



AL Habib Asset Management Limited

# Half Yearly Report

## December 31,

# 2023



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## DIRECTORS' REPORT

The Board of Directors of AL Habib Asset Management Limited is pleased to present the reviewed financial statements of the Funds under its management for the half year ended December 31, 2023.

In recent months, the economy has started showing some signs of recovery. In July 2023, Pakistan entered into a Stand-By Arrangement with IMF which provided a framework for financial support from IMF and also helped inflows from bilateral and other sources. Subsequently foreign exchange reserves have improved, agricultural and industrial sectors seem to be growing at a much faster rate, Rupee appears to be stabilizing, and trade deficit has reduced significantly. Inflation although still quite high, is expected to go down in the coming months. Accordingly, there are reasons to view the future with optimism.

**AL Habib Cash Fund (AHCF)** generated net annualized return of 21.64% for the half year ended December 31, 2023. The Fund's gross income was Rs. 3,297.88 million, which mainly comprises income of Rs. 2,989.50 million from government securities, Rs. 274.62 million from bank deposits, and Rs. 33.76 million from term deposit receipts. During the half year, the Fund has distributed cumulative interim dividends of Rs. 9.20 per unit. VIS has maintained the Fund's stability rating of AA+(f) on November 15, 2023.

**AL Habib Money Market Fund (AHMMF)** generated net annualized return of 21.66% for the half year ended December 31, 2023. The Fund's gross income was Rs. 1,336.36 million, which mainly comprises income of Rs. 1,176.33 million from government securities, Rs. 146.56 million from bank deposits, and Rs. 13.47 million from term deposit receipts. During the half year, the Fund has distributed cumulative interim dividends of Rs. 10.29 per unit. VIS has maintained the Fund's stability rating of AA+(f) on November 15, 2023.

**AL Habib Islamic Cash Fund (AHICF)** generated net annualized return of 20.96% for the half year ended December 31, 2023. The Fund's gross income was Rs. 2,434.96 million, which mainly comprises income of Rs. 686.80 million from government securities, Rs. 1,411.30 million from bank deposits, and Rs. 336.87 million from term deposit receipts. During the half year, the Fund has distributed cumulative interim dividends of Rs. 10.13 per unit. PACRA has maintained the Fund's stability rating of AA+(f) on September 01, 2023.

**AL Habib Income Fund (AHIF)** generated net annualized return of 22.71% for the half year ended December 31, 2023. The Fund's gross income was Rs. 378.28 million, which mainly comprises income of Rs. 341.74 million from investment in government securities, TFCs and Sukuks, Rs. 31.10 million from bank deposits and Rs. 5.44 million from term deposit receipts. During the half year, the Fund has distributed cumulative interim dividends of Rs. 10.61 per unit. PACRA has maintained the Fund's stability rating of AA(f) on September 01, 2023.

**AL Habib Government Securities Fund (AHGSF)**, launched on July 13, 2023, generated net annualized return of 22.99% for the period ended December 31, 2023. The Fund's gross income was Rs. 911.52 million, which mainly comprises income of Rs. 863.76 million from investment in government securities, Rs. 43.61 million from bank deposits, and Rs. 4.15 million from term deposit receipts. During the period, the Fund has distributed cumulative interim dividends of Rs. 9.07 per unit.

**AL Habib Fixed Return Fund (AHFRF)** Plan 7, Plan 8 and Plan 9 were launched whereas, Plan 3, Plan 4 and Plan 7 were matured during the half year. The Fund's gross income was Rs. 318.69 million, which mainly comprises income of Rs. 307.05 million from investment in government securities and Rs. 11.64 million from bank deposits.

**AL Habib Islamic Income Fund (AHIIF)** generated net annualized return of 22.10% for the half year ended December 31, 2023. The Fund's gross income was Rs. 551.85 million, which mainly comprises income of Rs. 399.45 million from investment in Sukuks, Rs. 142.47 million from bank deposits, and Rs. 9.93 million from term deposit receipts. During the half year, the Fund has distributed cumulative interim dividends of Rs. 10.32 per unit. PACRA has maintained the Fund's stability rating of AA(f) on September 01, 2023.

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**AL Habib Islamic Savings Fund (AHISAVF)** generated net annualized return of 22.36% for the half year ended December 31, 2023. The Fund's gross income was Rs. 991.30 million, which mainly comprises income of Rs. 646.25 million from investment in Sukuks, Rs. 341.52 million from bank deposits, and Rs. 3.53 million from term deposit receipts. During the half year, the Fund has distributed cumulative interim dividends of Rs. 11.06 per unit. PACRA has maintained stability rating of AA(f) to the Fund on September 01, 2023.

**AL Habib Islamic Munafa Fund (AHIMF)** Plan 2 generated net annualized return of 19.90% for the half year ended December 31, 2023. The Plan's gross income was Rs. 42.10 million which comprises income of Rs. 41.21 million from investment in Sukuks and Rs. 089 million from bank deposits.

**AL Habib Asset Allocation Fund (AHAAF)** generated net return of 32.36% for the half year ended December 31, 2023. The Fund's gross income was Rs. 36.85 million, which mainly comprises income of Rs. 2.38 million from bank deposits, Rs. 5.63 million from dividends, Rs. 0.13 million from investment in government securities, and capital gains (realized and unrealized) of Rs. 28.71 million on investments.

**AL Habib Stock Fund (AHSF)** generated net return of 49.37% for the half year ended December 31, 2023. The Fund's gross income was Rs. 60.78 million, which mainly comprises income of Rs. 8.60 million from dividends, Re. 0.98 million from bank deposits, and capital gains (realized and unrealized) of Rs. 51.20 million on equity investments.

**AL Habib Islamic Stock Fund (AHISF)** generated net return of 47.94% for the half year ended December 31, 2023. The Fund's gross income was Rs. 150.26 million, which mainly comprises income of Rs. 14.78 million from dividends, income of Rs. 2.95 million from bank deposits, and capital gains (realized and unrealized) of Rs. 132.53 million on equity investments.

**AL Habib Pension Fund (AHPF)** generated net annualized returns of 22.07% and 23.70% for Money Market and Debt Sub Funds, respectively, and Equity Sub Fund generated return of 50.88% for the half year ended December 31, 2023. The Money Market and Debt Sub Funds' gross income amounted to Rs. 16.02 million and Rs. 10.13 million, respectively, which comprise income from bank deposits and government securities. The Equity Sub Fund's gross income was Rs. 19.55 million, which mainly comprises income of Rs. 2.60 million from dividends, income of Rs. 0.16 million from bank deposits, and capital gains (realized and unrealized) of Rs. 16.79 million on equity investments.

**AL Habib Islamic Pension Fund (AHIPF)** generated net annualized returns of 23.01% and 25.04% for Money Market and Debt Sub Funds, respectively, and Equity Sub Fund generated return of 50.12% for the half year ended December 31, 2023. The Money Market and Debt Sub Funds' gross income amounted to Rs. 10.93 million and Rs. 12.57 million, respectively, which comprise income from bank deposits, debt instruments, and government securities. The Equity Sub Fund's gross income was Rs. 20.95 million, which mainly comprises income of Rs. 1.59 million from dividends, income of Rs. 0.46 million from bank deposits, and capital gains (realized and unrealized) of Rs. 18.89 million on equity investments.

We wish to thank our unit holders for their continued trust and support, Securities & Exchange Commission of Pakistan for their guidance, and Central Depository Company of Pakistan Limited for their cooperation. We also thank all our team members for their sincerity, dedication and hard work.

KASHIF RAFI  
Chief Executive

ABBAS D. HABIB  
Chairman

Karachi: January 25, 2024

**AL HABIB CASH FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION****Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4,  
Block 9, Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AA+ (f) Fund Stability Rating by VIS  
AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited  
Bank Alfalah Limited  
Allied Bank Limited  
Habib Bank Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

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



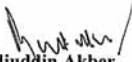
**TRUSTEE REPORT TO THE UNIT HOLDERS**

**AL HABIB CASH FUND**

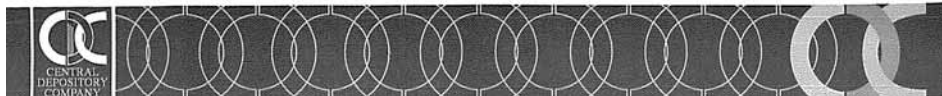
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Cash Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the six month period ended December 31, 2023 in accordance with the provisions of the following:

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

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





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Pakistan

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

### **Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL HABIB CASH FUND** ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund and a summary of significant accounting policies and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "interim financial information"). Al Habib Asset Management Limited (the "Management Company") is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### **Scope of Review**

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### **Other matter**

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated September 28, 2023 and February 24, 2023 respectively.

**KARACHI**

**DATED: February 27, 2024**

**UDIN: RR202310166r639AOqEs**

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Tariq Feroz Khan

**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.



**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES*****AS AT DECEMBER 31, 2023***

		<b>December 31, 2023</b>	<b>June 30, 2023</b>
		<b>(Un-Audited)</b>	<b>(Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>ASSETS</b>			
Bank balances and term deposit	4	27,318,126	644,059
Investments	5	-	24,248,296
Receivable against sale of investment		26,395	-
Receivable against redemption of investment		6,285,873	-
Profit receivable	6	576,577	103,891
Advances, deposits and other receivables	7	1,331	1,239
<b>TOTAL ASSETS</b>		<b>34,208,302</b>	<b>24,997,485</b>
<b>LIABILITIES</b>			
Payable to Al Habib Asset Management Limited - Management Company	8	48,632	28,404
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	9	1,693	1,276
Payable to Securities and Exchange Commission of Pakistan (SECP)	10	2,068	5,020
Payable against purchase of investments - net		70,195	4
Accrued expenses and other liabilities	11	22,841	93,142
<b>TOTAL LIABILITIES</b>		<b>145,429</b>	<b>127,846</b>
<b>NET ASSETS</b>		<b>34,062,873</b>	<b>24,869,639</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>34,062,873</b>	<b>24,869,639</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	12		
		<b>----- (Number of Units) -----</b>	
<b>Number of units in issue</b>		<b>331,826,715</b>	<b>245,571,980</b>
		<b>----- (Rupees) -----</b>	
<b>Net assets value per unit</b>		<b>102.65</b>	<b>101.27</b>

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		Half year ended December 31,		Quarter ended December 31,	
		2023	2022	2023	2022
	Note	(Rupees in '000)			
<b>Income</b>					
Capital (loss) / gain on sale of investments - net		(21,372)	5,304	(28,941)	5,097
Income from government securities		3,002,885	1,399,794	1,528,028	851,212
Mark-up on bank deposits		274,621	553,688	250,001	173,639
Mark-up on term deposit receipts		33,765	51,759	33,765	12,376
		3,289,899	2,010,545	1,782,853	1,042,324
Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net		7,983	(6,002)	36,973	(6,002)
		3,297,882	2,004,543	1,819,826	1,036,322
<b>Expenses</b>					
Remuneration of the Management Company	8.1	157,015	79,578	94,774	47,003
Sindh sales tax on remuneration of the Management Company	8.2	20,416	10,345	12,321	6,110
Remuneration of the Trustee	9	8,221	7,086	4,590	3,618
Sindh sales tax on remuneration of the Trustee	9	1,069	921	597	470
Annual fee to Securities and Exchange Commission of Pakistan	10	11,234	2,579	6,233	1,318
Allocation of fees and expenses related to registrar services, accounting, operation and valuation services		10,962	22,490	7,128	13,000
Selling and marketing expense		7,588	-	1,586	-
Brokerage expense		1,874	1,239	460	743
Auditors' remuneration		445	428	223	261
Fee and subscription		157	154	80	78
Securities transaction costs and settlement charges		-	-	-	-
Bank charges		58	14	56	2
Printing charges		33	33	16	17
		219,071	124,867	128,064	72,620
<b>Net income for the period before taxation</b>		3,078,811	1,879,676	1,691,762	963,702
Taxation	13	-	-	-	-
<b>Net income for the period</b>		3,078,811	1,879,676	1,691,762	963,702
<b>Allocation of net income for the period</b>					
Net income for the period		3,078,811	1,879,676	1,691,762	963,702
Income already paid on redemption		(1,088,440)	(717,776)	(283,407)	(366,483)
		1,990,371	1,161,900	1,408,355	597,219
<b>Accounting income available for distribution:</b>					
Relating to capital gains		(21,372)	5,304	(28,941)	5,097
Excluding capital gains		2,011,743	1,156,596	1,437,296	592,122
		1,990,371	1,161,900	1,408,355	597,219

Earnings per unit

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

**AL HABIB CASH FUND**

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**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	<b>Half year ended December 31,</b>		<b>Quarter ended December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>----- (Rupees in '000) -----</b>			
Net income for the period	3,078,811	1,879,676	1,691,762	963,702
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>3,078,811</u>	<u>1,879,676</u>	<u>1,691,762</u>	<u>963,702</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half year ended					
	2023			2022		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
(Rupees in '000)						
Net assets at beginning of the period	24,664,879	204,762	24,869,641	22,790,356	121,217	22,911,573
Issuance of 1,073,536,477 units (Dec 31, 2022: 951,136,198 units)						
Capital value	108,717,039	-	108,717,039	96,017,199	-	96,017,199
Element of income	1,692,491	-	1,692,491	1,179,020	-	1,179,020
Total proceeds on issuance of units	110,409,530	-	110,409,530	97,196,219	-	97,196,219
Redemption of 987,281,743 units (2022: 796,000,623 units)						
Capital value	(99,984,292)	-	(99,984,292)	(80,356,263)	-	(80,356,263)
Element of income	(553,739)	(1,088,440)	(1,642,171)	(179,344)	(717,776)	(897,120)
Total payments on redemption of units	(100,538,031)	(1,088,440)	(101,626,463)	(80,535,607)	(717,776)	(81,253,383)
Total comprehensive income for the period	-	3,078,811	-	-	1,879,676	-
Interim distribution of Rs. 6.19 per unit for the period June 30, 2024 as cash dividend (2023: Rs 6.1900 per unit)	(1,556,602)	(1,112,044)	(2,668,646)	(857,419)	(813,029)	(1,670,448)
Net assets at end of the period	(1,556,602)	1,966,767	410,165	(857,419)	1,066,647	209,228
Undistributed income brought forward	32,979,776	1,083,089	34,062,873	38,593,549	470,088	39,063,637
Realised income		243,002			121,217	
Unrealised income		(38,240)			-	
		204,762			121,217	
Accounting income available for distribution						
Relating to capital gains		(21,372)			5,304	
Excluding capital gains		2,011,743			1,156,596	
		1,990,371			1,161,900	
Distribution for the period:						
Interim distribution of Rs. 6.19 per unit for the period June 30, 2024 as cash dividend (2023: Rs 6.1900 per unit)		(1,112,044)			(813,029)	
Undistributed income carried forward		1,083,089			470,088	
Undistributed income carried forward						
Realised income		1,083,089			470,088	
Unrealised income		-			-	
		1,083,089			470,088	
	(Rupees)			(Rupees)		
Net assets value per unit at beginning of the period	101.2723			100.9500		
Net assets value per unit at end of the period	102.6526			102.2400		

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>Half year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	3,078,811	1,879,676
Adjustments for:		
Unrealised (diminution) / appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	(7,983)	6,002
	3,070,828	1,885,678
<b>Decrease/ (increase) in assets</b>		
Investments - net	24,256,279	(25,584,084)
Receivable against sale of investment	(26,395)	(3,957,653)
Receivable against redemption of investment	(6,285,873)	-
Profit receivable	(472,684)	211,074
Advances, deposits and prepayments	(92)	129
	17,471,235	(29,330,534)
<b>Increase / (decrease) in liabilities</b>		
Payable to Al Habib Asset Management Limited - Management Company	20,228	20,037
Payable to Central Depository Company of Pakistan Limited - Trustee	417	421
Payable to Securities and Exchange Commission of Pakistan	(2,952)	(1,501)
Payable against purchase of investments - net	70,191	(1,461)
Accrued expenses and other liabilities	(70,301)	325
	17,583	17,821
Net cash generated from / (used in) operating activities	20,559,646	(27,427,035)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	110,409,530	97,196,219
Payments on redemption of units	(101,626,463)	(81,253,383)
Dividend paid during the period	(2,668,646)	(1,670,448)
Net cash generated from financing activities	6,114,421	14,272,388
Net increase / (decrease) in cash and cash equivalents during the period	26,674,067	(13,154,647)
Cash and cash equivalents at the beginning of the period	644,059	21,182,077
Cash and cash equivalents at the end of the period	4 27,318,126	8,027,430

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1 LEGAL STATUS AND NATURE OF BUSINESS**

Al Habib Cash Fund ('the Fund') was established under a Trust Deed executed between AL Habib Asset Management Limited (Formerly, Habib 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. NBFC/MF-RC/FHCF/2010/678 dated August 26, 2010 and the Trust Deed was executed on July 14, 2010.

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 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd Floor MacKinnon's Building, I.I Chundrigar Road Karachi, Pakistan.

The Fund is an open-end money market scheme and is listed on Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at par value of Rs. 100 per unit from March 07, 2011 to March 09, 2011(both days inclusive) . Thereafter, the units are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund.

The Fund has been categorized as a money market scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CISs).

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.

VIS Credit Rating Company has assigned a management quality rating of 'AM2+' (Stable Outlook) to the Management Company and assigned stability rating of AA+(f) to the Fund as at August 12, 2023 and November 15, 2023, respectively.

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

Where the provisions of and directives issued under the Companies Act, 2017, part VIIIA of the repealed Companies Ordinance, 1984, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives

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

- 2.1.2** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.
- 2.1.3** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2023, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2022.
- 2.1.4** This condensed interim financial information is unaudited, but has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2022 have not been reviewed.
- 2.1.5** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

**2.2 Basis of measurement**

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

**2.3 Functional and presentation currency**

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

**3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

- 3.1** The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2023, 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, 2023.
- 3.4** There are certain standards, interpretations and amendments to approved 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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2023.

		December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
4	BANK BALANCES AND TERM DEPOSIT RECEIPTS	Note ----- (Rupees in '000) -----	
	Cash at bank		
	Saving accounts	4.1 24,418,126	644,059
	Term deposit	4.2 2,900,000	-
		<u>27,318,126</u>	<u>644,059</u>

4.1 This represents bank accounts held with various banks. The profit rates on these accounts range between 19% to 20.75% per annum (June 30, 2023: 18% to 20.5% per annum).

4.2 This includes a balance held with Bank Al Habib Limited (a related party), amounting to Rs. 678.482 million (June 30, 2023: Rs. 5,418.473 million) on which return is earned at the range between 20.5% to 21% (June 30, 2022: 20.5% per annum).

4.2 This represent term deposit receipts held with Bank Al-Falah Limited carrying profit rates 22.20% to 22.30% (June 30, 2023: Nil) per annum and its maturity date January 5, 2024.

		December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
5	INVESTMENTS	Note ----- (Rupees in '000) -----	
	Financial assets at fair value through profit or loss		
	Market Treasury Bills	5.1 -	19,444,852
	Pakistan Investment Bonds	5.2 -	4,803,444
		<u>-</u>	<u>24,248,296</u>

#### 5.1 Market Treasury Bills

Face Value				Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation / (diminution) on re- measurement of investment	Market value as percentage of net assets	Market value as percentage of total investments
As at July 1, 2023	Purchases during the period	Sales / matured during the period	As at December 31, 2023					
------(Rupees in '000)-----								
Treasury Bills								
3 Months				-	-	-	0.00%	0%
T-BILL 03 MONTHS (02-11-2023)	-	25,000,000	25,000,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (05-10-2023)	-	16,000,000	16,000,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (07-09-2023)	-	286,710,000	286,710,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (10-08-2023)	-	188,750,000	188,750,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (13-07-2023)	-	14,290,000	14,290,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (15-06-2023)	179,020,000	61,655,000	240,675,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (16-11-2023)	-	6,760,000	6,760,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (19-10-2023)	-	12,040,000	12,040,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (21-09-2023)	-	563,660,000	563,660,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (22-06-2023)	-	124,630,000	124,630,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (24-08-2023)	-	291,300,000	291,300,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (25-07-2023)	-	12,330,000	12,330,000	-	-	-	0.00%	0%
T-BILL 03 MONTHS (30-11-2023)	-	35,000,000	35,000,000	-	-	-	0.00%	0%
6 Months				-	-	-	0.00%	0%
T-BILL 06 MONTHS (02-11-2023)	-	10,000,000	10,000,000	-	-	-	0.00%	0%
T-BILL 06 MONTHS (15-06-2023)	25,000,000	6,785,000	31,785,000	-	-	-	0.00%	0%
T-BILL 06 MONTHS (16-11-2023)	-	17,000,000	17,000,000	-	-	-	0.00%	0%
T-BILL 06 MONTHS (30-11-2023)	-	13,230,000	13,230,000	-	-	-	0.00%	0%
12 Months				-	-	-	0.00%	0%
T-BILL 12 MONTHS (06-10-2022)	-	7,000,000	7,000,000	-	-	-	0.00%	0%
T-BILL 12 MONTHS (15-12-2022)	-	160,000	160,000	-	-	-	0.00%	0%
T-BILL 12 MONTHS (17-11-2022)	-	5,035,000	5,035,000	-	-	-	0.00%	0%
Total - as at December 31, 2023							0.00%	0.00%
Total - as at June 30, 2023				19,479,822	19,444,852	(34,970)	78.19%	80.19%



**5.2 Pakistan Investment Bond**

	Face value				Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation on re-measurement of investment	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2023	Purchases made during the year	Sales / matured during the year	As at December 31, 2023					
Rupees in '000									
2 Years	48,150	-	48,150	-	-	-	-	0.00%	0%
PIB 2 Years (26-08-2021)	-	196,631	196,631	-	-	-	-	0.00%	0%
PIB 2 Years (30-12-2021)	-	-	-	-	-	-	-	0.00%	0%
3 Years	690,000	-	690,000	-	-	-	-	0.00%	0%
PIB 3 Years (18-07-2013)	-	80,000	80,000	-	-	-	-	0.00%	0%
Total - as at December 31, 2023	738,150	276,631	1,014,781	-	-	-	-	0.00%	0%
Total - as at June 30, 2023	-	1,315,000	-	1,315,000	4,806,714	4,803,444	(3,270)	3.65%	46.13%

	<b>December 31, 2023</b>	<b>June 30, 2023</b>
	<b>(Un-Audited)</b>	<b>(Audited)</b>
	<b>----- (Rupees in '000) -----</b>	<b>-----</b>
<b>6 Profit receivable</b>		
Saving accounts	225,506	333
Term deposit receipts	33,765	-
Debt securities	317,306	103,558
	<u>576,577</u>	<u>103,891</u>
<b>7 ADVANCES, DEPOSITS AND OTHER RECEIVABLES</b>		
Mutual fund rating fee	5	-
Security deposit	100	100
Advance tax	1,226	1,139
	<u>1,331</u>	<u>1,239</u>

**8 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY**

**8.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated June 20, 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

**8.2** Sindh sales tax has been charged at 13% (June 30, 2023: 13%) on the Management Company's remuneration charged during the period.

**9 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (CDC) - TRUSTEE**

**9.1** The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration of the Trustee is fixed at 0.055% per annum of net assets.

**9.2** Sindh sales tax has been charged at 13% (June 30, 2023: 13%) on the Trustee's remuneration charged during the period.

**10 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% of net assets in accordance with regulation 62 of the NBFC Regulations.

		December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
		Note	----- (Rupees in '000) -----
<b>11</b>	<b>ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
	Provision for federal excise duty	11.1	13,417
	Withholding tax payable		5,618
	Auditors' remuneration		1,046
	Brokerage payable		1,969
	Other charges payable		791
			<u>22,841</u>
			<u>93,142</u>

**11.1** The legal status of applicability of Federal Excise Duty (FED) on the Fund is the same as disclosed in note 8 to the annual audited financial statements of the Fund for the year ended June 30, 2023. 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. 13.42 million (June 30, 2023: Rs. 13.42 million). Had the provision not been made, the net asset value per unit of the Fund as at December 31, 2023 would have been higher by Rs. 0.0404 per unit (June 30, 2023: Rs. 0.055 per unit).

## **12 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: None).

## **13 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders.

## **14 EARNINGS PER UNIT**

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

## **15 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

Connected persons / related parties include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank Al Habib Limited	Parent Company of Al Habib Asset Management Limited
3	Al Habib Capital Markets (Private) Ltd.	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Al Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by Al Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by Al Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by Al Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by Al Habib Asset Management Limited
9	AL Habib Money Market Fund	Managed by Al Habib Asset Management Limited
10	AL Habib Islamic Savings Fund	Managed by Al Habib Asset Management Limited
11	AL Habib Income Fund	Managed by Al Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by Al Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by Al Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by Al Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by Al Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by Al Habib Asset Management Limited
17	Central depository Company	Trustee

## AL HABIB CASH FUND

Connected person includes directors and officers of the above entities as at 31 December 2023 and staff retirement benefit funds of the above companies.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

Details of the transactions with connected persons are as follows:

	Half year ended December 31,	
	2023	2022
	----- (Un-Audited) -----	----- (Un-Audited) -----
	----- (Rupees in '000) -----	
<b>15.1 Transaction during the period</b>		
<b>AL Habib Asset Management Limited - Management Company</b>		
Remuneration of the Management Company	157,015	79,578
Sindh Sales Tax on remuneration of the Management Company	20,416	10,345
Allocation of expenses related to registrar services, accounting, operation and valuation services	10,962	22,490
Issuance of 5,151 (2022: 98,537 ) units	528	10,002
Redemption of 5,151 (2022: 98,537) units	524	10,043
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	8,221	7,086
Sindh Sales Tax on remuneration of the Trustee	1,069	921
CDS connection charges	3	-
Issuance of nil (2022: 43 ) units	-	5
<b>Bank Al Habib Limited - Sponsor</b>		
Mark-up on bank deposits	117,604	288,001
Dividend paid	306,307	206,035
<b>Directors and their relatives of the Management Company</b>		
Issuance of 6463,363 (2022: 116,572) units	664,563	
Redemption of 9,951,356 (2022: 203,012,896) units	1,020,953	20,923,073
<b>Key Management Executives</b>		
Issuance of 171,339,410 (2022: 243,031) units	17,652,482	24,758
Redemption of 173,550,395 (2022: 161,135) units	17,851,167	16,436
<b>Habib Asset Management Limited-Employee Provident Fund</b>		
Issuance of Nil (2022: 117,929 ) units	-	12,000
Redemption of Nil (2022: 32,923) units -		1,522
<b>Habib Insurance Company-Employee Provident Fund</b>		
Issuance of Nil (2022: 190,686) units	961	19,485
Redemption of 140,000 (2022: Nil) units	14,359	3,410
<b>Habib Sugar Mills Limited - Connected person due to holding of more than 10% units</b>		
Issuance of 2,575,531 (2022: 25,784,605 ) units	2,659,282	2,644,871
Redemption of 2,423,260 (2021: 19,807,736) units	249,695	2,007,020
<b>Atco Pharma International Private Limited - Connected person due to holding of more than 10% units</b>		
Issuance of 509 (2022: 297 ) units	606	35

	December 31, 2023 (Un-Audited) ----- (Rupees in '000) -----	June 30, 2023 (Audited) ----- (Rupees in '000) -----
<b>15.2 Balances outstanding as at period / year end</b>		
<b>AL Habib Asset Management Limited - Management Company</b>		
Remuneration payable	62,049	41,821
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration payable	1,693	1,276
<b>Bank Al Habib Limited - Sponsor</b>		
Bank balances	5,418,474	533,020
Mark-up receivable	117,604	466,417
Held of 33,307,275 (2023: 33,307,275) units	3,418,992	3,373,104
<b>Directors and their relatives of the Management Company</b>		
Held of 475 (2023: 27,993,627) units	49	2,834,979
<b>Key Management Executives</b>		
Held of 20,900,251 (2022: 104,196) units	2,145,411	10,552
<b>Habib Insurance Company-Employee Provident Fund</b>		
Held of 65,544 (2022: 205,544) units	6,728	20,816
<b>Habib Sugar Mills Limited - Connected person due to holding of more than 10% units</b>		
Held of 23,344,204 (2022: 8,933) units	2,396,283	905
<b>Atco Pharma International Private Limited - Connected person due to holding of more than 10% units</b>		
Held of 6902 (2022: 5,598) units	708	565
<b>Atco Laboratories Limited - Connected person due to holding of more than 10% units</b>		
Held of 997 (2022: 997) units	102	101
<b>Hussaini Haematology &amp; Oncology Trust - Connected person due to holding of more than 10% units</b>		
Held of 1,631 (2022: 1,511) units	-	153
<b>The Health Foundation - Connected person due to holding of more than 10% units</b>		
Held of 25,287 (2022: 1,511) units	2,596	153

## 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

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

December 31, 2023 (Un-Audited)							
Carrying amount				Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note	(Rupees in '000)						
<b>Financial assets measured at fair value</b>							
16.1.1							
	Market Treasury Bills	-	-	-	-	-	-
	Pakistan Investment Bond	-	-	-	-	-	-
		-	-	-	-	-	-
<b>Financial assets not measured at fair value</b>							
16.1.2							
	Bank balances and Term deposit receipts	-	27,318,126	27,318,126			
	Receivable against sale of investment	-	26,395	26,395			
	Receivable against redemption of investment	-	6,285,873	6,285,873			
	Profit / mark-up receivable	-	576,577	576,577			
	Advances, deposits and other receivables	-	1,331	1,331			
		-	34,208,302	34,208,302			
<b>Financial liabilities not measured at fair value</b>							
16.1.2							
	Payable to the Management Company	-	48,632	48,632			
	Payable to the Trustee	-	1,693	1,693			
	Payable to Securities and Exchange Commission of Pakistan	-	2,068	2,068			
	Accrued expenses and other liabilities	-	3,806	3,806			
		-	56,199	56,199			
December 31, 2023 (Un-Audited)							
Carrying amount				Fair value			
	Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
Note	(Rupees in '000)						
<b>Financial assets measured at fair value</b>							
16.1.1							
	Market Treasury Bills	19,444,852	-	19,444,852	-	19,444,852	-
	Pakistan Investment Bonds	4,803,444	-	4,803,444	-	4,803,444	-
		24,248,296	-	24,248,296	-	24,248,296	-
<b>Financial assets not measured at fair value</b>							
16.1.2							
	Bank balances	-	644,059	644,059			
	Profit receivable	-	103,891	103,891			
	Advances, deposits and other receivables	-	1,239	1,239			
		-	749,189	749,189			
<b>Financial liabilities not measured at fair value</b>							
16.1.2							
	Payable to the Management Company	-	25,136	25,136			
	Payable to the Trustee	-	1,129	1,129			
	Payable to Securities and Exchange Commission of Pakistan	-	5,020	-			
	Accrued expenses and other liabilities	-	5,088	5,088			
		-	36,373	31,353			

**16.1 Valuation techniques**

16.1.1 For level 2 investments at fair value through profit or loss - investment in Market Treasury Bills, Fund uses rates which are derived from PKRV rates at reporting date prescribed by MUFAP.

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

**16.2 Transfers during the period**

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

**17 TOTAL EXPENSE RATIO**

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the half year ended December 31, 2023 is 1.47% (December 31, 2022: 0.97%) which includes 0.22% (December 31, 2022: 0.11%) representing Government levy and SECP fee.

**18 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on January 25, 2024.

**19 GENERAL**

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

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

**For AL Habib Asset Management Limited  
(Management Company)**

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**Chief Executive Officer**

---

**Chief Financial Officer**

---

**Director**

**AL HABIB MONEY MARKET FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION****Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib  
Mr. Mansoor Ali  
Mr. Imran Azim  
Ms. Zarine Aziz  
Mr. Saeed Allawala  
Mr. Kashif Rafi

Chairman  
Director  
Director  
Director  
Director  
Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala  
Mr. Mansoor Ali  
Mr. Imran Azim

Chairman  
Member  
Member

**Human Resource Committee**

Mr. Saeed Allawala  
Mr. Mansoor Ali  
Ms. Zarine Aziz  
Mr. Kashif Rafi

Chairman  
Member  
Member  
Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4,  
Block 9, Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AA+ (f) Fund Stability Rating by VIS  
AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited  
Allied Bank Limited  
Habib Bank Limited  
Bank ALfalah Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.



**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

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



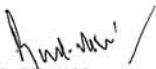
**TRUSTEE REPORT TO THE UNIT HOLDERS**

**AL HABIB MONEY MARKET FUND**

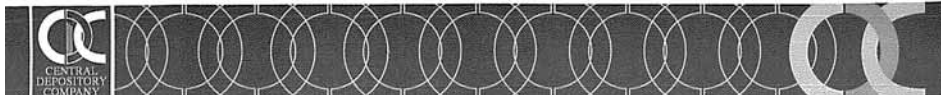
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Money Market Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





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2nd Floor, Block-C  
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Sarwar Shaheed Road  
Karachi-74200  
Pakistan

INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE  
UNIT HOLDERS OF AL HABIB MONEY MARKET FUND

Introduction

We have reviewed the accompanying condensed interim statement of Assets and Liabilities of Al Habib Money Market Fund ("the Fund") as at December 31, 2023 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 together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the half year then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting 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 condensed 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 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matter

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated February 24, 2023 and September 28, 2023, respectively.

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

KARACHI

DATED: 27 FEB 2024

UDIN: RR202310166dmtB9ZGTv

  
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.

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES***AS AT DECEMBER 31, 2023*

		December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
Bank balances	4	17,487,293	34,601
Investments	5	489,398	8,219,654
Receivable against maturity of investment		1,435,000	-
Profit receivable	6	210,530	2,362
Other assets		46	6
Preliminary expenses and floatation costs		558	593
<b>Total assets</b>		19,622,825	8,257,216
<b>LIABILITIES</b>			
Payable to AL Habib Asset Management Limited - Management Company	7	20,152	8,984
Payable to Central Depository Company of Pakistan Limited - Trustee	8	709	344
Payable to Securities and Exchange Commission of Pakistan	9	890	939
Accrued expenses and other liabilities	10	49,607	9,535
<b>Total liabilities</b>		71,358	19,802
<b>NET ASSETS</b>			
		19,551,467	8,237,414
<b>Unit holders' fund (as per the statement attached)</b>			
		19,551,467	8,237,414
Contingencies and commitments	11		
<b>(Number of Units)</b>			
<b>Number of units in issue</b> (face value of units is Rs. 100 each)		195,514,772	82,374,135
<b>(Rupees)</b>			
<b>Net asset value per unit</b>		100.00	100.00

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		For the half year ended		For the quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Note		(Rupees in '000)			
<b>INCOME</b>					
		146,562	60,255	128,539	21,914
		13,472	-	13,472	-
		700,313	202,503	131,149	121,431
		485,656	-	485,656	-
		(9,326)	(467)	4,369	(564)
5.1		(310)	1,960	(14,879)	1,960
<b>Total Income</b>		1,336,367	264,251	748,306	144,741
<b>EXPENSES</b>					
		65,123	11,030	39,270	7,541
		8,466	1,434	5,105	980
		3,118	2,644	1,308	1,518
		2,662	-	889	-
		3,343	937	1,909	498
		435	122	249	65
		4,510	341	2,536	181
		373	162	171	93
		7	12	7	6
		13	13	6	6
		219	232	114	131
		124	55	90	50
		35	35	17	18
<b>Total expenses</b>		88,428	17,017	51,671	11,087
<b>Net income for the period before taxation</b>		1,247,939	247,234	696,635	133,654
		-	-	-	-
<b>Net income for the period</b>		1,247,939	247,234	696,635	133,654
<b>Allocation of net income for the period:</b>					
		1,247,939	247,234	696,635	133,654
		-	-	-	-
		1,247,939	247,234	696,635	133,654
<b>Accounting income available for distribution:</b>					
		(310)	1,493	(14,879)	1,396
		1,248,249	245,741	711,514	132,258
		1,247,939	247,234	696,635	133,654

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**AL HABIB MONEY MARKET FUND**

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**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
***FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023***

	<u>For the half year ended</u>		<u>For the quarter ended</u>	
	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
	<u>----- (Rupees in '000) -----</u>			
Net income for the period	1,247,939	247,234	696,635	133,654
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>1,247,939</u>	<u>247,234</u>	<u>696,635</u>	<u>133,654</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023			For the half year ended December 31, 2022		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
Net assets at the beginning of the period	8,237,414	-	8,237,414	3,075,903	-	3,075,903
<b>Issuance of 246,766,531 units</b> (December 31, 2022 122,096,047)						
- Capital value	24,676,642	-	24,676,642	12,209,602	-	12,209,602
- Element of income	-	-	-	-	-	-
Amount received on issuance of units	24,676,642	-	24,676,642	12,209,602	-	12,209,602
<b>Redemption of 133,625,894 units</b> (December 31, 2022 58,838,782)						
- Capital value	(13,362,589)	-	(13,362,589)	(5,883,878)	-	(5,883,878)
- Element of income	-	-	-	-	-	-
Amount paid on redemption of units	(13,362,589)	-	(13,362,589)	(5,883,878)	-	(5,883,878)
Total comprehensive income for the period	-	1,247,939	1,247,939	-	247,234	247,234
Interim cash distribution for the year ended June 30 2024: Rs. 10.2900 per unit (December 31, 2022 Rs. 7.3516 per unit)	-	(1,247,939)	(1,247,939)	-	(247,234)	(247,234)
	-	-	-	-	-	-
<b>Net assets at the end of the period</b>	19,551,467	-	19,551,467	9,401,627	-	9,401,627
<b>Undistributed income brought forward</b>						
- Realised		-			-	
- Unrealised		-			-	
		-			-	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		(310)			1,493	
- Excluding capital gains		1,248,249			245,741	
		1,247,939			247,234	
Interim cash distribution: Rs. 10.2900 per unit (December 31, 2022 Rs. 7.3516 per unit)		(1,247,939)			(247,234)	
Undistributed income carried forward		-			-	
<b>Undistributed income carried forward</b>						
- Realised		(310)			(1,960)	
- Unrealised gain		310			1,960	
		-			-	
	(Rupees)			(Rupees)		
Net assets value per unit at end of the period	100.00			100.00		
Net assets value per unit at beginning of the period	100.00			100.00		

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)****FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>For the half year ended</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	<b>----- (Rupees in '000) -----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	1,247,939	247,234
<b>Adjustments for non cash and other items</b>		
Net unrealised gain / (loss) on sale of investment	310	(1,960)
Amortization of preliminary expenses and floatation costs	35	(35)
	<u>1,248,284</u>	<u>245,239</u>
<b>Working capital adjustments</b>		
<b>Decrease / (increase) in assets</b>		
Investments	7,729,946	(8,706,724)
Receivable against maturity of investment	(1,435,000)	-
Profit receivable	(208,168)	40,599
Other assets	(40)	-
Preliminary expenses and floatation costs	-	35
	<u>6,086,738</u>	<u>(8,666,090)</u>
<b>Increase / (decrease) in liabilities</b>		
Payable to AL Habib Asset Management Limited - Management Company	11,168	(875)
Payable to Central Depository Company of Pakistan Limited - Trustee	365	71
Payable to Securities and Exchange Commission of Pakistan	(49)	70
Accrued expenses and other liabilities	40,072	(3,275)
	<u>51,556</u>	<u>(4,009)</u>
<b>Net cash flows from / (used in) operating activities</b>	<u>7,386,578</u>	<u>(8,424,860)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	24,676,642	12,209,602
Payments against redemption of units	(13,362,589)	(5,883,878)
Dividend paid during the period	(1,247,939)	(247,234)
<b>Net cash flows from financing activities</b>	<u>10,066,114</u>	<u>6,078,490</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>17,452,692</u>	<u>(2,346,370)</u>
Cash and cash equivalents at beginning of the period	34,601	3,039,077
Cash and cash equivalents at the end of the period	<u>17,487,293</u>	<u>692,707</u>

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

**For AL Habib Asset Management Limited  
(Management Company)**Chief Executive OfficerChief Financial OfficerDirector

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1. LEGAL STATUS AND NATURE OF BUSINESS**

AL Habib Money Market Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on September 27, 2021 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on May 31, 2021 under Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).

- 1.1 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.2 The Fund is an open-end mutual fund and listed on the Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.3 The Investment objective of AL Habib Money Market Fund is to provided its unit-holders optimum return from a portfolio of low risk and short duration assets while being highly liquid.
- 1.4 The Fund has been categorized as an Open-End Money Market Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).
- 1.5 Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.6 On november 15, 2023 VIS Credit Rating Company Limited (VIS) has assigned initial Fund Stability Rating to AL Habib Money Market Fund (AHMMF) at 'AA+ (f)' . and Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' to the Management Company on August 12, 2023.

**2. BASIS OF PREPARATION****2.1 Statement of compliance**

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

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

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017, 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 statements does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2023.
- 2.1.3 This condensed interim financial statements is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4 These condensed interim financial statements are unaudited but subject to limited review scope by the auditors. Figures for the quarter ended December 31, 2023 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.



**2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

**2.2 Functional and presentation currency**

This condensed interim financial statements is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

**2.3 Basis of measurement**

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGEMENTS**

**3.1** The accounting policies adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the annual financial information of the Fund for the year ended June 30, 2023.

**3.2** The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan 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 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 of the Fund as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2023.

**3.3 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

**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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial statements.

**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, 2023.

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>4. BANK BALANCES</b>			
Current Accounts		9	-
Saving Accounts	4.1 & 4.2	16,187,284	34,601
Term deposit receipts - saving account	4.3	1,300,000	-
		<u>17,487,293</u>	<u>34,601</u>

**4.1** This represents saving accounts held with various commercial banks carrying profit rates ranging from 20.50% to 21.25% per annum (June 30, 2023: 18.00% to 20.50%) .

**4.2** It also includes a balance of Rs. 5,678 million with Bank AL Habib Limited, (Parent Company of Fund's Management Company) (June 30, 2023 Rs. 31.31 million) carrying profit rate of 21.5% per annum (June 30, 2023: 20.50%).

- 4.3 This represents term deposit receipt amounting to Rs. 1,300 million held with Bank AL Falah Limited. This carry profit rate at 22.25% per annum (30 June 2023: Nil) and its maturity date is January 05, 2024.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
5. INVESTMENTS	Note	----- (Rupees in '000) -----	
<b>At fair value through profit or loss</b>			
Government securities - Market Treasury Bills	5.1	489,398	8,219,654
Debt securities - Pakistan Investment Bonds	5.2	-	-
		<u>489,398</u>	<u>8,219,654</u>

#### 5.1 Government securities - Market Treasury Bills

Description					As at December 31, 2023				
	As at July 01, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealised loss on investment	Market value	
								As a percentage of net assets	As a percentage of total investments
(Number of Units)				(Rupees in '000)			%		
T-BILL 03 MONTHS (15-06-2023)	80,930,000	28,550,000	109,480,000	-	-	-	-	-	-
T-BILL 06 MONTHS (15-06-2023)	5,000,000	-	5,000,000	-	-	-	-	-	-
T-BILL 03 MONTHS (02-11-2023)	-	33,990,000	33,990,000	-	-	-	-	-	-
T-BILL 03 MONTHS (05-10-2023)	-	10,000,000	10,000,000	-	-	-	-	-	-
T-BILL 03 MONTHS (07-09-2023)	-	64,650,000	64,650,000	-	-	-	-	-	-
T-BILL 03 MONTHS (10-08-2023)	-	97,520,000	97,520,000	-	-	-	-	-	-
T-BILL 03 MONTHS (13-07-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T-BILL 03 MONTHS (14-12-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T-BILL 03 MONTHS (16-11-2023)	-	5,000,000	-	5,000,000	489,708	489,398	(310)	2.50%	100.00%
T-BILL 03 MONTHS (19-10-2023)	-	14,200,000	14,200,000	-	-	-	-	-	-
T-BILL 03 MONTHS (21-09-2023)	-	253,340,000	253,340,000	-	-	-	-	-	-
T-BILL 03 MONTHS (22-06-2023)	-	44,750,000	44,750,000	-	-	-	-	-	-
T-BILL 03 MONTHS (24-08-2023)	-	85,000,000	85,000,000	-	-	-	-	-	-
T-BILL 03 MONTHS (30-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T-BILL 06 MONTHS (02-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T-BILL 06 MONTHS (16-11-2023)	-	43,000,000	43,000,000	-	-	-	-	-	-
T-BILL 06 MONTHS (30-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T-BILL 12 MONTHS (06-10-2022)	-	5,000,000	5,000,000	-	-	-	-	-	-
<b>Total as at December 31, 2023</b>					<b>489,708</b>	<b>489,398</b>	<b>(310)</b>		
Total as at June 30, 2023					8,232,515	8,219,654	(12,861)		

- 5.1.1 The rate of return on Market Treasury Bill's ranges from 21.10% to 24.75% (June 30,2023: 13.98% to 21.99%) per annum.

#### 5.2 Debt securities - Pakistan Investment Bonds

Description					As at December 31, 2023				
	As at July 01, 2023	Purchased during the period	Sold / matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealised loss on investment	Market value	
								As a percentage of net assets	As a percentage of total investments
(Number of Units)				(Rupees in '000)		%			
PIB 03 YEARS (22-10-2020) - Floater	-	20,000	20,000	-	-	-	-	-	
PIB 2 YEAR (08-09-2022) - Forthightly	-	14,263	14,263	-	-	-	-	-	
PIB 2 YEARS (30-12-2021) - Floater	-	90,850	90,850	-	-	-	-	-	
Total as at December 31, 2023	-	125,113	125,113	-	-	-	-		
Total as at June 30, 2023	-	-	-	-	-	-	-		

- 5.2.1 The rate of return on Pakistan Investment Bonds ranges from 21.98% to 23.39% (June 30,2023: nil) per annum.

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>6 PROFIT RECEIVABLE</b>			
Savings accounts		116,294	2,362
Term deposit receipts		13,472	-
Debt securities		80,764	-
		<u>210,530</u>	<u>2,362</u>

**7. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY**

Management remuneration	7.1	14,864	4,805
Sindh sales tax	7.2	1,932	625
Formation cost		615	615
Allocation of expenses related to registrar services. accounting, operation and valuation services	7.3	<u>2,741</u>	<u>2,939</u>
		<u>20,152</u>	<u>8,984</u>

**7.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, The Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

**7.2** Sindh Sales Tax at the rate of 13% (June 30, 2023: 13%) was charged on the management company's remuneration.

**7.3** In accordance with Regulation 60(3)(s) of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme.

The Management Company charged Rs. 5.780 million for allocation of such expenses to the Fund which is lower than actual expenses incurred.

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration	8.1	627	304
Sales tax payable on trustee remuneration	8.2	<u>82</u>	<u>40</u>
		<u>709</u>	<u>344</u>

**8.1** The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee is fixed at 0.055% (30 June 2023: 0.055%) per annum of net assets.

**8.2** The Sindh Sales Tax at the rate of 13% (June 30, 2023: 13%) was charged on the Trustee's remuneration.

**9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% (30 June 2023 : 0.02%) of net assets in accordance with regulation 62 of the NBFC Regulations.

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	----- (Rupees in '000) -----	
<b>10. ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration	446	324
Withholding tax	48,196	8,751
Brokerage	680	307
Listing fee	117	64
Rating fee	168	89
	<u>49,607</u>	<u>9,535</u>

**11. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil).

**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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised ) to its unit holders.

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

**13. EARNINGS PER UNIT**

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

**14. TOTAL EXPENSE RATIO**

Total Expenses Ratio of the Fund is 1.46% as on December 31, 2023 (December 31, 2022: 1.00%) and this includes 0.22% (December 31, 2022: 0.11%) representing Government Levy and Securities Exchange Commission of Pakistan fee. This ratio is within the maximum limit of 2.0% prescribed under the NBFC Regulations 60(5) for a Collective Investment Scheme (CIS) categorised as a Money Market Scheme.

**15. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

**15.1** Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and officers of the Management Company and the Trustee and unit holders holding 10 percent or more units of the Fund.

