - net		2,089	34,703	1,768	18,943
		561,766	489,281	307,329	228,898
EXPENSES					
Remuneration of the Management Company	6.1	65,382	43,716	36,843	25,099
Sindh Sales Tax on remuneration of the Management Company	6.2	9,807	6,557	5,526	3,764
Selling and marketing expenses		-	1,541	-	675
Remuneration of the Trustee		2,988	1,549	1,740	866
Sindh Sales Tax on remuneration of the Trustee		448	232	261	130
Securities and Exchange Commission of Pakistan fee	7	3,850	2,111	2,149	1,106
Auditors' remuneration		321	220	219	(307)
Shariah advisors fee		191	143	101	71
Fees and Subscription		64	-	64	-
Formation cost		-	101	-	51
Printing charges		-	104	-	(48)
Brokerage expense		23	15	23	15
Bank charges		-	101	-	50
Reversal of other expenses		-	-	(45)	(2,443)
		83,074	56,390	46,881	29,029
Net income for the period from operating activities		478,692	432,891	260,448	199,869
Taxation	10	-	-	-	-
Net income for the period after taxation		478,692	432,891	260,448	199,869
Allocation of net income for the period					
Net income for the period		478,692	432,891		
Income already paid on redemption of units		(146,051)	(123,142)		
		332,641	309,749		
Accounting income available for distribution:					
Relating to capital gains		941	24,272		
Excluding capital gains		331,700	285,477		
		332,641	309,749		

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Savings Fund
Condensed Interim Statement of Comprehensive Income (Un-audited)
For The Half Year and Quarter Ended December 31, 2025

	Half year ended December 31,		Quarter ended December 31,	
	2025	2024	2025	2024
	------(Rupees in '000)-----			
Net income for the period after taxation	478,692	432,891	260,448	199,869
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	478,692	432,891	260,448	199,869

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Savings Fund
Condensed Interim Statement of Movement In Unitholders' Fund (Un-audited)
For The Half Year Ended December 31, 2025

	Half year ended December 31,					
	2025			2024		
	Capital value	Undistributed income	Total	Capital value	Undistributed income	Total
----- (Rupees in '000) -----						
Net assets at beginning of the period	5,308,134	54,819	5,362,953	5,241,653	6,966	5,248,619
Issuance of 178,120,978 units (2024: 77,854,038)						
Capital value (at net asset value per unit at the beginning of the period)	17,921,500	-	17,921,500	7,798,234	-	7,798,234
Element of income	336,531	-	336,531	374,326	-	374,326
	18,258,031	-	18,258,031	8,172,560	-	8,172,560
Redemption of 128,123,675 units (2024: 68,991,886)						
Capital value (at net asset value per unit at the beginning of the period)	(12,891,061)	-	(12,891,061)	(6,910,558)	-	(6,910,558)
Element of income	(164,796)	(146,051)	(310,847)	(191,005)	(123,142)	(314,147)
	(13,055,857)	(146,051)	(13,201,908)	(7,101,563)	(123,142)	(7,224,705)
Total comprehensive income for the period	-	478,692	478,692	-	432,891	432,891
Net assets at end of the period	10,510,308	387,460	10,897,768	6,312,650	316,715	6,629,365
Undistributed income brought forward comprising of:						
- Realised		51,945			2,674	
- Unrealised		2,874			4,292	
Undistributed income brought forward		54,819			6,966	
Accounting income available for distribution						
Relating to capital gains		941			24,272	
Excluding capital gains		331,700			285,477	
		332,641			309,749	
Undistributed income carried forward		387,460			316,715	
Undistributed income carried forward						
- Realised		385,371			282,012	
- Unrealised		2,089			34,703	
		387,460			316,715	
		Rupees			Rupees	
Net assets value per unit at beginning of the period	100.6142			100.1648		
Net assets value per unit at end of the period	105.4968			108.2133		

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Savings Fund
Condensed Interim Cash Flow Statement (Un-audited)
For The Half Year Ended December 31, 2025

	Note	Half year ended December 31,	
		2025	2024
------(Rupees in '000) -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income for the period before taxation		478,692	432,891
Adjustments for non cash and other items:			
Return on investment		(420,941)	(341,010)
Profit on bank deposit		(139,471)	(114,349)
Unrealised gain on re-measurement of investments at 'fair value through profit or loss' - net		(2,089)	(34,703)
		<u>(83,809)</u>	<u>(57,171)</u>
Increase in assets			
Investments - net		(4,238,070)	(1,787,915)
Increase / (decrease) in liabilities			
Payable to the Management Company		(5,988)	2,792
Payable to the Trustee		113	68
Payable to Securities and Exchange Commission of Pakistan		(90)	63
Dividend payable		(9,732)	-
Accrued expenses and other liabilities		(69,612)	(14,451)
		<u>(85,309)</u>	<u>(11,528)</u>
Cash used in operations		<u>(4,407,188)</u>	<u>(1,856,614)</u>
Markup income received on investment		245,101	223,210
Profit received on bank deposits		171,366	134,020
		<u>416,467</u>	<u>357,230</u>
Net cash used in operating activities		<u>(3,990,721)</u>	<u>(1,499,384)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Amount received on issue of units		18,258,031	8,172,560
Payment against redemption of units		(15,927,676)	(7,224,705)
Net cash generated from financing activities		<u>2,330,355</u>	<u>947,855</u>
Net decrease in cash and cash equivalents		<u>(1,660,366)</u>	<u>(551,529)</u>
Cash and cash equivalents at beginning of the period		5,778,178	4,315,829
Cash and cash equivalents at end of the period	11	<u>4,117,812</u>	<u>3,764,300</u>

The annexed notes 1 to 17 form an integral part of this condensed interim financial information.

For HBL Asset Management Limited
(Management Company)

Chief Financial Officer

Chief Executive Officer

Director

HBL Islamic Savings Fund
Notes To The Condensed Interim Financial Information (Un-audited)
For The Half Year Ended December 31, 2025

1. LEGAL STATUS AND NATURE OF BUSINESS

- 1.1** HBL Islamic Savings Fund Plan 1 ("the Fund") was established under a Trust Deed, dated September 12, 2023, executed between HBL Asset Management Limited as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Securities and Exchange Commission of Pakistan authorised the Fund as a unit trust and has registered the Fund as a notified entity under the Non-Banking Finance Companies and Notified Entities Regulations 2008 (the NBFC Regulations) vide letter no. SCD/AMCW/HBLISF/2023/137/NF-FE-140 dated September 27, 2023.
- 1.2** 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 (the NBFC Rules, 2003) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated 7th Floor, Emerald Tower, G-19, Block 5, Main Clifton Road, Clifton, Karachi.
- 1.3** The Fund is an open-ended mutual fund. The Fund has been categorised as a Shariah Compliant Money Market Scheme as per the criteria laid down by the SECP for categorisation of open-end Collective Investment Schemes (CIS). The units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund. The Management Company may introduce maximum of five allocation plans, one perpetual and four fixed term.
- 1.4** The objective of the Fund is to seek high liquidity, competitive return and maximum possible preservation of capital for investors by investing in low risk Shariah compliant securities.
- 1.5** Title to the assets of the Fund is held in the name of CDC as Trustee of the Fund.
- 1.6** VIS Credit Rating Company has assigned a management quality rating of AM1 (Stable Outlook) to the Management Company on December 31, 2025.

2. BASIS OF PREPARATION

2.1 Statement of compliance

- 2.1.1** This condensed interim financial information of the Fund has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34 'Interim Financial Reporting' issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017;
 - Provisions of and directives issued under the Companies Act, 2017 along with Part VIII A of the repealed Companies Ordinance, 1984; and
 - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 the Non-Banking Finance Companies and Notified Entities Regulations, 2008 and the requirements of the Trust Deed.

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

- 2.1.2** This condensed interim financial information does not include all the information and disclosures required in a full set of audited financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2025.
- 2.1.3** This condensed interim financial information is unaudited and has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarters ended December 31, 2025 and December 31, 2024 have not been reviewed.
- 2.1.4** In compliance with Schedule V of the NBFC Regulations, the Board of Directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2025.