**15.2** The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

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

## AL HABIB MONEY MARKET FUND

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

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank Al Habib Limited	Parent Company of Al Habib Asset Management Limited
3	Al Habib Capital Markets (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Al Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by Al Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by Al Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by Al Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by Al Habib Asset Management Limited
9	AL Habib Islamic Savings Fund	Managed by Al Habib Asset Management Limited
10	AL Habib Islamic Cash Fund	Managed by Al Habib Asset Management Limited
11	AL Habib Income Fund	Managed by Al Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by Al Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by Al Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by Al Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by Al Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by Al Habib Asset Management Limited
17	Central depository Company Of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at December 31, 2023 and staff retirement benefit funds of the above companies.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

	December 31, 2023 (Unaudited) (Rupees in '000)	December 31, 2022 (Unaudited) (Rupees in '000)
<b>AL Habib Asset Management Limited - Management Company</b>		
- Management company remuneration	65,123	11,030
- Sindh sales tax	8,466	1,434
- Expenses allocated by the Management Company	3,118	2,644
- Selling and Marketing Expenses	2,662	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
- Remuneration to the Trustee	3,343	937
- Sindh sales tax	435	122
<b>Bank AL Habib Limited</b>		
- Profit on bank deposit	67,033	49,691
- Dividend Paid	62,840	44,088
	<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
<b>Details of balances with connected persons at period end are as follows:</b>		
<b>AL Habib Asset Management Limited - Management Company</b>		
- Management Company payable (Inclusive of Sindh sales tax)	20,152	8,984
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
- Remuneration payable (Inclusive of Sindh sales tax)	709	344
<b>Bank AL Habib Limited</b>		
- Bank Balance	5,677,776	31,310

**Sale / Redemption of units**

	December 31, 2023 (Unaudited)		December 31, 2022 (Unaudited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<b><u>Units sold to:</u></b>				
<b>Management Company</b>				
- AL Habib Asset Management Limited	99,927	10,011	6,560,423	658,178
<b>Parent of Al Habib Asset Management Limited</b>				
- Bank Al Habib Limited	628,400	62,840	440,885	44,088
<b>Other connected persons</b>				
- Atco Pharma International (Private) Limited	343	40	208	24
- Habib Sugar Mills Limited	379,704	44,671	-	-
<b>Units sold to connected persons holding 10% or more of the units in issue:</b>	-	-	24,696,531	2,469,653
<b><u>Units redeemed by:</u></b>				
<b>Management Company</b>				
- AL Habib Asset Management Limited	99,927	9,993	4,062,926	406,293
<b>Parent of Al Habib Asset Management Limited</b>				
- Bank Al Habib Limited	616,792	61,679	453,563	45,356
<b>Units redeemed to Connected Persons holding 10% or more of the units in issue:</b>	-	-	-	-
	December 31, 2023 (Unaudited)		June 30, 2023 (Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<b><u>Units held by:</u></b>				
<b>Management Company</b>				
- AL Habib Asset Management Limited	-	-	9,418,198	941,820
<b>Parent of Al Habib Asset Management Company</b>				
- Bank AL Habib Limited	6,104,438	610,444	6,092,830	609,283
<b>Other connected persons</b>				
- Atco Pharma International (Private) Limited	4,065	407	3,722	372
- Habib Sugar Mills Limited	5,379,704	537,970	-	-
<b>Units sold to connected persons holding 10% or more of the units in issue:</b>	-	-	12,074,239	1,207,424

**16. FAIR VALUE OF FINANCIAL INSTRUMENTS**

- 16.1** Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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.

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

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

## AL HABIB MONEY MARKET FUND

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

	Level 1	Fair value Level 2 (Rupees in '000)	Level 3
<b>December 31, 2023 (Unaudited)</b>	-----	-----	-----
Government securities - Market Treasury Bills	-	489,398	-
	-	489,398	-
<b>June 30, 2023 (Audited)</b>	-----	-----	-----
Government securities - Market Treasury Bills	-	8,219,654	-
	-	8,219,654	-

**16.2** Level 2 fair values have been determined on the basis of MUFAP rates and closing Net Asset Values for government securities and Mutual Fund Units respectively.

**16.3** There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

## 17 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and for better presentation. Following material reclassification has been made during the period:

Reclassification from	Reclassified to	Note	Rupees
Accrued expenses and other liabilities	Payable to Al Habib Asset Management Limited - Management Company	9-6	615

## 18. GENERAL

**18.1** This condensed interim financial statements is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2023 as reported in this condensed interim financial statements has not been subject to limited scope review by the auditors.

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

## 19. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements was authorised for issue by the board of directors of the Management Company on **January 25, 2024**.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**AL HABIB INCOME FUND**  
**Half Yearly Report**  
**December 31, 2023**



**FUND'S INFORMATION**

**Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 7420

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4, Block 9,  
Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AA (f) Fund Stability Rating Rating by PACRA  
AM2+ Management Company Quality Rating  
Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited  
Bank Alfalah Limited  
Allied Bank Limited  
JS bank Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED****Head Office:**

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

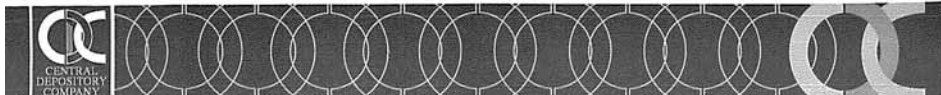
**TRUSTEE REPORT TO THE UNIT HOLDERS****AL HABIB INCOME FUND****Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Income Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





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Karachi-74200  
Pakistan

**INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB INCOME FUND**

**Introduction**

We have reviewed the accompanying condensed interim statement of Assets and Liabilities of **Al Habib Income Fund** ("the Fund") as at December 31, 2023 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 together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the half year then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial statements in accordance with approved accounting 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 condensed 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 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated February 24, 2023 and September 28, 2023, respectively.

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

KARACHI

DATED: 27 FEB 2024

UDIN: RR2023101666AWnMam9C

  
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.

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2023

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	---- (Rupees in '000) ----	
<b>ASSETS</b>			
Bank balances	4	2,125,808	8,739
Investments	5	3,714,650	2,865,683
Profit receivable	6	101,460	56,920
Advances, deposits and prepayments		3,325	3,316
<b>Total assets</b>		5,945,243	2,934,658
<b>LIABILITIES</b>			
Payable to AL Habib Asset Management Limited - Management Company	7	7,077	2,821
Provision for Federal Excise Duty on remuneration of Management Company	8	8,746	8,746
Payable to Central Depository Company of Pakistan Limited - Trustee	9	397	203
Payable to Securities and Exchange Commission of Pakistan	10	414	519
Accrued expenses and other liabilities	11	26,472	17,837
<b>Total liabilities</b>		43,106	30,126
<b>NET ASSETS</b>		<u>5,902,137</u>	<u>2,904,532</u>
<b>Unit holders' Fund (as per the statement attached)</b>		<u>5,902,137</u>	<u>2,904,532</u>
Contingencies and commitments	12		
		(Number of Units)	
<b>Number of units in issue</b> (face value of units is Rs. 100 each)		<u>57,796,449</u>	<u>28,690,689</u>
		(Rupees)	
<b>Net assets value per unit</b>		<u>102.12</u>	<u>101.24</u>

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

For AL Habib Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		For the half year ended		For the quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Note		(Rupees in '000)			
<b>INCOME</b>					
		31,105	16,292	26,151	1,336
		98,727	141,691	52,221	130,287
		228,600	10,868	118,745	6,456
		5,441	966	5,441	(148)
		20,020	5,070	15,798	6,619
5.1	Net unrealised (loss) / gain on revaluation of investments at fair value through profit or loss	(5,613)	12,063	(2,178)	10,743
<b>Total income</b>		<b>378,280</b>	<b>186,950</b>	<b>216,178</b>	<b>155,293</b>
<b>EXPENSES</b>					
7	Remuneration of AL Habib Asset Management Limited - Management Company	25,500	11,077	13,864	8,125
7	Sindh Sales Tax on Management Company's remuneration	3,315	1,440	1,802	1,056
	Expenses allocated by the Management Company	939	1,228	311	729
	Selling and marketing expenses	970	1,084	208	1,083
9	Remuneration of Central Depository Company of Pakistan Limited - Trustee	1,220	881	687	581
9	Sindh Sales Tax on Trustee remuneration	159	114	90	75
10	Annual fee to the Securities and Exchange Commission of Pakistan	1,283	235	687	155
	Brokerage expense	425	136	317	(25)
	Settlement and bank charges	216	162	130	14
	Annual listing fee	13	13	7	4
	Auditors' remuneration	358	372	173	235
	Mutual fund rating fee	280	280	140	153
	Printing charges	33	33	17	17
	Fees and subscription	-	129	-	129
<b>Total expenses</b>		<b>34,711</b>	<b>17,183</b>	<b>18,433</b>	<b>12,331</b>
<b>Net income for the period before taxation</b>		<b>343,569</b>	<b>169,767</b>	<b>197,745</b>	<b>142,962</b>
13	Taxation	-	-	-	-
<b>Net income for the period</b>		<b>343,569</b>	<b>169,767</b>	<b>197,745</b>	<b>142,962</b>
<b>Allocation of net income for the period:</b>					
	Net income for the period	343,569	169,767	197,745	142,962
	Income already paid on units redeemed	(110,406)	(49,874)	(79,222)	(44,454)
		<b>233,163</b>	<b>119,893</b>	<b>118,523</b>	<b>98,508</b>
<b>Accounting income available for distribution:</b>					
	Relating to capital gains	14,407	17,133	10,185	17,362
	Excluding capital gains	218,756	102,760	108,338	81,146
		<b>233,163</b>	<b>119,893</b>	<b>118,523</b>	<b>98,508</b>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	<b>For the half year ended</b>		<b>For the quarter ended</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>----- (Rupees in '000) -----</b>			
Net income for the period	343,569	169,767	197,745	142,962
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>343,569</u>	<u>169,767</u>	<u>197,745</u>	<u>142,962</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**AL HABIB INCOME FUND****CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023			For the half year ended December 31, 2022		
	Capital value	Undistributed income / (loss)	Net Assets	Capital value	Undistributed income / (loss)	Net Assets
	(Rupees in '000)					
<b>Net assets at beginning of the period</b>	2,864,876	39,656	2,904,532	1,602,042	16,775	1,618,817
<b>Issuance of 96,336,890 units</b> (December 31,2022: 56,391,872)						
- Capital value	9,753,147	-	9,753,147	5,696,143	-	5,696,143
- Element of income	648,205	-	648,205	64,763	-	64,763
Amount received on issuance of units	10,401,352	-	10,401,352	5,760,906	-	5,760,906
<b>Redemption of 67,231,129 units</b> (December 31,2022: 44,480,510)						
- Capital value	(6,806,479)	-	(6,806,479)	(4,492,976)	-	(4,492,976)
- Element of income	(337,863)	(110,406)	(448,269)	(4,496)	(49,874)	(54,370)
Amount paid / payable on redemption of units	(7,144,342)	(110,406)	(7,254,748)	(4,497,472)	(49,874)	(4,547,346)
Total comprehensive income for the period	-	343,569	343,569	-	169,767	169,767
Cash distribution for the period ended 30 June 2024: Rs. 10.6149 per unit	(424,365)	(68,203)	(492,568)	(109,988)	(60,966)	(170,954)
	(424,365)	275,366	(148,999)	(109,988)	108,801	(1,187)
<b>Net assets at the end of the period</b>	<u>5,697,521</u>	<u>204,616</u>	<u>5,902,137</u>	<u>2,755,488</u>	<u>75,702</u>	<u>2,831,190</u>
<b>Undistributed income brought forward</b>						
- Realised income		47,491			15,552	
- Unrealised (loss) / gain		(7,835)			1,223	
		39,656			16,775	
<b>Accounting income available for distribution</b>						
- Relating to capital gains		14,407			17,133	
- Excluding capital gains		218,756			102,760	
		233,163			119,893	
Interim Cash distribution for the period ended 30 June 2024: Rs. 10.6149 per unit		(68,203)			(60,966)	
<b>Undistributed income carried forward</b>		<u>204,616</u>			<u>75,702</u>	
<b>Undistributed income carried forward</b>						
- Realised income		210,229			63,639	
- Unrealised gain		(5,613)			12,063	
		204,616			75,702	
	(Rupees)			(Rupees)		
Net assets value per unit at beginning of the period	<u>101.24</u>			<u>101.01</u>		
Net assets value per unit at end of the period	<u>102.12</u>			<u>101.34</u>		

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>For the half year ended</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	<b>----- (Rupees in '000) -----</b>	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period	343,569	169,767
<b>Adjustments for non cash and other items</b>		
Net unrealised loss / (gain) on revaluation of investments	5,613	(12,063)
	349,182	157,704
<b>(Increase) / decrease in assets:</b>		
Investments - net	(854,580)	(2,460,109)
Income receivable	(44,540)	(12,295)
Advances, deposits and prepayments	(9)	114
	(899,129)	(2,472,290)
<b>Increase / (decrease) in liabilities:</b>		
Payable to AL Habib Asset Management Limited - Management Company	4,256	5,275
Payable to Central Depository Company of Pakistan Limited - Trustee	194	119
Payable to Securities and Exchange Commission of Pakistan	(105)	(108)
Payable against redemption of units	-	(1)
Accrued expenses and other liabilities	8,635	(4,883)
	12,980	402
<b>Net cash used in operating activities</b>	(536,967)	(2,314,184)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Amount received on issuance of units	10,401,352	5,760,906
Amount paid on redemption of units	(7,254,748)	(4,547,346)
Cash Dividend paid	(492,568)	(170,954)
<b>Net cash flows from financing activities</b>	2,654,036	1,042,606
<b>Net increase / (decrease) in cash and cash equivalents</b>	2,117,069	(1,271,578)
Cash and cash equivalents at beginning of the period	8,739	1,369,818
Cash and cash equivalents at end of the period	2,125,808	98,240

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** AL Habib Income Fund (the Fund) was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on September 06, 2006 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 03, 2006 under Regulation 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 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 October 15, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.3** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd Floor, MacKinnon’s Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.4** The Fund is an open-end mutual fund and is listed on Pakistan Stock Exchange. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.5** The Fund has been formed to provide reasonable rate of return consistent with reasonable concern for safety of principal amount to the unit holders, along with facility to join or leave the Fund at their convenience. The management team would seek to enhance returns through active portfolio management using efficiency tools.
- 1.6** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' and “AA(f)” to the Management Company and the Fund respectively.
- 1.7** The Fund invests in a diversified portfolio of Term Finance Certificates, Government securities, corporate debt securities, certificates of investments, Term Deposit Receipts, continuous funding system and other money market instruments (including the clean placements). The Fund has been categorised as income scheme.
- 1.8** Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

- International Accounting Standard (IAS - 34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the 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 Regulations), directives issued by the SECP and requirements of the Trust Deed.

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

- 2.1.2** This condensed interim financial statements does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2023.
- 2.1.3** This condensed interim financial statement is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4** These condensed interim financial statements are unaudited but subject to limited review scope by the auditors. Figures for the quarter ended December 31, 2023 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.
- 2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial statement give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## **2.2 Functional and presentation currency**

This condensed interim financial statements is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

## **2.3 Basis of measurement**

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGEMENTS**

- 3.1** The accounting policies adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the annual financial information of the Fund for the year ended June 30, 2023.
- 3.2** The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan 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 statement, the significant judgments made by 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 of the Fund as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2023.

## **3.3 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

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 statements and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial statement.

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, 2023.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>4. BANK BALANCES</b>			
Current accounts		703	4,483
Saving accounts	4.1 & 4.2	1,600,105	4,256
Term deposit receipts - saving account	4.3	525,000	-
		<u>2,125,808</u>	<u>8,739</u>

4.1 These carry profit rates ranging from 20.50% to 22.25% (June 30, 2023: 12.50% to 15.25%) per annum.

4.2 It also includes balance of Rs. 1519.57 million (June 30, 2023: Rs 5.14 million) with Bank AL Habib Limited (Parent Company of fund's Management Company), carrying profit rates 21.50% (June 30, 2023: 15.25%) per annum.

4.3 This represents placement with Bank AL Falah Limited, maturity date is January 05, 2024 and carries profit rate 22.25% per annum (June 30, 2023: Nil).

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>5. INVESTMENTS</b>			
Term finance certificates / Sukuk certificates	5.1	85,786	88,068
Market Treasury Bills	5.2	265,662	1,342,920
Pakistan Investment Bonds	5.3	3,363,202	1,434,695
		<u>3,714,650</u>	<u>2,865,683</u>

#### 5.1 Term Finance Certificates / Sukuk Certificates

Issue date	Face value				As at December 31, 2023			Market value	
	As at July 01, 2023	Purchases during the period	Sold / Matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealized appreciation (diminution)	As a percentage of net assets	As a percentage of total investments
	----- (Number of Units) -----				----- (Rupees in '000) -----			----- % -----	

##### Unquoted

Chani Gases Limited- Sukuk (2-2-2017) (certificates of Rs. 100,000 each)	250	-	-	250	1,018	1,023	5	0.02%	0.03%
Askari Bank Limited-TFC VII (17-03-2020) (certificates of Rs. 100,000 each)	60	-	-	60	59,942	59,700	(242)	1.01%	1.61%
Meezan Bank Ltd. - Sukuk (09-01-20) (certificates of Rs. 100,000 each)	25	-	-	25	24,934	25,063	129	0.42%	0.67%
<b>Total as at December 31, 2023</b>					<u>85,894</u>	<u>85,786</u>	<u>(108)</u>		
<b>Total as at June 30, 2023</b>					<u>89,313</u>	<u>88,068</u>	<u>(1,245)</u>		

## 5.2 Market Treasury Bills

Issue date	Face value			As at December 31, 2023			Market value		
	As at July 01, 2023	Purchases during the period	Sold / Matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealized appreciation/(diminution)	As a percentage of net assets	As a percentage of total investments
	(Number of Units)			(Rupees in '000)			%		
T- BILL 03 MONTHS (20-04-2023)	1,410,000	-	1,410,000	-	-	-	-	-	-
T- BILL 03 MONTHS (15-06-2023)	10,850,000	21,530,000	32,380,000	-	-	-	-	-	-
T- BILL 06 MONTHS (15-06-2023)	1,785,000	5,000,000	6,785,000	-	-	-	-	-	-
T- BILL 03 MONTHS (02-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 03 MONTHS (05-10-2023)	-	2,500,000	2,500,000	-	-	-	-	-	-
T- BILL 03 MONTHS (07-09-2023)	-	17,501,500	17,501,500	-	-	-	-	-	-
T- BILL 03 MONTHS (10-08-2023)	-	3,500,000	3,500,000	-	-	-	-	-	-
T- BILL 03 MONTHS (13-07-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 03 MONTHS (14-12-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 03 MONTHS (16-11-2023)	-	5,000,000	2,350,000	2,650,000	259,545	259,381	(164)	4.39%	6.98%
T- BILL 03 MONTHS (19-10-2023)	-	2,500,000	2,500,000	-	-	-	-	-	-
T- BILL 03 MONTHS (21-09-2023)	-	38,650,000	38,650,000	-	-	-	-	-	-
T- BILL 03 MONTHS (22-06-2023)	-	7,600,000	7,600,000	-	-	-	-	-	-
T- BILL 03 MONTHS (25-07-2023)	-	11,350,000	11,350,000	-	-	-	-	-	-
T- BILL 03 MONTHS (30-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 06 MONTHS (02-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 06 MONTHS (16-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 06 MONTHS (30-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 12 MONTHS (02-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 12 MONTHS (09-02-2023)	-	1,150	1,150	-	-	-	-	-	-
T- BILL 12 MONTHS (16-11-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 12 MONTHS (19-10-2023)	-	5,000,000	5,000,000	-	-	-	-	-	-
T- BILL 12 MONTHS (30-11-2023)	-	5,185,000	5,110,000	75,000	6,301	6,281	(20)	0.11%	0.17%
<b>Total as at December 31, 2023</b>					<b>265,846</b>	<b>265,662</b>	<b>(184)</b>		
Total as at June 30, 2023					<u>1,345,077</u>	<u>1,342,920</u>	<u>(2,157)</u>		

5.2.1 The rate of return on Market Treasury Bill's ranges from 21.15% to 22.89% (June 30,2023: 14.75% to 22.05%) per annum.

## 5.3 Pakistan Investment Bonds / GOP Ijrah Sukuk

Issue date	Face value			As at December 31, 2023			Market value		
	As at July 01, 2023	Purchases during the period	Sold / Matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealized appreciation/(diminution)	As a percentage of net assets	As a percentage of total investments
	(Number of Units)			(Rupees in '000)			%		
PIB 3 YEARS (09-02-2023) - Floater	7,500	-	7,500	-	-	-	-	-	-
PIB 3 YEARS (04-08-2022) - Fixed	3,400	-	3,400	-	-	-	-	-	-
PIB 2 YEARS (06-04-2023) - Floater	2,500	10,356	6,756	6,100	606,076	602,863	(3,213)	10.21%	16.23%
PIB 03 YEARS (04-07-2023) - Fixed	-	5,070	5,070	-	-	-	-	-	-
PIB 03 YEARS (19-10-2023) - Floater	-	12,000	8,000	4,000	392,844	392,440	(404)	6.65%	10.56%
PIB 03 YEARS (21-09-2023) - Floater	-	10,900	8,000	2,900	284,630	284,432	(198)	4.82%	7.66%
PIB 05 YEARS (19-10-2023) - Floater	-	3,000	3,000	-	-	-	-	-	-
PIB 2 YEAR (08-09-2022) - Fortnightly	-	93,990	73,000	20,990	2,084,991	2,083,467	(1,524)	35.30%	56.09%
PIB 2 YEAR (21-09-2023) - Fortnightly	-	8,000	8,000	-	-	-	-	-	-
PIB 2 YEARS (30-12-2021) - Floater	-	4,850	4,850	-	-	-	-	-	-
GOP IJARA SUKUK - FRR (22-05-2023)	500	-	500	-	-	-	-	-	-
GOP IJARA SUKUK - VRR (26-10-2023)	1,250	-	1,250	-	-	-	-	-	-
GOP IJARA SUKUK - 1 YEAR VRR (17-04-2023)	-	14,500	14,500	-	-	-	-	-	-
GOP IJARA SUKUK 1 YEAR FRR (07-08-2023)	-	750	750	-	-	-	-	-	-
GOP IJARA SUKUK 1 YEAR VRR (07-08-2023)	-	5,500	5,500	-	-	-	-	-	-
GOP IJARA SUKUK 1 YEAR VRR (20-09-2023)	-	1,250	1,250	-	-	-	-	-	-
<b>Total as at December 31, 2023</b>					<b>3,368,541</b>	<b>3,363,202</b>	<b>(5,339)</b>		
Total as at June 30, 2023					<u>1,439,129</u>	<u>1,434,695</u>	<u>(4,434)</u>		

## AL HABIB INCOME FUND

5.3.1 The rate of return on Pakistan Investment Bonds ranges from 21.98% to 23.39% (June 30, 2023: 13.19% to 21.99%) per annum.

5.3.2 The rate of return on GOP IJARA SUKUK ranges from 22.68% to 23.71% (June 30, 2023: 22.68% to 23.71%) per annum.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>6. PROFIT RECEIVABLE</b>			
Term finance certificates and sukuk certificates		85,026	53,658
Bank deposits		16,434	3,262
		<u>101,460</u>	<u>56,920</u>
<b>7. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>			
Management remuneration	7.1	5,631	1,909
Sindh sales tax	7.2	732	248
Allocation of expenses related to registrar services, accounting, operation and Valuation services	7.3	714	664
		<u>7,077</u>	<u>2,821</u>

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated June 20, 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

7.2 Sindh Sales Tax at the rate of 13% (June 30, 2023: 13%) was charged on the management company's remuneration.

7.3 In accordance with Regulation 60(3)(s) of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme.

## 8. PROVISION FOR FEDERAL EXCISE DUTY ON REMUNERATION OF THE MANAGEMENT COMPANY

There is no change in the status of the legal proceeding on this matter which has been fully disclosed in note 8 to the annual audited financial statements for the year ended June 30, 2023. However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from June 13, 2013 to June 30, 2016 aggregating to Rs. 8.746 million. Had the provision on FED not been made, net assets value per unit of the Fund as at December 31, 2023 would have been higher by Rs. 0.15 (June 30, 2023: Rs. 0.30) per unit.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>9. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED -</b>			
Trustee remuneration	9.1	352	180
Sales tax payable on trustee remuneration	9.2	45	23
		<u>397</u>	<u>203</u>

9.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff is 0.075% of average daily net assets of the Fund.

9.2 The Sindh Sales Tax at the rate of 13% (June 30, 2023: 13%) was charged on the Trustee's remuneration.

#### 10. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% (June 30, 2023 : 0.02%) of net assets in accordance with regulation 62 of the NBFC Regulations.

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	----- Rupees in '000 -----	
<b>11. ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditor's remuneration payable	713	511
Stale cheques	2	2
Settlement charges	29	50
Unclaimed dividend /dividend payable	48	9,385
Rating fee payable	834	554
Other payable	8,287	264
Withholding tax payable	10,649	3,673
Capital gain tax payable	5,566	2,933
Brokerage	332	464
Lisiting fee	12	-
	<u>26,472</u>	<u>17,837</u>

#### 12. CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2023. (June 30, 2023: Nil).

#### 13. 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised ) to its unit holders.

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

#### 14. EARNINGS PER UNIT

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

#### 15. TOTAL EXPENSE RATIO

Total expenses ratio of the Fund is 2.13% as on December 31, 2023 (December 31, 2022: 0.41%) and this includes 0.29% (December 31, 2022: 0.11%) representing Government Levy and SECP fee. This ratio is within the maximum limit of 2.0% prescribed under the NBFC Regulations 60(5) for a collective investment scheme categorised as a Money Market Scheme.

#### 16. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

16.1 Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other Collective Investment Schemes managed by

the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and officers of the Management Company and the Trustee and unit holders holding ten percent or more units of the Fund.

- 16.2** The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.
- 16.3** Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 16.4** The details of significant transactions carried out by the Fund with connected persons and balances with them at the end of reporting period are as follows:

S.No	Company	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank Al Habib Limited	Parent Company of Al Habib Asset Management Limited
3	Al Habib Capital Markets (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Al Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by Al Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by Al Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by Al Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by Al Habib Asset Management Limited
9	AL Habib Money Market Fund	Managed by Al Habib Asset Management Limited
10	AL Habib Islamic Cash Fund	Managed by Al Habib Asset Management Limited
11	AL Habib Islamic Saving Fund	Managed by Al Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by Al Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by Al Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by Al Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by Al Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by Al Habib Asset Management Limited
17	Central depository Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at December 31, 2023 and staff retirement benefit funds of the above companies.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

	For the half year ended	
	December 31, 2023	December 31, 2022
	(Unaudited)	(Unaudited)
Details of transactions with connected persons are as follows:		
(Rupees in '000)		
<b>AL Habib Asset Management Limited - Management Company</b>		
- Management company remuneration	25,500	11,077
- Sindh Sales tax	3,315	1,440
- Expenses allocated by the Management Company	939	1,228
- Selling and Marketing Expenses	970	1,084
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
- Remuneration to the Trustee	1,220	881
- Sindh Sales tax	159	114
- CDC charges	11	7
<b>Bank Al Habib Limited</b>		
- Profit on bank balances	29,027	12,189
- Dividend paid	40,816	11,491

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
Details of the balances with connected persons / related parties at the period end are as follows:		
<b>AL Habib Asset Management Limited - Management Company</b>		
- Payable to the Management Company (inclusive of Sindh Sales Tax)	7,077	2,821
- Federal Excise duty payable on Management Company's remuneration	8,746	8,746
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
- Remuneration payable (inclusive of Sindh Sales Tax)	397	203
- Other CDC charges payable	2	-
- Security deposits - non interest bearing	100	100
<b>Bank AL Habib Limited</b>		
- Bank balances	1,519,569	5,138
- Profit receivable	8,941	2

	December 31, 2023 (Unaudited)		December 31, 2022 (Unaudited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<b>Sale / redemption of units</b>				
<b>Units sold to:</b>				
<b>Management Company</b>				
AL Habib Asset Management Limited	10,776,768	1,171,236	9,997,978	1,029,496
Habib Asset Management Limited Employees.Provident Fund	-	-	32,893	3,410
<b>Other connected persons</b>				
-Key Executives of the Management Company	-	-	49	5
-Directors and their relatives of the Management Company	9,445	1,125	5,677	675
Habib Insurance Company Limited Pakistan-Employee Provident Fund	-	-	188,172	19,250
<b>Units Sold to Connected Persons holding 10% or more of the units in issue</b>	<b>14,453,097</b>	<b>1,586,393</b>	<b>32,458,116</b>	<b>3,316,766</b>
<b>Units redeemed by:</b>				
<b>Management Company</b>				
AL Habib Asset Management Limited	13,499,640	1,396,535	12,720,041	1,286,312
Habib Asset Management Limited Employees.Provident Fund	-	-	32,893	3,459
<b>Other connected persons</b>				
-Key Executives of the Management Company	-	-	49	5
Habib Insurance Company Limited Pakistan-Employee Provident Fund	140,000	14,684	2,917	295
<b>Units Sold to Connected Persons holding 10% or more of the units in issue</b>	<b>1,732,294</b>	<b>182,954</b>	<b>21,496,807</b>	<b>2,202,566</b>



	December 31, 2023		June 30, 2023	
	(Unaudited)		(Audited)	
<u>Units held by:</u>	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<b>Management Company</b>				
AL Habib Asset Management Limited	-	-	2,722,72	275,653
<b>Parent Company</b>				
Bank AL Habib Limited	3,845,202	392,672	3,845,202	389,273
<b>Other connected persons</b>				
Directors & Their Relatives of the Management Company	115,422	11,787	105,977	10,729
Key Executives of the Management Company	-	-	52	5
Habib Insurance Company Limited Pakistan-Employee	65,423	6,681	205,422	20,796
<b>Units Sold to Connected Persons holding 10% or more of the units in issue</b>	14,453,098	1,475,950	-	-

## 17. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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.

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

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

### 17.1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

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

	Fair value		
	Level 1	Level 2	Level 3
	(Rupees in '000)		
<b>December 31, 2023 (Unaudited)</b>			
Term finance certificates and Sukuk certificates	-	85,786	-
Government securities - Market Treasury Bills	-	265,662	-
Government securities - Pakistan Investment Bonds	-	3,363,202	-
	-	3,714,650	-
<b>June 30, 2023 (Audited)</b>			
Term finance certificates and Sukuk certificates	-	88,068	-
Government securities - Market Treasury Bills	-	1,342,920	-
Government securities - Pakistan Investment Bonds	-	1,434,695	-
	-	2,865,683	-

**16.1** Level 2 fair values have been determined on the basis of MUFAP rates and closing Net Asset Values for government securities and Mutual Fund Units respectively.

**16.2** There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

**17. GENERAL**

**17.1** This condensed interim financial statements is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2023 as reported in this condensed interim financial statements has not been subject to limited scope review by the auditors.

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

**18 DATE OF AUTHORIZATION FOR ISSUE**

**18.1** This condensed interim financial statements was authorised for issue by the Board of Directors of the Management Company on **January 25, 2024.**

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**AL HABIB ASSET ALLOCATION FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION****Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarin Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarin Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4,  
Block 9, Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

JS Bank Limited  
MCB Bank Limited  
Bank Al Habib Limited  
Dubai Islamic Bank Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**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**

**AL HABIB ASSET ALLOCATION FUND**

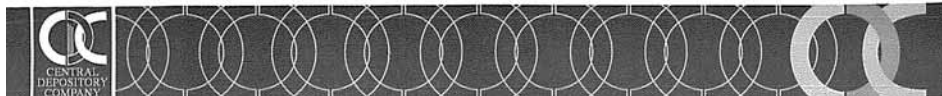
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Asset Allocation Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 27, 2024





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Karachi-74200  
Pakistan

## **INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB ASSET ALLOCATION FUND**

### **Introduction**

We have reviewed the accompanying condensed interim statement of Assets and Liabilities of Al Habib Asset Allocation Fund ("the Fund") as at December 31, 2023 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 together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the half year then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial statements in accordance with approved accounting 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 condensed 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 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### **Other matter**

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated February 24, 2023 and September 28, 2023, respectively.

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

KARACHI

DATED: 27 FEB 2024

UDIN: RR202310166CqDRBUSAx

  
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.

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**
**AS AT DECEMBER 31, 2023**

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	Rupees in '000	
<b>ASSETS</b>			
Bank balances	4	16,022	18,312
Investments	5	91,908	89,028
Profit and dividend receivable		930	195
Advances, deposits and prepayments	6	24,715	2,289
<b>Total assets</b>		133,575	109,824
<b>LIABILITIES</b>			
Payable to AL Habib Asset Management Limited - Management Company	7	1,068	222
Payable to Central Depository Company of Pakistan Limited - Trustee	8	38	21
Payable to Securities and Exchange Commission of Pakistan		11	20
Accrued expenses and other liabilities	10	920	3,523
<b>Total liabilities</b>		2,037	3,786
<b>NET ASSETS</b>		131,538	106,038
<b>Unit holders' Fund (as per statement attached)</b>		131,538	106,038
Contingencies and commitments	11	-	-
		(Number of Units)	
<b>Number of units in issue</b> (face value of units is Rs. 100 each)		1,042,526	1,112,380
		(Rupees)	
<b>Net asset value per unit</b>		126.17	95.33

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		For the half year ended		For the quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Note		(Rupees in '000)			
<b>INCOME</b>					
Profit on bank deposits		2,376	2,316	1,170	1,303
Income from government securities		128	2,053	-	730
Dividend income		5,633	2,020	3,134	344
Net realised gain on sale of investments		10,131	296	9,813	247
Net gain / (loss) unrealised loss on revaluation of investments		18,579	(3,232)	16,558	(1,243)
5.1		36,847	3,453	30,675	1,381
<b>Total income</b>					
<b>EXPENSES</b>					
Remuneration of AL Habib Asset Management Limited - Management Company	7	1,142	1,006	629	517
Sindh Sales Tax on management fee	7	148	131	81	67
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8	116	100	63	51
Sindh Sales Tax on trustee remuneration	8	15	13	8	7
Annual fee to Securities and Exchange Commission of Pakistan		55	10	29	5
Registrar staff cost		540	-	-	-
Brokerage expense		386	90	163	63
Settlement and bank charges		236	154	128	12
Annual listing fee		12	15	7	9
Auditors' remuneration		193	231	113	132
Amortization of formation cost		-	211	-	151
Printing charges		31	32	17	16
<b>Total expenses</b>		2,874	1,993	1,238	1,030
<b>Net income for the period before taxation</b>		33,973	1,460	29,437	351
Taxation		-	-	-	-
<b>Net income for the period</b>		33,973	1,460	29,437	351
<b>Allocation of net income for the period:</b>					
Net income for the period		33,973	1,460	29,437	351
Income already paid on units redeemed		(2,117)	(97)	(1,769)	(48)
		31,856	1,363	27,668	303
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		28,710	(2,936)	26,371	(996)
- Excluding capital gains		3,146	4,299	1,297	1,299
		31,856	1,363	27,668	303

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

**For AL Habib Asset Management Limited  
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director



**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
***FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023***

	<b>For the half year ended</b>		<b>For the quarter ended</b>	
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>31, 2023</b>	<b>31, 2022</b>	<b>31, 2023</b>	<b>31, 2022</b>
	<b>----- (Rupees in '000) -----</b>			
Net income for the period	33,973	1,460	29,437	351
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>33,973</u>	<u>1,460</u>	<u>29,437</u>	<u>351</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	For the half year ended December 31, 2023			For the half year ended December 31, 2022		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
	(Rupees in '000)					
Net assets at the beginning of the period	115,800	(9,762)	106,038	112,842	(9,927)	102,915
Issuance of 93,727 units (2022: 210,348 units)						
- Capital value	8,935	-	8,935	20,021	-	20,021
- Element of income	572	-	572	37	-	37
Amount received / receivable on issuance of units	9,507	-	9,507	20,058	-	20,058
Redemption of 163,581 Units (2022: 226,412 units)						
- Capital Value	(15,594)	-	(15,594)	(21,552)	-	(21,552)
- Element of loss	(269)	(2,117)	(2,386)	-	(97)	(97)
Amount received / receivable on redemption of units	(15,863)	(2,117)	(17,980)	(21,552)	(97)	(21,649)
Total comprehensive income for the period	-	33,973	33,973	-	1,460	1,460
Interim cash distribution for the year ended June 30 2024	-	-	-	-	-	-
Net income for the period less distribution	-	33,973	33,973	-	1,460	1,460
Net assets at end of the period	109,444	22,094	131,538	111,348	(8,564)	102,784
Undistributed loss brought forward						
- Realised loss		(8,427)			(8,533)	
- Unrealised loss		(1,335)			(1,394)	
		(9,762)			(9,927)	
Accounting income available for distribution						
- Relating to capital gain		28,710			-	
- Excluding capital gains		3,146			1,363	
		31,856			1,363	
Undistributed gain / (loss) carried forward		22,094			(8,564)	
Undistributed gain / (loss) carried forward comprises of:						
- Realised loss		3,515			(5,332)	
- Unrealised gain		18,579			(3,232)	
		22,094			(8,564)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		95.33			95.18	
Net assets value per unit at end of the period		126.17			96.49	

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

For AL Habib Asset Management Limited  
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>For the period ended</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	<b>----- (Rupees in '000) -----</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income for the period	33,973	1,460
<b>Adjustments for non cash and other items</b>		
Net unrealised (gain) / loss on revaluation of investments	(18,579)	3,021
	15,394	4,481
<b>(Increase) / decrease in assets</b>		
Investments	15,699	(28,864)
Profit and dividend receivable	(735)	(200)
Receivable against sale of investment	-	(1,107)
Advances, deposits and prepayments	(22,426)	1,834
	(7,462)	(28,337)
<b>Increase / (decrease) in liabilities</b>		
Payable to AL Habib Asset Management Limited - Management Company	846	73
Payable to Central Depository Company of Pakistan Limited - Trustee	17	8
Payable to Securities and Exchange Commission of Pakistan	(9)	(10)
Accrued expenses and other liabilities	(2,603)	(167)
	(1,749)	(96)
<b>Net cash flows from / (used in) operating activities</b>	6,183	(23,952)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Amount received on issuance of units	9,507	20,058
Amount paid on redemption of units	(17,980)	(21,649)
<b>Net cash used in financing activities</b>	(8,473)	(1,591)
<b>Net (decrease) in cash and cash equivalents</b>	(2,290)	(25,543)
Cash and cash equivalents at beginning of the period	18,312	74,863
Cash and cash equivalents at the end of the period	16,022	49,320

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** AL Habib Asset Allocation Fund (the Fund) was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on August 06, 2017 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on July 26, 2017 under Regulation 44 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 (NBFC Regulations).
- 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 October 15, 2021 the above-mentioned Trust Deed has been registered under the Sindh Trust Act.
- 1.3** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.
- 1.4** The Fund is an open ended mutual fund and is listed on the Pakistan Stock Exchange (PSX). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.5** The objective of the Fund is to provide risk adjusted competitive returns to its investors by investing in a blend of investments based on market outlook.
- 1.6** The Fund has been categorized as an Open-End Asset Allocation Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS).
- 1.7** Title to the assets of the Fund are held in the name of Central Depository Company Limited (CDC) as a trustee of the Fund.
- 1.8** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' to the Management Company .

**2. BASIS OF PRESENTATION****2.1 Statement of compliance**

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

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

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

**2.1.2** This condensed interim financial statements does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2023.

**2.1.3** This condensed interim financial statements is unaudited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.

**2.1.4** These condensed interim financial statements are unaudited but subject to limited review scope by the auditors. Figures for the quarter ended December 31, 2023 and December 31, 2022 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

**2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## **2.2 Functional and presentation currency**

This condensed interim financial statements is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

## **2.3 Basis of measurement**

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

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

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGEMENTS**

**3.1** The accounting policies adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the annual financial statement of the Fund for the year ended June 30, 2023.

**3.2** The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan 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 statement, the significant judgments made by 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 of the Fund as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2023.

## **3.3 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

**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 statements and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial statements.

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, 2023.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
4	BANK BALANCES	Note	----- Rupees in '000 -----
	Saving accounts	4.1	16,022
			16,022
			18,312

4.1 These carry profit rates ranging from 20.50% to 21.50% ( June 30, 2023: 18.00% to 20.50% ) per annum.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
5	INVESTMENTS	Note	----- Rupees in '000 -----
	At fair value through profit or loss		
	Listed equity securities	5.1	91,908
	Government securities	5.2	-
			71,017
			91,908
			89,028

#### 5.1 Listed equity securities

Name of the Investee	As at July 01, 2023	Purchased during the period	Sold during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealized gain / (loss)	Market Value as a Percentage of:		Face value of investments as a percentage of the paid up capital of the investee company
								Net Assets	Total Investments	
----- (Number of shares) -----					----- (Rupees in '000) -----					
<b>Automobile Parts and Accessories</b>										
Atlas Battery Limited	-	11,000	8,000	3,000	701	714	13	0.54%	0.78%	0.00%
Baluchistan Wheels Limited	-	5,000	-	5,000	667	977	310	0.74%	1.06%	0.00%
Indus Motor Limited	-	500	500	-	-	-	-	0.00%	0.00%	0.00%
Sazgar Engineering Works	-	25,000	25,000	-	-	-	-	0.00%	0.00%	0.00%
	-	41,500	33,500	8,000	1,368	1,691	323			
<b>Banks</b>										
Bank Alfalah Limited	50,000	55,000	55,000	50,000	1,703	2,426	723	1.84%	2.64%	0.00%
Bank Islami Pakistan Limited	-	50,000	-	50,000	1,047	1,110	63	0.84%	1.21%	0.00%
The Bank of Punjab Limited	-	225,000	-	225,000	1,260	1,458	198	1.11%	1.59%	0.00%
JS Bank	-	150,000	150,000	-	-	-	-	0.00%	0.00%	0.00%
Habib Bank Limited	-	60,000	35,000	25,000	2,475	2,771	296	2.11%	3.01%	0.00%
MCB Bank	12,000	19,000	11,500	19,500	2,452	3,365	913	2.56%	3.66%	0.00%
Meezan Bank Limited	36,000	27,000	39,000	24,000	2,415	3,873	1,458	2.94%	4.21%	0.00%
National Bank Of Pakistan	-	135,000	20,000	115,000	2,772	3,693	921	2.81%	4.02%	0.00%
United Bank Limited	-	71,000	25,000	46,000	6,557	8,181	1,624	6.22%	8.90%	0.00%
	98,000	792,000	335,500	554,500	20,681	26,877	6,196			
<b>Fertilizer</b>										
Engro Corporation Limited	7,000	20,500	15,500	12,000	3,391	3,539	148	2.69%	3.85%	0.00%
Engro Fertilizer Limited	22,400	55,600	39,000	39,000	3,488	4,377	889	3.33%	4.76%	0.00%
Fauji Fertilizer Company Limited	18,000	27,000	30,000	15,000	1,537	1,698	161	1.29%	1.85%	0.00%
	47,400	103,100	84,500	66,000	8,416	9,614	1,198			
<b>Glass &amp; Ceramics</b>										
Tariq Glass Industries Limited	-	47,500	31,500	16,000	1,290	1,596	306	1.21%	1.74%	0.00%
	-	47,500	31,500	16,000	1,290	1,596	306			

## AL HABIB ASSET ALLOCATION FUND

Name of the Investee	As at July 01, 2023	Purchased during the period	Sold during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealized gain / (loss)	Market Value as a Percentage of:		Face value of investments as a percentage of the paid up capital of the investee company	
								Net Assets	Total Investments		
----- (Number of shares) -----					----- (Rupees in '000) -----						
<b>Cement</b>											
Attock Cement Pakistan Limited	-	31,000	15,000	16,000	1,477	1,540	63	1.17%	1.68%	0.00%	
Cherat Cement Company Limited	5,000	23,500	14,000	14,500	1,858	2,363	505	1.80%	2.57%	0.00%	
Fauji Cement Company Limited	-	325,000	225,000	100,000	1,695	1,892	197	1.44%	2.06%	0.00%	
Kohat Cement Company Limited	3,000	20,000	10,000	13,000	2,364	3,045	681	2.31%	3.31%	0.00%	
Lucky Cement Company Limited	-	14,000	11,500	2,500	1,402	1,967	565	1.50%	2.14%	0.00%	
Maple Leaf Cement Company Limited	40,000	245,000	160,000	125,000	3,924	4,865	941	3.70%	5.29%	0.00%	
Pioneer Cement Limited	-	32,500	32,500	-	-	-	-	0.00%	0.00%	0.00%	
	48,000	691,000	468,000	271,000	12,720	15,672	2,952				
<b>Engineering</b>											
Mughal Iron & Steel Industries Limited	-	60,000	60,000	-	-	-	-	0.00%	0.00%	0.00%	
	-	60,000	60,000	-	-	-	-				
<b>Oil and Gas Exploration Companies</b>											
Oil and Gas Development Company Limited	-	113,000	26,000	87,000	8,520	9,783	1,263	7.24%	8.62%	0.00%	
Pakistan Oilfield Limited	9,000	9,000	6,000	12,000	4,923	5,063	140	3.75%	4.46%	0.00%	
Pakistan Petroleum Limited	-	149,000	72,000	77,000	6,105	8,857	2,752	6.55%	7.80%	0.00%	
	9,000	271,000	104,000	176,000	19,548	23,703	4,155				
<b>Oil and Gas Marketing Companies</b>											
Pakistan State Oil Company Limited	-	33,000	29,000	4,000	571	707	136	0.52%	0.62%	0.00%	
Sui Nothern Gas Company Limited	-	122,000	83,000	39,000	1,829	2,867	1,038	2.12%	2.53%	0.00%	
	-	155,000	112,000	43,000	2,400	3,574	1,174				
<b>Power Generation and Distribution</b>											
Hub Power Company Limited	10,000	36,000	9,500	36,500	2,917	4,274	1,357	3.16%	3.77%	0.00%	
	10,000	36,000	9,500	36,500	2,917	4,274	1,357				
<b>Textile Composite</b>											
Interloop Limited	-	55,000	38,000	17,000	773	1,224	452	0.91%	1.08%	0.00%	
Towellers Limited	-	16,500	2,500	14,000	2,229	2,669	441	1.97%	2.35%	0.00%	
	-	71,500	40,500	31,000	3,002	3,893	893				
<b>Miscellaneous</b>											
TPL Properties	-	255,000	180,000	75,000	989	1,014	25	0.75%	0.89%	0.00%	
Pakistan Aluminium Beverages Cans Limited	-	25,000	25,000	-	-	-	-	0.00%	0.00%	0.00%	
	-	280,000	205,000	75,000	989	1,014	25				
<b>Pharmaceutical</b>											
Himoon	-	6,000	6,000	-	-	-	-	0.00%	0.00%	0.00%	
	-	6,000	6,000	-	-	-	-				
<b>Technology and communication</b>											
AirLink	-	50,000	50,000	-	-	-	-	0.00%	0.00%	0.00%	
Avanceon Limited	-	40,000	40,000	-	-	-	-	0.00%	0.00%	0.00%	
System Limited	-	17,000	17,000	-	-	-	-	0.00%	0.00%	0.00%	
	-	107,000	107,000	-	-	-	-				
<b>Refinery</b>											
Attock Refinery Limited	-	18,000	18,000	-	-	-	-	0.00%	0.00%	0.00%	
	-	18,000	18,000	-	-	-	-				
<b>Food and Personal Care</b>											
Matco Foods Limited	-	40,000	40,000	-	-	-	-	0.00%	0.00%	0.00%	
National Foods Limited	-	10,000	10,000	-	-	-	-	0.00%	0.00%	0.00%	
	-	50,000	50,000	-	-	-	-				
<b>Total as at December 31, 2023</b>					73,331	91,908	18,579				
<b>Total as at June 30, 2023</b>					19,092	18,011	(1,081)				

5.1.1 Following shares were pledged with National Clearing Company Pakistan Limited (NCCPL) as collateral against exposure margin and mark to market losses:

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	---- (Number of shares) ----	
Engro fertilizer Limited	5,000	-
Pakistan Oilfield Limited	1,000	-
Meezan Bank Limited	28,000	32,000
Tariq Glass industries	5,000	-
	<u>39,000</u>	<u>32,000</u>

## 5.2 Government Securities - Market Treasury Bills

					As at December 31, 2023				
Name of the Investee	As at July 01, 2023	Purchased during the period	Sold during the period	As at December 31, 2023	Carrying value	Market value	Unrealized gain / (loss)	Market Value	
								As a percentage of net assets	As a percentage of total investments
		----- (Number of Units) -----			----- (Rupees in '000) -----		----- % -----		
T- BILL 03 MONTHS (15-06-2023)	740,000	-	740,000	-	-	-	-	-	-
Total as at December 31, 2023					<div><div>-</div><div>-</div><div>-</div></div>				
Total as at June 30, 2023					71,108 71,017 (91)				

## 6 ADVANCES, DEPOSITS AND PREPAYMENTS

	Note	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
		Rupees in '000	
Security Deposit with National Clearing Company of Pakistan Limited (NCCPL)		1000	1000
Security Deposit with Central Depository Company of Pakistan Limited (CDC)		100	100
Advance Tax		1210	1188
Prepayments		1	1
Advance against equity securities		22404	-
		<u>24,715</u>	<u>2,289</u>

## 7 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

Management remuneration	7.1	400	130
Sindh sales tax	7.2	52	17
Allocation of expenses related to registrar services. accounting, operation and valuation services	7.3	616	75
		<u>1,068</u>	<u>222</u>

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 2% of average annual net assets in case of Asset Allocation scheme. The Management Company has charged remuneration at the rate of 2%. The remuneration is paid to the Management Company on monthly basis in arrears.



## AL HABIB ASSET ALLOCATION FUND

7.2 The Sindh Sales Tax has been charged at 13% on the Management Company's remuneration during the period (June 30, 2023: 13%).

7.3 In accordance with Regulation 60(3)(s) of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme.

The Management Company charged Rs. 0.32 million for allocation of such expenses to the Fund which is lower than actual expenses incurred.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>8 REMUNERATION OF CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration	8.1	32	19
Sales tax payable on trustee remuneration	8.2	6	2
		<u>38</u>	<u>21</u>

8.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. the tariff is 0.075% of average daily net assets of the Fund.

8.2 Sindh Sales Tax has been charged at 13% on the Trustee's remuneration charged during the period (June 30, 2023: 13%).

## 9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)

This represents annual fee payable to SECP at 0.095% (June 2023: 0.055%) of net assets in accordance with regulation 62 of the NBFC Regulations.

## 10 ACCRUED EXPENSES AND OTHER LIABILITIES

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	----- Rupees in '000 -----	
<b>10 ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration	398	306
Settlement charges	109	44
Withholding tax	-	1,296
Brokerage payable	4	-
Dividend payable	-	1,778
Others	409	99
	<u>920</u>	<u>3,523</u>

## 11 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil).

## 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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in

respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

### 13 EARNINGS PER UNIT

Earnings per unit (EPU) for the period ended December 31, 2023 has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

### 14 TOTAL EXPENSE RATIO (TER)

Total expense ratio of the Fund for the half year ended December 31, 2023 is 4.96% which include 0.10% representing government levy, and SECP fee. This ratio is within the maximum limit of 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

### 15 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS

**15.1** Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and officers of the Management Company and the Trustee and unit holders holding 10 percent or more units of the Fund.

**15.2** The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

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

	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)
	(Rupees in '000)	
<b>Details of the transactions with connected persons are as follows:</b>		
<b>AL Habib Asset Management Limited - Management Company</b>		
- Management company remuneration	1,142	1,006
- Sindh Sales Tax	148	131
- Expenses allocated by the management company	540	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
- Remuneration to the Trustee	116	100
- Sindh sales tax	15	13
- CDC Charges	7	12
<b>AL Habib Capital Markets (Private) Limited- Brokerage House</b>		
-Brokerage	71	28
<b>Details of balances with connected persons at period end are as follows:</b>		
<b>AL Habib Asset Management Limited - Management Company</b>		
- Management Company fee payable (Inclusive of Sales Tax)	1,068	195
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
- Remuneration payable (Inclusive of Sindh sales tax)	38	20
-Security deposit - Non interest bearing	100	100

	December 31 2023 (Unaudited)		December 31 2022 (Unaudited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<b>Sale / Redemption of units</b>				
<b><u>Units sold to:</u></b>				
<b>Management Company</b>				
-AL Habib Asset Management Limited	84,053	8,247	210,337	20,053
<b><u>Units redeemed by:</u></b>				
<b>Management Company</b>				
-AL Habib Asset Management Limited	155,779	16,453	-	-
<b><u>Units held by:</u></b>				
<b>Management Company</b>				
AL Habib Asset Management Limited	837,987	105,729	909,713	86,718
<b>Parent of Al Habib Asset Management Limited</b>				
- Bank AL Habib Limited	200,149	25,253	200,149	19,079
<b>Other connected persons</b>				
- Key executive of the Management Company	3,766	500	-	-
<b>Connected party holding 10% or more of the units in issue</b>	-	-	-	-

## 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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.

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

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

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

	Level 1	Fair value Level 2	Level 3
	(Rupees in '000)		
<b>Financial assets</b>			
<b>December 31, 2023 (Unaudited)</b>			
Government securities - Market Treasury Bills	-	-	-
Listed equity securities	<u>91,908</u>	<u>-</u>	<u>-</u>
	91,908		
<b>June 30, 2023 (Audited)</b>			
Government securities - Market Treasury Bills	-	71,017	-
Listed equity securities	<u>18,011</u>	<u>-</u>	<u>-</u>
	18,011	71,017	

**16.1** Level 2 fair values have been determined on the basis of MUFAP rates and closing Net Asset Values for government securities and Mutual Fund Units respectively.

**16.2** For level 1 investments at fair value through profit or loss investment in respect of equity securities, Fund uses daily quotation shares which are taken from Pakistan Stock Exchange Limited at reporting date.

**16.3** There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

#### **17 GENERAL**

**17.1** This condensed interim financial statements is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2023 as reported in this condensed interim financial statements has not been subject to limited scope review by the auditors.

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

#### **18. DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial statements was authorised for issue by the board of directors of the Management Company on **January 25, 2024.**

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**AL HABIB STOCK FUND**  
**Half Yearly Report**  
**December 31, 2023**

## FUND'S INFORMATION

**Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4,  
Block 9, Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited  
MCB Bank Limited  
National Bank of Pakistan Limited  
Dubai Islamic Bank Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shahr-e-Faisal  
Karachi - 74400, Pakistan.  
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**

**AL HABIB STOCK FUND**

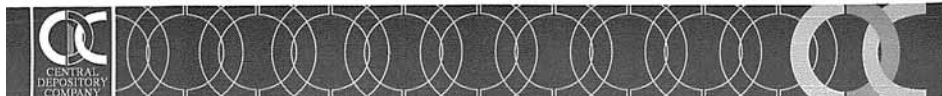
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Stock Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





Tel: +92 21 3568 3030  
Fax: +92 21 3568 4239  
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Lakson Square, Building No.1  
Sarwar Shaheed Road  
Karachi-74200  
Pakistan

**INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB STOCK FUND**

**Introduction**

We have reviewed the accompanying condensed interim statement of Assets and Liabilities of Al Habib Stock Fund ("the Fund") as at December 31, 2023 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 together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the half year then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting 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 condensed 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 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated February 24, 2023 and September 28, 2023, respectively.

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

KARACHI

DATED: 27 FEB 2024

UDIN: RR202310166hHITFPfcV

  
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.



**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**
**AS AT DECEMBER 31, 2023**

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>----- Rupees in '000 -----</b>	
<b>ASSETS</b>			
Bank balances	4	8,962	3,394
Investments	5	201,937	105,183
Dividend and profit receivable		372	86
Receivable against sale of units		430	-
Receivable against sale of investment		-	5,452
Advance, deposits and prepayments		1,318	1,318
<b>Total assets</b>		<b>213,019</b>	<b>115,433</b>
<b>LIABILITIES</b>			
Payable to AL Habib Asset Management Limited - Management Company	6	727	-
Provision for Federal Excise Duty on remuneration of Management Company	7	2,043	2,043
Payable to Central Depository Company of Pakistan Limited - Trustee	8	39	23
Payable to Securities and Exchange Commission of Pakistan	9	22	24
Accrued expenses and other liabilities	10	1,536	749
<b>Total liabilities</b>		<b>4,367</b>	<b>2,839</b>
<b>NET ASSETS</b>		<b>208,652</b>	<b>112,594</b>
<b>REPRESENTED BY:</b>			
<b>Unit Holders' Fund (as per the statement attached)</b>		<b>208,652</b>	<b>112,594</b>
<b>Contingencies and commitments</b>	11		
		<b>----- Number of units -----</b>	
<b>Number of units in issue</b> (face value of units is Rs. 100 each)		<b>1,821,501</b>	<b>1,468,186</b>
		<b>----- Rupees -----</b>	
<b>Net assets value per unit</b>		<b>114.55</b>	<b>76.69</b>

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		For the half year ended		For the quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Note		Rupees in '000			
<b>INCOME</b>					
		983	1,117	611	285
		8,594	5,434	5,183	2,221
		20,625	(1,198)	15,260	(890)
		30,574	(10,161)	24,947	(4,672)
5.1		60,776	(4,808)	46,001	(3,056)
<b>Total income / (loss)</b>					
<b>EXPENSES</b>					
		1,453	1,148	862	548
6		189	149	112	71
		140	-	140	-
		148	115	86	55
8		19	15	11	7
		76	11	41	5
9		615	222	360	84
		186	185	93	96
		13	15	6	9
		252	289	127	177
		33	33	16	17
		3,124	2,182	1,854	1,069
<b>Total expenses</b>					
<b>Net income / (loss) for the period before taxation</b>		57,652	(6,990)	44,147	(4,125)
		-	-	-	-
12		-	-	-	-
<b>Net income / (loss) for the period</b>		57,652	(6,990)	44,147	(4,125)
<b>Allocation of net income for the period:</b>					
		57,652	-	44,147	-
		(13,939)	-	(13,183)	-
		43,713	-	30,964	-
<b>Accounting income available for distribution:</b>					
		20,625	-	15,260	-
		23,088	-	15,704	-
		43,713	-	30,964	-

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
***FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023***

	<b>For the half year ended</b>		<b>For the quarter ended</b>	
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>31, 2022</b>
	<b>----- Rupees in '000 -----</b>			
Net income / (loss) for the period	57,652	(6,990)	44,147	(4,125)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>57,652</u>	<u>(6,990)</u>	<u>44,147</u>	<u>(4,125)</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023			For the half year ended December 31, 2022		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
	Rupees in '000					
Net assets at beginning of the period	173,705	(61,111)	112,594	177,793	(57,335)	120,458
<b>Issuance of 1,287,383 units (2022: 48,502 units)</b>						
- Capital value	98,729	-	98,729	3,877	-	3,877
- Element of income	39,458	-	39,458	(186)	-	(186)
Amount received on issuance of units	138,187	-	138,187	3,691	-	3,691
<b>Redemption of 934,068 units (2022: 160,496 units)</b>						
- Capital value	(71,634)	-	(71,634)	(12,828)	-	(12,828)
- Element of income	(14,208)	(13,939)	(28,147)	11	-	11
Amount paid on redemption of units	(85,842)	(13,939)	(99,781)	(12,817)	-	(12,817)
Total comprehensive income / (loss) for the period	-	57,652	57,652	-	(6,990)	(6,990)
Net assets at end of the period	226,050	(17,398)	208,652	168,667	(64,325)	104,342
<b>Undistributed loss brought forward</b>						
- Realised loss		(50,643)			(45,387)	
- Unrealised loss		(10,468)			(11,948)	
		(61,111)			(57,335)	
<b>Accounting income available for distribution / net loss for the period</b>						
- Relating to capital gain	20,625			-		
- Excluding capital gain	23,088			-		
	43,713			(6,990)		
Undistributed loss carried forward		(17,398)			(64,325)	
<b>Undistributed loss carried forward</b>						
- Realised gain / (loss)		(47,972)			(54,164)	
- Unrealised gain / (loss)		30,574			(10,161)	
		(17,398)			(64,325)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period	76.69			79.93		
Net assets value per unit at end of the period	114.55			74.79		

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

		<b>For the period ended</b>	
		<b>December</b>	<b>December</b>
		<b>31, 2023</b>	<b>31, 2022</b>
<b>Note</b>	<b>----- Rupees in '000 -----</b>		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
	Net income / (loss) for the period	57,652	(6,990)
<b>Adjustments for non cash and other items</b>			
5.2	Net unrealised gain / (loss) on revaluation of investments	(30,574)	10,161
		27,078	3,171
<b>Increase in assets</b>			
	Investments	(66,180)	(14,556)
	Dividend and profit receivable	(286)	(72)
	Receivable against sale of units	(430)	-
	Receivable against sale of investment	5,452	5,138
	Advance, deposits and prepayments	-	1,488
		(61,444)	(8,002)
<b>Increase / (decrease) in liabilities</b>			
	Payable to Al Habib Asset Management Limited - Management Company	727	(32)
	Payable to Central Depository Company of Pakistan Limited - Trustee	16	(3)
	Payable to Securities and Exchange Commission of Pakistan	(2)	(37)
	Accrued expenses and other liabilities	787	(177)
		1,528	(249)
	<b>Net cash used in operating activities</b>	<b>(32,838)</b>	<b>(5,080)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Amount received on issuance of units	138,187	3,691
	Amount paid on redemption of units	(99,781)	(12,817)
	<b>Net cash flows from / (used in) financing activities</b>	<b>38,406</b>	<b>(9,126)</b>
	<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>5,568</b>	<b>(14,206)</b>
	Cash and cash equivalents at beginning of the period	3,394	27,388
4	Cash and cash equivalents at end of the period	8,962	13,182

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 AL Habib Stock Fund (the Fund) was established under a Trust Deed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on August 21, 2008 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 11, 2008 under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund has been categorized as an Open-End Asset Allocation Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS). and is listed on Pakistan Stock Exchange Limited (PSX). Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.4 The objective of the Fund is to provide investors with long term capital growth from an actively managed portfolio invested primarily in diversified pool of listed equities and related instruments.
- 1.5 Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' to the Management Company on August 12, 2023.
- 1.6 The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company had submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020.

**2 BASIS OF PREPARATION****2.1 Statement of compliance**

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

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

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

**2.1.2** This condensed interim financial statements does not include all the information and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2023.

**2.1.3** This condensed interim financial statements is unaudited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.

**2.1.4** These condensed interim financial statements are unaudited but subject to limited review scope by the auditors. Figures for the quarter ended December 31, 2023 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

**2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## **2.2 Functional and presentation currency**

This condensed interim financial statements is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

## **2.3 Basis of measurement**

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

## **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGEMENTS**

**3.1** The accounting policies adopted in the preparation of this 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, 2023.

**3.2** The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan 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 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 of the Fund as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2023.

## **3.3 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

**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 statements and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial statements.

**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, 2023.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>4. BANK BALANCES</b>			
Saving Accounts	4.1 & 4.2	8,962	3,394
		<u>8,962</u>	<u>3,394</u>

**4.1** This represents saving accounts held with various commercial banks carrying profit rates ranging from 7.00% to 21.00% (June 30, 2023: 12.50% to 19.75%) per annum.

**4.2** This includes a balance of Rs. 8.86 million (June 30, 2023: Rs. 3.28 million) with Bank AL Habib Limited, a related party (Parent Company of Fund's Management Company), carrying profit rate of 21.00% (June 30, 2023: 19.75%) per annum.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>5. INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
Listed equity securities	5.1	<u>201,937</u>	<u>105,183</u>

#### 5.1 Listed equity securities

Name of the Investee	Note	As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised (loss)	Market Value as a percentage of:		Face value of investments as a percentage of the paid up capital of the investee company
										Net Assets	Total Investment	
-----Number of shares----- (Rupees in '000) ----- (%) -----												
Unless stated otherwise, the holdings are in ordinary shares of Rs 10 each.												
<b>Commercial Banks</b>												
Askari Bank Limited	-	215,000	-	50,000	165,000	4,105	4,079	(26)	1.95%	2.02%	0.01%	
Bank Alfalah Limited	85,000	73,000	-	68,000	90,000	3,265	4,366	1,101	2.09%	2.16%	0.01%	
Bank AL Habib Limited	23,000	-	-	-	23,000	994	1,852	858	0.89%	0.92%	0.00%	
Faysal Bank Limited	90,000	-	-	90,000	-	-	-	-	0.00%	0.00%	0.00%	
Habib Bank Limited	10,000	106,000	-	49,000	67,000	7,388	7,426	38	3.56%	3.68%	0.00%	
Habib Metropolitan Bank Limited	30,000	-	-	30,000	-	-	-	-	0.00%	0.00%	0.00%	
MCB Bank Limited	18,000	59,000	-	35,000	42,000	6,067	7,247	1,180	3.47%	3.59%	0.00%	
Meezan Bank Limited	80,000	31,000	-	66,000	45,000	4,690	7,261	2,571	3.48%	3.60%	0.00%	
National Bank of Pakistan	-	270,000	-	15,000	255,000	6,577	8,188	1,611	3.92%	4.05%	0.01%	
JS Bank Limited	-	200,000	-	200,000	-	-	-	-	0.00%	0.00%	0.00%	
Bank Islam Pakistan Limited	-	135,000	-	-	135,000	2,898	2,997	99	1.44%	1.48%	0.01%	
United Bank Limited	12,000	99,000	-	31,000	80,000	11,743	14,227	2,484	6.82%	7.05%	0.01%	
	348,000	1,188,000	-	634,000	902,000	47,727	57,643	9,916				
<b>Oil &amp; Gas Marketing Companies</b>												
Sui Southern Gas Pipelines Limited	39,000	100,000	-	72,000	67,000	3,559	4,926	1,367	2.36%	2.44%	0.01%	
Pakistan State Oil Company Limited	-	43,000	-	33,000	10,000	2,100	1,767	(333)	0.85%	0.88%	0.00%	
Attock Petroleum Limited	6,625	7,000	-	6,625	7,000	2,856	2,650	(206)	1.27%	1.31%	0.01%	
	45,625	150,000	-	111,625	84,000	8,515	9,343	828				
<b>Engineering</b>												
Mughal Iron and Steel Industries Limited	45,000	20,000	-	65,000	-	-	-	-	0.00%	0.00%	0.00%	
	45,000	20,000	-	65,000	-	-	-	-				
<b>Chemicals</b>												
Dynac Pakistan Limited	13,900	-	-	8,400	5,500	693	1,019	326	0.49%	0.50%	0.03%	
Engro Polymer and Chemicals Limited	9,000	60,000	-	69,000	-	-	-	-	0.00%	0.00%	0.00%	
Nimr Industrial Chemicals Limited	12,000	-	-	12,000	-	-	-	-	0.00%	0.00%	0.00%	
	34,900	60,000	-	89,400	5,500	693	1,019	326				
<b>Fertilizers</b>												
Engro Fertilizers Limited	90,000	130,000	-	90,000	130,000	13,298	14,590	1,292	6.99%	7.23%	0.01%	
Engro Corporation Limited	25,000	27,500	-	25,000	27,500	8,109	8,110	1	3.89%	4.02%	0.01%	
Fauji Fertilizer Bin Qasim Limited	-	245,000	-	-	245,000	6,779	7,816	1,037	3.75%	3.87%	0.02%	
Fauji Fertilizer Company Limited	41,000	60,000	-	71,000	30,000	3,025	3,396	371	1.63%	1.68%	0.00%	
	156,000	462,500	-	186,000	432,500	31,211	33,912	2,701				
<b>Oil &amp; Gas Exploration Companies</b>												
Mari Petroleum Company Limited	2,900	2,000	-	900	4,000	6,801	8,384	1,583	4.02%	4.15%	0.00%	
Oil and Gas Development Company Limited	48,000	125,000	-	25,000	148,000	14,662	16,643	1,981	7.98%	8.24%	0.00%	
Pakistan Oilfields Limited	17,000	7,000	-	8,700	15,300	6,326	6,456	130	3.09%	3.20%	0.01%	
Pakistan Petroleum Limited	62,000	155,000	-	67,000	150,000	13,058	17,255	4,197	8.27%	8.54%	0.01%	
	129,900	289,000	-	101,600	317,300	40,847	48,738	7,891				



## AL HABIB STOCK FUND

Name of the Investee	Note	As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2023	Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised (loss)	Market Value as a percentage of:		Face value of investments as a percentage of the paid up capital of the investee company
										Net Assets	Total Investment	
Number of shares						(Rupees in '000)			(%)			
Unless stated otherwise, the holdings are in ordinary shares of Rs 10 each.												
Glass & Ceramics												
Tariq Glass Industries Limited		42,000	35,000	-	47,000	30,000	2,610	2,992	382	1.43%	1.48%	0.02%
Ghani Glass Limited		-	50,000	-	-	50,000	1,725	1,466	(259)	0.70%	0.73%	0.01%
		42,000	85,000	-	47,000	80,000	4,335	4,458	123			
Miscellaneous												
Synthetic Products Enterprise Limited		35,000	-	-	35,000	-	-	-	-	0.00%	0.00%	0.00%
		35,000	-	-	35,000	-	-	-	-			
Construction and Materials (Cement)												
Attock Cement Pakistan Limited		23,500	31,000	-	39,500	15,000	1,330	1,443	113	0.69%	0.71%	0.01%
Bestway Cement Limited		19,000	-	-	10,900	8,100	1,175	1,523	348	0.73%	0.75%	0.00%
Cherat Cement Pakistan Limited		21,431	22,000	-	24,431	19,000	2,483	3,097	614	1.48%	1.53%	0.01%
Fauji Cement Co Limited		200,000	200,000	-	275,000	125,000	2,123	2,365	242	1.13%	1.17%	0.01%
Gharbwal Cement Limited		90,000	-	-	40,000	50,000	775	1,449	674	0.69%	0.72%	0.01%
Kohat Cement Limited		10,500	11,000	-	6,000	15,500	2,787	3,631	844	1.74%	1.80%	0.01%
Lucky Cement Limited		6,500	10,000	-	11,500	5,000	2,703	3,935	1,232	1.89%	1.95%	0.00%
Maple Leaf Cement Factory Limited		180,000	169,323	-	193,323	156,000	5,433	6,072	639	2.91%	3.01%	0.01%
Pioneer Cement Limited		21,000	5,000	-	26,000	-	-	-	-	0.00%	0.00%	0.00%
Power Cement Limited		-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
		571,931	448,323	-	626,654	393,600	18,809	23,515	4,706			
Automobiles Assemblers												
Atlas Battery Limited		-	5,000	-	5,000	-	-	-	-	0.00%	0.00%	0.00%
Balochistan Wheels Limited		-	70,000	-	57,500	12,500	1,677	2,444	767	1.17%	1.21%	0.09%
Sazgar Ind Limited		-	68,000	-	68,000	-	-	-	-	0.00%	0.00%	0.00%
		-	143,000	-	130,500	12,500	1,677	2,444	767			
Textile Composition												
Interloop Limited		22,500	43,000	-	10,000	55,500	2,939	3,996	1,057	1.92%	1.98%	0.00%
Kohinoor Textile Mills Limited		19,500	-	-	19,500	-	-	-	-	0.00%	0.00%	0.00%
Towellers Limited		-	21,000	-	-	21,000	3,401	4,003	602	1.92%	1.98%	0.12%
		42,000	64,000	-	29,500	76,500	6,340	7,999	1,659			
Pharmaceutical												
Abbott Lab (Pakistan) Limited		2,400	-	-	2,400	-	-	-	-	0.00%	0.00%	0.00%
		2,400	-	-	2,400	-	-	-	-			
Power Generation and Distribution												
Hub Power Company Limited		38,000	38,000	-	15,000	61,000	5,387	7,142	1,755	3.42%	3.54%	0.00%
Kot Adu Power Company Limited		-	65,000	-	30,000	35,000	901	995	94	0.48%	0.49%	0.00%
		38,000	103,000	-	45,000	96,000	6,288	8,137	1,849			
Technology & Communications												
Air Link Communication		44,000	-	-	44,000	-	-	-	-	0.00%	0.00%	0.00%
Avanceon Limited		29,550	-	-	29,550	-	-	-	-	0.00%	0.00%	0.00%
Octopus Digital Limited		17,250	-	-	17,250	-	-	-	-	0.00%	0.00%	0.00%
System Limited		10,900	2,500	-	13,400	-	-	-	-	0.00%	0.00%	0.00%
TPL Trakker Limited		125,000	-	-	41,500	83,500	738	657	(81)	0.31%	0.33%	0.04%
Hum Network Ltd.		-	300,000	-	100,000	200,000	1,417	1,370	(47)	0.66%	0.68%	0.02%
		226,700	302,500	-	245,700	283,500	2,155	2,027	(128)			
Leather & Tanneries												
Service Global Foot		20,000	-	-	20,000	-	-	-	-	0.00%	0.00%	0.00%
		20,000	-	-	20,000	-	-	-	-			
Property												
TPL Properties Ltd.		114,000	225,000	-	170,306	168,694	2,272	2,281	9	1.09%	1.13%	0.03%
		114,000	225,000	-	170,306	168,694	2,272	2,281	9			
Refinery												
Attock Refinery Limited		-	5,000	-	5,000	-	-	-	-	0.00%	0.00%	0.00%
		-	5,000	-	5,000	-	-	-	-			
Synthetic & Rayon												
Image Pakistan Ltd.		-	25,000	-	-	25,000	494	421	(73)	0.20%	0.21%	0.02%
		-	25,000	-	-	25,000	494	421	(73)			
Food and Personal Care Products												
As-Tahir Limited.		18,000	-	-	18,000	-	-	-	-	0.00%	0.00%	0.00%
Matco Foods Limited		-	50,000	-	50,000	-	-	-	-	0.00%	0.00%	0.00%
Habib Sugar Mills		-	37,500	-	37,500	-	-	-	-	0.00%	0.00%	0.00%
		18,000	87,500	-	105,500	-	-	-	-			
Total equity securities as at December 31, 2023		1,869,456	3,657,823	-	2,650,185	2,877,094	171,363	201,937	30,574			
Total equity securities as at June 30, 2023		1,353,000	2,634,882	50,925	2,169,351	1,869,456	115,651	105,183	(10,468)			

**5.1.1** Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against exposure margin and mark to market losses.

	<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>-----Number of Shares-----</b>	
Bank AL Habib Limited	23,000	23,000
Engro Fertilizers Limited	-	15,000
Engro Corporation Limited	-	10,000
Faysal Bank Limited	-	50,000
Habib Bank Limited	-	10,000
Habib Metropolitan Bank Limited	-	28,000
Mari Petroleum Company Limited	2,500	2,900
Meezan Bank Limited	39,000	65,000
Oil & Gas Development Company Limited	19,000	19,000
Pakistan Petroleum Limited	36	36
TPL Trakker Limited	83,500	100,000
	<u>167,036</u>	<u>322,936</u>

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
		<b>-----Rupees in '000-----</b>	
<b>6. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT</b>	<b>Note</b>		
Management remuneration	6.1	519	-
Sindh sales tax	6.2	68	-
Reimbursement to Collective Investment Scheme	6.3	140	-
		<u>727</u>	<u>-</u>

**6.1** As per the amendments made in the NBFC Regulations, 2008 Vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company has set and disclosed in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The Management Company has charged management fee at the rate of 2.00% (30 June 2023: 2.00%) of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.

**6.2** Sindh Sales Tax has been charged at 13% (June 30, 2023: 13%) on the Management Company's remuneration during the period.

**6.3** In accordance with Regulation 60(3)(s) of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme.

The Management Company charged Rs. 0.14 million for allocation of such expenses to the Fund which is lower than actual expenses incurred.

**7. PROVISION FOR FEDERAL EXCISE DUTY ON REMUNERATION OF THE MANAGEMENT COMPANY**

There is no change in the status of the legal proceeding on this matter which has been fully disclosed in note 8 to the annual audited financial statements for the year ended June 30, 2023.

However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for FED for the period from June 13, 2013 to June 30, 2016 aggregating to Rs. 2.043 million.

Had the provision on FED not been made, net assets value per unit of the Fund as at December 31, 2023 would have been higher by Rs. 1.12 (June 30, 2023: Rs. 1.39) per unit.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	-----Rupees in '000-----	
<b>8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>			
Trustee remuneration	8.1	34	20
Sales tax payable on trustee remuneration	8.2	5	3
		<u>39</u>	<u>23</u>

- 8.1** The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration of the Trustee has been calculated as per following applicable tariff;

Average net assets (Rs. in million)	Tariff
Upto Rs. 1,000	0.2% per annum of net assets.
Rs. 1,000 and above	Rs. 2 million plus 0.10% per annum of net assets on amount exceeding Rs. 1,000 million.

- 8.2** Sindh Sales Tax has been charged at 13% (June 30, 2023: 13%) on the Trustee's remuneration charged during the period.

**9. PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.095% (June 2023: 0.02%) of net assets in accordance with regulation 62 of the NBFC Regulations.

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	-----Rupees in '000-----	
<b>10. ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditors' remuneration	539	409
Printing charges	118	102
Withholding tax payable	768	192
Others	111	46
	<u>1,536</u>	<u>749</u>

**11. CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments as at December 31, 2023 (30 June 2023: Nil)

**12. TAXATION**

- 12.1** 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised ) to its unit holders.

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

**13. EARNINGS PER UNIT**

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

**14. TOTAL EXPENSE RATIO**

Securities and Exchange Commission of Pakistan (SECP) vide directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016, requires that collective Investment Scheme (CIS) shall disclose Total Expense Ratio in the periodic financial statements of CIS/ the fund. Total Expense Ratio of the Fund for the period ended December 31, 2023 is 4.22% which includes 0.48% representing Government levy and SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a CIS categorised as an equity scheme.

**15. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS****15.1 Connected persons include:**

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank Al Habib Limited	Parent Company of AL Habib Asset Management Limited
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Income Fund	Managed by AL Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by AL Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by AL Habib Asset Management Limited
7	AL Habib Asset Allocation Fund	Managed by AL Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by AL Habib Asset Management Limited
9	AL Habib Money Market Fund	Managed by AL Habib Asset Management Limited
10	AL Habib Islamic Cash Fund	Managed by AL Habib Asset Management Limited
11	AL Habib Islamic Saving Fund	Managed by AL Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by AL Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by AL Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by AL Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by AL Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by AL Habib Asset Management Limited
17	Central depository Company of Pakistan	Trustee

Connected persons includes directors and officers of the above entities as at December 31, 2023 and staff retirement benefit funds of the above companies.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

**15.2 Details of the transactions with connected persons are as follows:**

	December 31, 2023	December 31, 2022
	----- (Unaudited) -----	
	----- (Rupees in '000) -----	
<b>AL Habib Asset Management Limited</b>		
-Management Company's Remuneration	1,453	1,148
-Sindh Sales Tax on Management Company's remuneration	189	149
-Expenses allocated by the Management Company	140	-
<b>AL Habib Capital Markets (Private) Limited</b>		
-Brokerage expense	134	47
<b>Central Depository Company of Pakistan Limited</b>		
-Remuneration of Trustee	148	115
-Sindh Sales Tax on Trustee's remuneration	19	15
<b>Bank AL Habib Limited - Parent Company of AL Habib Asset Management Company</b>		
-Profit on bank balances	975	1,106

	December 31, 2023	December 31, 2022
	----- (Unaudited) -----	----- (Unaudited) -----
	----- (Rupees in '000) -----	----- (Rupees in '000) -----
<b>Details of the balances with connected persons as at period end are as follows:</b>		
<b>Bank AL Habib Limited - Parent Company of</b>		
<b>AL Habib Asset Management Company</b>		
-Bank balance	8,867	3,284
-Equity Securities	-	994
-Bank Profit receivable	-	469
<b>AL Habib Asset Management Limited</b>		
-Payable to Management Company (inclusive of Sindh Sales tax)	727	-
-Federal excise duty on Management Fee payable	2,043	-
<b>Central Depository Company of Pakistan Limited</b>		
-Remuneration payable (inclusive of Sindh Sales Tax)	39	23
-Security deposit - non interest bearing	100	100
<b>AL Habib Capital Markets (Private) Limited</b>		
-Brokerage payable	7	-

	Half Year ended December 31, 2023 (Unaudited)		Half Year ended December 31, 2022 (Unaudited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)

Sale / redemption of units during the period

**Units issued to:**

**Management Company**

- AL Habib Asset Management Limited	44,104	5,000	35,725	2,652
-------------------------------------	--------	-------	--------	-------

**Directors & Their Relatives of the  
Management Company**

- Directors of the Management Company	13	1	-	-
---------------------------------------	----	---	---	---

**Key Management Executives**

	25,041	2,381	128	10
--	--------	-------	-----	----

**Units redeemed by:**

**Key Management Executives**

	15,475	1,384	99,640	7,975
--	--------	-------	--------	-------

	December 31, 2023 (Unaudited)		June 30, 2023 (Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)

**Units held by:**

**Management Company**

- AL Habib Asset Management Limited	44,104	5,052	-	-
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**Parent Company of**

**AL Habib Asset Management Limited**

- Bank AL Habib Limited	100,000	11,455	100,000	7,479
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**Directors & their relative of the  
Management Company**

	67	8	54	4
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**Key Management Executives &  
their relatives of Directors**

	10,156	1,163	590	45
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**Connected persons holding 10% or  
more of the units in issue):**

- Sindh Province Pension Fund	873,532	100,063	773,738	46,445
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## 16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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.

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

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

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

	Note	Fair value		
		Level 1	Level 2	Level 3
		(Rupees in '000)		
<b>December 31, 2023 (Unaudited)</b>				
Listed equity securities	5	201,937	-	-
		<u>201,937</u>	<u>-</u>	<u>-</u>
<b>June 30, 2023 (Audited)</b>				
Listed equity securities	5	105,183	-	-
		<u>105,183</u>	<u>-</u>	<u>-</u>

**16.1** For level 1 investments at fair value through profit or loss investment in respect of equity securities, Fund uses daily quotation shares which are taken from Pakistan Stock Exchange Limited at reporting date.

**16.2** There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

## 17. GENERAL

**17.1** This condensed interim financial statements is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2023 as reported in this condensed interim financial statements has not been subject to limited scope review by the auditors.

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

## 18. DATE OF AUTHORISATION FOR ISSUE

**18.1** This condensed interim financial statements was authorised for issue by the Board of Directors of the Management Company on January 25, 2024.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**AL HABIB ISLAMIC CASH FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION****Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4, Block 9,  
Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AA+(f) Fund Stability Rating, Rating by PACRA  
AM2+ Management Company Quality Rating  
Assigned by PACRA.

**Bankers to the Fund**

Bank Islami Pakistan Limited	UBL Ameen Limited
Bank Al Habib Limited	Allied Bank Limited
Meezan Bank Limited	

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.



**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shahr-e-Faisal  
Karachi - 74400, Pakistan.  
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**

**AL HABIB ISLAMIC CASH FUND**

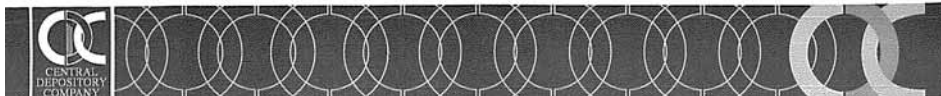
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Cash Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





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Karachi-74200  
Pakistan

## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL HABIB ISLAMIC CASH FUND** ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund and a summary of significant accounting policies and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "interim financial information"). Al Habib Asset Management Limited (the "Management Company") is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated September 28, 2023 and February 24, 2023 respectively.

KARACHI

DATED: February 27, 2024

UDIN: RR2023101661LbNFK8fZ

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Tariq Feroz Khan

**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.

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**
**AS AT DECEMBER 31, 2023**

		<b>December 31, 2023 (Un-Audited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>----- (Rupees in '000) -----</b>	
<b>ASSETS</b>			
Bank balances and term deposit receipts	4	10,182,701	13,675,517
Investments	5	9,975,862	-
Profit receivable	6	803,261	169,128
Advances, deposits and other receivables		420	123
Preliminary expenses and floatation costs		558	593
<b>TOTAL ASSETS</b>		<b>20,962,536</b>	<b>13,845,361</b>
<b>LIABILITIES</b>			
Payable to Al Habib Asset Management Limited - Management Company	7	44,255	12,654
Payable to Central Depository Company of Pakistan Limited - Trustee	8	1,073	881
Payable to Securities and Exchange Commission of Pakistan	9	1,574	1,994
Payable against sale of investments - net		142,015	-
Accrued expenses and other liabilities		148,914	23,798
<b>TOTAL LIABILITIES</b>		<b>337,831</b>	<b>39,327</b>
<b>NET ASSETS</b>		<b>20,624,971</b>	<b>13,806,034</b>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<b>20,624,971</b>	<b>13,806,034</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	10	<b>----- (Number of Units) -----</b>	
<b>Number of units in issue</b>		<b>206,249,841</b>	<b>138,060,347</b>
		<b>----- (Rupees) -----</b>	
<b>Net assets value per unit</b>		<b>100.00</b>	<b>100.00</b>

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	Half year ended December 31,		Quarter ended December 31,	
	2023	2022	2023	2022
Note	(Rupees in '000)			
<b>Income</b>				
Capital gain on sale of investments - net	1,219	-	1,309	-
Income from government securities	656,211	-	613,265	-
Profit on bank deposits	1,411,295	538,306	683,126	299,645
Profit on term deposit receipts	336,870	36,473	198,340	7,241
	<u>2,405,595</u>	<u>574,779</u>	<u>1,496,040</u>	<u>306,886</u>
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	29,365	-	4,681	-
	<u>2,434,960</u>	<u>574,779</u>	<u>1,500,721</u>	<u>306,886</u>
<b>Expenses</b>				
Remuneration of the Management Company	99,507	20,773	60,495	10,838
Sindh sales tax on Management Company's remuneration	12,932	2,701	7,864	1,409
Remuneration of Central Depository Company of Pakistan Limited - Trustee	6,294	2,089	3,956	1,100
Sindh sales tax on remuneration of the Trustee	818	272	514	143
Annual fee to Securities and Exchange Commission of Pakistan	8,637	760	5,438	399
Allocation of fees and expenses related to registrar services, accounting, operation and valuation services	12,686	7,447	6,569	3,792
Brokerage expense	99	-	1	-
Listing fee	12	13	6	7
Auditors' remuneration	373	386	189	280
Amortization of preliminary expenses and floatation costs	35	35	17	17
Bank charges	9	-	8	-
Other expense	107	42	53	25
	<u>141,509</u>	<u>34,518</u>	<u>85,110</u>	<u>18,010</u>
<b>Net income for the period from operating activities</b>	<u>2,293,451</u>	<u>540,261</u>	<u>1,415,611</u>	<u>288,876</u>
Taxation	-	-	-	-
<b>Net income for the period</b>	<u>2,293,451</u>	<u>540,261</u>	<u>1,415,611</u>	<u>288,876</u>
<b>Allocation of net income for the period</b>				
Net income for the period	2,293,451	540,261	1,415,611	288,876
Income already paid on redemption	-	-	-	-
	<u>2,293,451</u>	<u>540,261</u>	<u>1,415,611</u>	<u>288,876</u>
<b>Accounting income available for distribution:</b>				
Relating to capital gains	1,219	-	1,309	-
Excluding capital gains	<u>2,292,232</u>	<u>540,261</u>	<u>1,414,302</u>	<u>288,876</u>
	<u>2,293,451</u>	<u>540,261</u>	<u>1,415,611</u>	<u>288,876</u>

Earnings per unit

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	<b>Half year ended December 31,</b>		<b>Quarter ended December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>----- (Rupees in '000) -----</b>			
Net income for the period after taxation	2,293,451	540,261	1,415,611	288,876
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>2,293,451</u>	<u>540,261</u>	<u>1,415,611</u>	<u>288,876</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	Half year ended					
	2023			2022		
	Capital Value	Undistributed income	Total	Capital Value	Undistributed income	Total
	(Rupees in '000)					
Net assets at beginning of the period	13,806,034	-	13,806,034	10,133,885	-	10,133,885
Issuance of 431,211,965 units (2022: 38,441,306 units)						
Capital value	43,121,019	-	43,121,019	15,043,915	-	15,043,915
Element of income	-	-	-	-	-	-
Amount received on issuance of units	43,121,019		43,121,019	15,043,915		15,043,915
Redemption of 363,020,817 units (2022: 83,601,826 units)						
Capital value (at net asset value per unit at the beginning of the period)	(36,302,082)	-	(36,302,082)	(12,523,445)	-	(12,523,445)
Element of income	-	-	-	-	-	-
Total payments on redemption of units	(36,302,082)		(36,302,082)	(12,523,445)	-	(12,523,445)
Total comprehensive income for the period	-	2,293,451	2,293,451	-	540,261	540,261
Interim distribution of Rs. 10.0700 per unit for the period June 30, 2024 as cash dividend (2023: Rs 7.1572 per unit)	-	(2,293,451)	(2,293,451)	-	(540,261)	(540,261)
	-	-	-	-	-	-
Net assets at end of the period	20,624,971	-	20,624,971	12,654,355	-	12,654,355
Undistributed income brought forward						
Realised income	-			-		
Unrealised income	-			-		
	-			-		
Accounting income available for distribution						
Relating to capital gains	1,219			-		
Excluding capital gains	2,292,232			540,261		
	2,293,451			540,261		
Distribution for the period:						
Interim distribution of Rs. 10.0700 per unit for the period June 30, 2024 as cash dividend (2023: Rs 7.1572 per unit)	(2,293,451)			(540,261)		
Undistributed income carried forward	-			-		
Undistributed income carried forward						
Realised income	-			-		
Unrealised income	-			-		
	-			-		
	(Rupees)			(Rupees)		
Net assets value per unit at beginning of the period	100.00			100.00		
Net assets value per unit at end of the period	100.00			100.00		

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>Half year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Note</b>	<b>----- (Rupees in '000) -----</b>	<b>-----</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income for the period before taxation	2,293,451	540,261
Adjustments for:		
Profit on bank deposits	(1,411,295)	(538,306)
Profit on term deposits receipts	(336,870)	(36,473)
Unrealised appreciation on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	(29,365)	-
Amortization of preliminary expenses and floatation costs	35	35
	<u>515,956</u>	<u>(34,483)</u>
<b>(Increase) in assets</b>		
Investments - net	(9,946,497)	-
Profit receivable	(634,133)	-
Advances, deposits and prepayments	(31)	(15)
	<u>(10,580,661)</u>	<u>(15)</u>
<b>(Decrease) / increase in liabilities</b>		
Payable to the Management Company	31,601	5,700
Payable to the Trustee	192	117
Payable to Securities and Exchange Commission of Pakistan	(420)	473
Payable against purchase of investments - net	142,015	-
Accrued expenses and other liabilities	125,116	2,382
	<u>298,504</u>	<u>8,672</u>
Profit on bank deposit and term deposit receipt received	<u>1,748,165</u>	<u>567,970</u>
Net cash (used in) / generated from operating activities	<u>(8,018,036)</u>	<u>542,144</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	43,121,019	15,043,915
Payments on redemption of units	(36,302,082)	(12,523,445)
Dividend paid during the period	(2,293,451)	(540,261)
Net cash flows generated from financing activities	<u>4,525,486</u>	<u>1,980,209</u>
Net (decrease) / increase in cash and cash equivalents during the period	<u>(3,492,550)</u>	<u>2,522,353</u>
Cash and cash equivalents at the beginning of the period	13,675,517	10,038,254
Cash and cash equivalents at the end of the period	<u>4</u> <u>10,182,967</u>	<u>12,560,607</u>

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1 LEGAL STATUS AND NATURE OF BUSINESS**

Al Habib Islamic Cash Fund ('the Fund') was established under a Trust Deed executed between AL Habib Asset Management Limited (Formerly, Habib 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/AHICF/136/2021 dated November 12, 2021 and the Trust Deed was executed on September 27, 2021.

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 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

Effective from September 1, 2016, AL Habib Asset Management Limited became Management Company of the Fund, which is a wholly owned subsidiary of Bank AL Habib Limited.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd Floor MacKinnon's Building, I.I Chundrigar Road Karachi, Pakistan.

The Fund is an open-ended shariah compliant money market scheme and is listed on Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at the initial price of Rs. 100 per unit which was only for one day that began at the start of the banking hours and end at the close of the banking hours on December 20, 2021. Thereafter, the units are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund at the option of the unit holder.

The Fund has been categorized as a shariah compliant money market scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CISs).

The core objective of the Fund is to provide its unit-holders optimum return from a shariah compliant portfolio of low risk and short duration assets while being highly liquid.

PACRA Credit Rating Company has assigned a management quality rating of 'AM2+' (Stable Outlook) to the Management Company and assigned stability rating of AA+(f) to the Fund as at August 12, 2023 and September 01, 2023, respectively.

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

- International Accounting Standard (IAS-34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; 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), directives issued by the SECP and requirements of the Trust Deed.

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the IAS 34, the provisions of and directives issued under the Companies Act, 2017, 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** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.
- 2.1.3** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2023, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2022.
- 2.1.4** This condensed interim financial information is unaudited, but has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2022 have not been reviewed.
- 2.1.5** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## **2.2 Basis of measurement**

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

## **2.3 Functional and presentation currency**

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

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

- 3.1** The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2023.
- 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, 2023.
- 3.4 There are certain standards, interpretations and amendments to approved 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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2023.
- 3.6 **New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

		December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
4	BANK BALANCES	Note	----- (Rupees in '000) -----
	Cash at bank		
	In saving accounts	4.1	7,832,701
	Term deposit receipt		2,350,000
			<u>10,182,701</u>
			<u>13,675,517</u>

- 4.1 This represents bank accounts held with various banks. profit rates on these accounts range between 20.5% to 21.10% per annum (June 30, 2023: 19% to 20.88% per annum).
- 4.2 This includes a balance held by Bank Al Habib Limited (a related party), amounting to Rs. 4,627.25 million (June 30, 2023: Rs. 97.23 million) on which return is earned at the range between 20.5% to 21% (June 30, 2023: 15.50% per annum).
- 4.3 This represent term deposit receipts held with Bank Al-Falah Limited carrying profit rates 21.10% to 21.20% (June 30, 2023: 20.25% to 20.50%) per annum and its maturity date January 27, 2024 and February 13, 2024.

		December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
5	INVESTMENTS	Note	----- (Rupees in '000) -----
	At fair value through profit or loss		
	Government Ijarah Sukuks (GOP Ijarah Sukuks)	5.1	9,975,862
			<u>-</u>
			<u>9,975,862</u>
			<u>-</u>

**5.1 Government Ijarah Sukuks (GOP Ijarah Sukuks)**

	Face value				Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation on re-measurement of investment	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 1, 2023	Purchases made during the year	Sales / matured during the year	As at December 31, 2023					
-----Rupees in '000-----									
GOP IJARA SUKUK 1Y VRR (17-04-2023)	-	85,415	30,450	54,965	5,536,047	5,528,929	(7,118)	26.81%	55.42%
GOP IJARA SUKUK 1 Y VRR (08-03-2023)	-	44,649	720	43,929	4,410,450	4,446,933	36,483	21.56%	44.58%
<b>Total - as at December 31, 2023</b>	-	130,064	31,170	98,894	9,946,497	9,975,862	29,365	48.37%	100.00%
<b>Total - as at June 30, 2023</b>	-	-	-	-	-	-	-	0.00%	0.00%

	<b>December 31, 2023</b>	<b>June 30, 2023</b>
	<b>(Un-Audited)</b>	<b>(Audited)</b>
----- (Rupees in '000) -----		
<b>6 Profit receivable</b>		
Profit receivable on saving accounts	161,817	125,861
Profit receivable on term deposit receipts	18,038	43,267
Profit receivable on sukuk certificates	623,406	-
	<u>803,261</u>	<u>169,128</u>

**7 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY**

7.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

7.2 Sindh sales tax has been charged at 13% on the Management Company's remuneration charged during the period.

**8 PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE**

8.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration of the Trustee is fixed at 0.055% per annum of net assets.

8.2 Sindh sales tax has been charged at 13% on the Trustee's remuneration charged during the period.

**9 ANNUAL FEE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)**

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% of net assets in accordance with regulation 62 of the NBFC Regulations.

**10 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: None).

**11 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 the accounting income for the period as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the period, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the

Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income earned by the Fund during the period to the unit holders accordingly, no provision for taxation has been made in these condensed interim financial information.