2.2 Functional and presentation currency

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

3. MATERIAL ACCOUNTING POLICY INFORMATION

- 3.1** The accounting policies and methods of computation adopted in preparation of this condensed interim financial information are same as those applied in preparation of financial statements of the Fund as at and for the year ended June 30, 2025.

- 3.2 The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, significant judgments made by management in applying accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited financial statements as at and for the year ended June 30, 2025.
- 3.3 Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Fund's operations and did not have any impact on the accounting policies of the Fund and therefore, not disclosed in this condensed interim financial information.
- 3.4 There are certain standards, interpretations and amendments to accounting and reporting standards as applicable in Pakistan effective for the first time in this condensed interim financial information and are mandatory for the Fund's accounting period beginning on or after July 01, 2025. These standards, interpretations and amendments are either not relevant to the Fund's operations or did not have a significant effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements of the Fund for the year ended June 30, 2025.

		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
4. BANK BALANCES	Note	------(Rupees in '000)-----	
Profit and loss sharing	4.1	<u>2,074,238</u>	<u>2,763,480</u>

- 4.1 These carry profits at the rates ranging between 6.5% to 12% (June 30, 2025: 9.00% to 11.50%) per annum and include, Rs. 6.66 million (June 30, 2025: 2,670.75 million) maintained with Habib Bank Limited (a related party) which carries profit at the rate of 6.64% (June 30, 2025: 11.50%) per annum.

		(Un-Audited) December 31, 2025	(Audited) June 30, 2025
5. INVESTMENTS	Note	------(Rupees in '000)-----	
Financial asset at fair value through profit or loss			
Government of Pakistan (GOP) Ijara Sukuks - listed	5.1	1,342,642	1,031,659
Corporate sukuk bonds	5.2	2,188,000	1,279,000
Bai Muajjal	5.3	5,063,750	3,014,698
Musharika certificates	5.4	-	-
		<u>8,594,392</u>	<u>5,325,357</u>

5.1 Government of Pakistan (GOP) Ijara Sukuks - listed

Particulars	Issue date	Maturity date	Face Value			As at December 31, 2025			Market value as a percentage of net assets	Market value as a percentage of total investments
			As at July 1, 2025	Purchased during the period	Sold / matured during the period	As at December 31, 2025	Carrying value	Market value		
------(Rupees in '000)-----										
Listed Ijara Sukuk										
GOP Ijarah -1 Year - (Fixed)	July 26, 2024	July 25, 2025	500,000	-	500,000	-	-	-	-	-
GOP Ijarah -1 Year - (Fixed)	October 21, 2024	October 20, 2025	125,000	-	125,000	-	-	-	-	-
GOP Ijarah -1 Year - (Fixed)	December 04, 2024	December 03, 2025	150,000	-	150,000	-	-	-	-	-
GOP Ijarah -1 Year - (Fixed)*	January 09, 2025	January 08, 2026	187,000	-	-	187,000	186,661	186,794	133	1.71
GOP Ijarah -1 Year - (Fixed)*	May 30, 2025	May 29, 2026	100,000	-	-	100,000	96,229	96,210	(19)	0.88
GOP Ijarah -1 Year - (Fixed)*	August 21, 2025	August 20, 2026	-	1,125,000	-	1,125,000	1,057,620	1,059,638	2,018	9.72
As at December 31, 2025							<u>1,340,510</u>	<u>1,342,642</u>	<u>2,132</u>	
As at June 30, 2025							<u>1,028,785</u>	<u>1,031,65</u>	<u>92,874</u>	

*These carry effective yield at the rate ranging from 9.72% to 10.06% per annum.

5.2 Corporate sukuk bonds - Short Term

Name of the investee company	Issue date	Maturity Date	Profit Rate	Face Value				As at December 31, 2025			Market value as a percentage of net assets	Market value as a percentage of total investments
				As at July 1, 2025	Purchased during the period	Sold / matured during the period	As at December 31, 2025	Carrying value	Market value	Unrealized gain / (loss)		
				----- (%) -----				----- (Rupees in '000) -----			----- (%) -----	
Pakistan Telecommunication Company Limited	March 19, 2025	September 19, 2025	3 Months Kibor + 0.10%	374,000	-	374,000	-	-	-	-	-	-
Pakistan Mobile Communications Limited	April 28, 2025	October 28, 2025	3 Months Kibor + 0.15%	265,000	-	265,000	-	-	-	-	-	-
Engro Fertilizer Limited	May 14, 2025	November 14, 2025	3 Months Kibor - 0.15%	55,000	-	55,000	-	-	-	-	-	-
Lucky Electric Power Company Limited	May 17, 2025	August 15, 2025	3 Months Kibor + 0.50%	260,000	-	260,000	-	-	-	-	-	-
Select Technologies (Private) Limited	June 16, 2025	December 16, 2025	6 Months Kibor + 1.75%	325,000	-	325,000	-	-	-	-	-	-
Pakistan Telecommunication Company Limited	July 11, 2025	January 11, 2026	3 Months Kibor - 0.05%	-	100,000	-	100,000	100,000	100,000	-	0.92	1.16
Lucky Electric Power Company Limited	July 16, 2025	August 28, 2025	3 Months Kibor + 0.00%	-	45,000	-	-	-	-	-	-	-
K-Electric	July 23, 2025	January 23, 2026	3 Months Kibor - 0.10%	-	393,000	-	393,000	393,000	393,000	-	3.61	4.57
Imtial Industries Limited	August 12, 2025	February 12, 2026	3 Months Kibor + 0.05%	-	595,000	-	595,000	595,000	595,000	-	5.46	6.92
Lucky Electric Power Company Limited	August 18, 2025	February 18, 2026	3 Months Kibor - 0.15%	-	300,000	-	300,000	300,000	300,000	-	1.78	3.49
Pakistan Telecommunication Company Limited	September 29, 2025	March 30, 2026	3 Months Kibor + 0.05%	-	150,000	-	150,000	150,000	150,000	-	2.35	1.75
Select Technologies (Private) Limited	October 28, 2025	April 28, 2026	6 Months Kibor + 1.25%	-	200,000	-	200,000	200,000	200,000	-	1.84	2.33
Engro Fertilizer Limited	November 17, 2025	May 18, 2026	3 Months Kibor - 0.15%	-	100,000	-	100,000	100,000	100,000	-	0.92	1.16
Select Technologies (Private) Limited	December 18, 2025	June 18, 2026	6 Months Kibor + 1.20%	-	350,000	-	350,000	350,000	350,000	-	3.21	4.07
As at December 31, 2025								2,188,000	2,188,000	-		
As at June 30, 2025								1,265,000	1,265,000	-		

5.3 Bai-Muajjal

Name of the investee company	Issue date	Maturity Date	Profit Rate	Face Value				As at December 31, 2025			Market value as a percentage of net assets	Market value as a percentage of total investments
				As at July 1, 2025	Purchased during the period	Sold / matured during the period	As at December 31, 2025	Carrying value	Market value	Unrealized gain / (loss)		
				----- (%) -----				----- (Rupees in '000) -----			----- (%) -----	
Pak Brule Investment Company Limited	May 20, 2025	August 21, 2025	10.85	-	950,000	-	950,000	-	-	-	-	-
Pak Oman Investment Company Limited	May 26, 2025	August 22, 2025	10.85	-	975,000.00	-	975,000	-	-	-	-	-
Askari Bank Limited	May 27, 2025	July 28, 2025	10.83	-	975,000.00	-	975,000	-	-	-	-	-
Pak Oman Investment Company Limited	August 05, 2025	November 03, 2025	10.70	-	1,500,000	1,500,000	-	-	-	-	-	-
Askari Bank Limited	August 11, 2025	November 10, 2025	10.75	-	1,000,000	1,000,000	-	-	-	-	-	-
Pak Brule Investment Company Limited	October 31, 2025	January 29, 2026	10.90	-	1,601,200	-	1,601,200	1,665,889	1,665,889	-	15.29	19.38
Pak Libya Holding Company (Private) Limited	October 23, 2025	January 26, 2026	10.92	-	1,300,000	-	1,300,000	1,354,287	1,354,287	-	12.43	15.76
Askari Bank Limited	November 03, 2025	February 03, 2026	10.80	-	750,000	-	750,000	783,602	783,602	-	7.19	9.12
United Bank Limited	November 17, 2025	February 16, 2026	10.85	-	1,201,800	-	1,201,800	1,259,972	1,259,972	-	11.56	14.66
As at December 31, 2025								5,063,750	5,063,750	-		
As at June 30, 2025								3,014,698	3,014,698	-		