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

## 12 EARNINGS PER UNIT

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

## 13 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES

Connected persons / related parties include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank Al Habib Limited	Parent Company of Al Habib Asset Management Limited
3	Al Habib Capital Markets (Private) Ltd.	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Al Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by Al Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by Al Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by Al Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by Al Habib Asset Management Limited
9	AL Habib Money Market Fund	Managed by Al Habib Asset Management Limited
10	AL Habib Islamic Savings Fund	Managed by Al Habib Asset Management Limited
11	AL Habib Income Fund	Managed by Al Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by Al Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by Al Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by Al Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by Al Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by Al Habib Asset Management Limited
17	Central depository Company	Trustee

Related parties includes directors and officers of the above entities as at 31 December 2023 and staff retirement benefit funds of the above companies.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

Details of the transactions with connected persons are as follows:

	Half year ended December 31,	
	2023	2022
	----- (Un-Audited) -----	
	----- (Rupees in '000) -----	
<b>13.1 Transaction during the period</b>		
<b>AL Habib Asset Management Limited - Management Company</b>		
Remuneration of the Management Company	99,507	20,773
Sindh sales tax on remuneration of the Management Company	12,932	2,701
Allocation of expenses related to registrar services, accounting, operation and valuation services	12,686	7,447
Issuance of 10,732,473 (2022: Nil ) units	1,073,247	-
Redemption of 1,600,000 (2022: Nil) units	160,000,000	-

	Half year ended December 31,	
	2023	2022
	----- (Un-Audited) -----	----- (Un-Audited) -----
13.1 Transaction during the period	----- (Rupees in '000) -----	
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	6,294	2,089
Sindh sales tax on remuneration of the Trustee	818	272
<b>Bank AL Habib Limited</b>		
Mark-up on bank deposits	167,699	82,119
Dividend paid	10,146	9,680
Issuance of 101,463 (2022: 96,797 ) units	10,146	9,680
Redemption of 101,696 (2022: 20,212,261) units	10,170	2,021,226
<b>Directors and their relatives of the Management Company</b>		
Issuance of 367 (2022: 190) units	37	19
Redemption of 48,497 (2022: Nil) units	4,895	-
<b>Key Management Executives</b>		
Issuance of 229,053 (2022: Nil) units	22,905	-
Redemption of 229,053 (2022: Nil) units	22,905	-
<b>Habib Asset Management Limited-Employee</b>		
Issuance of 13,539 (2022: Nil ) units	1,354	-
<b>Habib Public School Alumni Association</b>		
Issuance of 841 (2022: 13,692) units	84	1,376
Redemption of 10,500 (2022: Nil) units	1,050	-
<b>Delhi Punjabi Saudagran Foundation</b>		
Issuance of 340,083 (2022: 174,868 ) units	34,008	17,487
Redemption of 245,000 (2022: 98,500) units	24,500	9,850
<b>Units sold to Connected Party holding 10% or more of the units in issue:</b>		
Issuance of 104,821,262 (2022: 53,983,790 ) units	10,482,126	5,398,379
Redemption of 33,697,605 (2022: 21,960,272 ) units	3,369,761	2,196,027
	<b>December 31,</b>	<b>June 30,</b>
	<b>2023</b>	<b>2023</b>
	<b>(Un-Audited)</b>	<b>(Audited)</b>
<b>13.2 Balances outstanding as at period / year end</b>	<b>----- (Rupees in '000) -----</b>	
<b>AL Habib Asset Management Limited - Management Company</b>		
Remuneration payable to the Management Company	28,060	7,260
Sindh sales tax payable on the Management Company's remuneration	3,644	944
Allocation of expenses related to registrar services, accounting, operation and valuation services	11,896	3,825
Formation Cost Payable	655	625
Held of 9,132,472 (2023: Nil) units	913,247	-
<b>Central Depository Company of Pakistan Limited -</b>		
Trustee fee payable	950	780
Sindh sales tax payable on the	123	101

	December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
13.2 Balances outstanding as at period / year end	----- (Rupees in '000) -----	
<b>Bank AL Habib Limited</b>		
Bank balances	4,647,251	923,912
Profit receivable	16,350	25,595
Held of 1,015,464 (2023: 1,015,696) units	101,546	101,570
<b>Directors and their relatives of the Management Company</b>		
Held of Nil (2023: 537,218) units	-	53,722
<b>Key Management Executives</b>		
Held of Nil (2023: 48,580) units	-	4,858
<b>Habib Asset Management Limited-Employee</b>		
Held of 145,064 (2023: 131,525) units	14,506	13,152
<b>Habib Public School Alumni Association</b>		
Held of 3,913 (2023: Nil) units	391	-
<b>Delhi Punjabi Saudagran Foundation</b>		
Held of 618,729 (2023: 14,781) units	61,873	1,478
<b>Units sold to Connected Party holding 10% or more of the units in issue:</b>		
Held of 106,638,983 (2023: 67,434,636) units	10,663,898	6,837,284

#### 14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

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

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

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

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

## AL HABIB ISLAMIC CASH FUND

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

		December 31, 2023 (Un-Audited)					
		Carrying amount			Fair value		
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3
Note		(Rupees in '000)					
<b>Financial assets measured at fair value</b>	14.1.1						
Investments		9,975,862	-	9,975,862	-	9,975,862	-
		9,975,862	-	9,975,862	-	9,975,862	-
<b>Financial assets not measured at fair value</b>	14.1.2						
Bank balances and TDR		-	10,182,701	10,182,701			
Profit receivable		-	803,261	803,261			
Advances, deposits and other receivables		-	154	154			
Preliminary expenses and floatation costs		-	558	558			
		-	10,986,674	10,986,674			
<b>Financial liabilities not measured at fair value</b>	15.1.2						
Payable to the Management Company		-	44,255	44,255			
Payable to the Trustee		-	1,073	1,073			
Payable to Securities and Exchange Commission of Pakistan		-	1,574	1,574			
Payable against sale of investments - net		-	142,015	142,015			
Accrued expenses and other liabilities		-	148,099	148,099			
		-	337,016	337,016			
		June 30, 2023 (Audited)					
		Carrying amount			Fair value		
		Fair value through profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3
Note		(Rupees in '000)					
<b>Financial assets measured at fair value</b>	14.1.1						
Investments		-	-	-	-	-	-
		-	-	-	-	-	-
<b>Financial assets not measured at fair value</b>	14.1.2						
Bank balances		-	13,675,517	13,675,517			
Profit receivable		-	169,128	169,128			
Advances, deposits and other receivables		-	123	123			
Preliminary expenses and floatation costs		-	593	593			
		-	13,845,361	13,845,361			
<b>Financial liabilities not measured at fair value</b>	14.1.2						
Payable to the Management Company		-	12,654	12,654			
Payable to the Trustee		-	780	780			
Payable to Securities and Exchange Commission of Pakistan		-	1,994	1,994			
Payable against purchase of investments - net		-	-	-			
Accrued expenses and other liabilities		-	23,798	23,798			
		-	39,226	39,226			

### 14.1 Valuation techniques

14.1.1 For level 2 investments at fair value through profit or loss - investment in GoP Ijarah Sukuks, Fund uses rates which are derived from PKISRV rates at reporting date prescribed by MUFAP.

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

**14.2 Transfers during the period**

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

**15 TOTAL EXPENSE RATIO**

Total Expenses Ratio of the Fund is 1.24% as on December 31, 2023 (December 31, 2022: 0.91%) and this includes 0.20% (December 31, 2022: 0.10%) representing Government Levy and Securities Exchange Commission of Pakistan fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations 60(5) for a Collective Investment Scheme (CIS) categorised as a Shariah Compliant Money Market Scheme.

**16 DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information was authorized for issue by the Board of Directors of the Management Company on January 25, 2024.

**17 GENERAL**

**17.1** This condensed interim financial information is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2023 as reported in this condensed interim financial information has not been subject to limited scope review by the auditors.

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

**For AL Habib Asset Management Limited  
(Management Company)**

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**Chief Executive Officer**

---

**Chief Financial Officer**

---

**Director**



**AL HABIB ISLAMIC INCOME FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION****Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4, Block 9,  
Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AA(f) Fund Stability Rating, Rating by PACRA  
AM2+ Management Company Quality Rating  
Assigned by PACRA.

**Bankers to the Fund**

Bank Al Habib Limited  
Bank Islami Pakistan Limited  
Faysal Bank Limited  
Al Baraka Bank

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**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**

**AL HABIB ISLAMIC INCOME FUND**

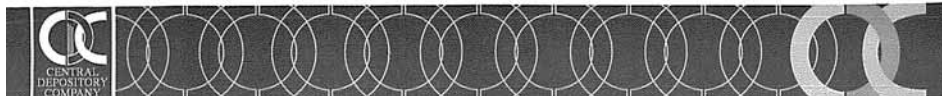
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Income Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 27, 2024





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Karachi-74200  
Pakistan

## **INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB ISLAMIC INCOME FUND**

### **Introduction**

We have reviewed the accompanying condensed interim statement of Assets and Liabilities of **Al Habib Islamic Income Fund** ("the Fund") as at December 31, 2023 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 together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the half year then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial statements in accordance with approved accounting 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 condensed 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 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### **Other matter**

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated February 24, 2023 and September 28, 2023, respectively.

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

KARACHI

DATED: 27 FEB 2024

UDIN: RR202310166XHZGgpErN

  
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.

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**
**AS AT DECEMBER 31, 2023**

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	-----Rupees in '000-----	
<b>Assets</b>			
Bank balances	4	1,743,971	3,871,139
Investments	5	2,577,538	1,218,655
Profit receivable on sukuku		216,907	87,106
Advances, deposits and prepayments	6	10,397	10,309
<b>Total assets</b>		<u>4,548,813</u>	<u>5,187,209</u>
<b>Liabilities</b>			
Payable to AL Habib Asset Management Limited - Management Company	7	3,533	5,246
Payable to Central Depository Company of Pakistan Limited- Trustee	8	322	365
Payable to Securities and Exchange Commission of Pakistan	9	291	1,251
Accrued expenses and other liabilities	10	32,885	31,813
<b>Total liabilities</b>		<u>37,031</u>	<u>38,675</u>
<b>Net assets</b>		<u>4,511,782</u>	<u>5,148,534</u>
<b>Unit holders' Fund (as per statement attached)</b>		<u>4,511,782</u>	<u>5,148,534</u>
<b>Contingencies and commitments</b>	11	-	-
		<b>(Number of Units)</b>	
<b>Number of units in issue</b> (Face value of units is Rs. 100 each)		<u>44,258,074</u>	<u>50,945,056</u>
		<b>(Rupees)</b>	
<b>Net asset value per unit</b>		<u>101.94</u>	<u>101.06</u>

The annexed notes 1 to 18 from an integral part of these condensed interim financial statements.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		For the half year ended		For the quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
	Note	(Rupees in '000)			
<b>Income</b>					
Profit on bank deposits		152,393	239,415	82,256	97,598
Income from term finance certificates		-	216,715	-	-
Profit / return on investments		324,002	38,287	144,470	125,218
Return on margin deposit with Naitional Clearing Company of Pakistan Limited		7	-	-	-
Profit on advance against IPO subscription		-	1,110	-	1,110
Net realised gain on sale of investments		52,486	(24,955)	47,974	(26,456)
Net unrealised gain on revaluation of investments	5.1	22,966	25,457	6,732	12,784
<b>Total income</b>		551,854	496,029	281,432	210,254
<b>Expenses</b>					
Remuneration of AL Habib Asset Management Limited - Management Company	7	24,548	8,068	15,215	622
Sindh Sales Tax on management fee	7	3,191	1,049	1,995	81
Expenses allocated by the Management Company		3,601	5,477	2,771	692
Marketing and selling expense		1,294	-	418	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8	1,850	2,764	860	1,201
Sindh Sales Tax on Trustee's remuneration	8	241	359	112	156
Annual fee to Securities and Exchange Commission of Pakistan	9	1,856	737	860	320
Brokerage expense		100	281	74	242
Settlement and bank charges		236	163	90	78
Annual listing fee		10	16	4	8
Auditors' remuneration		384	467	171	295
Mutual fund rating fee		58	74	23	37
Printing charges		26	33	11	17
<b>Total expenses</b>		37,395	19,488	22,604	3,749
<b>Net income for the period before taxation</b>		514,459	476,541	508,504	206,505
Taxation	12	-	-	-	-
<b>Net income for the period</b>		514,459	476,541	508,504	206,505
<b>Allocation of net income for the period:</b>					
Net income for the period		514,459	476,541	508,504	206,505
Income already paid on units redeemed		(252,271)	(228,582)	(248,037)	(166,196)
		262,188	247,959	260,467	40,309
<b>Accounting income available for distribution:</b>					
- Relating to capital gains		75,452	25,457	54,706	12,784
- Excluding capital gains		186,736	222,502	(43,915)	27,525
		262,188	247,959	10,791	40,309

The annexed notes 1 to 18 from an integral part of these condensed interim financial statements.

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
***FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023***

	<b>For the half year ended</b>		<b>For the quarter ended</b>	
	<b>December</b>	<b>December</b>	<b>December</b>	<b>December</b>
	<b>31, 2023</b>	<b>31, 2022</b>	<b>31, 2023</b>	<b>31, 2022</b>
	<b>----- (Rupees in '000) -----</b>			
Net income for the period	514,459	476,541	508,504	206,505
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>514,459</u>	<u>476,541</u>	<u>508,504</u>	<u>206,505</u>

The annexed notes 1 to 18 from an integral part of these condensed interim financial statements.

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half year ended December 31					
	2023			2022		
	Capital Value	Un distributed income	Net Asset	Capital Value	Un distributed income	Net Asset
	(Rupees in '000)					
Net assets at the beginning of the period	5,067,423	81,111	5,148,534	8,356,553	61,235	8,417,878
Issuance of 39,022,305 units (2022: 63,321,255 units)						
- Capital value	3,943,594	-	3,943,594	6,376,450	-	6,376,450
- Element of income	302,904	-	302,904	171,737	-	171,737
Amount received on issuance of units	4,246,498	-	4,246,498	6,548,187	-	6,548,187
Redemption of 45,694,545 units (2022: 85,735,056 units)						
- Capital value	(4,615,417)	-	(4,615,417)	(8,633,520)	-	(8,633,520)
- Element of income	(105,245)	(252,271)	(357,516)	(14,888)	(228,582)	(243,470)
Amount paid on redemption of units	(4,720,662)	(252,271)	(4,972,933)	(8,648,408)	(228,582)	(8,876,990)
Total comprehensive income for the period	-	514,459	514,459	-	476,541	476,541
Interim cash distribution for the year ended June 30 2024	(189,630)	(235,146)	(424,776)	(157,614)	(231,330)	(388,944)
Net income for the period less distribution	(189,630)	279,313	89,683	(157,614)	245,211	87,597
Net assets at the end of the period	4,403,629	108,153	4,511,782	6,098,718	77,864	6,176,672
Undistributed income brought forward						
- Realised income		78,492			35,726	
- Unrealised gain		2,619			25,599	
		81,111			61,325	
Accounting income available for distribution						
- Relating to capital gain		75,452			25,457	
- Excluding capital gains		186,736			222,502	
		262,188			247,959	
Interim cash distribution for the Half year ended 'December 31, 2023 (December 31, 2022 RS 6.4006 Per Unit)		(235,146)			(231,330)	
Undistributed income carried forward		108,153			77,954	
Undistributed income carried forward comprise of:						
- Realised income		85,187			52,497	
- Unrealised gain		22,966			25,457	
		108,153			77,954	
	(Rupees)			(Rupees)		
Net assets value per unit at beginning of the period	101.06			100.70		
Net assets value per unit at end of the period	101.94			100.96		

The annexed notes 1 to 18 from an integral part of these condensed interim financial statements.

For AL Habib Asset Management Limited  
(Management Company)

Chief Executive Officer

Chief Financial Officer

Director



**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>For the half year ended</b>	
	<b>December 31, 2023</b>	<b>December 31, 2022</b>
	<b>----- (Rupees in '000) -----</b>	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net income for the period	514,459	476,541
<b>Adjustments</b>		
Net unrealised gain on revaluation of investments	(22,966)	(502)
	491,493	476,039
<b>Working Capital Changes</b>		
<b>Increase / (decrease) in assets</b>		
Investments	(1,335,917)	(1,190,303)
Profit receivable	(129,801)	(25,179)
Advances, deposits and prepayments	(88)	62
	(1,465,806)	(1,215,420)
<b>(Decrease) / increase in liabilities</b>		
Payable to Habib Asset Management Limited - Management Company	(1,713)	645
Payable to Central Depository Company of Pakistan Limited - Trustee	(43)	(86)
Payable to Securities and Exchange Commission of Pakistan	(960)	(1,055)
Accrued expenses and other liabilities	1,072	(1,047,497)
	(1,644)	(1,047,993)
<b>Net cash used in operating activities</b>	(975,957)	(1,787,374)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Amount received on issuance of units	4,246,498	6,548,187
Amount paid on redemption of units	(4,972,933)	(8,876,990)
Dividend paid during the period	(424,776)	(388,944)
<b>Net cash used in financing activities</b>	(1,151,211)	(2,717,747)
<b>Net decrease in cash and cash equivalents</b>	(2,127,168)	(4,505,121)
Cash and cash equivalents at beginning of the period	3,871,139	6,939,307
<b>Cash and cash equivalents at the end of the period</b>	<u>1,743,971</u>	<u>2,434,186</u>

The annexed notes 1 to 18 from an integral part of these condensed interim financial statements.

For AL Habib Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** AL Habib Islamic Income Fund was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was executed on August 30, 2016 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on August 22, 2016 under Rule 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules).
- 1.2** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non-Banking Finance Company under the NBFC Rules by SECP. The registered office of the management company is situated at 3rd Floor, MacKinnon's Building, I.I. Chundrigar Road Karachi, Pakistan.
- 1.3** The Fund is an open-end mutual fund and is listed on the Pakistan Stock Exchange (PSX). Units are offered for public subscription on a continuous basis. The units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.4** The Fund has been formed to provide reasonable rate of return consistent with reasonable concern for safety of principal amount to the unit holders, along with facility to join or leave the fund at their convenience. The management team would seek to enhance returns through active portfolio management using efficiency tools. The Fund has been categorized as an Open-End Shairah Complaint (Islamic) Income Scheme as per criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Scheme (CIS).
- 1.5** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' to the Management Company and the Fund respectively on August 12, 2023.
- 1.6** The Trust was registered under the Sindh Trusts Act, 2020.

**2 BASIS OF PRESENTATION****2.1 Statement of Compliance**

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

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

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

- 2.1.2** This condensed interim financial statement does not include all the statement and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2023.
- 2.1.3** This condensed interim financial statement is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.

2.1.4 These condensed interim financial statements are unaudited but subject to limited review scope by the auditors. Figures for the quarter ended December 31, 2023 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

2.1.5 In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial statement give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## 2.2 Functional and presentation currency

This condensed interim financial statement is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

## 2.3 Basis of measurement

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES

3.1 The accounting policies adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the annual financial statement of the Fund for the year ended June 30, 2023.

3.2 The preparation of the condensed interim financial statement in conformity with the accounting and reporting standards as applicable in Pakistan 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 statement, the significant judgments made by 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 of the Fund as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2023.

## 3.3 New / Revised Standards, Interpretations and Amendments

3.3.1 There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

3.3.2 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 statement and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial statement.

3.3.3 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, 2023.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	(Rupees in '000)	
<b>4. BANK BALANCES</b>			
Current Accounts	4.1	142	129
Savings Accounts	4.2	1,743,829	3,271,010
Term deposit receipts-saving accounts		-	600,000
		<u>1,743,971</u>	<u>3,871,139</u>

4.1 This represents balance with Bank AL Habib Limited, a related party (Parent Company of Fund's Management Company).

- 4.2 The profit rates effective at the period end on these accounts range from 20.34% to 21.1% (June 30, 2023: 6.75% to 20%) per annum.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	(Rupees in '000)	

## 5 INVESTMENTS

### At fair value through profit or loss:

Investment in GOP Ijara Sukuk Certificate (Sukuks)	5.1	2,577,538	1,218,655
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### 5.1 Investment in GOP Ijara Sukuk Certificate (Sukuks)

Name of the Investee	Face Value				As at December 31, 2023			Market value as percentage of	
	As at July 01, 2023	Purchases during the period	Sold / Matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealized gain	Net assets	Total investments
	Units				(Rupees in '000)			Percentage	
<b>Unquoted</b>									
Ghani Chemicals Industries Limited (certificates of Rs. 12,500 each)	105	-	-	105	428	430	2	0.01%	0.02%
Meezan Bank Limited Sukuk (certificates of Rs. 1,000,000 each)	275	-	-	275	274,278	275,688	1,410	6.11%	10.70%
Meezan Bank Limited - TIER II Mudaraba Sukuk (certificates of Rs. 1,000,000 each)	250	-	-	250	246,907	246,065	(842)	5.45%	9.55%
Dubai Islamic Bank Sukuk (02-12-2022) (certificates of Rs. 1,000,000 each)	222	-	-	222	222,298	223,332	1,034	4.95%	8.66%
Gas and Oil Pakistan Limited Sukuk (certificates of Rs. 1,000,000 each)	5	-	-	5	3,955	4,050	95	0.09%	0.16%
<b>Quoted</b>									
GOP Ijara Sukuk 1 Year FRR (26-06-2023) (certificates of Rs. 100,000 each)	500	1,000	500	1,000	100,005	100,810	805	2.23%	3.91%
GOP Ijara Sukuk 1 Year VRR (26-06-2023) (certificates of Rs. 100,000 each)	1,250	-	1,250	-	-	-	-	0.00%	0.00%
GOP Ijara Sukuk 1 Year VRR (20-09-2023) (certificates of Rs. 100,000 each)	-	1,250	1,250	-	-	-	-	0.00%	0.00%
GOP Ijara Sukuk VRR (26-10-2022) (certificates of Rs. 100,000 each)	160	23,500	19,405	4,255	420,144	433,074	12,930	9.60%	16.80%
GOP Ijara Sukuk (29-05-2020) (certificates of Rs. 100,000 each)	55,480	-	40,000	15,480	74,703	77,129	2,426	1.71%	2.99%
GOP Ijara Sukuk 1 Year FRR (07-08-2023) (certificates of Rs. 100,000 each)	-	750	750	-	-	-	-	0.00%	0.00%
GOP Ijara Sukuk 1 Year FRR (07-08-2023) (certificates of Rs. 100,000 each)	-	19000	9000	10,000	1,009,776	1,013,700	3,924	22.47%	39.33%
GOP IJARA SUKUK 1 YEAR FRR (09-10-2023) (certificates of Rs. 100,000 each)	-	2000	-	2,000	202,078	203,260	1,182	4.51%	7.89%
<b>Total as at December 31, 2023</b>					<b>2,554,572</b>	<b>2,577,538</b>	<b>22,966</b>		
Total as at June 30, 2023					1,216,038	1,218,655	2,617		

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>6</b>	<b>ADVANCES, DEPOSITS AND PREPAYMENTS</b>		
	Deposit with National Clearing Company of Pakistan Limited (NCCPL)	1,000	1,000
	Deposit with Central Depository Company of Pakistan Limited (CDC)	100	100
	Advance tax	9,217	9,209
	Mutual fund rating fee	80	-
		<u>10,397</u>	<u>10,309</u>

**7 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY**

Management remuneration	7.1	248	3,009
Sindh sales tax	7.2	32	391
Reimbursement against expenses		3,253	1,846
		<u>3,533</u>	<u>5,246</u>

**7.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated June 20, 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

**7.2** The Sindh Sales Tax has been charged at 13% on the Management Company's remuneration during the period (June 30, 2023: 13%).

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>(Rupees in '000)</b>	
<b>8</b>	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (CDC) - TRUSTEE</b>		
	Trustee remuneration	285	323
	Sales tax payable on trustee remuneration	37	42
		<u>322</u>	<u>365</u>

**8.1** The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed and Offering Document based on the daily Net Asset Value of the Fund. The remuneration is paid to the Trustee on monthly basis in arrears. The tariff structure applicable to the Fund in respect of the Trustee fee has been revised effective from July 01, 2019, whereby the revised tariff is 0.075% of average daily net assets of the Fund.

**8.2** The Sindh Sales Tax has been charged at 13% on the Trustee's remuneration charged during the period (June 30, 2023: 13%).

**9 PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% (June 30, 2023 : 0.02%) of net assets in accordance with regulation 62 of the NBFC Regulations.

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	(Rupees in '000)	
<b>10 ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Audit fee	879	667
Payable against redemption of unit	21,111	12,000
Payable against purchase of investment	-	154
Withholding tax	-	9,434
Capital Gain tax	9,803	8,554
Payable against printing charges	162	153
Settlement charges	56	146
Brokerage payable	716	495
Others	158	210
	<u>32,885</u>	<u>31,813</u>

**11 CONTINGENCIES AND COMMITMENTS**

There are no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil).

**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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised ) to its unit holders.

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

**13 EARNINGS PER UNIT**

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

**14 TOTAL EXPENSE RATIO**

Total Expense Ratio of the Fund for the period ended December 31, 2023 is 1.52% which includes 0.21% representing Government levies and SECP fee. This ratio is within the maximum limit of 4.50% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

**15 TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

- 15.1** Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other Collective Investment Schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and officers of the Management Company and the Trustee and unit holders holding Ten percent or more units of the Fund.

## AL HABIB ISLAMIC INCOME FUND

- 15.2 The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.
- 15.3 Remuneration to the Management Company and the Trustee is determined in accordance with the provisions of the NBFC Regulations and the Trust Deed respectively.
- 15.4 The details of significant transactions carried out by the Fund with connected persons and balances with them at the end of reporting period are as follows:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank AL Habib Limited	Parent Company of Al Habib Management Company.
3	AL Habib Capital Market (Private) Company	Subsidiary of Bank AL Habib Limited
4	AL Habib Cash Fund Fund	Managed by AL Habib Asset Management Limited
5	AL Habib Money Market Fund	Managed by AL Habib Asset Management Limited
6	AL Habib Income Fund	Managed by AL Habib Asset Management Limited
7	AL Habib Asset Allocation Fund	Managed by AL Habib Asset Management Limited
8	AL Habib Stock Fund	Managed by AL Habib Asset Management Limited
9	AL Habib Islamic Cash Fund	Managed by AL Habib Asset Management Limited
10	AL Habib Islamic Saving Fund	Managed by AL Habib Asset Management Limited
11	AL Habib Islamic Stock Fund	Managed by AL Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by AL Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by AL Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by AL Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by AL Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by AL Habib Asset Management Limited
17	Central Depository Company	Trustee

Connected persons includes directors and officers of the above entities as at December 31, 2023 and staff retirement benefit funds of the above companies.

	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)
<b>Details of transactions with connected persons are as follows:</b>		
<b>AL Habib Asset Management Limited - Management Company</b>		
- Management Remuneration	24,548	8,068
- Sindh Sales Tax on Management Company's Remuneration	3,191	1,049
- Expenses allocated by the Management Company	3,601	5,477
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
-Trustee Remuneration	1,850	2,764
-Sindh Sales Tax on Trustee Remuneration	241	359
-CDC charges	3	3
<b>Details of balances with connected persons at period end are as follows:</b>		
<b>Parent Company</b>		
Bank Al Habib Limited	390,599	504,952
Profit Receivable on bank deposits	3,754	29,355
<b>AL Habib Asset Management Limited - Management Company</b>		
-Management Company fee payable	3,533	5,246
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
-Remuneration payable	322	365
-Security deposit - Non interest bearing	100	100

	December 31, 2023 (Unaudited)		December 31, 2022 (Unaudited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<b>15.5 Sale / redemption of units</b>				
<b><u>Units issued to:</u></b>				
<b>Management Company</b>				
- AL Habib Asset Management Limited	6,278,526	668,367	6,140,264	628,304
<b>Other connected persons</b>				
- Directors and spouse of the Management Company	299,784	33,155	696,829	72,222
- Key Executives of the Management Company	207,450	22,885	426,851	44,303
- Habib Asset Management Limited Employee Provident Fund	-	-	74,959	7,620
- Habib Insurance company limited	4	-	2	-
<b>Unit sold to Connected Persons holding 10% or more of the unit in issue</b>	18,019,995	2,157,043	33,427,963	3,318,469
<b><u>Units redeemed by:</u></b>				
<b>Management Company</b>				
- AL Habib Asset Management Limited	11,188,708	1,196,023	6,189,091	634,445
<b>Other connected parties:</b>				
- Directors and spouse of the Management Company	327,287	1,801	772,627	79,842
- Key Executives of the Management Company	236,953	25,896	417,708	43,249
- Habib Asset Management Limited Employee Provident Fund	-	-	37,293	3,894
<b>Unit redeemed to Connected Persons holding 10% or more of the unit in issue</b>	23,681,648	2,564,195	47,265,809	4,881,685
	December 31, 2023 (Unaudited)		June 30, 2023 (Audited)	
	(Units)	(Rupees in '000)	(Units)	(Rupees in '000)
<b>15.6 Units held by:</b>				
<b>Management Company</b>				
- AL Habib Asset Management Limited	-	-	4,764,396	481,493
<b>Parent Company</b>				
- Bank AL Habib Limited	250,421	25,528	250,421	25,308
<b>Other connected persons</b>				
- Directors and spouse of the Management Company	170,533	17,384	183,380	18,532
- Key Executives of the Management Company	192,491	19,623	226,413	22,885
- Habib Insurance Company Ltd.	46	5	4	42
<b>Units held by Connected Persons holding 10% or more of the units in issue:</b>	30,991,011	3,159,224	36,652,665	3,704,140

## 16 FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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.



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

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

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

	Level 1	Fair value Level 2	Level 3
	-----	(Rupees in '000)	-----
<b>December 31, 2023 (Unaudited)</b>			
Investment in Sukuk Certificate	-	2,577,538	-
	=	=	=
<b>June 30, 2023 (Audited)</b>			
Investment in Sukuk Certificate	-	-	-
	=	=	=

**16.1** There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

**16.2** Level 2 fair values have been determined on the basis of MUFAP rates and closing Net Asset Values for government securities and Mutual Fund Units respectively.

## **17 GENERAL**

**17.1** This condensed interim financial statement is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2023 as reported in this condensed interim financial statement has not been subject to limited scope review by the auditors.

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

## **18 Date of authorisation for Issue**

This condensed interim financial statement was authorised for issue by the board of directors of the Management Company on **January 25, 2024**.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**AL HABIB ISLAMIC STOCK FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION****Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4, Block 9,  
Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited  
Bank Islami Pakistan Limited  
MCB Bank Limited  
National Bank of Pakistan Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**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**

**AL HABIB ISLAMIC STOCK FUND**

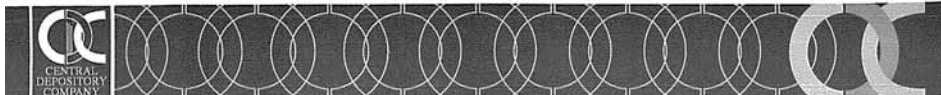
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Stock Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





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**INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB ISLAMIC STOCK FUND**

**Introduction**

We have reviewed the accompanying condensed interim statement of Assets and Liabilities of Al Habib Islamic Stock Fund ("the Fund") as at December 31, 2023 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 together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the half year then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of these condensed interim financial statements in accordance with approved accounting 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 condensed 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 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated February 24, 2023 and September 28, 2023, respectively.

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

KARACHI

DATED: 27 FEB 2024

UDIN: RR202310166Mw2ylqGLo

  
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.

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2023

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>ASSETS</b>			
Bank balances	4	47,504	45,617
Investments	5	471,587	239,431
Dividend and profit receivable	6	1,400	766
Receivable against issuance of units		24,980	12,000
Advance tax, deposits and other receivable	7	1,625	3,658
<b>Total assets</b>		<u>547,096</u>	<u>301,472</u>
<b>LIABILITIES</b>			
Payable to AL Habib Asset Management Limited - Management Company	8	994	12
Provision for Federal Excise Duty on remuneration of Management Company	9	1,478	1,478
Payable to Central Depository Company of Pakistan Limited - Trustee	10	95	55
Payable to Securities and Exchange Commission of Pakistan	11	39	56
Payable against purchase of investment		7,467	-
Accrued expenses and other liabilities	12	2,208	1,513
<b>Total liabilities</b>		<u>12,281</u>	<u>3,114</u>
<b>NET ASSETS</b>		<u>534,815</u>	<u>298,358</u>
<b>Unit holders' fund (as per the statement attached)</b>		<u>534,815</u>	<u>298,358</u>
Contingencies and commitments	13		
<b>----- (Number of units) -----</b>			
<b>Number of units in issue</b> (face value of units is Rs.100 each)		<u>4,850,367</u>	<u>4,003,314</u>
<b>----- (Rupees) -----</b>			
<b>Net assets value per unit</b>		<u>110.26</u>	<u>74.53</u>

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

For AL Habib Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		For the half year ended		For the quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Note		Rupees in '000			
<b>INCOME</b>					
		2,950	3,419	942	1,533
		14,776	11,585	10,214	3,800
		-	84	-	84
		49,333	132	43,293	(757)
5.1		83,197	(17,559)	69,530	(5,592)
<b>Total income / (loss)</b>		150,256	(2,339)	123,979	(932)
<b>EXPENSES</b>					
		3,690	2,901	2,073	1,435
		480	377	270	186
		60	-	60	-
		380	290	207	143
		49	38	27	19
		181	32	99	17
		1,391	412	803	178
		192	185	104	89
		12	13	6	7
		412	388	247	240
		31	32	15	16
		290	287	258	81
<b>Total expenses</b>		7,168	4,955	4,169	2,411
<b>Net income / (loss) for the period before taxation</b>		143,088	(7,294)	119,810	(3,343)
		-	-	-	-
<b>Net income / (loss) for the period</b>		143,088	(7,294)	119,810	(3,343)
<b>Allocation of net income for the period:</b>					
		143,088	(7,294)	119,810	(3,343)
		(718)	-	-	-
		142,370	(7,294)	119,810	(3,343)
<b>Accounting income available for distribution:</b>					
		49,333	-	43,293	-
		93,037	-	76,517	-
		142,370	-	119,810	-

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	<u>For the half year ended</u>		<u>For the quarter ended</u>	
	<u>December</u>	<u>December</u>	<u>December</u>	<u>December</u>
	<u>31, 2023</u>	<u>31, 2022</u>	<u>31, 2023</u>	<u>31, 2022</u>
	<u>----- (Rupees in '000) -----</u>			
Net income / (loss) for the period	143,088	(7,294)	119,810	(3,343)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	<u>143,088</u>	<u>(7,294)</u>	<u>119,810</u>	<u>(3,343)</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



## AL HABIB ISLAMIC STOCK FUND

### CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	For the half year ended December 31, 2023			For the half year ended December 31, 2022		
	Capital Value	Undistributed income	Net Asset	Capital Value	Undistributed income	Net Asset
	----- Rupees in '000 -----					
Net assets at beginning of the period	356,014	(57,656)	298,358	360,433	(57,688)	302,745
<b>Issuance of 3,558,148 units (2022: 75,145 units)</b>						
- Capital value	265,189	-	265,189	5,599	-	5,599
- Element of income	86,854	-	86,854	125	-	125
Amount received on issuance of units	352,043	-	352,043	5,724	-	5,724
<b>Redemption of 2,711,096 units (2022: 405,076 units)</b>						
- Capital value	(202,058)	-	(202,058)	(30,182)	-	(30,182)
- Element of income	(55,898)	(718)	(56,616)	(223)	-	(223)
Amount paid / payable on redemption of units	(257,956)	(718)	(258,674)	(30,405)	-	(30,405)
Total comprehensive income for the period	-	143,088	143,088	-	(7,294)	(7,294)
<b>Net assets at end of the period</b>	<b>450,101</b>	<b>84,714</b>	<b>534,815</b>	<b>335,752</b>	<b>(64,982)</b>	<b>270,770</b>
<b>Undistributed loss brought forward</b>						
- Realised gain / (loss)		(57,656)			(57,688)	
- Unrealised gain / (loss)		-			-	
		(57,656)			(57,688)	
<b>Accounting income available for distribution</b>						
- Relating to capital gain	49,333			-		
- Excluding capital gain	93,037			-		
	142,370			(7,294)		
Undistributed gain carried forward	84,714			(64,982)		
<b>Undistributed gain / (loss) carried forward</b>						
- Realised gain / (loss)		1,517			(47,423)	
- Unrealised gain / (loss)		83,197			(17,559)	
		84,714			(64,982)	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period	74.53			74.51		
Net assets value per unit at end of the period	110.26			72.53		

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

		For the half year ended	
		December 31, 2023	December 31, 2022
Note		----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income / (loss) for the period before taxation		143,088	(7,294)
<b>Adjustments:</b>			
	Net unrealized gain / (loss) on revaluation of investments	5.1	(83,197)
		59,891	17,559
			10,265
<b>Increase in assets</b>			
	Investments	(148,959)	(36,022)
	Dividend and profit receivable	(634)	734
	Receivable against sale of investments	-	17,778
	Receivable against issuance of units	(12,980)	48
	Advance tax, deposits and other receivable	2,033	4,107
		(160,540)	(13,355)
<b>Decrease in liabilities:</b>			
	Payable to AL Habib Asset Management Limited - Management Company	982	(162)
	Payable to Central Depository Company of Pakistan Limited - Trustee	40	(14)
	Payable to Securities and Exchange Commission of Pakistan	(17)	(36)
	Payable against purchase of investment	7,467	-
	Accrued expenses and other liabilities	695	(524)
		9,167	(736)
<b>Net cash used in operating activities</b>		(91,482)	(3,826)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	Amount received on issuance of units	352,043	5,724
	Amount paid on redemption of units	(258,674)	(30,405)
<b>Net cash flows from / (used in) financing activities</b>		93,369	(24,681)
<b>Net increase / (decrease) in cash and cash equivalents</b>		1,887	(28,507)
Cash and cash equivalents at beginning of the period		45,617	65,078
Cash and cash equivalents at end of the period		47,504	36,571

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

For AL Habib Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1** AL Habib Islamic Stock Fund (the "Fund") was established under a Trust Deed between AL Habib Asset Management Limited (AHAML) as the Management Company and Central Depository Company of Pakistan Limited (CDC) as the Trustee. The Trust Deed was executed on November 24, 2011 and was approved by the Securities and Exchange Commission of Pakistan (SECP) on November 03, 2011 under Rule 67 of the Non-Banking Finance Companies (Establishment and Regulation) Rules 2003 (NBFC Rules).
- 1.2** The Trust Act, 1882 has been repealed due to promulgation of Provincial Trust Act "Sindh Act 2020" as empowered under the Eighteenth Amendment to the Constitution of Pakistan. Various new requirements including registration under the Trust Act have been introduced. The Management Company had submitted the Collective Investment Scheme Trust Deed to the Registrar (acting under Sindh Trusts Act 2020) to fulfil the requirement for registration of Trust Deed under Sindh Trusts Act 2020.
- 1.3** The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd floor, Mackinnon's Building, I,I Chundrigar Road, Karachi, Pakistan.
- 1.4** The Fund has been categorized as an Open-End Asset Allocation Scheme as per the criteria laid down by the Securities and Exchange Commission of Pakistan for categorisation of Collective Investment Schemes (CIS) and is listed on the Pakistan Stock Exchange Limited (PSX). Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder. Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.5** The investment objective of the fund is to seek long-term capital growth by investing primarily in a Shariah Compliant diversified pool of equities and equity related instruments. The management team shall ensure the active implementation of prudent investment practices, the highest professional standards and compliance of applicable laws.
- 1.6** Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' to the Management Company on August 12, 2023.

**2. BASIS OF PREPARATION**

**2.1 Statement of compliance**

- 2.1.1** This condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial statements. The accounting and reporting standards applicable in Pakistan comprise of:
- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - Provisions of and directives issued under the Companies Act, 2017 along with part VIIIA of the repealed Companies Ordinance, 1984; and
  - Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 2008 (the NBFC Regulations) and requirements of the Trust Deed.

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

- 2.1.2** This condensed interim financial statements does not include all the statements and disclosures required in the annual financial statements and should therefore be read in conjunction with the annual financial statements of the Fund as at and for the year ended June 30, 2023.
- 2.1.3** This condensed interim financial statements is unaudited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.
- 2.1.4** These condensed interim financial statements are unaudited but subject to limited review scope by the auditors. Figures for the quarter ended December 31, 2023 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.
- 2.1.5** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

**2.2 Functional and presentation currency**

This condensed interim financial statements is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

**2.3 Basis of measurement**

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

**3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND RISK MANAGEMENT POLICIES**

- 3.1** The accounting policies adopted in the preparation of this 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, 2023.
- 3.2** The preparation of the condensed interim financial statements in conformity with the accounting and reporting standards as applicable in Pakistan 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 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 of the Fund as at and for the year ended June 30, 2023. The Fund's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements of the Fund for the year ended June 30, 2023.
- 3.3 New / Revised Standards, Interpretations and Amendments**
- There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.
- 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 statements and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial statements.
- 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, 2023.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
4. BANK BALANCES	Note	----- Rupees in '000 -----	
Current accounts		16,338	13,965
Saving accounts	4.1 & 4.2	31,166	31,652
		<u>47,504</u>	<u>45,617</u>

4.1 This represents saving accounts held with various commercial banks carrying profit rates ranging from 7.8% to 21.1% (June 30, 2023: 6.7% to 20.0%) per annum.

4.2 This includes a balance of Rs. 30.941 million (June 30, 2023: Rs. 12.638 million) with Bank AL Habib Limited, a related party (Parent Company of Fund's Management Company), carrying profit rate of 21.1% (June 30, 2023: 19.75%) per annum.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
5. DIVIDEND AND PROFIT RECEIVABLE	Note	----- Rupees in '000 -----	
At fair value through profit or loss (FVPL)			
Listed equity securities	5.1	<u>471,587</u>	<u>239,431</u>

#### 5.1 Listed equity securities

Name of the Investee	As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2023	Cost / carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised gain / (loss)	Market Value as a percentage of:		Face value of investments as a percentage of paid up capital of the investee company	
									Net Assets	Total Investment		
Note	(Number of shares)				(Rupees in '000)				(%)			
Unless stated otherwise, the holdings are in ordinary shares of Rs 10 each.												
<b>AUTOMOBILE PARTS &amp; ACCESSORIES</b>												
Atlas Battery Ltd.	-	35,900	-	13,000	22,900	5,401	5,453	52	1.02%	1.16%	0.016%	
Sargor Engineering Works.	-	115,000	-	115,000	-	-	-	-	0.00%	0.00%	0.000%	
Baluchistan Wheels Ltd.	-	50,000	-	32,000	18,000	2,414	3,519	1,105	0.66%	0.75%	0.026%	
	-	200,900	-	160,000	40,900	7,815	8,972	1,157				
<b>Commercial Banks</b>												
Bank Islami Pakistan Limited	5.1.1	300,000	954,000	-	304,000	950,000	20,334	21,090	756	3.94%	4.47%	0.002%
Faysal Bank Limited		235,000	415,000	-	450,000	200,000	6,235	6,516	281	1.22%	1.38%	0.000%
Meezan Bank Limited		313,800	309,200	-	323,000	300,000	36,140	48,408	12,268	9.05%	10.26%	0.003%
		848,800	1,678,200	-	1,077,000	1,450,000	62,709	76,014	13,305			
<b>Chemicals</b>												
Bafra Industries Ltd.	-	40,000	-	-	40,000	3,994	4,718	724	0.88%	1.00%	0.010%	
Dynac Pakistan Limited (Par value: Rs 5 per share)	12,000	-	-	-	12,000	1,512	2,222	710	0.42%	0.47%	0.012%	
Engro Polymer & Chemicals Limited	30,000	150,000	-	-	180,000	8,478	8,886	(402)	1.57%	1.78%	0.001%	
Lotte Chemical Pakistan Ltd.	-	240,000	-	40,000	200,000	5,629	5,398	(231)	1.01%	1.14%	0.000%	
	42,000	430,000	-	40,000	432,000	19,613	20,724	1,111				
<b>Fertilizers</b>												
Engro Fertilizers Limited	230,000	185,000	-	90,000	325,000	30,335	36,475	6,140	6.82%	7.73%	0.003%	
Fauji Fertilizer Bin Qasim Ltd.	-	655,000	-	-	655,000	18,015	20,895	2,880	3.91%	4.43%	0.002%	
Fauji Fertilizer Company Limited	-	17,000	-	17,000	-	-	-	-	0.00%	0.00%	0.000%	
Engro Corporation Limited	70,000	76,000	-	83,000	63,000	17,989	18,579	590	3.47%	3.94%	0.003%	
	300,000	933,000	-	190,000	1,043,000	66,359	75,949	9,600				
<b>Cement</b>												
Attock Cement Pakistan Limited	53,000	85,870	-	80,870	58,000	5,095	5,581	486	1.04%	1.18%	0.004%	
Bestway Cement Limited	28,000	10,000	-	15,000	23,000	3,379	4,325	946	0.81%	0.92%	0.001%	
Cheer Cement Company Limited	68,000	56,000	-	59,000	65,000	8,416	10,594	2,178	1.98%	2.25%	0.005%	
Fauji Cement Company Limited	563,750	250,000	-	688,750	125,000	1,663	2,365	702	0.44%	0.50%	0.000%	
Charbawal Cement Limited	144,500	50,000	-	54,500	140,000	2,212	4,057	1,845	0.76%	0.86%	0.001%	
Kohat Cement Company Limited	33,500	50,500	-	41,868	42,132	7,769	9,869	2,100	1.85%	2.09%	0.005%	
Lucky Cement Limited	17,500	33,000	-	34,500	16,000	9,463	12,592	3,129	2.35%	2.67%	0.004%	
Maple Leaf Cement Factory Limited	450,000	611,000	-	481,000	580,000	18,798	22,574	3,776	4.22%	4.79%	0.002%	
Pioneer Cement Limited	65,000	30,000	-	95,000	-	-	-	-	0.00%	0.00%	0.000%	
	1,423,250	1,176,370	-	1,550,488	1,049,132	56,795	71,957	15,162				
<b>Power generation and distribution</b>												
The Hub Power Company Limited	40,000	230,000	-	65,000	205,000	18,389	24,003	5,614	4.49%	5.09%	0.002%	
Kot Addu Power Company.	-	130,000	-	130,000	-	-	-	-	0.00%	0.00%	0.000%	
	40,000	360,000	-	195,000	205,000	18,389	24,003	5,614				
<b>SYNTHETIC AND RAYON</b>												
Image Pakistan Ltd.	-	110,000	-	-	110,000	2,094	1,866	(228)	0.35%	0.40%	0.001%	
	-	110,000	-	-	110,000	2,094	1,866	(228)				

## AL HABIB ISLAMIC STOCK FUND

Name of the Investee	As at July 01, 2023	Purchased during the period	Bonus / right issue during the period	Sold during the period	As at December 31, 2023	Cost / carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised gain / (loss)	Market Value as a percentage of:		Face value of investments as a percentage of paid up capital of the investee company
									Net Assets	Total Investment	
<b>Note</b>	<b>(Number of shares)</b>				<b>(Rupees in '000)</b>			<b>(%)</b>			
Unless stated otherwise, the holdings are in ordinary shares of Rs 10 each.											
<b>MISCELLANEOUS</b>											
Pakistan Aluminum Beverage Cans Ltd.	-	65,000	-	7,180	57,820	3,619	4,369	750	0.82%	0.93%	0.001%
TPL Properties Ltd.	-	550,000	-	150,000	400,000	5,396	5,408	12	1.01%	1.15%	0.001%
	-	615,000	-	157,180	457,820	9,015	9,777	762			
<b>Engineering</b>											
Mughal Iron & Steel Industries Limited	109,000	12,674	-	121,674	-	-	-	-	0.00%	0.00%	0.000%
	109,000	12,674	-	121,674	-	-	-	-			
<b>Paper &amp; Board</b>											
Century Paper & Board Mills Limited	50,886	-	-	15,000	35,886	1,013	1,168	155	0.22%	0.25%	0.000%
	50,886	-	-	15,000	35,886	1,013	1,168	155			
<b>Oil and gas exploration companies</b>											
Mani Petroleum Company Limited	7,600	5,400	-	2,000	11,000	17,577	23,057	5,480	4.31%	4.89%	0.017%
Oil & Gas Development Company Limited	110,000	360,000	-	40,000	430,000	41,014	48,354	7,340	9.04%	10.25%	0.001%
Pakistan Oilfields Limited	50,000	-	-	50,000	-	-	-	-	0.00%	0.00%	0.000%
Pakistan Petroleum Limited	163,000	422,000	-	180,000	405,000	33,390	46,587	13,197	8.71%	9.88%	0.002%
	330,600	787,400	-	272,000	846,000	91,981	117,998	26,017			
<b>Oil and gas marketing companies</b>											
Attock Petroleum Limited	14,000	15,000	-	14,000	15,000	6,133	5,678	(455)	1.06%	1.20%	0.005%
Pakistan State Oil Company Limited	10,000	110,000	-	90,000	30,000	4,965	5,301	336	0.99%	1.12%	0.001%
Sui Northern Gas Pipeline Limited	60,000	346,648	-	225,000	181,648	9,654	13,355	3,701	2.50%	2.83%	0.002%
	84,000	471,648	-	329,000	226,648	20,752	24,334	3,582			
<b>Refinery</b>											
Attock Refinery Ltd.	-	45,000	-	45,000	-	-	-	-	0.00%	0.00%	0.000%
	-	45,000	-	45,000	-	-	-	-			
<b>TEXTILE COMPOSITE</b>											
Interloop Limited	75,000	145,000	-	80,000	140,000	7,949	10,080	2,131	1.88%	2.14%	0.001%
Towelless Limited.	-	61,000	-	-	61,000	9,553	11,627	2,074	2.17%	2.47%	0.008%
Kohinoor Textile Mills Limited	50,000	-	-	27,000	23,000	1,170	2,179	1,009	0.41%	0.46%	0.001%
Nishat Mills Limited	-	-	-	-	-	-	-	-	0.00%	0.00%	0.000%
	125,000	206,000	-	107,000	224,000	18,672	23,886	5,214			
<b>Pharmaceutical</b>											
Abbott Laboratories	7,000	-	-	7,000	-	-	-	-	0.00%	0.00%	0.000%
Highmoon Laboratories Limited	6,325	8,000	-	5,500	8,825	3,083	4,453	1,370	0.83%	0.94%	0.008%
	13,325	8,000	-	12,500	8,825	3,083	4,453	1,370			
<b>Food &amp; Personal Care Products</b>											
Al Tahir Limited	100,100	-	-	100,100	-	-	-	-	0.00%	0.00%	0.000%
	100,100	-	-	100,100	-	-	-	-			
<b>Glass &amp; Ceramics</b>											
Shabbir Tiles & Ceramics Limited (Par value: Rs 5 per share)	93,000	-	-	93,000	-	-	-	-	0.00%	0.00%	0.000%
Ghani Glass Ltd.	-	135,000	-	-	135,000	4,650	3,957	(693)	0.74%	0.84%	0.000%
Tariq Glass Industries Limited	81,003	141,481	-	157,000	65,484	5,470	6,529	1,059	1.22%	1.38%	0.004%
	174,003	276,481	-	250,000	200,484	10,120	10,486	366			
<b>Technology and Communications</b>											
Air Link Communication	113,875	60,000	-	173,875	-	-	-	-	0.00%	0.00%	0.000%
Avanceon Limited	83,750	65,000	-	148,750	-	-	-	-	0.00%	0.00%	0.000%
Octopus Digital Limited	46,000	-	-	46,000	-	-	-	-	0.00%	0.00%	0.000%
System Limited	27,200	14,000	-	41,200	-	-	-	-	0.00%	0.00%	0.000%
	270,825	139,000	-	409,825	-	-	-	-			
<b>Total equity securities as at December 31, 2023</b>	<b>3,911,789</b>	<b>7,449,673</b>	<b>-</b>	<b>5,031,767</b>	<b>6,329,695</b>	<b>388,390</b>	<b>471,587</b>	<b>83,197</b>			
Total equity securities as at June 30, 2023	3,494,190	4,322,200	179,786	4,084,387	3,911,789	260,521	239,431	(21,087)			

**5.1.1** Following shares were pledged with National Clearing Company of Pakistan Limited (NCCPL) as collateral against exposure margin and mark to market losses.

	December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
	---- (Number of Shares) ----	
Bank Islami Pakistan Limited	-	300,000
Pakistan Petroleum Limited	2,310	2,310
Meerzan Bank Limited	90,000	90,000
	<u>92,310</u>	<u>392,310</u>

		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>Note</b>	<b>----- Rupees in '000 -----</b>	
<b>6. DIVIDEND AND PROFIT RECEIVABLE</b>			
Profit receivable on saving accounts		1,170	616
Dividend receivable		230	150
		<u>1,400</u>	<u>766</u>
<b>7. ADVANCE TAX, DEPOSITS AND OTHER RECEIVABLE</b>			
Advance tax		525	507
Deposit to:			
National Clearing company of Pakistan Limited (NCCPL)		1,000	3,051
Central Depository Company of Pakistan (CDC)		100	100
		<u>1,625</u>	<u>3,658</u>
<b>8. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>			
Management Company	8.1	816	-
Sindh Sales Tax	8.2	106	-
Reimbursement to Collective Investment Scheme	8.3	72	12
		<u>994</u>	<u>12</u>
<b>8.1</b>	As per the amendments made in the NBFC Regulations, 2008 Vide SRO 639 (1) / 2019 dated June 20, 2019, the Management Company has set and disclosed in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio. The Management Company has charged management fee at the rate of 2.00% (30 June 2023: 2.00%) of the average annual net assets of the Fund. The fee is payable to the Management Company monthly in arrears.		
<b>8.2</b>	The Sindh Sales Tax has been charged at 13% (June 30, 2023: 13%) on the Management Company's remuneration during the period.		
<b>8.3</b>	In accordance with Regulation 60(3)(s) of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme.		
	The Management Company charged Rs. 0.06 million for allocation of such expenses to the Fund which is lower than actual expenses incurred.		
<b>9. PROVISION FOR FEDERAL EXCISE DUTY (FED) ON REMUNERATION OF THE MANAGEMENT COMPANY</b>			
	There is no change in the status of the legal proceeding on this matter which has been fully disclosed in note 8 to the annual audited financial statements for the year ended June 30, 2023.		
	However, since the appeal is pending in the Supreme Court of Pakistan, the Management Company, as a matter of abundant caution, is carrying provision for Federal Excise Duty for the period from June 13, 2013 to June 30, 2016 aggregating to Rs. 1.478 million.		
	Had the provision on Federal Excise Duty not been made, net assets value per unit of the Fund as at December 31, 2023 would have been higher by Rs. 0.3 (June 30, 2023: Rs. 0.37) per unit.		
		<b>December 31, 2023 (Unaudited)</b>	<b>June 30, 2023 (Audited)</b>
<b>10. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED (CDC) - TRUSTEE</b>	<b>Note</b>	<b>----- Rupees in '000 -----</b>	
Trustee remuneration	10.1	84	49
Sales tax payable on trustee remuneration	10.2	11	6
		<u>95</u>	<u>55</u>

- 10.1** The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee has been calculated as per following applicable tariff;

Average net assets (Rs. in million)	Tariff
Upto Rs. 1,000	0.2% per annum of net asset value.
Rs. 1,000 and above	Rs. 2 million plus 0.10% per annum of net assets on amount exceeding Rs. 1,000 million.

- 10.2** The Sindh Sales Tax has been charged at 13% (30 June 2023: 13%) on the Trustee's remuneration charged during the period.

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

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.095% (June 2023: 0.02%) of net assets in accordance with regulation 62 of the NBFC Regulations.

		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
12. ACCRUED EXPENSES AND OTHER LIABILITIES	Note	----- Rupees in '000 -----	
Auditor's remuneration		837	562
Printing charges		143	111
Charity payable	12.1	238	321
Withholding tax		671	413
Others		319	106
		<u>2,208</u>	<u>1,513</u>

- 12.1** The Shariah Advisor of the Fund has certified an amount of Rs. 0.29 million (31 December 2022: Rs. 0.287 million) against dividend income, as Shariah non-compliant income during the period, which has accordingly been marked to charity.

#### 13. CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments as at 31 December 2023 (30 June 2023: Nil).

#### 14. TAXATION

- 14.1** 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised ) to its unit holders.

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

#### 15. EARNINGS PER UNIT

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

#### 16. TOTAL EXPENSE RATIO

Total Expense Ratio of the Fund for the period ended December 31, 2023 is 3.77% which includes 0.37% representing Government levy and SECP fee. This ratio is within the maximum limit of 4.5% prescribed under the NBFC Regulations for a Collective Investment Scheme categorised as an equity scheme.



**17. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

**17.1** Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other collective investment schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and officers of the Management Company and the Trustee and unit holders holding 10 percent or more units of the Fund.

**17.2** The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

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

**17.4** The details of significant transactions carried out by the Fund with connected persons and balances with them at the end of reporting period are as follows:

<b>17.4.1 S.No</b>	<b>Company Name</b>	<b>Relationship</b>
1	AL Habib Asset Management Limited	Management Company
2	Bank Al Habib Limited	Parent Company of AL Habib Asset Management Limited
3	Al Habib Capital Market (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Income Fund	Managed by AL Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by AL Habib Asset Management Limited
6	AL Habib Asset Allocation Fund	Managed by AL Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by AL Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by AL Habib Asset Management Limited
9	AL Habib Money Market Fund	Managed by AL Habib Asset Management Limited
10	AL Habib Islamic Cash Fund	Managed by AL Habib Asset Management Limited
11	AL Habib Islamic Saving Fund	Managed by AL Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by AL Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by AL Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by AL Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by AL Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by AL Habib Asset Management Limited
17	Central depository Company of Pakistan	Trustee

Connected person includes directors and officers of the above entities as at December 31, 2023 and staff retirement benefit funds of the above companies.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

**17.5 Details of the transactions with connected persons are as follows:**

	<b>Half year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>----- (Unaudited) -----</b>	
	<b>----- (Rupees in '000) -----</b>	
<b>AL Habib Asset Management Limited</b>		
-Management Company's Remuneration	3,690	2,901
-Sindh Sales Tax on Management Company's remuneration	480	377
-Expenses Allocated by the Management Company	60	-
<b>AL Habib Capital Markets (Private) Limited</b>		
-Brokerage expense	297	70
<b>Central Depository Company of Pakistan Limited</b>		
-Remuneration of the trustee	380	290
-Sindh Sales Tax on Trustee's remuneration	49	38
-CDC Charges	3	12
<b>Bank AL Habib Limited - Parent Company of AL Habib Asset Management Limited</b>		
-Profit on bank balance	2,749	552

			December 31, 2023 (Unaudited)	June 30, 2023 (Audited)
			----- (Rupees in '000) -----	
17.6	Details of the balances with connected persons are as follows:			
	<b>Bank AL Habib Limited - Parent of AL Habib Asset Management Limited</b>			
	-Bank balance		47,279	26,595
	-Profit receivable on savings account		1,145	456
	<b>AL Habib Asset Management Limited - Management Company</b>			
	-Payable to Management Company (inclusive of Sindh Sales tax)		994	12
	-Federal Excise Duty on remuneration payable		1,478	1,478
	<b>Central Depository Company of Pakistan Limited - Trustee</b>			
	-Remuneration payable (inclusive of Sindh Sales Tax)		95	55
	-Security deposit - non interest bearing		100	100
		Half year ended December 31, 2023 (Unaudited)	Half year ended December 31, 2022 (Unaudited)	
17.7	Sale / redemption of units during the period	(Units) (Rupees in '000)	(Units) (Rupees in '000)	
	<u>Units issued to:</u>			
	<b>Management Company</b>			
	- AL Habib Asset Management Limited	1,040,895 95,067	552 42	
	<b>Directors &amp; their Relatives of the Management Company</b>	- -	- -	
	<b>Key Executives their Relatives</b>	810,672 77,009	3 -	
	<u>Units redeemed by:</u>			
	<b>Management Company</b>			
	- AL Habib Asset Management Limited	1,059,556 85,462	161,595 12,048	
	<b>Other connected person</b>			
	- Habib Insurance company limited - Employee Provident Fund	- -	16,950 1,261	
	<b>Key Executives their Relatives</b>	592,295 55,771	1,010 79	
		December 31, 2023 (Unaudited)	June 30, 2023 (Audited)	
17.8	Units held as on	(Units) (Rupees in '000)	(Units) (Rupees in '000)	
	<u>Units held by:</u>			
	<b>Management Company</b>			
	- AL Habib Asset Management Limited	276,586 30,496	295,813 22,004	
	<b>Parent of AL Habib Asset Management Limited</b>			
	- Bank AL Habib Limited	100,929 11,128	100,929 7,522	
	<b>Other connected person</b>			
	- Directors & Their Relatives of the Management Company	3,280,736 361,734	3,209,668 239,209	
	- Key Executives their Relatives	135,918 14,986	3,514 262	
	- Habib Insurance company Limited	1,6567 -	- -	

**18. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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.

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

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

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

		Level 1	Level 2	Level 3
	Note	-----	(Rupees in '000)	-----
<b>December 31, 2023 (Unaudited)</b>				
Listed equity securities -	5	471,587	-	-
		<u>471,587</u>	<u>-</u>	<u>-</u>
<b>June 30, 2023 (Audited)</b>				
Listed equity securities -	5	239,431	-	-
		<u>239,431</u>	<u>-</u>	<u>-</u>

**18.1** For level 1 investments at fair value through profit or loss investment in respect of equity securities, Fund uses daily quotation shares which are taken from Pakistan Stock Exchange Limited at reporting date.

**18.2** There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

**19. GENERAL**

**19.1** This condensed interim financial statements is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2023 as reported in this condensed interim financial statements has not been subject to limited scope review by the auditors.

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

**20. DATE OF AUTHORISATION FOR ISSUE**

**20.1** This condensed interim financial statements was authorised for issue by the Board of Directors of the Management Company on January 25, 2024.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**AL HABIB ISLAMIC SAVINGS FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION**

**Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4, Block 9,  
Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AA(f) Fund Stability Rating, Rating by PACRA  
AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited  
Bank Islami Pakistan Limited  
Al Baraka Bank Pakistan Limited  
Allied Bank Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

CDC House, 99-B, Block 'B'  
S.M.C.H.S., Main Shahr-e-Faisal  
Karachi - 74400, Pakistan.  
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**

**AL HABIB ISLAMIC SAVINGS FUND**

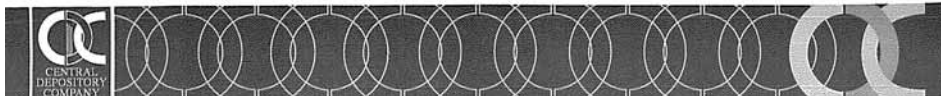
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Savings Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

  
**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 27, 2024





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Karachi-74200  
Pakistan

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

**Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL HABIB ISLAMIC SAVINGS FUND** ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund and a summary of significant accounting policies and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "interim financial information"). Al Habib Asset Management Limited (the "Management Company") is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

**Scope of Review**

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

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

The condensed interim financial statements for the half year ended December 31, 2022 and annual financial statement of the Fund for year ended June 30, 2023 were reviewed and audited by another firm of Chartered Accountants who have expressed an unmodified conclusion and unmodified opinion thereon vide their reports dated September 28, 2023 and February 24, 2023 respectively.

KARACHI

DATED: February 27, 2024

UDIN: RR2023101661X98YqFMm

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Tariq Feroz Khan

**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.

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2023**

		December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
	Note	(Rupees in '000)	
ASSETS			
Bank balances and term deposit receipts	4	10,546,801	3,374,402
Investments	5	7,548,301	988,454
Profit receivable	6	616,808	158,222
Deposit & other receivable		154	242
Preliminary expenses and flotation costs	7	558	593
TOTAL ASSETS		18,712,622	4,521,913
LIABILITIES			
Payable to Al Habib Asset Management Limited - Management Company	8	13,513	4,571
Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee	9	1,171	390
Payable to Securities and Exchange - Commission of Pakistan (SECP)	10	1,043	701
Payable against redemption of units		986	-
Accrued expenses and other liabilities		41,152	108,891
TOTAL LIABILITIES		57,865	114,553
NET ASSETS		18,654,757	4,407,360
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)			
		18,654,757	4,407,360
CONTINGENCIES AND COMMITMENTS			
	11	----- Number of units -----	
Number of units in issue		186,242,916	43,890,230
		----- Rupees -----	
Net assets value per unit		100.16	100.42

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**



**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

		For the half year ended		For the quarter ended		
		December 31,		December 31,		
		2023	2022	2023	2022	
Note		Rupees in '000				
<b>Income</b>						
		341,518	175,555	249,594	78,434	
		3,528	7,615	-	-	
		499,589	57,102	342,497	-	
	Net gain / (loss) on investments classified at fair value through profit or loss					
	- Gain on sale of Sukuk Certificates	56,640	574	55,845	574	
5.1	- Net unrealised gain / (loss) on revaluation of investments	90,027	(6,724)	38,852	(6,724)	
		146,667	(6,150)	94,697	(6,150)	
<b>Total income</b>		991,302	234,122	686,788	72,284	
<b>Expenses</b>						
	Remuneration to the Management Company	8.1	50,040	7,244	36,335	2,253
	Sindh sales tax on Management Company's remuneration	8.2	6,505	942	4,723	293
	Expense allocated by the Management Company		3,730	1,866	1,873	726
	Remuneration of Central Depository Company of Pakistan Limited - Trustee	9.1	3,223	1,219	2,201	690
	Sindh sales tax on trustee remuneration	9.2	419	159	286	90
	Annual fee to Securities and Exchange Commission of Pakistan (SECP)	10	3,221	325	2,201	184
	Brokerage expense		249	13	27	13
	Amortisation of preliminary expenses and flotation costs		35	35	17	17
	Auditors' remuneration		391	298	171	186
	Listing fee		13	13	7	7
	Bank charges		15	14	7	14
	Other expenses		109	66	54	49
			67,950	12,194	47,902	4,522
<b>Net income before taxation</b>			923,352	221,928	638,886	67,762
Taxation	12		-	-	-	-
<b>Net income for the period</b>			923,352	221,928	638,886	67,762
<b>Allocation of net income for the period</b>						
	Net income for the period		923,352	221,928	638,886	67,762
	Income already paid on redemption of units		(515,715)	(17,116)	(472,698)	-
			407,637	204,812	166,188	67,762
	Accounting income available for distribution					
	Relating to capital gains		56,640	574	55,845	574
	Excluding capital gains		350,997	204,238	110,343	67,188
			407,637	204,812	166,188	67,762
<b>Earnings per unit</b>						

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

13

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	<b>For the half year ended December 31,</b>		<b>For the quarter ended December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>----- Rupees in '000 -----</b>			
Net income for the period after taxation	923,352	221,928	638,886	67,762
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>923,352</u>	<u>221,928</u>	<u>638,886</u>	<u>67,762</u>

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

# AL HABIB ISLAMIC SAVINGS FUND

## CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	For the half year ended December 31, 2023			For the half year ended December 31, 2022		
	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total
Rupees in '000						
Net assets at beginning of the period	4,388,960	18,400	4,407,360	3,342,273	-	3,342,273
<b>Issuance of 822,792,761 units (2022: 51,404,642)</b>						
Capital value (at net asset value per unit at the beginning of the period)	82,624,849	-	82,624,849	5,182,102	-	5,182,102
Element of income / (loss)	302,507	-	302,507	(7,568)	-	(7,568)
<b>Total proceeds on issuance of units</b>	<b>82,927,356</b>	<b>-</b>	<b>82,927,356</b>	<b>5,174,534</b>	<b>-</b>	<b>5,174,534</b>
<b>Redemption of 680,440,075 units (2022: 48,033,437 units)</b>						
Capital value (at net asset value per unit at the beginning of the period)	(68,329,792)	-	(68,329,792)	(4,842,251)	-	(4,842,251)
Element of income	284,097	(515,715)	(231,618)	32,401	(17,116)	15,285
<b>Total payments on redemption of units</b>	<b>(68,045,695)</b>	<b>(515,715)</b>	<b>(68,561,410)</b>	<b>(4,809,850)</b>	<b>(17,116)</b>	<b>(4,826,966)</b>
Total comprehensive income for the period	-	923,352	923,352	-	221,928	221,928
Interim cash distribution for the year ended June 30 2024:						
Rs. 11.0618 per unit (2023: Rs 6.1486 per unit)	(609,632)	(432,269)	(1,041,901)	(176,893)	(25,835)	(202,728)
	(609,632)	491,083	(118,549)	(176,893)	196,093	19,200
<b>Net assets at end of the period</b>	<b>18,660,988</b>	<b>(6,232)</b>	<b>18,654,757</b>	<b>3,530,064</b>	<b>178,977</b>	<b>3,709,041</b>
<b>Accumulated loss brought forward</b>						
Realised income		15,255			-	
Unrealised income		3,145			-	
		18,400			-	
<b>Accounting income available for distribution</b>						
Relating to capital gains		56,640			574	
Excluding capital gains		350,997			204,238	
		407,637			204,812	
<b>Distribution for the period:</b>						
Rs. 11.0618 per unit (2023: Rs 6.1486 per unit)		(432,269)			(25,835)	
Undistributed income carried forward		(6,322)			178,977	
<b>Undistributed income carried forward</b>						
Realised income		(96,259)			178,977	
Unrealised income		90,027			-	
		(6,322)			178,977	
		(Rupees)			(Rupees)	
Net assets value per unit at beginning of the period		100.42			100.8100	
Net assets value per unit at end of the period		100.16			-	

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

**For AL Habib Asset Management Limited  
(Management Company)**

Chief Executive Officer

Chief Financial Officer

Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	<b>For the half year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
<b>Note</b>	<b>----- Rupees in '000 -----</b>	
Net income for the period before taxation	923,352	221,928
<b>Adjustments for:</b>		
Unrealised (appreciation) / diminution re-measurement of investments classified as 'fair value through profit or loss' - net	(90,027)	6,724
Amortisation of preliminary expenses and flotation costs	35	35
	833,360	228,687
<b>(Increase) in assets</b>		
Investments - net	(6,469,820)	(2,502,936)
Profit receivable	(458,586)	(57,201)
Deposit & other receivable	88	(14)
	(6,928,318)	(2,560,151)
<b>(Decrease) / increase in liabilities</b>		
Payable to the Management Company	8,942	(777)
Payable to the Trustee	781	111
Payable to Securities and Exchange Commission of Pakistan	342	174
Payable against Redemption of units	986	-
Accrued expenses and other liabilities	(67,739)	12,311
	(56,688)	11,819
Net cash used in operating activities	(6,151,646)	(2,319,645)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of units	82,927,356	5,174,534
Payments against redemption of units	(68,561,410)	(4,826,966)
Dividend paid during the period	(1,041,901)	(202,728)
Net cash used in financing activities	13,324,045	144,840
Net decrease in cash and cash equivalents during the period	7,172,399	(2,174,805)
Cash and cash equivalents at the beginning of the period	3,374,402	3,311,222
Cash and cash equivalents at the end of the period	4 10,546,801	1,136,417

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Al Habib Islamic Savings Fund ('the Fund') was established under a Trust Deed executed between AL Habib 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/AHISF/161/2021 dated November 29, 2021 and the Trust Deed was executed on September 27, 2021.

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 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd Floor MacKinnon's Building, I.I Chundrigar Road Karachi, Pakistan.

The Fund is an open-ended shariah compliant income fund and is listed on Pakistan Stock Exchange Limited. The units of the Fund were initially offered for public subscription at the initial price of Rs. 100 per unit which was only for one day that began at the start of the banking hours and end at the close of the banking hours on December 20, 2021. Thereafter, the units are offered to the public for subscription on a continuous basis and are transferable and redeemable by surrendering them to the Fund at the option of the unit holder.

The Fund has been categorized as an open ended shariah compliant income scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CISs).

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

PACRA Credit Rating Company has assigned a management quality rating of 'AM2+' (Stable Outlook) to the Management Company and assigned stability rating of AA(f) to the Fund as at August 12, 2023 and September 1, 2023, respectively.

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

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

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017, 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** The disclosures made in this condensed interim financial information have; however, been limited based on the requirements of International Accounting Standard - 34 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2023.
- 2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2023, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the six months period ended December 31, 2022.
- 2.1.4** This condensed interim financial information is unaudited but 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, 2023 have not been reviewed.
- 2.1.5** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## **2.2 Basis of measurement**

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

## **2.3 Functional and presentation currency**

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

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

- 3.1** The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2023.
- 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, 2023.
- 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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

**3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2023.

**3.6 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

		<b>December 31, 2023 (Un-Audited)</b>	<b>June 30, 2023 (Audited)</b>
<b>4</b>	<b>BANK BALANCES</b>	<b>Note</b>	<b>----- Rupees in '000' -----</b>
	In saving accounts	4.1	10,546,801
	Term deposit	4.1	-
			<u>10,546,801</u>
			<u>3,374,402</u>

**4.1** This represents bank accounts held with various banks. Profit rates on these accounts ranging between 19.5% to 21.10% (June 30, 2023: 18% to 20.50%) per annum. This includes an amount held by a related party (Bank Al- Habib Limited) amounting to Rs. 3,357.53 billion (June 30, 2023: Rs. 1,864.40 billion) on which return is earned at the range between 20.5% to 21% (June 30, 2023: 20.5% per annum).

		<b>December 31, 2023 (Un-Audited)</b>	<b>June 30, 2023 (Audited)</b>
<b>5</b>	<b>INVESTMENTS</b>	<b>Note</b>	<b>----- Rupees in '000' -----</b>
	At fair value through profit or loss:		
	Sukuk certificates (Sukuks)	5.1	<u>7,548,301</u>
			<u>988,454</u>

**5.1 Sukuk certificates**

Name of Investee Funds	Total units as at July 1, 2023	Purchases made during the period	Sales made during the period	Total units as at December 31, 2023	Total carrying value as at December 31, 2023	Total market value as at December 31, 2023	Unrealised appreciation / (diminution) on re-measurement of investment as at December 31, 2023	Market value as a percentage of net assets	Market value as a percentage of total value of Investment
	----- Number of units -----				----- Rupees in '000 -----				
GOPIARA SUKUK - 1 YEAR VRR (17-04-2023)	2,130	19,500	20,045	1,585	158,650	159,435	785	0.85%	2.11%
GOPIARA SUKUK - 1 YEAR VRR (22-05-2023)	5,000	-	4,000	1,000	93,690	100,730	7,040	0.54%	1.33%
GOPIARA SUKUK - VRR (26-10-2022)	-	22,050	920	21,130	2,089,287	2,150,611	61,324	11.53%	28.49%
GOPIARA SUKUK 1 YEAR FRR (07-08-2023)	-	3,750	750	3,000	300,019	300,060	41	1.61%	3.98%
GOPIARA SUKUK 1 YEAR FRR (09-10-2023)	-	3,000	-	3,000	303,116	304,890	1,774	1.63%	4.04%
GOPIARA SUKUK 1 YEAR FRR (26-06-2023)	1,500	1,500	1,500	1,500	150,070	151,215	1,145	0.81%	2.00%
GOPIARA SUKUK 1 YEAR VRR (07-08-2023)	-	38,430	12,000	26,430	2,664,748	2,679,209	14,461	14.36%	35.49%
GOPIARA SUKUK 1 YEAR VRR (20-09-2023)	-	6,250	-	6,250	624,998	625,000	2	3.35%	8.28%
GOPIARA SUKUK 1 YEAR VRR (26-06-2023)	1,250	2,500	-	3,750	375,196	377,813	2,617	2.03%	5.01%
GOPIARA SUKUK 3 YEAR VRR (04-12-2023)	-	7,000	15	6,985	698,500	699,338	838	3.75%	9.26%
As at December 31, 2023 (Un-Audited)	9,880	103,980	39,230	74,630	7,458,273	7,548,301	90,027		
As at June 30, 2023 (Audited)					985,309	988,454	3,145		

	<b>December 31, 2023 (Un-Audited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>----- Rupees in '000' -----</b>	
<b>6 PROFIT RECEIVABLE</b>		
Savings accounts	172,718	57,789
Term deposit	-	7,791
Profit accrued on sukuk certificates	444,090	92,642
	<b>616,808</b>	<b>158,222</b>
<b>7 PRELIMINARY EXPENSES AND FLOTATION COSTS</b>		
Opening balance	593	663
Less: Amortised during the year / period	(35)	(70)
Closing balance	558	593

- 7.1 Preliminary expenses and flotation costs represent expenditure incurred prior to the commencement of operation of the fund and are being amortized over the period of 10 years, as per the requirements set out in the trust deed of the Fund and NBFC Rules.

**8 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY**

- 8.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated June 20, 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

- 8.2 Sindh sales tax has been charged at 13% on the Management Company's remuneration charged during the period.

**9 PAYABLE TO THE TRUSTEE**

- 9.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration of the Trustee is fixed at 0.075% per annum of net assets.

- 9.2 Sindh sales tax has been charged at 13% on the Trustee's remuneration charged during the period.

**10 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

- 10.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.095% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

**11 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: None).

**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 capital gains, whether realised or unrealized, 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 the capital gains, whether realised or unrealized, for the period ending December 31, 2023, to its unit holders.



**13 EARNINGS PER UNIT**

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

**14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Connected persons / related parties include:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank Al Habib Limited	Parent Company of Al Habib Asset Management Limited
3	Al Habib Capital Markets (Private) Ltd.	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Al Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by Al Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by Al Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by Al Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by Al Habib Asset Management Limited
9	AL Habib Money Market Fund	Managed by Al Habib Asset Management Limited
10	AL Habib Islamic CashFund	Managed by Al Habib Asset Management Limited
11	AL Habib Income Fund	Managed by Al Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by Al Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by Al Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by Al Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by Al Habib Asset Management Limited
16	AL Habib Government Securities Fund	Managed by Al Habib Asset Management Limited
17	Central depository Company	Trustee

Related parties includes directors and officers of the above entities as at 31 December 2023 and staff retirement benefit funds of the above companies.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

Details of the transactions with connected persons are as follows:

	<b>For the half year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>----- Rupees in '000 -----</b>	
<b>14.1 Transactions during the half year / period</b>		
<b>AL Habib Asset Management Limited Management Company</b>		
Remuneration of the Management Company	50,040	7,244
Sindh sales tax on remuneration of the Management Company	6,505	942
Allocation of expenses / (reversal) related to registrar services, accounting, operation and valuation services	3,730	1,866
Issuance of 3,215 (2022: Nil) units	334	-
Redemption of 3,215 (2022: Nil) units	323	-
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
Remuneration of the Trustee	3,223	1,219
Sindh sales tax on remuneration of the Trustee	419	159
<b>Bank Al Habib Limited</b>		
Bank charges	15	-
Mark-up on bank deposits	92,481	58,353
Dividend Paid	445,862	6,166
<b>Directors and their relatives of the Management Company</b>		
Issuance of 4,688,118 (2022: 1,077,750) units	473,759	108,612
Redemption 4,687,013 (2022: 720,031) units	473,025	72,478

		For the half year ended December 31,	
		2023	2022
		----- Rupees in '000 -----	
<b>14.1 Transactions during the half year / period</b>			
<b>Key Management Executives</b>			
Issuance of 319,644 (2022: 80,502) units		32,275	8,129
Redemption of 292,073 (2022: 60,193) units		29,448	6,072
<b>Connected Party holding 10% or more of the units in issue:</b>			
Issue of 57,022,817 (2022: 1,309,655 ) units		5,719,801	130,966
Redemption of 46,142 (2022: 910,508) units		4,628	91,113
		<b>December 31,</b>	<b>June 30,</b>
		<b>2023</b>	<b>2023</b>
		<b>Un-Audited</b>	<b>Audited</b>
		----- Rupees in '000 -----	
<b>14.2 Balances outstanding as at period / year end</b>			
<b>AL Habib Asset Management Limited Management Company</b>			
Remuneration payable to the Management Company		6,777	2,364
Sindh sales tax payable on remuneration of the Management Company		910	336
Allocation of expenses related to registrar services, accounting, operation and valuation services		5,171	1,499
Formation cost payable to AMC		655	372
<b>Bank Al Habib Limited</b>			
Bank balance		3,357,247	1,424,568
Profit receivable		55,106	2,189
Held of 1,000,000 (2023: 960,246) units		100,160	103,411
<b>Central Depository Company of Pakistan Limited - Trustee</b>			
Trustee fee payable		1,036	345
Sindh sales tax payable on remuneration of the Trustee		135	45
Security deposit - Non interest bearing		100	100
<b>Directors and their relatives of the Management Company</b>			
Held of 410,453 (2023: 412,604) units		41,111	41,660
<b>Key Management Executives</b>			
Units held: 47,246 (June 30, 2023: 26,575)		4,732	2,686
<b>Connected Party holding 10% or more of the units in issue:</b>			
Held of 77,092,420 (2023: 20,043,582) units		7,721,577	2,012,732

## 15 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets 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 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.

December 31, 2023 (Un-Audited)								
Particulars	Note	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	15.1							
Investments		7,548,301	-	7,548,301	-	7,548,301	-	7,548,301
		7,548,301	-	7,548,301	-	7,548,301	-	7,548,301
Financial assets not measured at fair value	15.2							
Bank balances		-	10,546,801	10,546,801				
Profit receivable		-	616,808	616,808				
Deposit & other receivable		-	154	154				
Preliminary expenses and flotation costs		-	558	558				
		-	11,164,321	11,164,321				
Financial liabilities not measured at fair value	15.2							
Payable to the Management Company		-	13,513	13,513				
Payable to the Trustee		-	1,171	1,171				
Payable to Securities and Exchange Commission of Pakistan		-	1,043	1,043				
Accrued expenses and other liabilities		-	4565	4,565				
		-	20,292	20,292				
June 30, 2023 (Audited)								
Particulars	Note	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	15.1							
Investments		988,454	-	988,454	-	988,454	-	988,454
		988,454	-	988,454	-	988,454	-	988,454
Financial assets not measured at fair value	15.2							
Bank balances		-	3,374,402	3,374,402				
		-	3,374,402	3,374,402				
Financial liabilities not measured at fair value	15.2							
Payable to the Management Company		-	4,571	4,571				
Payable to the Trustee		-	390	390				
Payable to Securities and Exchange Commission of Pakistan		-	701	701				
Accrued expenses and other liabilities		-	97,553	97,553				
		-	103,215	103,215				

### 15.1 Valuation techniques

For level 2 investments at fair value through profit or loss - investment in GoP Ijarah Sukuks, Fund uses rates which are derived from PKISRV rates at reporting date per certificate multiplied by the number of certificates held as at period end and for the investment in respect of GoP Ijarah Sukuks, Fund uses the rates prescribed by MUFAP.

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

**15.3 Transfers during the year**

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

**16 TOTAL EXPENSE RATIO**

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the half year ended December 31, 2023 is 1.58% (December 31, 2022: 0.75%) which includes 0.24% (December 31, 2022: 0.66%) representing Government levy and SECP fee.

**17 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorized for issue on **January 25, 2024**, by the Board of Directors of the Management Company.

**18 GENERAL**

- 18.1** Figures have been rounded off to the nearest thousand rupees, unless otherwise stated.
- 18.2** Corresponding figures have been arranged and reclassified, wherever necessary, for better presentation and disclosure, the effect of which is not material.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**AL HABIB FIXED RETURN FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION****Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4,  
Block 9, Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited  
Allied Bank Limited  
Habib Bank Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**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](http://www.cdcPakistan.com)  
Email: [info@cdcpak.com](mailto:info@cdcpak.com)



**TRUSTEE REPORT TO THE UNIT HOLDERS**

**AL HABIB FIXED RETURN FUND**

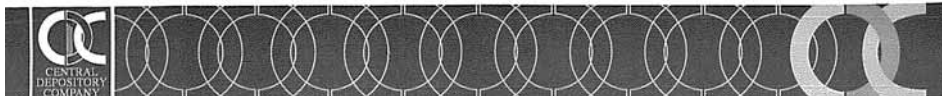
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Fixed Return Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 27, 2024





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Sarwar Shaheed Road  
Karachi-74200  
Pakistan

## **INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE UNIT HOLDERS OF AL HABIB FIXED RETURN FUND**

### **Introduction**

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL HABIB FIXED RETURN FUND** ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund and a summary of significant accounting policies and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "interim financial information"). Al Habib Asset Management Limited (the "Management Company") is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### **Scope of Review**

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

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### **Other matter**

The figures for the quarter ended December 31, 2023 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

**KARACHI**

**DATED: February 27, 2024**

**UDIN: RR2023101668a2Zjs3xD**

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Tariq Feroz Khan

**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.



## AL HABIB FIXED RETURN FUND

### CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2023

		December 31, 2023 (Un-Audited)								
		Plan 03	Plan 04	Plan 05	Plan 06	Plan 07	Plan 08	Plan 09	Total	
Note		Rupees in '000								
ASSETS										
	Bank balances	5	1,712	4,099	817,763	273	2,990	78	1,100	828,015
	Investments	6	-	-	-	1,230,023	-	260,611	1,337,954	2,828,588
	Profit / markup receivable	7	1,281	1,018	8,642	773	436	17,201	1,148	30,499
TOTAL ASSETS			2,993	5,117	826,405	1,231,09	3,426	277,890	1,340,202	3,687,102
LIABILITIES										
	Payable to Al Habib Asset Management Limited - Management Company	8	2,465	1,787	1,468	6,196	158	197	928	13,199
	Payable to Central Depository Company Limited - Trustee	9	165	90	43	120	6	9	41	474
	Payable to Securities and Exchange - Commission of Pakistan (SECP)	10	58	9	52	75	7	17	59	277
	Payable against redemption of units		-	-	-	-	46	-	-	46
	Accrued expenses and other liabilities	11	305	3,231	147	26	3,209	919	77	7,914
TOTAL LIABILITIES			2,993	5,117	1,710	6,417	3,426	1,142	1,105	21,910
NET ASSETS			-	-	824,695	1,224,652	-	276,748	1,339,097	3,665,192
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)			-	-	824,695	1,224,652	-	276,748	1,339,097	3,665,192
CONTINGENCIES AND COMMITMENTS		12	Number of units							
Number of units in issue			-	-	7,447,340	11,084,277	-	2,493,923	13,257,835	
Net assets value per unit			-	-	110.74	110.49	-	110.97	101.00	

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2023**

		June 30, 2023 (Audited)							
		Plan 03	Plan 04	Plan 05	Plan 06	Plan 07	Plan 08	Plan 09	Total
Note		Rupees in '000							
ASSETS									
Bank balances	5	1,112	912	743	875	-	-	-	3,642
Investments	6	1,054,833	667,942	744,126	1,106,239	-	-	-	3,573,140
Profit / markup receivable	7	774	573	180	2,266	-	-	-	3,793
TOTAL ASSETS		1,056,719	669,427	745,049	1,109,380	-	-	-	3,580,575
LIABILITIES									
Payable to Al Habib Asset Management Limited - Management Company	8	2,411	509	-	-	-	-	-	2,920
Payable to Central Depository Company Limited - Trustee	9	105	1	15	19	-	-	-	140
Payable to Securities and Exchange - Commission of Pakistan (SECP)	10	28	-	5	6	-	-	-	39
Payable against redemption of units		-	-	-	-	-	-	-	-
Accrued expenses and other liabilities	11	3,507	445	295	-	-	-	-	4,247
TOTAL LIABILITIES		6,051	955	315	25	-	-	-	7,346
NET ASSETS		1,050,668	668,472	744,734	1,109,355	-	-	-	3,573,229
UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)		1,050,668	668,472	744,734	1,109,355	-	-	-	3,573,229
CONTINGENCIES AND COMMITMENTS	12	Number of units							
Number of units in issue		10,487,748	6,684,717	7,447,340	11,084,277	-	-	-	35,704,082
Rupees									
Net assets value per unit		100.18	100.00	100.00	100.08	-	-	-	

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR DECEMBER 31, 2023**

		For the half year ended December 31, 2023							
		Plan 03	Plan 04	Plan 05	Plan 06	Plan 07	Plan 08	Plan 09	Total
Note		Rupees in '000							
<b>Income</b>									
	Capital gain on sale of investments - net	365	486	2,749	-	-	5,687	1	9,288
	Income from government securities	7,443	30,899	74,625	123,427	36,791	19,134	14,975	307,294
	Mark-up on bank deposits	508	1,430	8,635	144	709	209	1,148	12,783
		8,316	32,815	86,009	123,571	37,500	25,030	16,124	329,365
	Unrealised appreciation/(diminution) on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	6.1	-	-	357	-	5,089	(4,103)	1,343
		8,316	32,815	86,009	123,928	37,500	30,119	12,021	330,708
<b>Expenses</b>									
	Remuneration of the Management Company	50	1,390	4,423	6,199	1,489	1,725	788	16,064
	Sindh Sales Tax on remuneration of the Management Company	6	181	575	806	194	224	102	2,088
	Remuneration of the Trustee	53	89	217	378	92	49	38	916
	Sindh Sales Tax on remuneration of the Trustee	7	12	28	49	12	6	3	117
	Marketing and selling expense			205	198	-	142		545
	Annual fee to the Securities and Exchange Commission of Pakistan	57	93	296	439	126	73	59	1,143
	Allocation of expenses related to registrar services, accounting, operation and valuation services	-	47	226	547	218	106	38	1,182
	Brokerage expense	-	-	-	-	-	-	-	-
	Auditors' remuneration	-	-	65	10	-	32	32	139
	Fees and subscription	-	-	-	-	-	-	-	-
	Bank charges	-	13	6	6	5	6	4	40
	Printing charges	-	-	7	-	-	8	-	15
		173	1,825	6,048	8,632	2,136	2,371	1,064	22,249
	<b>Net income for the period before taxation</b>	8,143	30,990	79,961	115,296	35,364	27,748	10,957	308,459
	Taxation	13	-	-	-	-	-	-	-
	<b>Net income</b>	8,143	30,990	79,961	115,296	35,364	27,748	10,957	308,459
<b>Allocation of net income for the period</b>									
	Net income for the period after taxation	8,143	30,990	79,961	115,296	35,364	27,748	10,957	308,459
	Income already paid on redemption of units		(32,875)	-					(32,875)
		8,143	(1,885)	79,961	115,296	35,364	27,748	10,957	275,584
<b>Accounting income available for distribution</b>									
	Relating to capital gains	-	-	-	357	-	5,089	(4,103)	1,343
	Excluding capital gains	8,143	(1,885)	79,961	114,939	35,364	22,659	15,060	274,241
		8,143	(1,885)	79,961	115,296	35,364	27,748	10,957	275,584

Earnings per unit

14

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

13

Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2023**

		For the quarter ended September 30, 2023						
		Plan 03	Plan 04	Plan 05	Plan 06	Plan 07	Plan 08	Total
Note		Rupees in '000						
<b>Income</b>								
	Capital gain on sale of investments - net	-	486	-	-	-	857	1,343
	Income from government securities	7,443	30,899	41,359	61,643	34,932	6,253	182,529
	Mark-up on bank deposits	508	1,430	36	117	334	269	2,694
		7,951	32,815	41,395	61,760	35,266	7,379	186,566
	Unrealised appreciation/(diminution) on re-measurement of investments classified as 'fair value through profit or loss' - net	6.1	61	-	505	(6,210)	(1)	(5,645)
		8,012	32,815	41,900	55,550	35,265	7,379	180,921
<b>Expenses</b>								
	Remuneration of the Management Company	50	1,390	2,179	2,919	1,489	709	8,736
	Sindh Sales Tax on remuneration of the Management Company	6	181	283	380	194	92	1,136
	Remuneration of the Trustee	53	89	106	212	67	12	539
	Sindh Sales Tax on remuneration of the Trustee	7	12	14	28	9	2	72
	Marketing and selling expense	-	-	130	198	-	120	448
	Annual fee to the Securities and Exchange Commission of Pakistan	57	93	144	214	111	23	642
	Allocation of expenses / (reversal) related to registrar services, accounting, operation and valuation services	38	50	151	547	428	80	1,294
	Brokerage expense	-	-	-	-	1	3	4
	Auditors' remuneration	-	-	13	-	-	-	13
	Fees and subscription	-	-	-	-	-	-	-
	Bank charges	-	13	5	5	5	5	33
	Printing charges	-	-	-	-	-	-	-
		211	1,828	3,025	4,503	2,304	1,046	12,917
	<b>Net income/ (loss) for the period before taxation</b>	7,801	30,987	38,875	51,047	32,961	6,333	168,004
	Taxation	12	-	-	-	-	-	-
	<b>Net income/(loss) for the period after taxation</b>	7,801	30,987	38,875	51,047	32,961	6,333	168,004
<b>Allocation of net income for the period</b>								
	Net income/(loss) for the period after taxation	7,801	30,987	38,875	51,047	32,961	6,333	168,004
	Income already paid on redemption of units	-	(32,875)	-	-	-	-	(32,875)
		7,801	(1,888)	38,875	51,047	32,961	6,333	135,129
<b>Accounting income available for distribution</b>								
	Relating to capital gains	61	-	505	-	(1)	-	565
	Excluding capital gains	7,740	(1,888)	38,370	51,047	32,962	6,333	134,564
		-	-	-	-	-	-	-
		7,801	(1,888)	38,875	51,047	32,961	6,333	135,129
<b>Earnings per unit</b>								
13								
The annexed notes from 1 to 19 form an integral part of this condensed interim financial information.								

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023							
	Plan 03	Plan 04	Plan 05	Plan 06	Plan 07	Plan 08	Plan 09	Total
	Rupees in '000							
Net income for the period after taxation	8,143	30,990	79,961	115,296	35,364	27,748	10,957	308,459
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	8,143	30,990	79,961	115,296	35,364	27,748	10,957	308,459

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

	For the quarter ended December 31, 2023							
	Plan 03	Plan 04	Plan 05	Plan 06	Plan 07	Plan 08	Plan 09	Total
	Rupees in '000							
Net income for the period after taxation	342	3	41,086	64,249	2,402	21,412	10,957	140,451
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	342	3	41,086	64,249	2,402	21,412	10,957	140,451

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**For AL Habib Asset Management Limited  
(Management Company)**

**Chief Executive Officer**

**Chief Financial Officer**

**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

For the half year ended December 31, 2023							
Plan 03	Plan 04	Plan 05	Plan 06	Plan 07	Plan 08	Plan 09	Total
Rupees in '000							
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>							
Net income for the period before taxation	8,143	30,990	79,961	115,296	35,364	27,748	308,459
Adjustments for:							
Mark-up on bank deposits	(508)	(1,430)	(8,635)	(144)	(709)	(209)	(12,783)
Unrealised (appreciation) / diminution re-measurement of investments classified as 'fair value through profit or loss' - net	-	-	-	(357)	-	(5,089)	4,103
	7,635	29,560	71,326	114,795	34,655	22,450	294,333
<b>Decrease in assets</b>							
Investments - net	1,054,833	667,942	744,126	(123,426)	-	(255,522)	745,896
Profit / markup receivable	(507)	(445)	(8,462)	1,493	(436)	(17,201)	(26,706)
	1,054,326	667,497	735,664	(121,933)	(436)	(272,723)	719,190
<b>Increase in liabilities</b>							
Payable to the Al Habib Asset Management Limited (Management Company)	54	1,278	1,468	6,196	158	197	928
Payable to Central Depository Company (CDC) - Trustee	60	89	28	101	6	9	334
Payable to Securities and Exchange Commission of Pakistan (SECP)	30	9	47	69	7	17	238
Payable against redemption of units	-	-	-	-	46	-	46
Accrued expenses and other liabilities	(3,202)	2,786	(148)	26	3,209	919	77
	(3,058)	4,162	1,395	6,392	3,426	1,142	14,564
Cash generated from / (used in) operations	1,058,903	701,219	808,385	(746)	37,645	(249,131)	1,028,087
Mark-up received on bank deposits	508	1,430	8,635	144	709	209	12,783
Net cash generated from / (used in) operating activities	1,059,411	702,649	817,020	(602)	38,354	(248,922)	1,040,870
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>							
Receipts from issue of units	256	2,398	-	-	741,597	1,328,140	2,321,391
Payment against redemption of units	(1,058,753)	(699,038)	-	-	(774,305)	-	(2,532,096)
Dividend paid	(314)	(2,822)	-	-	(2,856)	-	(5,792)
Net cash (used in) / generated from financing activities	(1,058,811)	(699,462)	-	-	(35,364)	1,328,140	(216,497)
Net increase / (decrease) in cash and cash equivalents during the period	600	3,187	817,020	(602)	2,990	78	824,373
Cash and cash equivalents at the beginning of the period	1,112	912	743	875	-	-	3,642
Cash and cash equivalents at the end of the period	5	4,099	817,763	273	2,990	78	828,015

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

**Chief Executive Officer**

**Chief Financial Officer**

**Director**



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1 LEGAL STATUS AND NATURE OF BUSINESS**

Al Habib Fixed Return Fund (the Fund) was established under a Trust Deed executed between Al Habib 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/AHFRF/2022/142/MF-NE-95 dated December 05, 2022 and the Trust Deed was executed on November 17, 2022.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.