5.4 Musharika Certificates

Name of the Investee company	Issue date	Maturity Date	Profit Rate	Face value			As at December 31, 2025		Market value as a percentage of net asset	Market value as a percentage of total investments
				As at July 01, 2025	Purchased during the period	Matured during the period	As at December 31, 2025	Carrying value		
				----- (%) -----			----- (Rupees in '000) -----		----- (%) -----	
Faysal Bank Limited	July 04, 2025	July 07, 2025	10.35	-	850,000	850,000	-	-	-	-
Habib Bank Limited	July 04, 2025	July 11, 2025	10.60	-	850,000	850,000	-	-	-	-
Habib Bank Limited	July 11, 2025	July 18, 2025	10.55	-	1,000,000	1,000,000	-	-	-	-
Faysal Bank Limited	July 18, 2025	July 21, 2025	10.55	-	1,000,000	1,000,000	-	-	-	-
Habib Bank Limited	July 21, 2025	July 22, 2025	10.65	-	1,000,000	1,000,000	-	-	-	-
Habib Bank Limited	July 22, 2025	July 23, 2025	10.60	-	1,000,000	1,000,000	-	-	-	-
Faysal Bank Limited	July 23, 2025	July 24, 2025	10.60	-	1,000,000	1,000,000	-	-	-	-
Habib Bank Limited	July 24, 2025	July 25, 2025	10.65	-	1,000,000	1,000,000	-	-	-	-
Meezan Bank Limited	July 25, 2025	July 31, 2025	10.50	-	1,000,000	1,000,000	-	-	-	-
Faysal Bank Limited	July 28, 2025	July 29, 2025	10.50	-	1,300,000	1,300,000	-	-	-	-
Meezan Bank Limited	July 31, 2025	August 04, 2025	9.99	-	1,400,000	1,400,000	-	-	-	-
Meezan Bank Limited	August 01, 2025	August 08, 2025	10.45	-	1,000,000	1,000,000	-	-	-	-
Meezan Bank Limited	August 15, 2025	August 22, 2025	10.50	-	1,000,000	1,000,000	-	-	-	-
Meezan Bank Limited	August 22, 2025	August 29, 2025	10.50	-	1,250,000	1,250,000	-	-	-	-
Faysal Bank Limited	August 27, 2025	September 10, 2025	10.60	-	450,000	450,000	-	-	-	-
Faysal Bank Limited	September 08, 2025	September 09, 2025	10.60	-	1,000,000	1,000,000	-	-	-	-
Askari Bank Limited	September 22, 2025	September 23, 2025	10.60	-	1,250,000	1,250,000	-	-	-	-
Faysal Bank Limited	September 23, 2025	September 24, 2025	10.60	-	1,250,000	1,250,000	-	-	-	-
Meezan Bank Limited	October 01, 2025	October 02, 2025	10.60	-	1,300,000	1,300,000	-	-	-	-