The Fund is an open-end fixed return Collective Investment Scheme (CIS) as per SECP's Circular No.3 of 2022 dated February 10, 2022 with Allocation Plans. The Allocation Plans under the Fund may have different investment avenues and different maturity dates. The Allocation Plans under the Fund may have a set timeframe or perpetual.

The Fund has been categorised as a Fixed Return scheme as per the criteria laid down by the SECP for categorisation of open-end Collective Investment Schemes (CISs).

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.

The Fund has launched three different plans; namely, Al Habib Fixed Return Fund - Plan 7, Al Habib Fixed Return Fund - Plan 8, Al Habib Fixed Return Fund - Plan 9. The units of these plans were initially offered to public from July 13, 2023 till July 25, 2023, August 08, 2023 till August 24, 2023, December 05, 2023 till December 12, 2023, respectively.

Al Habib Fixed Return Fund - Plan 3, Al Habib Fixed Return Fund - Plan 4 and Al Habib Fixed Return Fund - Plan 7 have been matured as on July 14, 2023, September 22, 2023 and October 06, 2023 respectively.

PACRA Credit Rating Agency has assigned a management quality rating of 'AM2+' (Stable outlook) to the Management Company while the fund is currently not rated.

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

- International Accounting Standard (IAS-34), Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
- Provisions of and directives issued under the Companies Act, 2017; and

- Non- Banking Finance Companies (establishment and Regulation) Rules, 2003 (the NBFC Rules), Non-Banking Finance Companies and Notified Entities Regulations, 208 (the NBFC Regulations), directives issued by the SECP and requirements of the Trust Deed.

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017, 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 The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.
- 2.1.3 The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2023.
- 2.1.4 This condensed interim financial information is unaudited, but has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2023 have not been reviewed.
- 2.1.5 In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## **2.2 Basis of measurement**

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

## **2.3 Functional and presentation currency**

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

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

- 3.1 The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2023.
- 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, 2023.
- 3.4 There are certain standards, interpretations and amendments to approved 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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2023.

#### 4 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

		December 31, 2023 (Un-Audited)								
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9	Total	
5	BANK BALANCES	Note	----- Rupees in '000 -----							
	Saving accounts	5.1	1,712	4,099	817,763	273	2,990	78	1,100	828,015

		June 30, 2023 (Audited)				
		Plan 3	Plan 4	Plan 5	Plan 6	Total
Note		Rupees in '000				
Saving accounts	5.1	1,112	912	743	875	3,642

- 5.1 These carries mark-up at the rates 21% (June 30, 2023: 18% to 20%) per annum for all plans. These represents balance held as at December 31, 2023 with Bank-Al Habib Limited, a related party.

			December 31, 2023 (Un-Audited)							
			Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9	Total
6	INVESTMENTS	Note	----- Rupees in '000 -----							
	Financial assets classified at fair value through profit or loss									
	Marketable Treasury Bills (T- Bills)	6.1	-	-	-	1,230,023	-	-	1,337,954	2,567,977
	Pakistan Investment Bonds PIB's	6.1	-	-	-	-	-	260,611	-	260,611
			-	-	-	1,230,023	-	260,611	1,337,954	2,828,588

		June 30, 2023 (Audited)					
		Plan 3	Plan 4	Plan 5	Plan 6	Total	
Note		Rupees in '000					
	Financial assets classified at fair value through profit or loss						
	Marketable Treasury Bills (T- Bills)	6.1	1,054,833	667,942	744,126	1,106,239	3,573,140
	Pakistan Investment Bonds PIB's	6.1	-	-	-	-	-
			1,054,833	667,942	744,126	1,106,239	3,573,140

## 6.1 Market Treasury Bills (T-Bills) and Pakistan Investment Bonds (PIB's)

Name of Investee Instruments	Total units as at July 1, 2023	Purchases made during the period	Sales made during the period	Total units as at December 31, 2023	Total carrying value as at December 31, 2023	Total market value as at December 31, 2023	Unrealised appreciation / (diminution) on re-measurement of investment as at December 31, 2023	Market value as a percentage of net assets	Market value as a percentage of total value of Investment
	----- Number of units -----				----- Rupees in '000 -----			----- Percentage -----	
<b>BAH FRF PLAN 3</b>									
T- BILL 12 MONTHS (15-06-2023)	10,626,400	-	10,626,400	-	-	-	-	-	-
As at December 31, 2023 (Un-Audited)	10,626,400	-	10,626,400	-	-	-	-	-	-
As at June 30, 2023 (Audited)	-	-	1,410,000	10,626,400	1055196	1,054,833	(363)	100%	100%
<b>BAH FRF PLAN 4</b>									
T- BILL 12 MONTHS (15-06-2023)	6,960,000	-	6,960,000	-	-	-	-	-	-
As at December 31, 2023 (Un-Audited)	6,960,000	-	6,960,000	-	-	-	-	-	-
As at June 30, 2023 (Audited)	-	-	-	6,960,000	668,446	667,942	(503)	100%	100%
<b>BAH FRF PLAN 5</b>									
T- BILL 12 MONTHS (15-06-2023)	8,215,000	-	8,215,000	-	-	-	-	-	-
As at December 31, 2023 (Un-Audited)	8,215,000	-	8,215,000	-	-	-	-	-	-
As at June 30, 2023 (Audited)	8,215,000	-	8,215,000	-	746,875	744,126	(2,749)	100%	100%
<b>BAH FRF PLAN 6</b>									
T- BILL 12 MONTHS (15-06-2023)	8,518,000	-	-	8,518,000	776,901	777,210	309	63%	63%
T- BILL 12 MONTHS (22-06-2023)	5,000,000	-	-	5,000,000	452,765	452,813	48	37%	37%
As at December 31, 2023 (Un-Audited)	13,518,000	-	-	13,518,000	1,229,666	1,230,023	357	100%	100%
As at June 30, 2023 (Audited)	-	-	-	13,518,000	1,115,174	1,106,239	(8,795)	100%	100%
<b>BAH FRF PLAN 7</b>									
T- BILL 12 MONTHS (15-06-2023)	-	7,750,000	7,750,000	-	-	-	-	-	0%
As at December 31, 2023 (Un-Audited)	-	7,750,000	7,750,000	-	-	-	-	-	-
As at June 30, 2023 (Audited)	-	-	-	-	-	-	-	-	-
<b>BAH FRF PLAN 8</b>									
PIB 03 YEARS (04-07-2023) - FIXED	-	2,910	-	2,910	255,523	260,611	5,089	94%	100%
As at December 31, 2023 (Un-Audited)	-	2,910	-	2,910	255,523	260,611	5,089	100%	100%
As at June 30, 2023 (Audited)	-	-	-	-	-	-	-	0.00%	0.00%
<b>BAH FRF PLAN 9</b>									
T- BILL 12 MONTHS (15-06-2023)	-	16,160,000	185,000	15,975,000	1,342,057	1,337,954	(4,103)	100%	100%
As at December 31, 2023 (Un-Audited)	-	16,160,000	185,000	15,975,000	1,342,057	1,337,954	(4,103)	100%	100%
As at June 30, 2023 (Audited)	-	-	-	-	-	-	-	0.00%	0.00%
<b>Total as at December 31, 2023 (Un-Audited)</b>	39,319,400	23,912,910	33,736,400	29,495,910	2,827,246	2,828,588	1,343	300%	300%
<b>Total as at June 30, 2023</b>	-	74,044,400	34,725,000	39,319,400	3,585,691	3,573,140	(12,410)	400%	400%

## December 31, 2023 (Un-Audited)

## 7 PROFIT/MARK-UP RECEIVABLE

## Profit/mark-up receivable on

Government securities

Saving deposits

Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
----- Rupees in '000 -----						
-	-	-	-	-	17,175	-
1,281	1,018	8,642	773	436	26	1,148
1,281	1,018	8,642	773	436	17,201	1,148

## June 30, 2023 (Audited)

## Profit/mark-up receivable on

Government securities

Saving deposits

Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
----- Rupees in '000 -----						
-	-	-	-	-	-	-
774	573	180	2,266	-	-	-
774	573	180	2,266	-	-	-

## AL HABIB FIXED RETURN FUND

		December 31, 2023 (Un-Audited)						
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
8	<b>PAYABLE TO THE MANAGEMENT COMPANY</b>	----- Rupees in '000 -----						
	Remuneration of management company	2,143	1,387	1,051	4,824	140	132	758
	Sindh Sales Tax payable on Management company's remuneration	284	181	137	627	18	17	132
	Allocation of expenses relating to registrar services, accounting, operation and valuation services	38	219	280	745	-	48	38
		2,465	1,787	1,468	6,196	158	197	928

		June 30, 2023 (Audited)						
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
		----- Rupees in '000 -----						
	Remuneration of management company	2,132	300	-	-	-	-	-
	Sindh Sales Tax payable on Management company's remuneration	279	40	-	-	-	-	-
	Allocation of expenses relating to registrar services, accounting, operation and valuation services	-	169	-	-	-	-	-
		2,411	509	-	-	-	-	-

**8.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

**8.2** Sindh sales tax has been charged at 13% on the Management Company's remuneration charged during the period.

		December 31, 2023 (Un-Audited)						
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
9	<b>PAYABLE TO CENTRAL DEPOSITORY COMPANY CDC-TRUSTEE</b>	----- Rupees in '000 -----						
	Trustee remuneration	146	80	38	106	5	8	38
	Sindh sales tax payable on trustee remuneration	19	10	5	14	1	1	3
		165	90	43	120	6	9	41

		June 30, 2023 (Audited)						
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
		----- Rupees in '000 -----						
	Trustee remuneration	93	1	14	17	-	-	-
	Sindh sales tax payable on trustee remuneration	12	-	2	2	-	-	-
		105	1	16	19	-	-	-

9.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration of the Trustee is fixed at 0.055% per annum of net assets.

9.2 Sindh sales tax has been charged at 13% on the Trustee's remuneration charged during the period.

		December 31, 2023 (Un-Audited)						
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
		Rupees in '000						
10	PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)							
	Annual fee	58	9	52	75	7	17	59
		58	9	52	75	7	17	59

		June 30, 2023 (Audited)						
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
		Rupees in '000						
	Annual fee	28	-	5	6	-	-	-
		28	-	5	6	-	-	-

10.1 This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% of net assets in accordance with regulation 62 of the NBFC Regulations.

		December 31, 2023 (Un-Audited)						
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
		Rupees in '000						
11	ACCRUED EXPENSES AND OTHER LIABILITIES							
	Auditor's remuneration payable	-	-	65	10	-	32	32
	Withholding tax	305	424	72	6	-	-	-
	Capital gain payable	-	2,807	-	-	3,209	-	-
	Other payable	-	-	10	10	-	887	45
		305	3,231	147	26	3,209	919	77

		June 30, 2023 (Audited)						
		Plan 3	Plan 4	Plan 5	Plan 6	Plan 7	Plan 8	Plan 9
		Rupees in '000						
	Auditor's remuneration payable	-	-	-	-	-	-	-
	Withholding tax	247	435	295	-	-	-	-
	Capital gain payable	3,260	-	-	-	-	-	-
	Other payable	-	10	-	-	-	-	-
		3,507	445	295	-	-	-	-

## 12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil).

**13 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised ) to its unit holders.

**14 EARNINGS PER UNIT**

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

**15 TRANSACTIONS WITH CONNECTED PERSONS / RELATED PARTIES**

The connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib 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 ten percent (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 ten percent (10%) holding 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 financial statements are as follows:

		For the half year ended December 31, 2023 (Un audited)							
		Plan 3	Plan 4	plan 5	plan 6	plan 7	plan 8	plan 9	Total
15.1	Transactions during the year / period	----- Rupees in '000 -----							
Al Habib Asset Management Limited - Management Company									
	Remuneration of the Management Company	50	1,390	4,423	6,199	1,489	1,725	788	16,064
	Sindh sales tax on remuneration of the Management Company	6	181	575	806	194	224	102	2,088
	Allocation of expenses related to registrar services, accounting, operation and valuation services	-	47	226	547	218	106	38	1,182
Central Depository Company of Pakistan Limited- Trustee									
	Remuneration of the Trustee	53	89	217	378	92	49	38	916
	Sindh sales tax on remuneration of the Trustee	7	12	28	49	12	6	3	117
Bank Al Habib Limited - Sponsor									
	Bank charges	-	13	6	6	5	6	4	40
	Mark-up on bank deposits	508	1,430	8,635	144	709	209	1,148	12,783

		For the half year ended December 31, 2023 (Un audited)							
		Plan 3	Plan 4	plan 5	plan 6	plan 7	plan 8	plan 9	Total
15.1 Transactions during the year / period (Cont...)		Rupees in '000							
<b>Other connected Persons</b>									
Purchase of the units of the plan (7,580,141 units)		-	-	-	-	793,565	-	-	793,565
Purchase of the units of the plan (2,493,923 units)		-	-	-	-	-	276,751	-	276,751
Purchase of the units of the plan (9,207,387 units)		-	-	-	-	-	-	929,946	929,946
Redemption of the units of the plan (10,487,784 units)	1,050,767	-	-	-	-	-	-	-	1,050,767
Redemption of the units of the plan (6,684,717 units)	-	668,472	-	-	-	-	-	-	668,472
Sales of the units of the plan (6,014,004 units)	-	-	665,991	-	-	-	-	-	665,991
Sales of the units of the plan (8,646,229 units)	-	-	-	955,322	-	-	-	-	955,322
Sales of the units of the plan 7,580,141 units)	-	-	-	-	793,565	-	-	-	793,565
<b>Key executives and directors</b>									
Redemption of the units of the plan (513,843 units)	51,476	-	-	-	-	-	-	-	51,476
Redemption of the units of the plan (250,000 units)	-	-	-	25,030	-	-	-	-	25,030
		For the half year ended December 31, 2023 (Un audited)							
		Plan 3	Plan 4	plan 5	plan 6	plan 7	plan 8	plan 9	Total
15.2 Balances outstanding as at period / year end		Rupees in '000							
<b>Al Habib Asset Management Limited - Management Company</b>									
Management remuneration payable inclusive of Sindh Sales Tax	2,465	1,787	1,468	6,196	158	197	928	13,199	
<b>Central Depository Company of Pakistan Limited- Trustee</b>									
Trustee remuneration payable inclusive of Sindh Sales Tax	165	90	43	120	6	9	41	474	
<b>Bank Al Habib Limited - Sponsor</b>									
Bank Balances	1,712	4,099	817,763	273	2,990	78	1,100	828,015	
Mark-up on bank deposits	1,281	1,018	8,642	773	436	26	1,148	12,176	
<b>Other connected persons</b>									
Unit held as at December 31, 2023 (6,014,004 units)	-	-	665,991	-	-	-	-	-	-
Unit held as at December 31, 2023 ( 8,646,229units)	-	-	-	955,322	-	-	-	-	-
Unit held as at December 31, 2023 (2,493,923 units)	-	-	-	-	-	276,751	-	276,751	
Unit held as at December 31, 2023 (9,207,387 units)	-	-	-	-	-	-	929,946	929,946	
<b>Key executives and directors</b>									
Unit held as at December 31, 2023 (99,727 units)	-	-	-	-	-	-	10,000	10,000	
		June 30, 2023 (Audited)							
		Plan 3	Plan 4	plan 5	plan 6	plan 7	plan 8	plan 9	Total
15.2 Balances outstanding as at period / year end		Rupees in '000							
<b>Al Habib Asset Management Limited - Management Company</b>									
Management remuneration payable inclusive of Sindh Sales Tax	2,411	509	-	-	-	-	-	-	2,920



		June 30, 2023 (Audited)							
		Plan 3	Plan 4	plan 5	plan 6	plan 7	plan 8	plan 9	Total
		Rupees in '000							
15.2	Balances outstanding as at period / year end (Cont...)								
	Central Depository Company of Pakistan Limited- Trustee								
	Trustee remuneration payable inclusive of Sindh Sales Tax	105	1	16	19	-	-	-	141
	Bank Al Habib Limited - Sponsor								
	Bank Balances	1,112	912	743	875	-	-	-	3,642
	Mark-up on bank deposits	774	-	180	-	-	-	-	954
	Other connected persons								
	Unit held as at December 31, 2023 (10,487,748 units)	1,050,664		-		-	-	-	1,050,664
	Unit held as at December 31, 2023 ( 6,684,717 units)		668,472		-	-	-	-	668,472
	Unit held as at December 31, 2023 (7,447,340 units)	-	-	744,734	-	-	-	-	744,734
	Unit held as at December 31, 2023 (11,084,277 units)	-	-	-	1,109,355	-	-	-	1,109,355
	Key executives and directors								
	Purchase of uits of plan (513,843 units)	51,477	-	-	-	-	-	-	51,477
	Purchase of uits of plan (250,000 units)	-	-	-	25,021	-	-	-	25,021

## 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 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 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.

December 31, 2023 (Un-Audited)

AL Habib FRF Plan-3

Particulars	Note	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	16.1							
Investments		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets not measured at fair value	16.2							
Bank balances		-	1,712	1,712				
		-	1,712	1,712				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	2,465	2,465				
Payable to the Trustee		-	165	165				
Payable to Securities and Exchange Commission of Pakistan		-	58	58				
Accrued expenses and other liabilities		-	305	305				
		-	2,993	2,993				

June 30, 2023 (Audited)

AL Habib FRF Plan-3

Particulars	Note	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	16.1							
Investments		1,054,833	-	1,054,833	-	1,054,833	-	1,054,833
		1,054,833	-	1,054,833	-	1,054,833	-	1,054,833
Financial assets not measured at fair value	16.2							
Bank balances		-	1,112	1,112				
		-	1,112	1,112				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	2,411	2,411				
Payable to the Trustee		-	105	105				
Payable to Securities and Exchange Commission of Pakistan		-	28	28				
Accrued expenses and other liabilities		-	3,507	3,507				
		-	6,051	6,051				

December 31, 2023 (Un-Audited)

AL Habib FRF Plan-4

Particulars	Note	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	16.1							
Investments		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets not measured at fair value	16.2							
Bank balances		-	4,099	4,099				
		-	4,099	4,099				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	1,787	1,787				
Payable to the Trustee		-	90	90				
Payable to Securities and Exchange Commission of Pakistan		-	9	9				
Accrued expenses and other liabilities		-	3,231	3,231				
		-	5,117	5,117				

## AL HABIB FIXED RETURN FUND

June 30, 2023 (Audited)

AL Habib FRF Plan-4

		Carrying amount			Fair value			
Particulars	Note	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	16.1							
Investments		667,942	-	667,942	-	667,942	-	667,942
		667,942	-	667,942	-	667,942	-	667,942
Financial assets not measured at fair value	16.2							
Bank balances		-	912	912				
		-	912	912				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	509	509				
Payable to the Trustee		-	1	1				
Payable to Securities and Exchange Commission of Pakistan		-	-	-				
Accrued expenses and other liabilities		-	445	445				
		-	955	955				

December 31, 2023 (Un-Audited)

AL Habib FRF Plan-5

		Carrying amount			Fair value			
Particulars	Note	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	16.1							
Investments		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets not measured at fair value	16.2							
Bank balances		-	817,763	817,763				
		-	817,763	817,763				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	1,468	1,468				
Payable to the Trustee		-	43	43				
Payable to Securities and Exchange Commission of Pakistan		-	52	52				
Accrued expenses and other liabilities		-	147	147				
		-	1,710	1,710				

June 30, 2023 (Audited)

AL Habib FRF Plan-5

		Carrying amount			Fair value			
Particulars	Note	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	16.1							
Investments		744,126	-	744,126	-	744,126	-	744,126
		744,126	-	744,126	-	744,126	-	744,126
Financial assets not measured at fair value	16.2							
Bank balances		-	743	743				
		-	743	743				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	15	15				
Payable to the Trustee		-	-	-				
Payable to Securities and Exchange Commission of Pakistan		-	5	5				
Accrued expenses and other liabilities		-	295	295				
		-	315	315				

## AL HABIB FIXED RETURN FUND

December 31, 2023 (Un-Audited)

AL Habib FRF Plan-6

Particulars	Note	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	16.1							
Investments		1,230,023	-	1,230,023	-	1,230,023	-	1,230,023
		1,230,023	-	1,230,023	-	1,230,023	-	1,230,023
Financial assets not measured at fair value	16.2							
Bank balances		-	273	273				
		-	273	273				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	6,196	6,196				
Payable to the Trustee		-	120	120				
Payable to Securities and Exchange Commission of Pakistan		-	75	75				
Accrued expenses and other liabilities		-	26	26				
		-	6,417	6,417				

June 30, 2023 (Audited)

AL Habib FRF Plan-6

Particulars	Note	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	16.1							
Investments		1,106,239	-	1,106,239	-	1,106,239	-	1,106,239
		1,106,239	-	1,106,239	-	1,106,239	-	1,106,239
Financial assets not measured at fair value	16.2							
Bank balances		-	875	875				
		-	875	875				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	-	-				
Payable to the Trustee		-	19	19				
Payable to Securities and Exchange Commission of Pakistan		-	6	6				
Accrued expenses and other liabilities		-	-	-				
		-	25	25				

December 31, 2023 (Un-Audited)

AL Habib FRF Plan-7

Particulars	Note	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	16.1							
Investments		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets not measured at fair value	16.2							
Bank balances		-	2,990	2,990				
		-	2,990	2,990				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	158	158				
Payable to the Trustee		-	6	6				
Payable to Securities and Exchange Commission of Pakistan		-	7	7				
Payable against redemption of units		-	46	-				
Accrued expenses and other liabilities		-	3,209	3,209				
		-	3,426	3,380				

## AL HABIB FIXED RETURN FUND

June 30, 2023 (Audited)

AL Habib FRF Plan-7

ALABHO P&G Fund								
Particulars	Note	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	16.1							
Investments		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets not measured at fair value	16.2							
Bank balances		-	-	-				
		-	-	-				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	-	-				
Payable to the Trustee		-	-	-				
Payable to Securities and Exchange Commission of Pakistan		-	-	-				
Accrued expenses and other liabilities		-	-	-				
		-	-	-				

December 31, 2023 (Un-Audited)

AL Habib FRF Plan-8

Carrying amount									Fair value			
Particulars	Note	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	16.1											
Investments		260,611	-	260,611	-	260,611	-	-	260,611			
		260,611	-	260,611	-	260,611	-	-	260,611			
Financial assets not measured at fair value	16.2											
Bank balances		-	78	78								
		-	78	78								
Financial liabilities not measured at fair value	16.2											
Payable to the Management Company		-	197	197								
Payable to the Trustee		-	9	9								
Payable to Securities and Exchange Commission of Pakistan		-	17	17								
Accrued expenses and other liabilities		-	919	919								
		-	1,142	1,142								

June 30, 2023 (Audited)

AL Habib FRF Plan-8

		Carrying amount			Fair value			
Particulars	Note	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	16.1							
Investments		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets not measured at fair value	16.2							
Bank balances		-	-	-				
		-	-	-				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	-	-				
Payable to the Trustee		-	-	-				
Payable to Securities and Exchange Commission of Pakistan		-	-	-				
Accrued expenses and other liabilities		-	-	-				
		-	-	-				

December 31, 2023 (Un-Audited)

AL Habib FRF Plan-9

Particulars	Note	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	16.1							
Investments		1,337,954	-	1,337,954	-	1,337,954	-	1,337,954
		1,337,954	-	1,337,954	-	1,337,954	-	1,337,954
Financial assets not measured at fair value	16.2							
Bank balances		-	1,100	1,100				
		-	1,100	1,100				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	928	928				
Payable to the Trustee		-	41	41				
Payable to Securities and Exchange Commission of Pakistan		-	59	59				
Accrued expenses and other liabilities		-	77	77				
		-	1,105	1,105				

June 30, 2023 (Audited)

AL Habib FRF Plan-9

Particulars	Note	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	16.1							
Investments		-	-	-	-	-	-	-
		-	-	-	-	-	-	-
Financial assets not measured at fair value	16.2							
Bank balances		-	-	-				
		-	-	-				
Financial liabilities not measured at fair value	16.2							
Payable to the Management Company		-	-	-				
Payable to the Trustee		-	-	-				
Payable to Securities and Exchange Commission of Pakistan		-	-	-				
Accrued expenses and other liabilities		-	-	-				
		-	-	-				

### 16.1 Valuation techniques

For level 2 investments at fair value through profit or loss in Government securities T-Bills and PIB's, Fund uses PKRV rates which are taken from MUFAP.

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

### 16.3 Transfers during the year

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

## 17 TOTAL EXPENSE RATIO

Total expense ratio of the Fund for the six months period ended December 31, 2023 of (Al Habib Fixed Return Funds Plan 05, Plan 06, Plan 08 and Plan 09 ) is 1.94%, 1.31%, 0.66% and 1.41% which include 0.28%, 0.22%, 0.15% and 0.21% representing government levies and SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

## **AL HABIB FIXED RETURN FUND**

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### **18 GENERAL**

**18.1** Figures have been rounded off to the nearest thousand rupee, unless otherwise stated.

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

### **19 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorized for issue on **January 25, 2024** by the Board of Directors of the Management Company.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**AL HABIB ISLAMIC MUNAFA FUND**  
**Half Yearly Report**  
**December 31, 2023**



**FUND'S INFORMATION**

**Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4,  
Block 9, Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited  
Faysal Bank Limited  
UBL Ameen Limited  
Meezan Bank Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**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**

**AL HABIB ISLAMIC MUNAFA FUND**

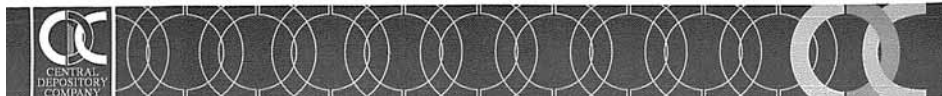
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Munafa Fund (the Fund) are of the opinion that AL Habib 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, 2023 in accordance with the provisions of the following:

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

**Badruddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





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Karachi-74200  
Pakistan

## INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL HABIB ISLAMIC MUNAFA FUND** ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund and a summary of significant accounting policies and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "interim financial information"). Al Habib Asset Management Limited (the "Management Company") is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

KARACHI

DATED: February 27, 2024

UDIN: RR202310166TUse9F3nZ

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Tariq Feroz Khan

**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.

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2023

		December 31, 2023 (Un-Audited)	June 30, 2023 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
Bank balances	4	40,243	432
Investments	5	383,584	383,590
Profit / mark-up receivable	6	11,226	11,134
Deposits and other receivables		5	-
<b>TOTAL ASSETS</b>		<u>435,058</u>	<u>395,156</u>
<b>LIABILITIES</b>			
Payable to the Al Habib Asset Management Limited -Management Company	7	528	319
Payable to the Trustee Central Depository Company (CDC) - Trustee	8	17	10
Payable to Securities and Exchange comission of Pakistan (SECP)	9	27	3
Accrued expenses and other liabilities	10	147	82
<b>TOTAL LIABILITIES</b>		<u>719</u>	<u>414</u>
<b>NET ASSETS</b>		<u>434,339</u>	<u>394,742</u>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>			
		<u>434,339</u>	<u>394,742</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11		
		----- Number of units -----	
<b>Number of units in issue</b>		<u>3,943,320</u>	<u>3,943,320</u>
		----- Rupees -----	
<b>Net assets value per unit</b>		<u>110.15</u>	<u>100.10</u>

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

For AL Habib Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	Note	For the half year ended December 31,		For the quarter ended December 31,	
		2023	2022	2023	2022
		Rupees in '000			
<b>Income</b>					
Mark-up on bank deposits		890		845	
Profit on Sukuks		41,137	-	34,354	-
		42,027	-	35,199	-
Unrealised appreciation/(diminution) on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	5.1	77	-	(13,568)	-
		42,104	-	21,631	-
<b>Expenses</b>					
Remuneration to the Management Company		1,652	-	866	-
Sindh sales tax on remuneration of the Management Company		215	-	100	-
Remuneration to the Trustee		117	-	59	-
Sindh sales tax on remuneration of the Trustee		15	-	8	-
Annual fee to the Securities and Exchange Commission Of Pakistan		159	-	83	-
Allocation of expenses related to registrar services, accounting, operation and valuation services		220	-	220	-
Auditors' remuneration		110	-	-	-
Bank charges		5	-	5	-
Printing charges		15	-	15	-
		2,508	-	1,356	-
<b>Profit before taxation</b>		39,596	-	20,275	-
Taxation	12	-	-	-	-
<b>Net profit for the period</b>		39,596	-	20,275	-
<b>Allocation of net income for the period</b>					
Profit for the period		39,596	-	20,275	-
Income already paid on units redeemed		-	-	-	-
		39,596	-	20,275	-
<b>Accounting income available for distribution</b>					
Relating to capital gains		-	-	-	-
Excluding capital gains		39,596	-	20,275	-
		39,596	-	20,275	-
		39,596	-	20,275	-
Earnings per unit	13				

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	<b>For the half year ended December 31,</b>		<b>For the quarter ended December 31,</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>----- Rupees in '000 -----</b>			
Profit for the period	39,596	-	20,275	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>39,596</u>	<u>-</u>	<u>20,275</u>	<u>-</u>

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023			For the half year ended December 31, 2022		
	Capital value	Undistributed income	Total	Capital value	Accumulated loss	Total
	----- Rupees in '000 -----					
Net assets at beginning of the period	394,447	296	394,743	-	-	-
<b>Issuance of units</b>						
Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-
Element of income	-	-	-	-	-	-
<b>Total proceeds on issuance of units</b>	-	-	-	-	-	-
<b>Redemption of units</b>						
Capital value (at net asset value per unit at the beginning of the period)	-	-	-	-	-	-
Income already paid on redemption of units	-	-	-	-	-	-
Element of income	-	-	-	-	-	-
<b>Total payments on redemption of units</b>	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	-	39,596	39,596	-	-	-
Distribution during the year	-	-	-	-	-	-
	-	39,596	39,596			
<b>Net assets at end of the period</b>	<u>394,447</u>	<u>39,892</u>	<u>434,339</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Accumulated loss brought forward</b>						
Realised loss		(2,823)			-	
Unrealised income		3,119			-	
		296			-	
<b>Accounting income available for distribution</b>						
Relating to capital gains		-			-	
Excluding capital gains		39,596			-	
		<u>39,596</u>			<u>-</u>	
<b>Accumulated income carried forward</b>						
Realised income		39,596			-	
Unrealised income		-			-	
		<u>39,596</u>			<u>-</u>	
	(Rupees)			(Rupees)		
Net assets value per unit at beginning of the period		<u>100.10</u>			<u>-</u>	
Net assets value per unit at end of the period		<u>110.15</u>			<u>-</u>	

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the half year ended December 31,	
	2023	2022
Note	----- Rupees in '000 -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	39,596	-
<b>Adjustments for:</b>		
Mark-up on bank deposits	(890)	-
Profit on Government on Ijarah Sukuks	(41,137)	-
Unrealised gain on re-measurement of investments classified as 'fair value through profit or loss' - net	(77)	-
	(2,508)	-
<b>(Increase) / decrease in assets</b>		
Investments-net	6	-
Profit receivable	(92)	-
Deposits and prepayments	(5)	-
	(91)	-
<b>Increase in liabilities</b>		
Payable to the Al Habib Asset Management Limited- Management Company	209	-
Payable to the Central Depository Company (CDC)- Trustee	7	-
Payable to Securities and Exchange Commission of Pakistan (SECP)	24	-
Accrued expenses and other liabilities	65	-
	305	-
Cash used in operating activities	(2,294)	-
Mark-up received on bank deposits	1,071	-
Profit on Government Ijarah Sukuks	41,047	-
Net cash flows generated from operating activities	39,824	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Net increase in cash and cash equivalents during the period	39,824	-
Cash and cash equivalents at the beginning of the period	432	-
Cash and cash equivalents at the end of the period	40,243	-

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

For AL Habib Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

**1 LEGAL STATUS AND NATURE OF BUSINESS**

Al Habib Islamic Munafa Fund ('the Fund') was established under a Trust Deed executed between AL Habib Asset Management Limited (Formerly, Habib 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/AHIMF/2022/143/MF-NE-96 dated December 05, 2022 and the Trust Deed was executed on November 17, 2022.

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 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd Floor MacKinnon's Building, I.I Chundrigar Road Karachi, Pakistan.

The Fund is an Open-End Shariah compliant Collective Investment Scheme as per SECP's Circular No.3 of 2022 dated February 10, 2022 with Allocation Plans. The Allocation Plans under the Fund may have different Shariah compliant investment avenues and different maturity dates. The Allocation Plans under the Fund may have a set timeframe or perpetual.

The Fund has been categorized as a shariah compliant fixed return scheme as per the criteria laid down by the SECP for categorization of open-end Collective Investment Schemes (CISs). 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.

PACRA Credit Rating Company Limited has assigned an asset manager quality rating of 'AM2+' (stable outlook) to the Management Company as on August 12, 2023.

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

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

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017. 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** The disclosures made in this condensed interim financial information have, however, been limited based on the requirements of IAS 34. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual published audited financial statements of the Fund for the year ended June 30, 2023.
- 2.1.3** The comparative statement of assets and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2023, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2022.
- 2.1.4** This condensed interim financial information is unaudited, but has been reviewed by the auditors. Further, the figures of the condensed interim income statement and condensed interim statement of comprehensive income for the quarter ended December 31, 2023 have not been reviewed.
- 2.1.5** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## **2.2 Basis of measurement**

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

## **2.3 Functional and presentation currency**

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

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

- 3.1** The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year, ended June 30, 2023.
- 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, 2023.
- 3.4** There are certain standards, interpretations and amendments to approved 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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2023.

**3.6 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

		December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>4 BANK BALANCES</b>			
Saving accounts	4.1	40,243	432

- 4.1 These accounts carry mark-up at the rates ranging between 18% to 22% (June 30, 2023: 18% to 21%) per annum. These are held with a related party, Al Habib Bank Limited (Parent company of the management company).

		December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	Note	----- Rupees in '000 -----	
<b>5 INVESTMENTS</b>			
Financial assets classified at fair value through profit and loss Government Ijarah Sukuks	5.1	383,584	383,590

**5.1 Government Ijarah Sukuks**

Name of Investee Funds	Total units as at July 1, 2023	Purchases made during the period	Sales made during the period	Total units as at December 31, 2023	Total carrying value as at December 31, 2023	Total market value as at December 31, 2023	Unrealised appreciation / (diminution) on re-measurement of investment as at December 31, 2023	Market value as a percentage of net assets	Market value as a percentage of total value of Investment
	----- Number of units -----				----- Rupees in '000 -----				
<b>Plan 2</b>									
GOP Ijarah Sukuk 1 Year FRR (22-05-2023)	3,000	-	-	3,000	300,005	300,000	(5)	69.07%	78.21%
GOP Ijarah Sukuk 1 Year FRR (17-04-2023)	835	-	-	835	83,502	83,584	82	19.24%	21.79%
	3,835	-	-	3,835	383,507	383,584	77		
<b>Total as at December 31, 2023</b>	3,835	-	-	3,835	383,507	383,584	77		
<b>Total as at June 30, 2023</b>	-	-	-	3,835	380,471	383,590	3,119		

		December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	----- Rupees in '000 -----		
<b>6 PROFIT / MARK-UP RECEIVABLE</b>			
<b>Profit/mark-up receivable on</b>			
Sukuk certificates		10,497	10,586
Saving deposits		729	548
		11,226	11,134

	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	----- Rupees in '000 -----	
<b>7 PAYABLE TO THE MANAGEMENT COMPANY</b>		
Remuneration to the Management Company	273	257
Sindh sales tax on remuneration of the Management Company	35	33
Allocation of expenses relating to registrar services, accounting, operation and valuation services	220	29
	<u>528</u>	<u>319</u>
<b>8 PAYABLE TO THE TRUSTEE</b>		
Trustee remuneration	15	9
Sindh sales tax payable on remuneration of the trustee	2	1
	<u>17</u>	<u>10</u>
<b>9 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (SECP)</b>		
Annual fee	27	3
	<u>27</u>	<u>3</u>
<b>10 ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditor's remuneration payable	110	-
Withholding tax	27	37
Capital gain payable	-	45
Other payable	10	-
	<u>147</u>	<u>82</u>

**11 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2023. (June 30, 2023: None).

**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 the accounting income for the period as reduced by capital gains whether realised or unrealised is distributed amongst the unit holders, provided that for the purpose of determining distribution of not less than 90% of its accounting income for the period, the income distributed through bonus units shall not be taken into account. Furthermore, as per regulation 63 of the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the Fund is required to distribute 90% of the net accounting income other than capital gains to the unit holders. The Fund is also exempt from the provisions of Section 113 (minimum tax) under Clause 11A of Part IV of the Second Schedule to the Income Tax Ordinance, 2001. Since the management has distributed the income earned by the Fund during the period to the unit holders accordingly, no provision for taxation has been made in these condensed interim financial information.

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

**13 EARNINGS PER UNIT**

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

**14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES/CONNECTED PERSONS**

The connected persons include Al Habib Fund Managers Limited being the Management Company, Bank Al Habib 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 ten percent (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 ten percent (10%) holding 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 financial statements are as follows:

	<b>For the half year ended December 31,</b>	
	<b>2023</b>	<b>2022</b>
	<b>----- Rupees in '000 -----</b>	
<b>14.1 Transactions during the year / period</b>		
<b>Al Habib Asset Management Limited - Management Company</b>		
Remuneration of the Management Company	1,652	-
Sindh sales tax on remuneration of the Management Company	215	-
Allocation of expenses related to registrar services, accounting, operation and valuation services	220	-
<b>Central Depository Company of Pakistan Limited- Trustee</b>		
Remuneration of the Trustee	117	-
Sindh sales tax on remuneration of the Trustee	15	-
<b>Bank Al Habib Limited - Sponsor</b>		
Bank charges	5	-
Mark-up on bank deposits	890	-
	<b>December 31, 2023 (Un-Audited)</b>	<b>June 30, 2023 (Audited)</b>
	<b>----- Rupees in '000 -----</b>	
<b>14.2 Balances outstanding as at period / year end</b>		
<b>Al Habib Asset Management Limited - Management Company</b>		
Management Company payable (Inclusive of Sindh Sales Tax)	528	320
<b>Central Depository Company of Pakistan Limited- Trustee</b>		
Remuneration payable (Inclusive of Sindh Sales Tax)	17	10
<b>Bank Al Habib Limited - Sponsor</b>		
Bank balances	40,243	432
Profit receivable	729	11,134
<b>Other connected persons</b>		
Unit held as at December 31, 2023 (3,925,910 units)	-	394,742
<b>Directors and Key Executives</b>		
Unit held as at December 31, 2023(17,410 units)	-	1,746

## 15 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

The fair value of financial assets and liabilities traded in active markets 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 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.

December 31, 2023 (Un-Audited)							
Particulars	Fair value through profit or loss	Amortised Cost	Total	Fair value			
				Level 1	Level 2	Level 3	Total
Financial assets measured at fair value	<div> <div>Note</div> <div>Rupees in '000</div> </div>						
Investments	383,584	-	383,584		383,584	-	383,584
	383,584	-	383,584	-	383,584	-	383,584
Financial assets not measured at fair value	<div> <div>Note</div> </div>						
Bank balances	-	40,243	40,243				
	-	40,243	40,243				
Financial liabilities not measured at fair value	<div> <div>Note</div> </div>						
Payable to the Management Company	-	528	528				
Payable to the Trustee	-	17	17				
Payable to SECP	-	27	27				
Accrued expenses and other liabilities	-	147	147				
	-	719	719				

June 30, 2023 (Audited)

		Carrying amount			Fair value			
Particulars		Fair value through profit or loss	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
	Note	Rupees in '000						
<b>Financial assets measured at fair value</b>	15.1							
Investments		383,590	-	383,590		383,590	-	383,590
		383,590	-	383,590	-	383,590	-	383,590
<b>Financial assets not measured at fair value</b>	15.2							
Bank balances		-	423	423				
		-	423	423				
<b>Financial liabilities not measured at fair value</b>	15.2							
Payable to the Management Company		-	319	319				
Payable to the Trustee		-	10	10				
Payable to SECP		-	3	3				
Accrued expenses and other liabilities		-	82	82				
		-	414	414				

### 15.1 Valuation techniques

For level 2 investments at fair value through profit or loss-investment in GOP Ijarah Sukuks , Fund uses rates which are derived from PKISRV rates at reporting date per certificate multiplied by the numbers of certificate held as at period end as prescribed by the MUFAP.

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

### 15.3 Transfers during the year

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

## 16 TOTAL EXPENSE RATIO

In accordance with the directive 23 of 2016 dated July 20, 2016 issued by the Securities and Exchange Commission of Pakistan, the total expense ratio of the Fund for the half year ended December 31, 2023 is 1.11% (December 31, 2022: nil) which includes 0.018% (December 31, 2022: nil) representing Government levy and SECP fee.

## 17 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information were authorized for issue on **January 25, 2024** by the Board of Directors of the Management Company.

## 18 GENERAL

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

18.2 There are no corresponding figures as respective fund is commenced from May 24, 2023.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**AL HABIB**  
**GOVERNMENT SECURITIES FUND**  
**Half Yearly Report**  
**December 31, 2023**



**FUND'S INFORMATION**

**Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4, Block 9,  
Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AM2+ Management Company Quality Rating  
Assigned by PACRA.

**Bankers to the Fund**

Allied Bank Limited  
Bank Al Habib Limited  
Bank ALfalah Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**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  
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**TRUSTEE REPORT TO THE UNIT HOLDERS**

**AL HABIB GOVERNMENT SECURITIES FUND**

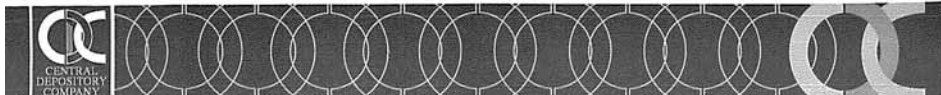
**Report of the Trustee pursuant to Regulation 41(h) of the Non-Banking Finance  
Companies and Notified Entities Regulations, 2008**

We Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Government Securities Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Management Company of the Fund has in all material respects managed the Fund during the period from July 13, 2023 to December 31, 2023 in accordance with the provisions of the following:

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

**Badruddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi: February 22, 2024





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Karachi-74200  
Pakistan

**INDEPENDENT AUDITORS REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS TO THE  
UNIT HOLDERS OF AL HABIB GOVERNMENT SECURITIES FUND**

**Introduction**

We have reviewed the accompanying condensed interim statement of Assets and Liabilities of **Al Habib Government Securities Fund** ("the Fund") as at December 31, 2023 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 together with the notes forming part thereof (here-in-after referred to as "interim financial statements") for the half year then ended. The Management Company (AL Habib Asset Management Limited) is responsible for the preparation and presentation of this condensed interim financial statements in accordance with approved accounting 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 condensed 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 are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

**Other Matter Paragraph**

The figures for the quarter ended December 31, 2023 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

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

KARACHI

DATED: 27 FEB 2024

UDIN: RR202310166DBXLtdizo

  
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.

## CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES

AS AT DECEMBER 31, 2023

		December 31, 2023 (Unaudited) Note (Rupees in '000)
<b>ASSETS</b>		
Bank balances	4	2,339,202
Investments	5	11,249,135
Profit receivable	6	415,283
<b>Total assets</b>		<u>14,003,620</u>
<b>LIABILITIES</b>		
Payable to AL Habib Asset Management Limited - Management Company	7	13,271
Payable to Central Depository Company of Pakistan Limited - Trustee	8	767
Payable to Securities and Exchange Commission of Pakistan	9	926
Payable against redemption of units		5,860
Accrued expenses and other liabilities	10	29,463
<b>Total liabilities</b>		<u>50,287</u>
<b>NET ASSETS</b>		<u><u>13,953,333</u></u>
<b>Unit holders' Fund (as per the statement attached)</b>		<u><u>13,953,333</u></u>
Contingencies and commitments	11	
		(Number of Units)
<b>Number of units in issue</b> (face value of units is Rs. 100 each)		<u><u>137,675,943</u></u>
		----- Rupees -----
<b>Net assets value per unit</b>		<u><u>101.35</u></u>

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

For AL Habib Asset Management Limited  
(Management Company)

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE PERIOD FROM JULY 13, 2023 TO DECEMBER 31, 2023**

		For the Period from July 13, 2023 to December 31, 2023	For the quarter ended December 31, 2023
	Note	----- (Rupees in '000) -----	
<b>INCOME</b>			
Profit on bank deposits		43,615	30,119
Income from government securities		81,343	(68,461)
Income from debt securities		771,248	771,248
Profit on term deposit receipts		4,145	4,145
Net realised gain on sale of investments		39,294	41,492
Net unrealised (loss) on revaluation of investments at fair value through profit or loss	5.2 & 5.3	(28,125)	(36,784)
<b>Total income</b>		<b>911,520</b>	<b>741,759</b>
<b>EXPENSES</b>			
Remuneration of AL Habib Asset Management Limited - Management Company	7	41,952	33,072
Sindh Sales Tax on Management Company's remuneration	7	5,454	4,300
Expenses allocated by the Management Company		8,919	5,789
Remuneration of Central Depository Company of Pakistan Limited - Trustee	8	2,192	1,821
Sindh Sales Tax on Trustee remuneration	8	285	237
Annual fee to the Securities and Exchange Commission of Pakistan (SECP)	9	2,989	2,482
Brokerage expense		1,568	1,336
Settlement and bank charges		48	48
Auditors' remuneration		175	95
Printing charges		34	18
<b>Total expenses</b>		<b>63,616</b>	<b>49,198</b>
<b>Net income for the period before taxation</b>		<b>847,904</b>	<b>692,561</b>
Taxation	12	-	-
<b>Net income for the period</b>		<b>847,904</b>	<b>692,561</b>
Allocation of net income for the period:			
Net income for the period		847,904	692,561
Income already paid on units redeemed		(615,298)	(609,202)
		<b>232,606</b>	<b>83,359</b>
Accounting income available for distribution:			
- Relating to capital gains		11,169	4,708
- Excluding capital gains		221,437	78,651
		<b>232,606</b>	<b>83,359</b>

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE PERIOD FROM JULY 13, 2023 TO DECEMBER 31, 2023**

	For the Period from July 13, 2023 to December 31, 2023	For the quarter ended December 31, 2023
	----- (Rupees in '000) -----	
Net income for the period	847,904	692,561
Other comprehensive income	-	-
Total comprehensive income for the period	<u>847,904</u>	<u>692,561</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN UNIT HOLDERS' FUNDS (UNAUDITED)**  
**FOR THE PERIOD FROM JULY 13, 2023 TO DECEMBER 31, 2023**

For the Period from July 13, 2023 to December 31, 2023		
Capital value	Undistributed income / (loss)	Total
----- (Rupees in '000) -----		
<b>Net assets at beginning of the period</b>	-	-
<b>Issuance of 523,433,996 units</b>		
- Capital value	52,343,400	52,343,400
- Element of income	1,312,622	1,312,622
Amount received on issuance of units	53,656,022	53,656,022
<b>Redemption of 385,758,053 units</b>		
- Capital value	(38,575,805)	(38,575,805)
- Element of income	(318,484)	(933,782)
Amount paid / payable on redemption of units	(38,894,289)	(39,509,587)
<b>Total comprehensive income for the period</b>	-	847,904
Interim cash distribution for the period:		
Rs. 9.0659 per unit	(988,752)	(1,041,006)
	(988,752)	795,650
<b>Net assets at the end of the period</b>	<u>13,772,981</u>	<u>13,953,333</u>
<b>Undistributed income brought forward</b>		
- Realised income	-	
- Unrealised gain/(loss)	-	
<b>Accounting income available for distribution</b>		
- Relating to capital gains	11,169	
- Excluding capital gains	221,437	
	232,606	
Interim cash distribution for the period ended 30 June 2024:		
Rs. 9.0659 per unit	(52,254)	
<b>Undistributed income carried forward</b>	<u>180,352</u>	
<b>Undistributed income carried forward</b>		
- Realised income	208,477	
- Unrealised gain	(28,125)	
	<u>180,352</u>	
	<b>(Rupees)</b>	
<b>Net assets value per unit at beginning of the period</b>	<u>-</u>	
<b>Net assets value per unit at end of the period</b>	<u>101.35</u>	

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE PERIOD FROM JULY 13, 2023 TO DECEMBER 31, 2023**

**For the Period  
from July 13, 2023  
to December 31,  
2023**

**(Rupees in '000)**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Net income for the period 847,904

**Adjustments for non cash and other items**

Net unrealised loss on revaluation of investments

28,125

876,029

**Increase in assets:**

Investments - net

(11,277,260)

Income receivable

(415,283)

(11,692,543)

**Increase in liabilities:**

Payable to AL Habib Asset Management Limited - Management Company

13,271

Payable to Central Depository Company of Pakistan Limited (CDC) - Trustee

767

Payable to Securities and Exchange Commission of Pakistan

926

Payable against redemption of units

5,860

Accrued expenses and other liabilities

29,463

50,287

Net cash used in operating activities

(10,766,227)

**CASH FLOWS FROM FINANCING ACTIVITIES**

Amount received on issuance of units

53,656,022

Amount paid on redemption of units

(39,509,587)

Cash Dividend paid

(1,041,006)

Net cash flows from financing activities

13,105,429

**Net increase in cash and cash equivalents**

2,339,202

Cash and cash equivalents at beginning of the period

-

Cash and cash equivalents at end of the period

2,339,202

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE PERIOD FROM JULY 13, 2023 TO DECEMBER 31, 2023**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 AL Habib Government Securities Fund ("the Fund") was established under a Trust Deed executed between AL Habib Asset Management Limited (AHAML) as Management Company and Central Depository Company of Pakistan Limited (CDC) as Trustee. The Trust Deed was approved by the Securities and Exchange Commission of Pakistan (SECP) on October 27, 2022 under Regulation 67 of the Non- banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules). The Fund is registered under the 'Sindh Trust Act, 2020', on December 15, 2022.
- 1.2 The Management Company of the Fund has been licensed to undertake Asset Management Services as Non Banking Finance Company under the NBFC Rules by the SECP. The registered office of the Management Company is situated at 3rd Floor, MacKinnon's Building, I.I. Chundrigar Road, Karachi, Pakistan.
- 1.3 The Fund is an open-end mutual fund. Units are offered for public subscription on a continuous basis. Units are transferable and can be redeemed by surrendering them to the Fund at the option of the unit holder.
- 1.4 Title to the assets of the Fund is held in the name of Central Depository Company (CDC) of Pakistan Limited as a trustee of the Fund.
- 1.5 The Fund has been formed to provide reasonable rate of return consistent with reasonable concern for safety of principal amount to the unit holders, along with facility to join or leave the Fund at their convenience. The management team would seek to enhance returns through active portfolio management using efficiency tools.
- 1.6 The Fund invests in a diversified portfolio of Term Finance Certificates, Government securities, corporate debt securities, certificates of investments, Term Deposit Receipts, Continuous Funding System and other money market instruments (including the clean placements). The Fund has been categorised as income scheme.
- 1.7 The Investment objective of AL Habib Government Securities Fund is to provided its unit-holders optimum return from a portfolio of low risk and short to medium term duration asset.
- 1.8 Pakistan Credit Rating Agency (PACRA) has assigned asset management rating of 'AM2+' to the Management Company on August 12, 2023.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

- 2.1.1 This condensed interim financial statements prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial statements The accounting and reporting standards applicable in Pakistan comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017, 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 fund has been newly registered and this is the first interim accounts of the Fund.

**2.1.3** The disclosures made in this condensed interim financial statements have, however, been limited based on the requirements of International Accounting Standard 34: 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements.

**2.1.4** This condensed interim financial statements is un-audited and is being submitted to the unit holders as required under Regulation 38 (2) (f) of the (NBFC Regulation). However, a limited scope review has been carried out by the auditors.

**2.1.5** These condensed interim financial statements are un-audited but subject to limited review scope by the auditors. Figures for the quarter ended December 31, 2023 as reported in these condensed interim financial statements have not been subject to limited scope review by the external auditors.

**2.1.6** In compliance with Schedule V of the NBFC Regulation, the directors of the Management Company declare that this condensed interim financial statements give a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## **2.2 Functional and presentation currency**

This condensed interim financial statements is presented in Pakistan rupee ('Rupees' or 'Rs.'), which is the Fund's functional and presentational currency.

## **2.3 Basis of measurement**

These financial statements have been prepared under the historical cost basis except for certain investments which are measured at fair value.

## **2.4 New / Revised Standards, Interpretations and Amendments**

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

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 statements and are mandatory for the Fund's accounting period beginning on or after July 01, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial statements.

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ACCOUNTING ESTIMATES AND JUDGEMENTS**

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

### **3.1 Cash and cash equivalents**

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

### **3.2 Financial assets**

#### **3.2.1 Initial recognition and measurement**

Financial assets are recognised at the time the Fund becomes a party to the contractual provisions of the instruments. These are initially recognised at fair value plus transaction costs except for financial assets carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs associated with these financial assets are charged to the condensed interim income statement.

**3.2.2 Classification****Debt Instruments**

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

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

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument held for trading purposes or which does not meet the SPPI criterion is classified as measured at FVTPL.

In addition, on initial recognition, the Fund may irrevocably designate a debt instrument that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

**3.2.3 Offsetting of financial instruments**

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

**3.2.4 Subsequent measurement**

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

<b>Debt Instruments at amortised cost</b>	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest / markup income and impairment are recognised in income statement.
<b>Debt investments at FVOCI</b>	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in income statement. Other net gains and losses are recognised in other comprehensive income. On derecognition, gains and losses accumulated in other comprehensive income are reclassified to income statement.'
<b>Debt investments at FVTPL</b>	These assets are subsequently measured at fair value. Interest / markup income calculated using the effective interest method and impairment are recognised in income statement.

The fair value of financial assets are determined as follows:

**a) Debt securities (other than Government securities)**

The debt securities are valued on the basis of rates determined by the Mutual Funds Association of Pakistan (MUFAP) in accordance with the methodology prescribed by SECP for valuation of debt securities vide its Circular No. 33 of 2012 dated October 24, 2012. In the determination of the rates, MUFAP takes into account

the holding pattern of these securities and categorises them as traded, thinly traded and non-traded securities. The circular also specifies the valuation process to be followed for each category as well as the criteria for the provisioning of non-performing debt securities.

**b) Debt securities (Government securities)**

The government securities not listed on a stock exchange and traded in the interbank market are valued at the average rates quoted on a widely used electronic quotation system (PKRV rates) which are based on the remaining tenure of the securities.

**3.2.5 Reclassifications**

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Fund changes its business model for managing financial assets.

**3.2.6 Impairment of financial assets**

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

However, SECP through its SCD/AMCW/RS/MUFAP/2017-148 dated November 21, 2017 have deferred the applicability of above impairment requirements in relation to debt securities for mutual funds and accordingly, basis defined in Circular No. 33 of 2012 dated, October 24, 2012 have been followed.

**3.2.7 Regular way contracts**

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

**3.2.8 Derecognition**

A financial asset (or, where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognised where the rights to receive cash flows from the asset have expired, or the Fund has transferred its rights to receive cash flows from the asset, or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement and the Fund has:

- (a) Transferred substantially all of the risks and rewards of the asset; or
- (b) Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset."

When the Fund has transferred its right to receive cash flows from an asset (or has entered into a pass-through arrangement), and has neither transferred nor retained substantially all of the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Fund's continuing involvement in the asset. In that case, the fund also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the fund has retained. The Fund derecognises a financial liability when the obligation under the liability is discharged, cancelled or expired.

**3.3 Financial liabilities**

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

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

**3.4 Unit holders' fund**

Unit holders' fund representing the units issued by the Fund, is carried at the net assets value representing the investors' right to a residual interest in the Fund's assets.

**3.5 Issue and redemption of units**

Units issued are recorded at the net assets value, determined by the Management Company for the applications received during business hours on that day. Allotment of units is recorded on acceptance of application and realization of the proceeds in the Fund's bank account.

Units redeemed are recorded at the net assets value, applicable on units for which the management company receives redemption applications during business hours on that day. Redemption of units is recorded on acceptance of application for redemption.

**3.6 Element of income**

Element of Income represents the difference between net assets value on the issuance or redemption date, as the case may be, of units and the Net asset Value (NAV) at the beginning of the relevant accounting period.

Element of Income is a transaction of capital nature and the receipt and payment of element of income is taken to Unit holders' Fund; however, to maintain same ex-dividend net asset value of all units outstanding on accounting date, net element of income contributed on issue of units lying in Unit holders' Fund is refunded on units (refund of capital) in the same proportion as dividend bears to accounting income available for distribution. As per guideline provided by MUFAP (MUFAP Guidelines consented upon by SECP), the refund of capital is made in the form of additional units at zero price.

MUFAP, in consultation with the SECP, has specified methodology for determination of income paid on units redeemed (income already paid) during the period under which such income is paid on gross element received and is calculated from the latest date at which the Fund achieved net profitability during the period. The income already paid (Element of Income) on redemption of units during the year are taken separately in Statement of Movement in Unit holders' Fund.

**3.7 Net asset value - per unit**

The net asset value per unit as disclosed in the Statement of Assets and Liabilities is calculated by dividing the net assets of the Fund by the number of units outstanding at the period end.

**3.8 Taxation**

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 ninety percent of its accounting income for the period as reduced by capital gains, whether realised or unrealised, is distributed in the form of cash among the unit holders. Provided that, for the purpose of determining distribution of at least ninety percent of its accounting income for the period, the income distributed through bonus units shall not be taken into account.

The Fund intends to continue availing the tax exemption in future period by distributing at least ninety percent of its accounting income for the year as reduced by capital gains, whether realised or unrealised, to its unit holders every period. Accordingly, no tax liability or deferred tax has been recognised in these financial statements.

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

**3.9 Revenue recognition**

- Profit on deposits with banks and mark-up / return on investments in debt securities are recognised using effective yield method.

**3.10 Expenses**

All expenses including management fee, trustee fee and annual fee of SECP are recognised in the income statement on an accrual basis.

**3.11 Preliminary expenses and floatation costs**

Preliminary expenses and floatation costs represent expenditure incurred up to the close of Initial Public Offer (IPO) period of the Fund. These costs are being amortised over a period of ten years commencing from July 13, 2023 as per the Trust Deed of the Fund.

### 3.12 Distribution

Distributions declared subsequent to the period end reporting date are considered as non-adjusting events and are recognised in the financial statements of the period in which such distributions are declared. Based on MUFAP's guidelines (duly consented upon by SECP), distributions for the period is deemed to comprise of the portion of amount of income already paid on units redeemed and the amount of cash distribution for the period.

The distribution per unit is announced based on units that were held for the entire period. The rate of distribution is adjusted with effect of refund of capital, if any, based on the period of investment made during the period. Resultantly, the rate of distribution per unit may vary depending on the period of investment.

### 3.13 Earnings per unit (EPU)

Earnings Per Unit (EPU) has not been disclosed as in the opinion of the management, determination of weighted average units for calculating EPU is not practicable.

		December 31, 2023 (Unaudited) Note (Rupees in '000)
<b>4. BANK BALANCES</b>		
	4.1	1,939,202
Saving accounts	4.2	400,000
Term deposit receipts - saving accounts		<u>2,339,202</u>

4.1 These carry profit rates ranging from 12.50% to 21.50% per annum. It also includes balance of Rs. 1.939 million with Bank AL Habib Limited (Parent Company of fund's Managment Company), carrying profit rates 21.5% per annum.

4.2 This represents term deposit receipt amounting to Rs. 400 million held with Bank AL Falah Limited carrying profit rate 22.25% per annum and its maturity date is January 05, 2024.

		December 31, 2023 (Unaudited) Note (Rupees in '000)
<b>5. INVESTMENTS</b>		
GOP Ijara Sukuk certificates	5.1	-
Market Treasury Bills	5.2	56,660
Pakistan Investment Bonds	5.3	11,192,475
		<u>11,249,135</u>

### 5.1 Term finance certificates / sukuks certificates

Issue date	Face value				As at December 31, 2023			Market value as percentage of	
	As at July 01, 2023	Purchases during the period	Sold / Matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealized gain / loss	Net assets	Total investments

	(Number of certificate)				(Rupees in '000)				
<b>Quoted</b>									
GOP IJARA SUKUK 1 YEAR VRR (26-06-2023)	-	1,250	1,250	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 1 YEAR VRR (20-09-2023)	-	2,500	2,500	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 1 YEAR VRR (07-08-2023)	-	36,000	36,000	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 1 YEAR FRR (09-10-2023)	-	5,000	5,000	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 1 YEAR FRR (07-08-2023)	-	750	750	-	-	-	-	0.00%	0.00%
GOP IJARA SUKUK 1 YEAR VRR (17-04-2023)	-	23,415	23,415	-	-	-	-	0.00%	0.00%
<b>Total as at December 31, 2023</b>									

## AL Habib Government Securities Fund

5.1.1 The rate of return on GOP Ijarah ranges from 22% to 23.71% per annum.

### 5.2 Government securities - Market Treasury Bills

Issue date	Face value				As at December 31, 2023			Market value as percentage of	
	As at July 01, 2023	Purchases during the period	Sold / Matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealized gain / loss	Net assets	Total investments
	(Number of certificate)				(Rupees in '000)				
T- BILL 03 MONTHS (02-11-2023)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (07-09-2023)	-	7,250,000	7,250,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (10-08-2023)	-	15,500,000	15,500,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (15-06-2023)	-	2,240,000	2,240,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (16-11-2023)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (19-10-2023)	-	5,000,000	4,430,000	570,000	56,671	56,660	(11.00)	0.41%	0.50%
T- BILL 03 MONTHS (21-09-2023)	-	27,610,000	27,610,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (22-06-2023)	-	8,780,000	8,780,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (25-07-2023)	-	36,290,000	36,290,000	-	-	-	-	0.00%	0.00%
T- BILL 03 MONTHS (30-11-2023)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T- BILL 06 MONTHS (30-11-2023)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
T- BILL 12 MONTHS (30-11-2023)	-	5,000,000	5,000,000	-	-	-	-	0.00%	0.00%
<b>Total as at December 31, 2023</b>					<b>56,671</b>	<b>56,660</b>	<b>(11)</b>		

5.2.1 The rate of return on Market Treasury Bill's ranges from 21.06% to 22.84% per annum.

### 5.3 Government Securities - Pakistan Investment Bonds

Issue date	Face value				As at December 31, 2023			Market value as percentage of	
	As at July 01, 2023	Purchases during the period	Sold / Matured during the period	As at December 31, 2023	Carrying value	Market value	Unrealized gain / loss	Net assets	Total investments
	(Number of certificate)				(Rupees in '000)				
PIB 3 YEARS (09-02-2023) - FLOATER	-	2,500	2,500	-	-	-	-	0.00%	0.00%
PIB 3 YEARS (08-09-2022) - FLOATER	-	26,000	25,000	1,000	99,058	98,650	(408)	0.71%	0.88%
PIB 3 YEARS (07-04-2022) - FLOATER	-	10,000	-	10,000	992,737	990,000	(2,737)	7.10%	8.80%
PIB 2 YEARS (30-12-2021) - FLOATER	-	37,150	37,150	-	-	-	-	0.00%	0.00%
PIB 2 YEARS (06-04-2023) - FLOATER	-	48,171	8,950	39,221	3,891,170	3,876,211	(14,959)	27.78%	34.46%
PIB 2 YEAR (21-09-2023) - FORTNIGHTLY RESET	-	14,100	14,100	-	-	-	-	0.00%	0.00%
PIB 2 YEAR (08-09-2022) - FORTNIGHTLY RESET	-	53,450	23,500	29,950	2,981,708	2,972,837	(8,871)	21.31%	26.43%
PIB 03 YEARS (21-09-2023) - FLOATER	-	25,100	8,000	17,100	1,678,431	1,677,168	(1,263)	12.02%	14.91%
PIB 03 YEARS (19-10-2023) - FLOATER	-	16,080	-	16,080	1,577,485	1,577,609	124	11.31%	14.02%
<b>Total as at December 31, 2023</b>					<b>11,220,589</b>	<b>11,192,475</b>	<b>(28,114)</b>		

5.3.1 The rate of return on Pakistan Investment Bonds ranges from 12% to 23.39% per annum.

	<b>December 31, 2023</b>
	<b>(Unaudited)</b>
	<b>(Rupees in '000)</b>
<b>6. PROFIT RECEIVABLE</b>	
TFCs and Sukuks	392,119
Term deposit receipts	4,145
Bank deposits	19,019
	<b>415,283</b>

		December 31, 2023 (Unaudited) (Rupees in '000)
<b>7. PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY</b>	<b>Note</b>	
Management remuneration	7.1	6,621
Sindh sales tax	7.2	861
Reimbursement against expenses	7.3	5,789
		<u>13,271</u>

**7.1** As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated June 20, 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

**7.2** The Sindh Sales Tax has been charged at 13% on the Management Company's remuneration during the period.

**7.3** In accordance with Regulation 60(3)(S) of the NBFC Regulations, the Management Company is entitled to charge fees and expenses related to registrar services, accounting, operation and valuation services, related to a Collective Investment Scheme.

The Management Company charged Rs. 8.919 million for allocation of such expenses to the Fund which is lower than actual expenses incurred.

		December 31, 2023 (Unaudited) (Rupees in '000)
<b>8. PAYABLE TO CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED - TRUSTEE</b>	<b>Note</b>	
Trustee remuneration	8.1	613
Sales tax payable on trustee remuneration	8.2	154
		<u>767</u>

**8.1** The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily Net Asset Value of the Fund. The remuneration of the Trustee is fixed at 0.055% per annum of net assets.

**8.2** The Sindh Sales Tax has been charged at 13% on the Trustee's remuneration charged during the period.

#### **9. PAYABLE TO THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

This represents annual fee payable to SECP at 0.075% of net assets in accordance with regulation 62 of the NBFC Regulations and pursuant to S.R.O 685(I) 2019, dated June 28, 2019.

		December 31, 2023 (Unaudited) (Rupees in '000)
<b>10. ACCRUED EXPENSES AND OTHER LIABILITIES</b>		
Auditor's remuneration		175
Settlement charges		3
Withholding tax payable		2,120
Capital gain tax payable		27,068
Brokerage		48
Formation cost payable		30
Others		19
		<u>29,463</u>



**11. CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2023.

**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 percent of the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised) to its unit holders.

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

**13. EARNINGS PER UNIT**

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

**14. TOTAL EXPENSE RATIO**

SECP vide its directive no. SCD/PRDD/Direction/18/2016 dated July 20, 2016 requires that Collective Investment Scheme (CIS) shall disclose Total Expense Ratio (TER) in the periodic financial statements of CIS / the Fund. TER of the Fund for the period ended December 31, 2023 is 1.60% which includes 0.22% representing Government levy and SECP fee. This ratio is within the maximum limit of 2.5% prescribed under the NBFC Regulations for a collective investment scheme categorised as an income scheme.

**15. TRANSACTIONS AND BALANCES WITH CONNECTED PERSONS**

**15.1** Connected persons include AL Habib Asset Management Limited being the Management Company, Central Depository Company of Pakistan Limited being the Trustee, other Collective Investment Schemes managed by the Management Company, any person or company beneficially owning directly or indirectly ten percent or more of the capital of the Management Company or the net assets of Fund and the directors and officers of the Management Company and the Trustee and unit holders holding ten percent or more units of the Fund.

**15.2** The transactions with connected persons are in the normal course of business, at contracted terms determined in accordance with the market rates.

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

**15.4** The details of significant transactions carried out by the Fund with connected persons and balances with them at the end of reporting period are as follows:

S.No	Company Name	Relationship
1	AL Habib Asset Management Limited	Management Company
2	Bank Al Habib Limited	Parent Company of Al Habib Asset Management Limited
3	Al Habib Capital Markets (Private) Limited	Subsidiary of Bank Al Habib Limited
4	AL Habib Asset Allocation Fund	Managed by Al Habib Asset Management Limited
5	AL Habib Islamic Income Fund	Managed by Al Habib Asset Management Limited
6	AL Habib Islamic Stock Fund	Managed by Al Habib Asset Management Limited
7	AL Habib Stock Fund	Managed by Al Habib Asset Management Limited
8	AL Habib Cash Fund	Managed by Al Habib Asset Management Limited
9	AL Habib Money Market Fund	Managed by Al Habib Asset Management Limited
10	AL Habib Islamic Cash Fund	Managed by Al Habib Asset Management Limited
11	AL Habib Islamic Saving Fund	Managed by Al Habib Asset Management Limited
12	AL Habib Pension Fund	Managed by Al Habib Asset Management Limited
13	AL Habib Islamic Pension Fund	Managed by Al Habib Asset Management Limited
14	AL Habib Fixed Return Fund	Managed by Al Habib Asset Management Limited
15	AL Habib Mahana Munafa Fund	Managed by Al Habib Asset Management Limited
16	AL Habib Income Fund	Managed by Al Habib Asset Management Limited
17	Central depository Company	Trustee

Related parties includes directors and officers of the above entities for the period, December 31, 2023 and staff retirement benefit funds of the above companies.

The transactions with connected persons are in the normal course of business, at contracted rates and terms determined in accordance with regulatory requirements and as agreed between the parties.

Details of transactions with connected persons are as follows:

	For the Period from July 13, 2023 to December 31, 2023	
	(Rupees in '000)	
	Unaudited	
<b>AL Habib Asset Management Limited m- Management Company</b>		
- Remuneration to the Management Company		41,952
- Sindh Sales tax on Management Company's remuneration		5,454
- Expenses allocated by the Management Company		8,919
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
- Remuneration to the Trustee		2,192
- Sindh Sales tax on Trustees' remuneration		285
- CDC charges		7
<b>Bank Al Habib Limited - Parent Company of AL Habib Asset Management Limited</b>		
- Profit on bank balances		43,239
- Dividend Paid		-
<b>Details of the balances with connected persons as at period end are as follows:</b>		
<b>AL Habib Asset Management Limited - Management Company</b>		
- Payable to the Management Company (inclusive of Sindh Sales Tax)		13,271
<b>Central Depository Company of Pakistan Limited - Trustee</b>		
- Remuneration payable (inclusive of Sindh Sales Tax)		767
- Other CDC charges payable		3
- Security deposits - non interest bearing		100
<b>Bank AL Habib Limited - Parent Company of AL Habib Asset Management Limited</b>		
- Bank balances		1,938,259
- Profit receivable		18,643

#### Sale / redemption of units

	December 31, 2023 (Unaudited)	
	(Units)	(Rupees in '000)
<b>Units sold to:</b>		
<b>Management Company</b>		
AL Habib Asset Management Limited	3,716,525	372,609
<b>Other connected persons</b>		
Habib Asset Management Limited - Employees Provident Fund	-	-
-Key Executives of the Management Company	3,731	378
-Directors and their relatives of the Management Company	106,770	8,321,400
<b>Connected Persons holding 10% or more of the units in issue</b>	-	-

		<b>December 31, 2023 (Unaudited)</b>	
		<b>(Units)</b>	<b>(Rupees in '000)</b>
<b><u>Units redeemed by:</u></b>			
<b>Management Company</b>			
AL Habib Asset Management Limited		3,716,746	376,829
<b>Other connected persons</b>			
-Key Executives of the Management Company		2,020	205
-Directors and Their Relatives of the Management Company			
		59,221,912	6,080,649
<b>Connected Parties holding 10% or more of the units in issue</b>		-	-
<b><u>Units held as on:</u></b>			
<b><u>Units held by:</u></b>			
<b>Other connected persons</b>			
Key Executives of the Management Company		1,711	173,410
Directors & Their Relatives of the Management Company		21,811,502	2,210,595,728
<b>Connected Persons holding 10% or more of the units in issue</b>		-	-

## 16. FAIR VALUE OF FINANCIAL INSTRUMENTS

**16.1** Fair value is the amount for which an asset could be exchanged or liability can be settled, between knowledgeable willing parties in an arm's length transaction. 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.

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

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

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

		<b>Fair value</b>		
		<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>
<b>December 31, 2023 (Unaudited)</b>		<b>(Rupees in '000)</b>		
		<b>Note</b>		
Government securities - Market Treasury Bills	5.2	-	56,660	-
Government securities - Pakistan Investment Bonds	5.3	-	11,192,475	-
		-	11,249,135	-

**16.2** Level 2 fair values have been determined on the basis of MUFAP rates and closing Net Asset Values for government securities and Mutual Fund Units respectively.

**16.3** There were no transfers amongst the levels during the period. Further, there were no changes in the valuation techniques during the period.

**17. GENERAL**

**17.1** This is the first year of operation of the Fund. Therefore, no corresponding fires are presented.

**17.2** This condensed interim financial statements is unaudited and has been reviewed by the auditors. Furthermore, the figures for the quarter ended December 31, 2023 as reported in this condensed interim financial statements has not been subject to limited scope review by the auditors.

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

**18. DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial statements was authorised for issue by the Board of Directors of the Management Company on **January 25, 2024.**

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**AL HABIB PENSION FUND**  
**Half Yearly Report**  
**December 31, 2023**

## FUND'S INFORMATION

**Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarine Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarine Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4, Block 9,  
Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**CENTRAL DEPOSITORY COMPANY  
OF PAKISTAN LIMITED**

**Head Office:**

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



**TRUSTEE REPORT TO THE PARTICIPANTS**

**AL HABIB PENSION FUND**

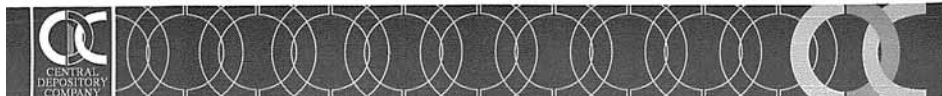
**Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of  
the Non-Banking Finance Companies and Notified Entities Regulations, 2008**

We, Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Pension Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi, February 27, 2024





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Karachi-74200  
Pakistan

## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL HABIB PENSION FUND** ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund and a summary of significant accounting policies and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "interim financial information"). Al Habib Asset Management Limited (the "Management Company") is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

KARACHI

DATED: February 27, 2024

UDIN: RR202310166fVjZy1rzG

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Tariq Feroz Khan

**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.



**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2023**

		December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)			
		Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
Note		Rupees in '000							
<b>ASSETS</b>									
Bank balances	4	819	32,336	139,223	172,378	384	9,450	60,855	70,689
Investments	5	57,402	63,677	11,833	133,498	34,607	66,218	102,687	203,512
Dividend and markup receivable		28	7,385	1,489	8,902	1,845	1,962	891	4,697
Advance and deposits		230	236	168	634	226	233	147	606
<b>TOTAL ASSETS</b>		<u>59,065</u>	<u>103,634</u>	<u>152,713</u>	<u>315,412</u>	<u>37,062</u>	<u>77,862</u>	<u>164,580</u>	<u>279,504</u>
<b>LIABILITIES</b>									
Payable to Al Habib Asset Management Limited - Management Company	6	188	164	414	766	-	455	697	1,152
Payable to Central Depository Company Limited (CDC) - Trustee	7	78	122	207	407	55	119	103	277
Payable to Securities and Exchange - Commission of Pakistan (SECP)	8	23	16	49	88	14	20	20	54
Payable against purchase of securities		-	-	-	-	-	-	29,698	29,698
Accrued expenses and other liabilities	9	692	3,491	210	4,393	109	89	113	311
<b>TOTAL LIABILITIES</b>		<u>981</u>	<u>3,793</u>	<u>880</u>	<u>5,654</u>	<u>178</u>	<u>683</u>	<u>30,630</u>	<u>31,492</u>
<b>NET ASSETS</b>		<u>57,500</u>	<u>99,841</u>	<u>151,833</u>	<u>309,758</u>	<u>36,884</u>	<u>77,179</u>	<u>133,950</u>	<u>248,012</u>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>									
		<u>57,500</u>	<u>99,841</u>	<u>151,833</u>	<u>309,758</u>	<u>36,884</u>	<u>77,179</u>	<u>133,950</u>	<u>248,012</u>
<b>CONTINGENCIES AND COMMITMENTS</b> 10									
----- Number of units -----									
Number of units in issue		<u>369,291</u>	<u>759,542</u>	<u>1,168,456</u>		<u>357,416</u>	<u>657,296</u>	<u>1,145,516</u>	<u>2,160,228</u>
----- Rupees -----									
Net assets value per unit		<u>155.7032</u>	<u>131.4450</u>	<u>129.9393</u>		<u>103.1960</u>	<u>117.4188</u>	<u>116.9342</u>	

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023				For the half year ended December 31, 2022				
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	
Note	Rupees in '000								
Income									
Capital gain on sale of investments - net	5,919	1,351	458	7,728	254	89	-	343	
Mark-up on Government securities									
Income from Pakistan Investment Bonds	-	3,982	-	3,982	-	2,040	-	2,040	
Income from Market Treasury Bills	-	3,739	12,889	16,628	-	786	2,790	3,576	
	-	7,721	12,889	20,610	-	2,826	2,790	5,616	
Dividend income	2,601	-	-	2,601	1,166	-	-	1,166	
Mark-up on bank deposits	157	1,045	2,672	3,874	1,137	805	900	2,842	
	8,677	10,117	16,019	34,813	2,557	3,720	3,690	9,967	
Unrealised appreciation(diminution) on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	5.1	10,875	11	(3)	10,883	(2,792)	94	28	(2,670)
	19,552	10,128	16,016	45,696	(235)	3,814	3,718	7,297	
Expenses									
Remuneration of Al Habuib Asset Management Limited - Management Company	166	219	366	751	-	-	-	-	
Sindh sales tax on remuneration of the Management Company	22	28	48	98	-	-	-	-	
Remuneration of Central Depository Company Limited - Trustee	30	88	92	210	39	55	56	150	
Sindh sales tax on remuneration of the Trustee	4	4	12	20	5	7	7	19	
Annual fee to the Securities and Exchange Commission of Pakistan	10	18	29	57	7	10	10	27	
Auditors' remuneration	114	95	94	303	43	43	43	129	
Securities transaction costs	-	18	-	18	79	-	1	80	
Brokerage charges	145	-	-	-	-	-	-	-	
Printing charges	14	14	14	42	8	8	8	24	
Bank charges and settlement charges	6	3	9	18	18	11	9	38	
	511	487	664	1,517	199	134	134	467	
Net income for the period before taxation	19,041	9,641	15,352	44,179	(434)	3,680	3,584	6,830	
Taxation	-	-	-	-	-	-	-	-	
Net income / (loss) for the period	19,041	9,641	15,352	44,179	(434)	3,680	3,584	6,830	
Earnings per unit	12								

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2023**

	For the quarter ended December 31, 2023				For the quarter ended December 31, 2022			
	Equity	Debt	Money Market		Equity	Debt	Money Market	
	Sub-Fund	Sub-Fund	Sub-Fund	Total	Sub-Fund	Sub-Fund	Sub-Fund	Total
Note	(Rupees in '000)							
Income								
Capital gain on sale of investments - net	4,810	1,123	1	5,934	254	37	-	291
Mark-up on Government securities								
Income from Pakistan Investment Bonds	-	-	-	-	-	1,219	-	1,219
Income from Market Treasury Bills	-	3,884	6,588	10,472	-	510	1,744	2,254
	-	3,884	6,588	10,472	-	1,729	1,744	3,473
Dividend income	1,335	-	-	1,335	640	-	-	640
Mark-up on bank deposits	11	849	1,777	2,637	117	234	193	544
	6,156	5,856	8,366	20,378	1,011	2,000	1,937	4,948
Unrealised appreciation/(diminution) on re-measurement of investments classified as 'fair value through profit or loss' - net	5.1	8,549	(463)	(94)	7,992	(1,347)	102	(1,245)
	14,705	5,393	8,272	28,370	(336)	2,102	1,937	3,703
Expenses								
Remuneration of the Management Company	166	219	366	751	-	-	-	-
Sindh sales tax on remuneration of the Management Company	22	28	48	98	-	-	-	-
Remuneration of the Trustee	16	30	53	99	14	29	31	74
Sindh sales tax on remuneration of the Trustee	2	-	7	9	2	4	4	10
Annual fee to the Securities and Exchange Commission of Pakistan	7	13	24	44	4	6	5	15
Auditors' remuneration	97	77	78	252	39	39	39	117
Securities transaction costs	-	-	-	-	19	-	1	20
Printing charges	7	7	7	21	7	7	7	21
Bank charges and settlement charges	(1)	3	-	2	15	8	10	33
	316	377	583	1,276	100	93	97	290
Net income for the period before taxation	14,389	5,016	7,689	27,094	(436)	2,009	1,840	3,413
Taxation	-	-	-	-	-	-	-	-
Net income / (loss) for the period	14,389	5,016	7,689	27,094	(436)	2,009	1,840	3,413
Earnings per unit	13							

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023				For the half year ended December 31, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000							
Net income for the period	19,041	9,641	15,352	44,034	(434)	3,680	3,584	6,830
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income/(loss) for the period	<u>19,041</u>	<u>9,641</u>	<u>15,352</u>	<u>44,034</u>	<u>(434)</u>	<u>3,680</u>	<u>3,584</u>	<u>6,830</u>

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

	For the quarter ended December 31, 2023				For the quarter ended December 31, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000							
Net income / (loss) for the period after taxation	14,389	5,016	7,689	27,094	(436)	2,009	1,840	3,413
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income / (loss) for the period	<u>14,389</u>	<u>5,016</u>	<u>7,689</u>	<u>27,094</u>	<u>(436)</u>	<u>2,009</u>	<u>1,840</u>	<u>3,413</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023				For the half year ended December 31, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note	(Rupees in '000)							
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>								
Net income for the period before taxation	19,041	9,641	15,352	44,034	(434)	3,680	3,584	6,830
Adjustments for:								
Income from Pakistan Investment Bonds	-	(3,982)	-	(3,982)	-	(2,040)	-	(2,040)
Income from Market Treasury Bills	-	(3,739)	(12,889)	(16,628)	-	(786)	(2,790)	(3,576)
Dividend income	(2,601)	-	-	(2,601)	(1,166)	-	-	(1,166)
Mark-up on bank deposits	(157)	(1,045)	(2,672)	(3,874)	(1,137)	(805)	(900)	(2,842)
Unrealised diminution on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net	(10,875)	(11)	3	(10,883)	2,792	(94)	(28)	2,670
	5,408	864	(206)	6,066	55	(45)	(134)	(124)
<b>(Increase) / decrease in assets</b>								
Investments - net	(11,920)	2,552	90,851	81,403	-	-	-	-
Dividend and markup receivable	1,816	(5,424)	(599)	(4,207)	-	-	-	-
Advance and deposits	(4)	(3)	(21)	(28)	(226)	(233)	(147)	(606)
	(10,108)	(2,875)	90,231	77,248	(226)	(233)	(147)	(606)
<b>Increase / (decrease) in liabilities</b>								
Payable to the Management Company	188	(291)	(283)	(386)	-	-	-	-
Payable to the Trustee	23	3	104	130	19	28	27	74
Payable to Securities and Exchange Commission of Pakistan	9	(4)	29	34	7	10	10	27
Payable against purchase of securities	-	-	(29,698)	(29,698)	-	-	-	-
Accrued expenses and other liabilities	583	3,402	97	4,082	53	43	36	132
	803	3,110	(29,751)	(25,838)	79	81	73	233
Cash generated from operations	(3,897)	1,099	60,274	57,476	(92)	(197)	(208)	(497)
Income from Pakistan Investment Bonds	-	3,982	-	3,982	-	-	-	-
Income from Market Treasury Bills	-	3,739	12,889	16,628	-	-	-	-
Dividend received	2,601	-	-	2,601	1,166	-	-	1,166
Mark-up received on bank deposits	157	1,045	2,672	3,874	1,104	3,240	3,667	8,011
Net amount received / (paid) on purchase and sale of investments	-	-	-	-	(33,510)	(50,120)	(49,740)	(133,370)
Net cash (used in) / generated from operating activities	(1,139)	9,865	75,835	84,561	(31,332)	(47,077)	(46,281)	(124,690)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>								
Receipts from issue of units	6,096	26,333	40,125	72,554	34,562	55,968	59,962	150,492
Payment against redemption of units	(4,520)	(13,312)	(37,592)	(55,424)	(11)	(7,813)	(11,707)	(19,531)
Net cash generated from financing activities	1,576	13,021	2,533	17,130	34,551	48,155	48,255	130,961
Net increase in cash and cash equivalents during the period	437	22,886	78,368	101,691	3,219	1,078	1,974	6,271
Cash and cash equivalents at the beginning of the period	384	9,450	60,855	70,689	-	-	-	-
Cash and cash equivalents at the end of the period	4	821	32,336	139,223	3,219	1,078	1,974	6,271

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND (UN-AUDITED)**  
**FOR THE QUARTER ENDED DECEMBER 31, 2023**

	For the half year ended December 31, 2023				For the half year ended December 31, 2022			
	Equity	Debt	Money Market	Total	Equity	Debt	Money Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
	----- Rupees in '000 -----							
Net assets at beginning of the period	36,884	77,180	133,949	248,013	-	-	-	-
Issue of units	6,096	26,333	40,125	72,554	34,562	55,968	59,962	150,492
Redemption of units	(4,520)	(13,312)	(37,592)	(55,424)	(11)	(7,813)	(11,707)	(19,531)
<b>Total proceeds on issuance of units</b>	<b>1,576</b>	<b>13,021</b>	<b>2,533</b>	<b>17,130</b>	<b>34,551</b>	<b>48,155</b>	<b>48,255</b>	<b>130,961</b>
Gain on sale of investments - net	5,919	1,351	457	7,727	254	89	-	343
Unrealised (diminution) / appreciation on 're-measurement of investments classified as financial assets at fair value through profit or loss' - net	10,875	11	(3)	10,883	(2,792)	94	28	(2,670)
Other income for the period - net	2,246	8,278	14,897	25,421	2,103	3,497	3,553	9,153
<b>Total comprehensive income / (loss) for the period</b>	<b>19,040</b>	<b>9,640</b>	<b>15,351</b>	<b>44,031</b>	<b>(435)</b>	<b>3,680</b>	<b>3,581</b>	<b>6,826</b>
<b>Net assets at end of the period</b>	<b>57,500</b>	<b>99,841</b>	<b>151,833</b>	<b>309,174</b>	<b>34,116</b>	<b>51,835</b>	<b>51,836</b>	<b>137,787</b>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1 LEGAL STATUS AND NATURE OF BUSINESS**

Al Habib Pension Fund (the Fund) was established under a Trust Deed executed between Al Habib 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 SCD/AMCW/PW/ALPF/80/2022 dated June 29, 2022 and the Trust Deed was executed on June 20, 2020.

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 24, 2021, the above-mentioned Trust Deed has been registered under the Sindh Trust Act.

The Pension Fund Manager of the Fund has been licensed to act as a Pension Fund Manager under the Voluntary Pension Scheme Rules, 2005 (the VPS Rules) through a certificate of registration 44/SEC/PRDD/VPS/ALHAML/2022 dated May 16, 2022. The registered office of the Pension Fund Manager is situated at 3rd Floor Mackinnon's Building I, I Chundrigar Road Karachi.

The Fund is an open-end fixed return Fund that aims to provide fixed returns to its unitholders. It shall offer units via fixed return plans. These plans are term-based, may be offered for a limited subscription period. The Fund shall offer various allocation plans based on their structure of fixed maturity or perpetual (subject to approval of SECP) investing in the investable avenues as defined in the Offering Document of the Fund.

The objective of the Fund is to provide a secure source of savings and retirement income to individuals. It is a portable pension scheme allowing individuals the flexibility of contributions and portfolio customisation through allocation of such contributions in equity and fixed income investment avenues suited to their specific needs and risk profile.

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

**AL Habib Pension Fund - Equity Sub-Fund (AHAMPF - ESF)**

The investment objective of the Equity Sub Fund of the Pension Fund is to earn returns from investments in Pakistani Capital Markets. Assets of Equity Sub Fund shall be invested in equity securities which are listed on Pakistan Stock Exchange (PSX) or for the listing of which an application has been approved by PSX and Equity Sub Fund shall be eligible to invest in units of Real Estate Investment Trusts and Exchange Traded Funds provided that entity/sector/group exposure limits as prescribed are complied with at least ninety percent (90%) of Net Assets of Equity Sub Fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis.

**AL Habib Pension Fund - Debt Sub-Fund (AHAMPF - DSF)**

The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The investment limits of the Debt Sub Fund are determined by the Commission. The current investment policy/limits for Debt Sub Fund as stated below: The Debt Sub Fund shall consist of government securities, placement in the banks, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), TDRs, TFC / Sukuk or any other mode of placement, deposits/placements with any other approved debt/money market security issued from time to time

**AL Habib Pension Fund - Money Market Sub-Fund (AHAMPF - MMSF)**

The investment objective of the Money Market Sub Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund. The investment limits of the Money Market

Sub Fund are determined by the Commission. The current investment policy/limits for money market sub-fund as stated below investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM) or any other mode of placement, TDRs, reverse repo;

The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub-Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.

PACRA Credit Rating Company Limited has assigned an asset manager quality rating of 'AM2' (stable outlook) to the Management Company as on December 31, 2023.

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

## **2 BASIS OF PREPARATION**

### **2.1 Statement of compliance**

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

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

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017, 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** The disclosures made in this condensed interim financial information have; however, been limited based on the requirements of International Accounting Standard - 34 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2023.

**2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2023, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2022.

**2.1.4** This condensed interim financial information is unaudited but 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, 2022 have not been reviewed.



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

## **2.2 Basis of measurement**

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

## **2.3 Functional and presentation currency**

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

## **3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN**

**3.1** The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2023.

**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, 2023.

**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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

**3.5** The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2023.

			December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)			
			Money				Money			
			Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund	Total
<b>4</b>	<b>BANK BALANCES</b>	<b>Note</b>	Rupees in '000				Rupees in '000			
	In saving accounts	4.1	819	32,336	139,223	172,378	384	9,450	60,855	70,689

**4.1** These accounts carry mark-up at the rates ranging between 19% to 20.75% (June 30, 2023: 15.25% to 20.25%) per annum.

**4.2** This includes an amount held by a related party (Habib Bank Limited) amounting to Rs. 0.78 million (June 30, 2023: Rs. 3.219 million) and Rs.32.335 million (June 30, 2023: Rs. 1.078 million), 1.721 million (June 30, 2023: Rs. 1.974 million) Equity Sub-Fund, Debt Sub-Fund and Money Market Sub-Fund respectively.