Name of the Investee company	Issue date	Maturity Date	Profit Rate	Face value				As at December 31, 2025		Market value as a percentage of net asset	Market value as a percentage of total investments
				As at July 01, 2025	Purchased during the period	Matured during the period	As at December 31, 2025	Carrying value	Market value		
			(%)	(Rupees in '000)						(%)	
Meezan Bank Limited	October 02, 2025	October 03, 2025	10.55	-	1,300,000	1,300,000	-	-	-	-	
Meezan Bank Limited	October 21, 2025	October 22, 2025	10.60	-	1,700,000	1,700,000	-	-	-	-	
Meezan Bank Limited	October 22, 2025	October 23, 2025	10.60	-	1,700,000	1,700,000	-	-	-	-	
Meezan Bank Limited	October 23, 2025	October 31, 2025	10.55	-	1,500,000	1,500,000	-	-	-	-	
Faysal Bank Limited	October 24, 2025	October 27, 2025	10.50	-	300,000	300,000	-	-	-	-	
Habib Bank Limited	October 27, 2025	October 28, 2025	10.40	-	300,000	300,000	-	-	-	-	
Meezan Bank Limited	October 29, 2025	October 30, 2025	10.60	-	650,000	650,000	-	-	-	-	
Meezan Bank Limited	October 30, 2025	October 31, 2025	10.50	-	800,000	800,000	-	-	-	-	
Meezan Bank Limited	October 31, 2025	November 03, 2025	10.50	-	600,000	600,000	-	-	-	-	
Meezan Bank Limited	October 31, 2025	November 07, 2025	10.65	-	1,800,000	1,800,000	-	-	-	-	
Faysal Bank Limited	November 03, 2025	November 04, 2025	10.65	-	1,250,000	1,250,000	-	-	-	-	
Habib Bank Limited	November 04, 2025	November 05, 2025	10.60	-	1,200,000	1,200,000	-	-	-	-	
Habib Bank Limited	November 05, 2025	November 06, 2025	10.35	-	1,170,000	1,170,000	-	-	-	-	
Faysal Bank Limited	November 07, 2025	November 10, 2025	10.40	-	1,150,000	1,150,000	-	-	-	-	
Meezan Bank Limited	November 07, 2025	November 14, 2025	10.60	-	1,760,000	1,760,000	-	-	-	-	
Faysal Bank Limited	November 10, 2025	November 11, 2025	10.35	-	750,000	750,000	-	-	-	-	
Faysal Bank Limited	November 10, 2025	November 17, 2025	10.60	-	1,000,000	1,000,000	-	-	-	-	
Habib Bank Limited	November 11, 2025	November 12, 2025	10.50	-	800,000	800,000	-	-	-	-	
Habib Bank Limited	November 12, 2025	November 13, 2025	10.50	-	300,000	300,000	-	-	-	-	
Meezan Bank Limited	November 14, 2025	November 17, 2025	10.65	-	1,700,000	1,700,000	-	-	-	-	
Meezan Bank Limited	November 17, 2025	November 18, 2025	10.65	-	1,600,000	1,600,000	-	-	-	-	
Meezan Bank Limited	November 18, 2025	November 19, 2025	10.65	-	1,500,000	1,500,000	-	-	-	-	
Meezan Bank Limited	November 19, 2025	November 20, 2025	10.65	-	1,500,000	1,500,000	-	-	-	-	
Meezan Bank Limited	November 20, 2025	November 21, 2025	10.65	-	1,500,000	1,500,000	-	-	-	-	
Faysal Bank Limited	November 21, 2025	November 24, 2025	10.60	-	1,500,000	1,500,000	-	-	-	-	
Habib Bank Limited	November 24, 2025	November 25, 2025	10.50	-	1,500,000	1,500,000	-	-	-	-	
Meezan Bank Limited	November 25, 2025	November 26, 2025	10.65	-	1,500,000	1,500,000	-	-	-	-	
Meezan Bank Limited	November 26, 2025	November 27, 2025	10.65	-	1,450,000	1,450,000	-	-	-	-	
Meezan Bank Limited	November 27, 2025	November 28, 2025	10.65	-	1,450,000	1,450,000	-	-	-	-	
Meezan Bank Limited	December 02, 2025	December 03, 2025	10.65	-	1,500,000	1,500,000	-	-	-	-	
Meezan Bank Limited	December 04, 2025	December 05, 2025	10.65	-	1,700,000	1,700,000	-	-	-	-	
Habib Bank Limited	December 05, 2025	December 08, 2025	10.50	-	1,600,000	1,600,000	-	-	-	-	
Habib Bank Limited	December 09, 2025	December 10, 2025	10.30	-	1,400,000	1,400,000	-	-	-	-	
Habib Bank Limited	December 10, 2025	December 11, 2025	10.40	-	1,000,000	1,000,000	-	-	-	-	
Meezan Bank Limited	December 15, 2025	December 16, 2025	10.65	-	1,350,000	1,350,000	-	-	-	-	
Meezan Bank Limited	December 17, 2025	December 18, 2025	10.35	-	1,600,000	1,600,000	-	-	-	-	
As at December 31, 2025											
As at June 30, 2025											
							(Un-audited)	(Audited)			
							December 31,	June 30,			
							2025	2025			
6. PAYABLE TO THE MANAGEMENT COMPANY							-----{(Rupees in '000)}-----				
Remuneration payable to the Management Company					6.1		13,126	17,159			
Sindh Sales Tax payable on Management Company's remuneration					6.2		1,969	2,574			
Sales load payable							478	1,828			
Formation cost payable							268	268			
							15,841	21,829			

- 6.1** Pursuant to the amendments in the NBFC Regulations by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the management fee for a Money Market Scheme is capped at 1.25% per annum, calculated on the basis of the average daily net assets, effective from July 01, 2025. Accordingly, the Management Company has charged management fees at a rate of 1.25% of the Fund's net assets, calculated on a daily basis. The management fee is payable to the Management Company on a monthly basis in arrears.
- 6.2** Sindh sales tax on remuneration of Management Company has been charged at the rate of 15% (June 30, 2025: 15%).

7. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

The Fund has charged SECP Fee at the rate of 0.075% (June 30, 2025: 0.075%) of the average daily net assets of the Fund which is payable on monthly basis in arrears.

	(Un-audited) December 31, 2025	(Audited) June 30, 2025
	----- (Rupees in '000) -----	
8. ACCRUED EXPENSES AND OTHER LIABILITIES		
Capital Gain Tax Payable	2,187	-
Withholding tax payable	538	72,639
Auditors' remuneration	424	444
Brokerage payable	24	-
Shariah advisory fee payable	139	99
Printing payable	204	173
Other payables	375	148
	<u>3,891</u>	<u>73,503</u>

9. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2025 and June 30, 2025.

10. TAXATION

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

		(Un-audited) December 31, 2025	(Audited) June 30, 2025
		----- (Rupees in '000) -----	
11. CASH AND CASH EQUIVALENTS	Note		
Bank balances	4	2,074,238	732,092
Bai muajjal	5.3	2,043,574	2,032,208
Musharka certificates	5.4	-	1,000,000
		<u>4,117,812</u>	<u>3,764,300</u>

12. TOTAL EXPENSE RATIO

The total annualised expense ratio of the Fund from July 01, 2025 to December 31, 2025 is 1.62% and this includes 0.28% representing government levy, SECP fee etc. However, pursuant to the amendments in the NBFC Regulations, 2008 by SECP vide Notification S.R.O. 600(I)/2025 dated April 10, 2025, the maximum Total Expense Ratio limits have been lifted by the SECP applicable to Collective Investment Schemes, effective from July 01, 2025.

13. TRANSACTIONS AND BALANCES OUTSTANDING WITH CONNECTED PERSONS / RELATED PARTIES

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

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

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

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

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

	Half year ended December 31,	
	2025	2024
13.1 Transactions during the period	-----Rupees in '000-----	
HBL Asset Management Limited - Management Company		
Remuneration of the Management Company	65,382	43,716
Sindh Sales Tax on remuneration of the Management Company	9,807	6,557
Selling and marketing expense	-	1,541
Issue of 6,764,643 units (2024: Nil)	693,715	-
Redemption of 6,756,574 units (2024: Nil)	695,000	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee remuneration	2,988	1,549
Sindh Sales Tax on Trustee fee	448	232
Central Depository Service charges	22	12
Habib Bank Limited - Sponsors		
Bank charges	212	101
Profit on bank deposit earned	90,644	14,530
Purchase GOP Ijara Sukuk	4,998,882	-
Directors and executives of the Management Company		
Issue of 280,609 units (2024: 298,433 units)	29,887	31,341
Redemption of 294,903 units (2024: 271,223 units)	30,910	28,489
HBL Islamic Income Fund		
Purchase of Corporate Sukkuks - Short Term	405,998	-
HBL IPF Debt Sub Fund		
Purchase of Corporate Sukkuks - Short Term	47,121	-
	(Un-Audited)	(Audited)
	December 31,	June 30,
	2025	2025
13.2 Balances outstanding as at period end	-----Rupees in '000-----	
HBL Asset Management Limited - Management Company		
Remuneration payable to the Management Company	13,126	17,159
Sindh Sales Tax payable on Management Company's remuneration	1,969	2,574
Sales load payable	478	1,828
Formation cost payable	268	268
Units held: 8,069 units (June 2025: Nil)	851	-
Central Depository Company of Pakistan Limited - Trustee		
Trustee fee payable	689	590
Sindh Sales Tax payable on Trustee fee	103	89
Central Depository Service charges payable	107	-
Habib Bank Limited - Sponsor		
Bank balances	6,662	2,670,752
Profit Receivable	474	43,238
Directors and executives of the Management Company		
Units held: 218,780 units (June 30, 2025: 233,074 units)	22,928	22,842

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

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

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

Levels	Description	Valuation approach and input used
Level 1:	Quoted prices in active markets for identical assets or liabilities;	Listed government securities traded on PSX are valued at revaluation rates disseminated by PSX. The fair value of debt securities (other than government securities) is based on the value determined and announced by MUFAP.
Level 2:	Those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and	The government securities not listed on a stock exchange and traded are valued at the average rates quoted on electronic quotation system (PKISRV). For Debt securities for which MUFAP valuation is not available are valued at face value of the securities.
Level 3:	Those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).	The Fund applies discretion on the effective yield as per the allowable limits. The allowable limits for rated securities for duration upto 2 years is +200/-100 bps and over 2 years is +150/50 bps. For unrated securities the allowable limits +50 bps.

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

Particulars	As at December 31, 2025 (Un-audited)						
	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
	(Rupees in '000)						
Financial assets measured at fair value							
Government of Pakistan (GOP) Ijara Sukuk	1,342,642	-	1,342,642	1,342,642	-	-	1,342,642
Corporate sukuk bonds	2,188,000	-	2,188,000	-	-	2,188,000	2,188,000
Bai Muajjal	5,063,750	-	5,063,750	-	-	5,063,750	5,063,750
	<u>8,594,392</u>	<u>-</u>	<u>8,594,392</u>	<u>1,342,642</u>	<u>-</u>	<u>7,251,750</u>	<u>8,594,392</u>
Financial assets not measured at fair value							
Bank balance	-	2,074,238	2,074,238				
Profit receivable	-	250,376	250,376				
	<u>-</u>	<u>2,324,614</u>	<u>2,324,614</u>				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	13,872	13,872				
Payable to the Trustee	-	689	689				
Accrued expenses and other liabilities	-	1,135	1,135				
	<u>-</u>	<u>15,696</u>	<u>15,696</u>				

During the period ended December 31, 2025, there were no transfers between levels of fair value measurements, and no transfer between levels of fair value measurements.

As at June 30, 2025 (Audited)							
Particulars	Carrying amount			Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
(Rupees in '000)							
Financial assets measured at fair value							
Government of Pakistan (GOP) Ijara Sukuk	1,031,659	-	1,031,659	1,031,659	-	-	1,031,659
Corporate sukuk bonds	1,279,000	-	1,279,000	-	1,279,000	-	1,279,000
Bai Muajjal	3,014,698	-	3,014,698	-	-	3,014,698	3,014,698
	<u>5,325,357</u>	<u>-</u>	<u>5,325,357</u>	<u>1,031,659</u>	<u>1,279,000</u>	<u>3,014,698</u>	<u>5,325,357</u>
Financial assets not measured at fair value							
Bank balance	-	2,763,480	2,763,480				
Profit receivable	-	106,431	106,431				
	<u>-</u>	<u>2,869,911</u>	<u>2,869,911</u>				
Financial liabilities not measured at fair value							
Payable to the Management Company	-	19,255	19,255				
Payable to the Trustee	-	590	590				
Payable against redemption and conversion of units	-	2,725,768	2,725,768				
Dividend payable	-	9,732	9,732				
Accrued expenses and other liabilities	-	831	831				
	<u>-</u>	<u>2,756,176</u>	<u>2,756,176</u>				

During the year ended June 30, 2025, there were no transfers between levels of fair value measurements, and no transfer between levels of fair value measurements.

15. GENERAL

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

16. Corresponding figures

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

17. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue by the Board of Directors of the Management Company on **25 February 2026**.

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

Chief Financial Officer

Chief Executive Officer








Director



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