		December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)			
				Money				Money	
		Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Market Sub-Fund	Total
5	INVESTMENTS	Rupees in '000				Rupees in '000			
	Financial assets classified at fair value through profit or loss								
	Listed equity securities	57,402	-	-	57,402	34,607	-	-	34,607
	Market treasury bills	-	-	11,833	11,833	-	66,218	102,687	168,905
	Pakistan investment bonds	-	63,677	-	63,677	-	-	-	-
		57,402	63,677	11,833	132,912	34,607	66,218	102,687	203,512

### 5.1 Listed equity securities

Name of the investee companies (Sector wise)	Total units as at July 1, 2023	Purchases made during the period	Bonus received during the period	Sales made during the period	Total units as at December 31, 2023	Total carrying value as at December 31, 2023	Total market value as at December 31, 2023	Unrealised appreciation / (diminution) on re-measurement of investment as at December 31, 2023	Market value as a percentage of net assets	Market value as a percentage of total value of Investment
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Number of units Rupees in '000

#### CEMENT

Cherat Cement Company Limited	8,000	3,000	-	3,000	8,000	1,081	1,304	223	1.86%	2.30%
Fauji Cement Company Limited	96,250	65,000	-	111,250	50,000	849	946	97	1.46%	1.81%
Kohat Cement Limited	6,000	2,500	-	2,000	6,500	1,190	1,522	332	2.05%	2.54%
Lucky Cement Limited	3,2000	1,80	-	3,500	1,500	804	1,180	376	1.38%	1.71%
Attock Cement Pakistan Limited	5,000	10,000	-	7,000	8,000	723	770	47	1.24%	1.54%
Maple Leaf Cement Factory Limited	53,862	40,000	-	35,000	58,862	1,947	2,291	344	3.35%	4.15%
Bestway Cement Limited	4,500	-	-	500	4,000	580	752	172	1.00%	1.24%
						7,174	8,765	1,591		

#### CHEMICALS

Descon Orychem Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
Lotte Chemical Pakistan Limited	-	17,000	-	1,000	16,000	438	432	(6)	0.75%	0.93%
Ittehad Chemical Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
Nimir Resins Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
Sitara Chemical Industries Limited	-	-	-	-	-	986	978	(8)	1.70%	2.10%
Engro Polymer and Chemicals Limited	-	22,000	-	1,000	21,000	-	-	-	0.00%	0.00%
Ghani Global Holdings Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
Biafo Industries Ltd	-	10,000	-	-	10,000	991	1,179	188	1.71%	2.11%
I.C.I. Pakistan Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
						2,415	2,589	174		

#### COMMERCIAL BANKS

Habib Bank Limited	4,000	24,000	-	11,500	16,500	1,571	1,829	258	2.70%	3.35%
MCB Bank Limited	6,000	3,000	-	-	9,000	1,134	1,553	419	1.95%	2.42%
Faysal Bank Limited	37,000	-	-	17,000	20,000	404	652	248	0.70%	0.86%
Bank Alfalah Limited	26,000	10,000	-	12,000	24,000	802	1,164	362	1.38%	1.71%
Bank Alfalah Limited	-	25,000	-	-	25,000	629	618	(11)	1.08%	1.34%
Meezan Bank Limited	32,000	4,000	-	24,000	12,000	1,080	1,936	856	1.86%	2.30%
The Bank of Punjab	77,000	100,000	-	77,000	100,000	545	648	103	0.94%	1.16%
BankIslami Pakistan Limited	-	50,000	-	-	50,000	1,057	1,110	53	1.82%	2.25%
NBP	-	50,000	-	-	50,000	1,225	1,606	381	2.11%	2.61%
United Bank Limited	3,500	21,500	-	2,000	23,000	3,176	4,090	913	5.45%	6.74%
Habib Metropolitan Bank Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
						11,610	15,206	3,596		

#### ENGINEERING

Mughal Iron & Steel Industries	15,000	-	-	15,000	-	-	-	-	0.00%	0.00%
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## AL HABIB PENSION FUND

Name of the investee companies (Sector wise)	Total units as at July 1, 2023	Purchases made during the period	Bonus received during the period	Sales made during the period	Total units as at December 31, 2023	Total carrying value as at December 31, 2023	Total market value as at December 31, 2023	Unrealised appreciation / (diminution) on re- measurement of investment as at December 31, 2023	Market value as a percentage of net assets	Market value as a percentage of total value of Investment
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----- Number of units ----- Rupees in '000 -----

### FERTILIZER

Engro Fertilizer Limited	31,000	25,000	-	31,000	25,000	2,359	2,806	447	4.06%	5.03%
Fauji Fertilizer Company	20,000	10,000	-	20,000	10,000	1,020	1,132	112	1.76%	2.17%
Faima Fertilizer Company Limited	-	45,000	-	-	45,000	1,183	1,436	253	2.04%	2.52%
Engro Corporation Limited	8,353	7,000	-	8,353	7,000	1,968	2,064	96	3.39%	4.19%
						6,530	7,438	908		

### GLASS & CERAMIC

Tariq Glass Industries Limited	13,250	5,000	-	9,250	9,000	675	897	222	1.16%	1.44%
Ghani Glass Limited	-	18,000	-	-	18,000	620	528	(92)	1.07%	1.32%
Shabbir Tiles & Ceramics Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
						1,295	1,425	130		

### TEXTILE COMPOSITE

IGI Holding Limited	-	14,000	-	-	14,000	2,437	2,669	231	4.20%	5.19%
Interloop Limited	20,000	-	-	20,000	-	-	-	-	0.00%	0.00%
						2,437	2,669	231		

### OIL & GAS MARKETING COMPANIES

Attock Petroleum Limited	3000	-	-	3000	-	-	-	-		
Sui Northern Gas Pipelines Limited	18,000	-	-	-	18,000	709	1,323	614	1.22%	1.51%
						709	1,323	614		

### VANASPATI & ALLIED INDUSTRIES

Mari Petroleum Company Limited	1,100	100	-	-	1,200	1,822	2,515	693	3.14%	3.88%
Oil & Gas Development Company Limited	16,000	26,000	-	1,000	41,000	3,826	4,610	784	6.59%	8.15%
Pak Oilfields Limited	5,000	4,000	-	-	9,000	3,791	3,797	6	6.53%	8.08%
Pakistan Petroleum Limited	21,500	35,000	-	18,500	38,000	3,086	4,371	1,285	5.31%	6.58%
						12,525	15,293	2,768		

### PHARMACEUTICALS

Hightoon Laboratories	700	185	-	885	-	-	-	-	0.00%	0.00%
Abbott Lab (Pakistan) Limited	600	-	-	600	-	-	-	-	0.00%	0.00%
						-	-	-		

### POWER GENERATION & DISTRIBUTION

Hub Power Company Ltd	10,000	8,000	-	-	18,000	1,419	2,108	689	2.44%	3.02%
Kot Addu Power Company Limited	-	30,000	-	30,000	-	-	-	-	0.00%	0.00%
						1,419	2,108	689		

### TECHNOLOGY & COMMUNICATION

Avanceon Limited	9,500	-	-	9,500	-	-	-	-	0.00%	0.00%
Systems Limited	4,700	700	-	5,400	-	-	-	-	0.00%	0.00%
						-	-	-		

### AUTOMOBILE ASSEMBLER

Millat Tractors Limited	88	44	-	132	-	-	-	-	0.00%	0.00%
Agri tech Li mi ted	-	-	-	-	-	-	-	-	0.00%	0.00%
Sazgar Engineering Works Limited	-	25,000	-	25,000	-	-	-	-	0.00%	0.00%
Ghandhara Industries Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
Ghandhara Nissan Limited	-	-	-	-	-	-	-	-	0.00%	0.00%
Balochistan Wheels Limited	-	22,500	-	19,500	3,000	402	586	184	0.69%	0.86%
Honda Atlas Cars (Pakistan) Limited	-	-	-	-	-	402	586	184		
						804	1,172	368		

Total as at December 31, 2023 (Un-Audited)  
Total as at June 30, 2023

46,918	57,988	10,455	100%	100%
37,109	34,607	(2,502)	90.02%	96%

## 5.2 Government Securities - Market Treasury Bills

## 5.2.1 Debt Sub Fund

		Number of certificates							
Tenure	Face value				Carrying value as at December 31, 2023	Market value as at December 31, 2023	Unrealised diminution re-measurement of investments	Market value as a percentage of net assets	Market value as a percentage of total investments
	As at July 01, 2023	Purchases during the period	Sales / matured during the period	As at December 31, 2023					
-----Rupees in '000-----									
T- BILL 3 MONTHS (16-11-2023)	-	500,000	500,000	-	-	-	-	0%	0%
T- BILL 3 MONTHS (16-11-2023)	-	5,000,000	5,000,000	-	-	-	-	0%	0%
T- BILL 3 MONTHS (10-08-2023)	-	300,000	300,000	-	-	-	-	0%	0%
T- BILL 3 MONTHS (15-06-2023)	690,000	55,000	745,000	-	-	-	-	0%	0%
T- BILL 3 MONTHS (21-09-2023)	-	310,000	310,000	-	-	-	-	0%	0%
Total as at December 31, 2023					-	-	-	0%	0%
Total as at June 30, 2023					66,305	66,218	(87)	86%	100%

## 5.2.2 Money Market Sub Fund

T- BILL 3 MONTHS (02-11-2023)	-	120,000	-	120,000	11,836	11,833	(3)	20.37%	100%
T- BILL 3 MONTHS (10-08-2023)	-	2,400,000	2,400,000	-	-	-	-	0%	0%
T- BILL 3 MONTHS (15-06-2023)	1,070,000	190,000	1,260,000	-	-	-	-	0%	0%
T- BILL 3 MONTHS (15-06-2023)	-	45,000	-	45,000	-	-	-	0%	0%
T- BILL 3 MONTHS (21-09-2023)	-	1,480,000	105,000	1,375,000	-	-	-	0%	0%
Total as at December 31, 2023					11,836	11,833	(3)	20.37%	100%
Total as at June 30, 2023					102,823	102,687	(136)	77%	100%

## 5.3 Government Securities - Pakistan Investment Bonds

## 5.3.1 Debt Sub Fund

PIB 5 Y (19-10-2023)	-	80	-	80	7,824	7,754	70	8%	12%
PIB 3 Y (19-10-2023)	-	4,380	3,810	570	55,842	55,923	(81)	56%	88%
PIB 2 Y (06-04-2023)	-	495	495	-	-	-	-	0%	0%
PIB 5 Y (13-10-2022)	-	-	-	-	-	-	-	0%	0%
PIB 5 Y (29-04-2022)	-	-	-	-	-	-	-	0%	0%
Total as at December 31, 2023					63,666	63,677	(11)	0%	0%
Total as at June 30, 2023					-	-	-	-	-

## 6 PAYABLE TO AL HABIB ASSET MANAGEMENT LIMITED - MANAGEMENT COMPANY

6.1 As per the amendments made in the NBFC Regulations, 2008 vide SRO 639 (1) / 2019 dated 20 June 2019, the Management Company shall set and disclose in the offering document the maximum rate of fee chargeable to Collective Investment Scheme within allowed expense ratio, the Management Company of the Fund is entitled to an accrued remuneration equal to an amount not exceeding 10% of gross earnings of the Fund. The Management has charged its remuneration at rate ranging from 0% to 10% of the gross earnings of the Fund, which is within the allowed expense ratio limit. The remuneration is paid to the Management Company on monthly basis in arrears.

6.2 The Sindh sales tax has been charged at 13% on the Management Company's remuneration charged during the period.

## 7 PAYABLE TO CENTRAL DEPOSITORY COMPANY LIMITED (CDC) - TRUSTEE

7.1 The Trustee is entitled to a remuneration for services rendered to the Fund under the provisions of the Trust Deed based on the daily net asset value of the Fund. The remuneration of the Trustee is fixed at 0.055% (June 30, 2023: 0.075%) per annum of net assets.

**7.2** The Sindh sales tax has been charged at 13% (June 30,2023: 13% ) on the Trustee's remuneration charged during the period.

## **8 PAYABLE TO SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

This represents annual fee payable to Securities and Exchange Commission of Pakistan (SECP) at 0.075% (June 30, 2023: 0.02%) of net assets in accordance with regulation 62 of the NBFC Regulations.

## **9 ACCRUED EXPENSES AND OTHER LIABILITIES**

	December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)			
	Equity	Debt	Money		Equity	Debt	Money	
	Sub-Fund	Sub-Fund	Market	Total	Sub-Fund	Sub-Fund	Market	Total
	Rupees in '000				Rupees in '000			
Auditors' remuneration payable	121	121	120	362	54	54	54	162
Withholding tax	-	13	10	23	21	4	8	33
Printing charges	35	27	35	97	22	22	22	65
Other payables	536	3,330	45	3,911	12	10	29	51
	692	3,491	210	4,393	109	89	113	311

## **10 CONTINGENCIES AND COMMITMENTS**

There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil).

## **11 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 the accounting income for the year as reduced by capital gains, whether realised or unrealised, is distributed amongst the unit holders. Furthermore, as per regulation 63 of the NBFC Regulations, the Fund is required to distribute atleast 90 percent of the net accounting income other than capital gains to the unit holders. The Fund has not recorded any tax liability in respect of income relating to the current period as the management intends to distribute in cash atleast 90 percent of the Fund's accounting income for the year ending June 30, 2024 as reduced by capital gains (whether realised or unrealised ) to its unit holders.

## **12 EARNINGS PER UNIT**

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

## **14 TRANSACTIONS AND BALANCES WITH CONNECTED PERSON**

Connected persons include AL Habib Asset Management Limited being the Management Company, Bank Al Habib 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 10% holding 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 financial statements are as follows:

	For the half year ended December 31, 2023				For the half year ended December 31, 2022			
	Money			Total	Money			Total
	Equity	Debt	Market		Equity	Debt	Market	
	Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
	Rupees in '000				Rupees in '000			
<b>14.1 Transactions during the year / period</b>								
<b>Al Habib Asset Management Limited - Management Company</b>								
Remuneration of the Management Company	166	219	366	751	-	-	-	-
Sindh sales tax on remuneration of the	22	28	48	98	-	-	-	-
<b>Central Depository Company of Pakistan Limited (CDC) - Trustee</b>								
Remuneration of the Trustee	30	88	92	210	39	55	56	150
Sindh sales tax on remuneration of the Trustee	4	4	12	20	5	7	7	19
<b>Directors and their relatives of the Management Company</b>								
Purchase of units of the plan 32,113 (December 2022: nil units)	4,873	-	-	4,873	-	-	-	-
Purchase of units of the plan 52,530 (December 2022: nil units)	-	6,741	-	6,741	-	-	-	-
Purchase of units of the plan 60,029 (December 2022: 13,832 units)	-	-	7,566	7,566	-	-	300,000	300,000
<b>Key Executives of the Management Company</b>								
Redemption of units of the plan 14,983 (December 2022: 337 units)	2,229	-	-	2,229	634	-	-	634
Redemption of units of the plan 47,637 (December 2022: 367 units)	-	6,041	-	6,041	-	572	-	572
Redemption of units of the plan 70,139 (December 2022: 367 units)	-	-	8,910	8,910	-	-	79	79
<b>14.2 Balances outstanding as at period / year end</b>								
<b>Al Habib Asset Management Limited - Management Company</b>								
Remuneration of the Management Company	188	164	414	766	-	455	697	1,152
Units held as at December 31, 2023 300,000 (June 2023: 357,416 Units)	46,710	-	-	46,710	36,884	-	-	36,884
Units held as at December 31, 2023 300,000 (June 2023: 657,296 Units)	-	39,435	-	39,435	-	77,179	-	77,179
Units held as at December 31, 2023 300,000 (June 2023: 1,145,516 Units)	-	-	38,982	38,982	-	-	133,950	133,950
<b>Central Depository Company of Pakistan Limited (CDC) - Trustee</b>								
Remuneration of the Trustee	78	122	207	407	55	119	103	277
<b>Key Executives of the Management Company</b>								
Units held as at December 31, 2023 20,906 (June 2023: 303,026 units)	3,256	-	-	3,256	31,774	-	-	31,774
Units held as at December 31, 2023 25,302 (June 2023: 506,956 units)	-	3,325	-	3,325	-	57,336	-	57,336
Units held as at December 31, 2023 nil (June 2023: 595,175 units)	-	-	-	-	-	-	66,929	66,929

**15 FAIR VALUE OF FINANCIAL INSTRUMENTS**

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

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

The fair value of financial assets and liabilities traded in active markets 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 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.

December 31, 2023 (Un-Audited)								
Equity Sub Fund								
Carrying amount					Fair value			
Particulars	Note	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	15.1							
Investments		57,402	-	57,402	57,402	-	-	57,402
		57,402	-	57,402	57,402	-	-	57,402
Financial assets not measured at fair value	15.4							
Bank balances		-	819	819				
Dividend and markup receivable		-	28	28				
Advance and deposits		-	230	230				
		-	1,077	1,077				
Financial liabilities not measured at fair value	15.4							
Payable to the Management Company		-	188	188				
Payable to the Trustee		-	78	78				
Payable to Securities and Exchange - Commission of Pakistan		-	23	23				
Accrued expenses and other liabilities		-	692	692				
		-	981	981				

June 30, 2023 (Audited)

Equity Sub Fund

Particulars	Note	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**

15.1

Investments

34,607	-	34,607	34,607	-	-	34,607
34,607	-	34,607	34,607	-	-	34,607

**Financial assets not measured at fair value**

15.4

Bank balances

- 384 384

Dividend and markup receivable

- 1,845 1,845

Advance and deposits

- 226 226

- 2,455 2,455

**Financial liabilities not measured at fair value**

15.4

Payable to the Management Company

- - -

Payable to the Trustee

- 55 55

Payable to Securities and Exchange -

Commission of Pakistan

- 14 14

Accrued expenses and other liabilities

- 109 109

- 178 178

December 31, 2023 (Un-Audited)

Debt Sub Fund

Particulars	Note	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**

15.1

Investments

63,677	-	63,677	63,677	-	-	63,677
63,677	-	63,677	63,677	-	-	63,677

**Financial assets not measured at fair value**

15.4

Bank balances

- 32,336 32,336

Dividend and markup receivable

- 7,385 7,385

Advance and deposits

- 236 236

- 39,957 39,957

**Financial liabilities not measured at fair value**

15.4

Payable to the Management Company

- 164 164

Payable to the Trustee

- 122 122

Payable to Securities and Exchange -

Commission of Pakistan

- 16 16

Accrued expenses and other liabilities

- 3,491 3,491

- 3,793 3,793



June 30, 2023 (Audited)

Debt Sub Fund

Particulars	Note	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**

15.1

Investments

66,218	-	66,218	66,218	-	-	-	66,218
66,218	-	66,218	66,218	-	-	-	66,218

**Financial assets not measured at fair value**

15.4

Bank balances

- 9,450 9,450

Dividend and markup receivable

- 1,962 1,962

Advance and deposits

- 233 233

- 11,644 11,644

**Financial liabilities not measured at fair value**

15.4

Payable to the Management Company

- 455 455

Payable to the Trustee

- 119 119

Payable to Securities and Exchange -

Commission of Pakistan

- 20 20

Accrued expenses and other liabilities

- 89 89

- 683 683

December 31, 2023 (Un-Audited)

Money Market Sub Fund

Particulars	Note	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**

15.1

Investments

11,833	-	11,833	11,833	-	-	-	11,833
11,833	-	11,833	11,833	-	-	-	11,833

**Financial assets not measured at fair value**

15.4

Bank balances

- 139,223 139,223

Dividend and markup receivable

- 1,489 1,489

Advance and deposits

- 168 168

- 140,880 140,880

**Financial liabilities not measured at fair value**

15.4

Payable to the Management Company

- 414 414

Payable to the Trustee

- 207 207

Payable to Securities and Exchange -

Commission of Pakistan

- 49 49

Accrued expenses and other liabilities

- 210 210

- 880 880

June 30, 2023 (Audited)

Money Market Sub Fund

Particulars	Note	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	15.1							
Investments		102,687	-	102,687	102,687	-	-	102,687
		102,687	-	102,687	102,687	-	-	102,687
Financial assets not measured at fair value	15.4							
Bank balances		-	60,855	60,855				
Dividend and markup receivable		-	891	891				
Advance and deposits		-	147	147				
		-	61,893	61,893				
Financial liabilities not measured at fair value	15.4							
Payable to the Management Company		-	697	697				
Payable to the Trustee		-	103	103				
Payable to Securities and Exchange - Commission of Pakistan		-	20	20				
Payable against purchase of securities		-	29,698	29,698				
Accrued expenses and other liabilities		-	113	113				
		-	30,630	30,630				

**15.1 Valuation techniques**

**15.2** For level 1 investments at fair value through profit or loss in units of mutual funds, Fund uses daily NAVs which are taken from MUFAP at reporting date.

**15.3** Level 2 fair values have been determined on the basis of MUFAP rates and closing Net Asset Values for government securities and Mutual Fund Units respectively.

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

**15.5 Transfers during the year**

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

**16 TOTAL EXPENSE RATIO**

The AHAM Pension Fund - Equity Sub Fund has maintained Total expense ratio (TER) of the Fund for the half year ended December 31, 2023 2.75% (December 31, 2022: 4.08%) which includes 0.21% (December 31, 2022: 0.42% ) representing Government Levies, SECP Fee].

The AHAM Pension Fund - Debt Sub Fund has maintained Total expense ratio (TER) of the Fund for the half year ended December 31, 2023 2.17% (December 31, 2022: 1.12%) which includes 0.19% (December 31, 2022: 0.16% ) representing Government Levies, SECP Fee].

The AHAM Pension Fund - Money Market Sub Fund has maintained Total expense ratio (TER) of the Fund for the half year ended December 31, 2023 1.6% (December 31, 2022: 0.82%) which includes 0.18% (December 31, 2022: 0.12% ) representing Government Levies, SECP Fee].

**17 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorized for issue on **January 25, 2024** by the Board of Directors of the Management Company.

**18 GENERAL**

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

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**AL HABIB ISLAMIC PENSION FUND**  
**Half Yearly Report**  
**December 31, 2023**

**FUND'S INFORMATION**

**Management Company**

AL Habib Asset Management Limited

**Board of Directors of the Management Company**

Mr. Abbas D. Habib	Chairman
Mr. Mansoor Ali	Director
Mr. Imran Azim	Director
Ms. Zarin Aziz	Director
Mr. Saeed Allawala	Director
Mr. Kashif Rafi	Chief Executive

**Chief Financial Officer**

Mr. Abbas Qurban

**Company Secretary & Chief Operating Officer**

Mr. Zahid Hussain Vasnani

**Audit Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Mr. Imran Azim	Member

**Human Resource Committee**

Mr. Saeed Allawala	Chairman
Mr. Mansoor Ali	Member
Ms. Zarin Aziz	Member
Mr. Kashif Rafi	Member

**Auditors**

BDO Ebrahim & Co.  
Lakson Square Building No. 1, 9th Floor,  
Block C Sarwar Shaheed Rd, Civil Lines,  
Karachi, Karachi City, Sindh 74200

**Legal Advisor**

Mohsin Tayebaly & Co.  
Barristers & Advocates,  
2nd Floor, DIME Centre, BC-4, Block 9,  
Kehkashan, Clifton, Karachi.

**Trustee**

Central Depository Company of Pakistan Limited  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahra-e-Faisal, Karachi.

**Rating**

AM2+ Management Company Quality  
Rating Assigned by PACRA.

**Bankers to the Fund**

Bank AL Habib Limited

**Registered Office:** 3rd Floor, Mackinnon's Building, I.I. Chundrigar Road, Karachi.

**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](http://www.cdcPakistan.com)  
Email: [info@cdcpak.com](mailto:info@cdcpak.com)



**TRUSTEE REPORT TO THE PARTICIPANTS**

**AL HABIB ISLAMIC PENSION FUND**

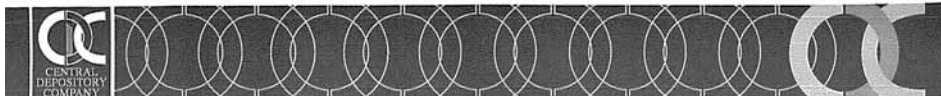
**Report of the Trustee pursuant to Regulation 67D in conjunction with Regulation 41(h) of  
the Non-Banking Finance Companies and Notified Entities Regulations, 2008**

We, Central Depository Company of Pakistan Limited, being the Trustee of AL Habib Islamic Pension Fund (the Fund) are of the opinion that AL Habib Asset Management Limited being the Pension Fund Manager has in all material respects managed the Fund during the six months period ended December 31, 2023 in accordance with the provisions of the constitutive documents of the Fund, the Voluntary Pension System Rules, 2005 and the Non-Banking Finance Companies and Notified Entities Regulations, 2008.

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

**Badiuddin Akber**  
Chief Executive Officer  
Central Depository Company of Pakistan Limited

Karachi, February 27, 2024





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Fax: +92 21 3568 4239  
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Lakson Square, Building No.1  
Sarwar Shaheed Road  
Karachi-74200  
Pakistan

## INDEPENDENT AUDITORS' REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION TO THE UNIT HOLDERS

### Introduction

We have reviewed the accompanying condensed interim statement of assets and liabilities of **AL HABIB ISLAMIC PENSION FUND** ("the Fund") as at December 31, 2023 and the related condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of movement in unit holders' fund and a summary of significant accounting policies and other explanatory notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "interim financial information"). Al Habib Asset Management Limited (the "Management Company") is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

### Scope of Review

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

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2023 does not present fairly, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

### Other matter

The figures for the quarter ended December 31, 2023 and December 31, 2022 in the condensed interim income statement and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

KARACHI

DATED: February 27, 2024

UDIN: RR202310166rDO6VUx4s

**BDO EBRAHIM & CO.**  
**CHARTERED ACCOUNTANTS**  
Engagement Partner: Tariq Feroz Khan

**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.

**CONDENSED INTERIM STATEMENT OF ASSETS AND LIABILITIES**  
**AS AT DECEMBER 31, 2023**

	Note	December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
		Rupees in '000				Rupees in '000			
<b>ASSETS</b>									
Bank balances	5	4,216	32,750	30,463	67,429	1,712	26,814	81,587	110,113
Investments	6	69,476	51,718	62,763	183,957	33,274	42,021	-	75,295
Dividend Profit receivables	7	598	5,386	5,554	11,538	488	6,292	5,288	12,068
<b>TOTAL ASSETS</b>		<u>74,290</u>	<u>89,854</u>	<u>98,780</u>	<u>262,924</u>	<u>35,474</u>	<u>75,127</u>	<u>86,875</u>	<u>197,476</u>
<b>LIABILITIES</b>									
Payable to the Al Habib Asset Management Company	8	113	249	185	547	-	-	-	-
Payable to the Central Depository Company - Trustee	9	22	81	22	125	72	87	91	250
Payable to Securities and Exchange - Commission of Pakistan	10	12	15	18	45	11	14	14	39
Payable against redemption of unit		-	563	-	563	-	5,000	-	5,000
Accrued expenses and other liabilities	11	2,771	148	244	3,163	113	81	77	271
<b>TOTAL LIABILITIES</b>		<u>2,918</u>	<u>1,056</u>	<u>468</u>	<u>4,442</u>	<u>196</u>	<u>5,182</u>	<u>182</u>	<u>5,560</u>
<b>NET ASSETS</b>		<u><u>71,372</u></u>	<u><u>88,798</u></u>	<u><u>98,312</u></u>	<u><u>258,482</u></u>	<u><u>35,278</u></u>	<u><u>69,945</u></u>	<u><u>86,693</u></u>	<u><u>191,916</u></u>
<b>UNIT HOLDERS' FUND (AS PER STATEMENT ATTACHED)</b>		<u><u>71,372</u></u>	<u><u>88,798</u></u>	<u><u>98,312</u></u>	<u><u>258,482</u></u>	<u><u>35,278</u></u>	<u><u>69,945</u></u>	<u><u>86,693</u></u>	<u><u>191,916</u></u>
<b>CONTINGENCIES AND COMMITMENTS</b>	12	Number of units							
<b>Number of units in issue</b>		<u><u>453,404</u></u>	<u><u>697,141</u></u>	<u><u>783,384</u></u>		<u><u>336,424</u></u>	<u><u>618,459</u></u>	<u><u>770,924</u></u>	<u><u>1,725,807</u></u>
		Rupees							
<b>Net assets value per unit</b>		<u><u>157.4131</u></u>	<u><u>127.3705</u></u>	<u><u>125.4926</u></u>		<u><u>104.8600</u></u>	<u><u>113.1000</u></u>	<u><u>112.4500</u></u>	

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director



**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

		For the half year ended December 31, 2023				For the half year ended December 31, 2022			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
Note		Rupees in '000							
<b>Income</b>									
Profit on bank deposits	13	463	3,129	5,648	9,239	387	1,101	1,808	3,296
Income from government securities	13	-	5,254	4,582	9,836	-	621	-	621
Dividend income		1,591	-	-	1,591	817	-	-	817
Capital gain on sale of investments - net		6,884	1736	81	8,701	538	92	-	630
Unrealised appreciation/(diminution) on re-measurement of investments classified as financial assets at 'fair value through profit or loss' - net		12,008	2,447	618	15,073	(1,403)	(81)	-	(1,484)
		20,946	12,566	10,929	44,440	339	1,733	1,808	3,880
<b>Expenses</b>									
Remuneration of the Management Company		140	221	243	604	-	-	-	-
Sindh sales tax on remuneration of the Management Company		18	29	32	79	-	-	-	-
Remuneration of the Trustee		37	59	63	159	32	32	31	95
Sindh sales tax on remuneration of the Trustee		5	8	8	21	4	4	4	12
Annual fee to the Securities and Exchange Commission		12	16	19	47	4	5	5	14
Auditors' remuneration		94	61	71	226	21	21	21	63
Security transaction charges		4	2	1	7	75	3	-	78
Brokerage		282	2,813	228	3,323	-	-	-	-
Printing charges		4	11	14	29	8	8	8	24
Bank charges		-	-	14	14	-	-	-	-
Charity expense		49	-	-	49	22	-	-	22
Other expense		-	51	-	51	-	-	-	-
		645	3,271	693	4,609	166	73	69	308
Net income for the period before taxation		20,301	9,295	10,236	39,831	173	1,660	1,739	3,572
Taxation	14	-	-	-	-	-	-	-	-
Net income for the period after taxation		20,301	9,295	10,236	39,831	173	1,660	1,739	3,572
Earnings per unit									
	15								

Earnings per unit 15

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM INCOME STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the quarter ended December 31, 2023				For the quarter ended December 31, 2022			
	Equity	Debt	Money		Equity	Debt	Money	
	Sub-Fund	Sub-Fund	Market	Total	Sub-Fund	Sub-Fund	Market	Total
Note	(Rupees in '000)							
<b>Income</b>								
Profit on bank deposits	259	1,245	1,027	2,531	117	1,380	1,451	2,948
Income from government securities	-	5,254	4,582	9,836	-	-	-	-
Dividend income	870	-	-	870	267	-	-	267
Capital gain on sale of investments - net	5,143	-	-	5,143	538	-	-	538
Unrealised appreciation / (diminution) on re-measurement of investments classified as financial assets at fair value through profit or loss - net	9,773	982	26	10,781	(378)	-	-	(378)
	16,045	7,481	5,635	29,161	544	1,380	1,451	3,375
<b>Expenses</b>								
Remuneration of the Management Company	140	221	243	604	-	-	-	-
Sindh sales tax on remuneration of the Management Company	18	29	32	79	-	-	-	-
Remuneration of Central Depository Company of Pakistan Limited - Trustee	17	35	34	86	25	25	24	74
Sindh sales tax on remuneration of the Trustee	2	5	4	11	3	3	3	9
Annual fees to the Securities and Exchange Commission of Pakistan	9	12	14	35	3	4	4	11
Auditors' remuneration	83	44	54	181	17	17	17	51
Security transaction charges	4	4	4	12	22	3	-	25
Brokerage	116	2,807	228	3,151	-	-	-	-
Printing charges	-	4	7	11	7	7	7	21
Bank charges	-	-	14	14	-	-	-	-
Charity expense	43	-	-	43	6	-	-	6
Other expense	-	51	-	51	-	-	-	-
<b>Total expenses</b>	432	3,212	634	4,278	83	59	55	197
<b>Net income for the period before taxation</b>	15,613	4,269	5,001	24,883	461	1,321	1,396	3,178
Taxation	-	-	-	-	-	-	-	-
<b>Net income for the period</b>	15,613	4,269	5,001	24,883	461	1,321	1,396	3,178

**Earnings per unit**

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2023**

	For the six month period ended December 31, 2023				For the six month period ended December 31, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----							
Net income for the period	20,301	9,295	10,236	39,832	173	1,660	1,739	3,572
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>20,301</u>	<u>9,295</u>	<u>10,236</u>	<u>39,832</u>	<u>173</u>	<u>1,660</u>	<u>1,739</u>	<u>3,572</u>

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

	For the quarter ended December 31, 2023				For the quarter ended December 31, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	----- Rupees in '000 -----							
Net income for the period after taxation	15,613	4,269	5,001	24,883	461	1,321	1,396	3,178
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>15,613</u>	<u>4,269</u>	<u>5,001</u>	<u>24,883</u>	<u>461</u>	<u>1,321</u>	<u>1,396</u>	<u>3,178</u>

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

**For AL Habib Asset Management Limited**  
**(Management Company)**

\_\_\_\_\_  
**Chief Executive Officer**

\_\_\_\_\_  
**Chief Financial Officer**

\_\_\_\_\_  
**Director**

**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2023**

	For the six month period ended December 31, 2023				For the half year ended December 31, 2022			
	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>Note ----- Rupees in '000 -----</b>							
Net income for the period before taxation	20,301	9,295	10,236	39,832	173	1,660	1,739	3,572
<b>Adjustments for:</b>								
Unrealised diminution / (appreciation) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net	6.2.2 (12,008)	(2,447)	(618)	(15,073)	1,403	81	-	1,484
	(12,008)	(2,447)	(618)	(15,073)	1,403	81	-	1,484
	8,293	6,848	9,618	24,759	1,576	1,741	1,739	5,056
<b>Increase in liabilities</b>				-				
Payable to the Management Company	8 113	249	185	547				-
Payable to Trustee	9 22	81	22	125	28	27	27	82
Payable to the Securities and Exchange Commission of Pakistan	10 12	15	18	45	4	5	5	14
Payable against purchase of investments		563	-	563	-	-	-	-
Accrued expenses and other liabilities	11 2,763	148	243	3,154	52	33	33	118
	2,910	1,056	468	4,434	84	65	65	214
Net cash paid on purchase and sale of investments	(24,492)	(11,526)	(62,593)	(98,611)	(29,990)	(24,964)	-	(54,954)
<b>Net cash (used in) / generated from operating activities</b>	(13,289)	(3,622)	(52,507)	(69,418)	(28,330)	(23,158)	1,804	(49,864)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>								
Receipts from issuance of units	15,793	9,558	1,383	26,734	32,464	42,574	46,100	121,138
<b>Net cash generated from financing activities</b>	15,793	9,558	1,383	26,734	32,464	42,574	46,100	121,138
<b>Net increase in cash and cash equivalents during the period</b>	2,504	5,936	(51,124)	(42,684)	4,134	19,416	47,904	71,454
Cash and cash equivalents at the beginning of the period	1,712	26,814	81,587	110,113	-	-	-	-
<b>Cash and cash equivalents at the end of the period</b>	5 4,216	32,750	30,463	67,429	3,079	18,014	46,686	67,779

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**CONDENSED INTERIM STATEMENT OF MOVEMENT IN PARTICIPANTS' SUB FUND (UN-AUDITED)**  
**FOR THE HALF ENDED DECEMBER 31, 2023**

**FOR THE SIX MONTH PERIOD ENDED DECEMBER 31, 2023**

	<b>Equity Sub-Fund</b>	<b>Debt Sub-Fund</b>	<b>Money Market Sub-Fund</b>	<b>Total</b>
	<b>----- Rupees in '000 -----</b>			
Net assets at the beginning of the period	35,278	69,945	86,693	191,916
Issue of units*	135,481	69,398	66,507	271,386
Redemption of units*	(119,688)	(59,840)	(65,124)	(244,652)
	15,793	9,558	1,383	26,734
Unrealised appreciation on 're-measurement of investments classified as financial assets at fair value through profit or loss' - net	12,008	2,447	618	15,073
Other income for the period - net	8,293	6,848	9,618	24,759
Total comprehensive income for the period	20,301	9,295	10,236	39,832
Net assets at the end of the period	71,372	88,798	98,312	258,482

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

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023****1 LEGAL STATUS AND NATURE OF BUSINESS**

Al Habib Islamic Pension 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 approved by the Securities and Exchange Commission of Pakistan (SECP) vide its letter No. SCD/AMCW/AHFRF/7/2022 dated September 21, 2022 and the Trust Deed was executed on November 17, 2022.

- 1.1 The Management Company of the Fund has been registered as a Non-Banking Finance Company (NBFC) under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.
- 1.2 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 (NBFC Rules) and has obtained the requisite license from the SECP to undertake Asset Management Services. The registered office of the Management Company is situated at 3rd floor, Mackinnons Building, I, I Chundrigar Road Karachi, Pakistan.
- 1.3 The Fund is an Open-End Shariah compliant Collective Investment Scheme (CIS) as per SECP's Circular No.3 of 2022 dated February 10, 2022 with Allocation Plans. The Allocation Plans under the Fund may have different Shariah compliant investment avenues and different maturity dates. The Allocation Plans under the Fund may have a set timeframe or perpetual.
- 1.4 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.
- 1.5 The Fund consists of three sub-funds namely, AL Habib Islamic Pension Fund Equity Sub-Fund, Debt Sub-Fund and Market Sub-Fund (collectively the "Sub-Funds"). Investment policy for each of the sub-funds is as follows:

**1.5.1 AL Habib Islamic Pension Fund - Equity Sub-Fund**

The investment objective of the Equity Sub Fund of the Islamic Pension Fund is to earn returns from investments in Pakistani Capital Markets. Assets of Equity Sub-fund shall be invested in equity securities which are listed on Pakistan Stock Exchange or for the listing of which an application has been approved by Pakistan Stock Exchange and Equity Sub Fund shall be eligible to invest in units of Real Estate Investment Trusts and Exchange Traded Funds provided that entity/sector/group exposure limits as prescribed are complied with at least ninety percent (90%) of Net Assets of Equity Sub Fund shall remain invested in listed equity securities during the year based on rolling average investment of last ninety (90) days calculated on daily basis.

**1.5.2 AL Habib Islamic Pension Fund - Debt Sub-Fund**

The investment objective of the Debt Sub Fund is to earn returns from investments in debt markets of Pakistan, thus incurring a relatively lower risk than equity sub fund. The Investment limits of the Debt Sub Fund are determined by the Commission. The current Investment policy/limits for debt sub-fund as stated below: The Debt Sub-fund shall consist of Shariah Compliant government securities, in the Islamic banks or Islamic windows of commercial banks, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM), TDRs, Sukuk or any other Islamic mode of placement, deposits/placements with any other approved debt/money market security issued from time to time

**1.5.3 AL Habib Islamic Pension Fund - Money Market Sub-Fund**

The Investment Objective of the Money Market Sub-Fund is to earn returns from investments in Money Markets of Pakistan, thus incurring a relatively lower risk than debt sub fund. The Investment limits of the Money Market Sub Fund are determined by the Commission. The current Investment policy/limits for money market sub-fund as stated below Investment avenues - government securities, cash and near cash instruments which include cash in bank accounts (excluding TDRs), treasury bills, money market placements, deposits, certificate of deposits (COD), certificate of musharakas (COM) or any other mode of placement, TDRs.

- 1.6** The Fund offers four types of allocation schemes, as prescribed by the SECP under VPS Rules 2005 vide its Circular no. 36 of 2009 dated December 10, 2009, to the participants of the Fund, namely High Volatility, Medium Volatility, Low Volatility and Lower Volatility. The participant has an option to suggest a minimum percentage of allocation to the above allocation schemes (subject to the minimum percentages prescribed in the offering document). Based on the minimum allocation, the Funds are allocated to the above stated Sub Funds. The allocation to the sub-funds has to be done at the date of the opening of the participant's pension account and on an anniversary date thereafter.
- 1.7** PACRA Credit Rating Agency has assigned a management quality rating of 'AM2+' (Stable outlook) to the Management Company as at August 12, 2023 while the fund is currently not rated.
- 1.8** 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 statements has been prepared in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

Where the provisions of and directives issued under the Companies Act, 2017, the NBFC Rules, the NBFC Regulations, the directives issued by the SECP and the requirements of the Trust Deed differ from the requirements of the IAS 34, the provisions of and directives issued under the Companies Act, 2017, 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** The disclosures made in this condensed interim financial information have; however, been limited based on the requirements of International Accounting Standard - 34 'Interim Financial Reporting'. This condensed interim financial information does not include all the information and disclosures required in a full set of financial statements and should be read in conjunction with the annual audited financial statements of the Fund for the year ended June 30, 2023.
- 2.1.3** The comparative statement of asset and liabilities presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Fund for the year ended June 30, 2023, whereas the comparative condensed interim income statement, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of movement in unit holders' fund are extracted from the unaudited condensed interim financial information for the half year ended December 31, 2022.
- 2.1.4** This condensed interim financial information is unaudited but 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, 2022 have not been reviewed.
- 2.1.5** In compliance with Schedule V of the NBFC Regulations, the directors of the Management Company hereby declare that this condensed interim financial information gives a true and fair view of the state of the Fund's affairs as at December 31, 2023.

## 2.2 Basis of measurement

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

## 2.3 Functional and presentation currency

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

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING AND RISK MANAGEMENT POLICIES, ACCOUNTING ESTIMATES, JUDGEMENTS AND CHANGES THEREIN

- 3.1 The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Fund for the year ended June 30, 2023.
- 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, 2023.
- 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, 2022. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.
- 3.5 The Fund's financial risk management objectives and policies are consistent with that disclosed in annual audited financial statements of the Fund for the year ended June 30, 2023.

## 4 New / Revised Standards, Interpretations and Amendments

There are certain new and amended standards, issued by International Accounting Standards Board (IASB), interpretations and amendments that are mandatory for the Fund's accounting periods beginning on or after July 01, 2023 but are considered not to be relevant or do not have any material effect on the Fund's operations and therefore not detailed in these financial statements.

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, 2023. These standards, interpretations and amendments are either not relevant to the Fund's operations or are not expected to have a significant effect on this condensed interim financial information.

		December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)				
		Equity	Debt	Money		Equity	Debt	Money		
		Sub-Fund	Sub-Fund	Market	Total	Sub-Fund	Sub-Fund	Market	Total	
		Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund		
5	BANK BALANCES	Note	----- Rupees in '000 -----				----- Rupees in '000 -----			
	Cash at bank									
	In saving accounts	5.2	4,216	32,750	30,463	67,429	1,712	26,814	81,587	110,113

5.1 These carries profit rate of 21.25% per annum.

5.2 This represent balance with Bank Al Habib a related party.



## AL Habib Islamic Pension Fund

		December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)				
		Money				Money				
		Equity	Debt	Market		Equity	Debt	Market		
		Sub-Fund	Sub-Fund	Sub-Fund	Total	Sub-Fund	Sub-Fund	Sub-Fund	Total	
6	INVESTMENTS	Note	----- Rupees in '000 -----				----- Rupees in '000 -----			
	Listed equity securities	6.1	69,476	-	-	69,476	33,274	-	-	33,274
	GOP ijara sukuk	6.2	-	51,718	62,763	114,481	-	42,021	-	42,021
			69,476	51,718	62,763	183,957	33,274	42,021	-	75,295

### 6.1 Listed equity securities

Ordinary shares having face value of Rs. 10 each unless stated otherwise.

Name of the investee company	Number of shares/ certificates					As at December 31, 2023			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 01, 2023	Purchased during the period	Bonus received during the period	Sold during the period	As at December 31, 2023	Carrying value	Market value	Unrealised gain / (loss)	Net assets of the Sub-Fund	Total investment of the Sub-Fund	
	(Number of shares)					Rupees in '000			% age		
CEMENT											
Cherat Cement Company Limited	9,000	9,000	-	4,000	14,000	1,843	2,282	439	3.20%	3.28%	0.01%
Kohat Cement Company Limited	6,000	7,000	-	4,000	9,000	1,607	2,108	501	2.95%	3.03%	0.00%
Fauji Cement Company Limited	93,000	70,000	-	103,000	60,000	831	1,135	304	1.59%	1.63%	0.00%
Bestway Cement Limited	4,000	6,000	-	3,500	6,500	1,003	1,222	219	1.71%	1.76%	0.00%
Lucky Cement Limited	2,000	9,000	-	8,500	2,500	1,361	1,967	606	2.76%	2.83%	0.00%
Attock Cement Pakistan Limited	8,500	25,500	-	18,000	16,000	1,402	1,540	138	2.16%	2.22%	0.00%
Maple Leaf Cement Factory Limited	50,000	110,000	-	65,000	95,000	3,229	3,697	468	5.18%	5.32%	0.01%
Pioneer Cement Limited	8,500	3,000	-	11,500	-	-	-	-	0.00%	0.00%	0.00%
						11,276	13,952	2,676	19.55%	20.07%	
CHEMICALS											
Lotte Chemical Pakistan Limited	-	81,000	-	40,000	41,000	1,114	1,107	(7)	1.55%	1.59%	0.00%
Engro Polymer and Chemicals Limited	8,000	30,000	-	18,000	20,000	930	932	2	1.31%	1.34%	0.00%
Biafo Industries Limited	-	11,000	-	-	11,000	1,089	1,297	208	1.82%	1.87%	0.02%
						3,133	3,336	203	4.67%	4.80%	
COMMERCIAL BANKS											
Meezan Bank Limited	42,000	54,000	-	62,000	34,000	3,958	5,486	1,528	7.69%	7.90%	0.00%
BankIslami Pakistan Limited	41,500	200,000	-	101,500	140,000	2,954	3,108	154	4.35%	4.47%	0.01%
						6,912	8,594	1,682	12.04%	12.37%	
FERTILIZER											
Engro Fertilizer Limited	32,000	50,000	-	42,000	40,000	3,616	4,489	873	6.29%	6.46%	0.00%
Fauji Fertilizer Company	-	75,000	-	-	75,000	2,087	2,393	306	3.35%	3.44%	0.00%
Engro Corporation Limited	11,200	12,300	-	12,000	11,500	3,284	3,391	107	4.75%	4.88%	0.00%
						8,987	10,273	1,286	14.39%	14.78%	
GLASS & CERAMIC											
Tariq Glass Industries Limited	15,625	13,000	-	16,625	12,000	954	1,197	243	1.68%	1.72%	0.01%
Ghani Glass Limited	-	36,000	-	-	36,000	1,237	1,055	(182)	1.48%	1.52%	0.01%
Shabbir Tiles & Ceramics Limited	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
						2,192	2,252	60	3.16%	3.24%	
IGI Holding Limited	-	-	-	-	-	-	-	-	0.00%	0.00%	0.00%
TEXTILE COMPOSITE											
Towellers Limited	-	18,000	-	8,000	10,000	1,726	1,906	180	2.67%	2.74%	0.01%
Interloop Limited	7,000	31,500	-	20,500	18,000	1,055	1,296	241	1.82%	1.87%	0.01%
						2,782	3,202	421	4.49%	4.61%	
OIL & GAS MARKETING COMPANIES											
Pakistan State Oil Co. Limited (Note 5.1.1)	-	18,000	-	6,000	12,000	1,911	2,121	210	2.97%	3.05%	0.00%
Attock Petroleum Limited	2,250	500	-	250	2,500	784	946	162	1.33%	1.36%	0.00%
Sui Northern Gas Pipelines Limited	22,945	45,055	-	32,000	36,000	1,732	2,647	915	3.71%	3.81%	0.01%
						4,427	5,714	1,287	8.01%	8.22%	
OIL & GAS EXPLORATION COMPANIES											
Mari Petroleum Company Limited	850	550	-	300	1,100	1,689	2,307	618	3.23%	3.32%	0.00%
Oil & Gas Development Company Limited	16,500	58,500	-	18,000	57,000	5,551	6,410	859	8.98%	9.23%	0.00%
Pak Oilfields Limited	7,700	2,600	-	10,300	-	-	-	-	0.00%	0.00%	0.00%
Pakistan Petroleum Limited	21,000	73,000	-	31,000	63,000	5,056	7,247	2,191	10.15%	10.43%	0.00%
						12,295	15,963	3,668	22.37%	22.98%	

Name of the investee company	Number of shares/ certificates					As at December 31, 2023			Market value as a percentage of		Holding as a percentage of paid-up capital of investee company
	As at July 01, 2023	Purchased during the period	Bonus received during the period	Sold during the period	As at December 31, 2023	Carrying value	Market value	Unrealised gain / (loss)	Net assets of the Sub-Fund	Total investment of the Sub-Fund	
	(Number of shares)					Rupees in '000			% age		
<b>PHARMACEUTICALS</b>											
Highnoon Laboratories	600	1,659	-	2,200	59	20	30	10	0.04%	0.04%	0.00%
						20	30	10	0.04%	0.04%	
<b>POWER GENERATION &amp; DISTRIBUTION</b>											
Hub Power Company Ltd	-	39,500	-	3,500	36,000	3,680	4,215	535	5.91%	6.07%	0.00%
						3,680	4,215	535	5.91%	6.07%	
<b>MISCELLANEOUS</b>											
Pakistan Aluminium Beverage Cans Limited	-	10,000	-	-	10,000	605	755	150	1.06%	1.09%	0.00%
						605	755	150	1.06%	1.09%	
<b>AUTOMOBILE ASSEMBLER</b>											
Atlas Battery Limited	2,000	4,500	-	1,500	5,000	1,159	1,191	32	1.67%	1.71%	0.01%
						1,159	1,191	32	1.67%	1.71%	
Total as at December 31, 2023	508,008	1,308,908	-	942,757	874,159	57,468	69,476	12,008	97.34%	99.98%	
Total as at June 30, 2023						34,620	33,274	(1,346)	93.17%	98.78%	

## 6.2 Debt Sub Fund

Name of the security	As at July 01, 2023	Purchased during the period	Disposed of / matured during the period	As at December 31, 2023	Cost of holding as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment

### 6.2.1 Money Market Sub Fund

Name of the security	As at July 01, 2023	Purchased during the period	Disposed of / matured during the period	As at December 31, 2023	Cost of holding as at December 31, 2023	Market value as at December 31, 2023	Unrealised appreciation / (diminution)	Percentage in relation to	
								Net assets of the Fund	Total market value of investment
-----Number of certificates-----				-----Rupees in '000-----			-----%age-----		
GOP IJARA SUKUK - 01 YEAR VRR (17-04-2023)		720	100	620	62,145	62,763	618	63.84%	100.00%
Total As December 31, 2023					62,145	62,763	618	63.84%	100.00%
Total as at June 30, 2023					-	-	-	-	0.00%

### December 31, 2023 (Un-Audited)

	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
	Rupees in '000			
Market value of investments	69,475	51,719	62,763	183,957
Less: carrying value of investments	57,467	49,272	62,145	168,884
	12,008	2,447	618	15,073

### 6.2.2 Unrealised appreciation / (diminution) on re-measurement of investments classified as 'financial assets at fair value through profit or loss' - net

Market value of investments	69,475	51,719	62,763	183,957
Less: carrying value of investments	57,467	49,272	62,145	168,884
	12,008	2,447	618	15,073

## AL Habib Islamic Pension Fund

	December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)			
	Equity	Debt	Money		Equity	Debt	Money	
	Sub-Fund	Sub-Fund	Market	Total	Sub-Fund	Sub-Fund	Market	Total
	Sub-Fund	Sub-Fund	Sub-Fund	Total	Sub-Fund	Sub-Fund	Sub-Fund	Total
	Rupees in '000				Rupees in '000			
7	Dividend & Profit/markup Receivables							
	207	5,381	5,554	11,142	488	6,292	5288	12,068
	383	5	-	388	-	-	-	-
	8	-	-	8	-	-	-	-
	598	5,386	5,554	11,538	488	6,292	5,288	12,068
8	Payable to Al-Habib Asset Management Company							
	95	221	163	479	-	-	-	-
	18	29	21	68	-	-	-	-
	113	249	185	547	-	-	-	-
9	Payable to Central Depository Company-Trustee							
	22	81	22	125	64	84	81	229
	-	-	-	-	8	3	10	21
	22	81	22	125	72	87	91	250
10	Payable to the Securities and Exchange Commission Of Pakistan							
	12	15	18	45	11	14	14	39
	12	15	18	45	11	14	14	39
11	Accrued expenses and other liabilities							
	97	115	120	332	-	-	-	-
	27	34	124	185	33	-	-	33
	28	-	-	28	-	42	-	42
	2,618	-	-	2,618	-	-	-	-
	2,771	148	244	3,163	33	42	-	75

## 12 CONTINGENCIES AND COMMITMENTS

There were no contingencies and commitments as at December 31, 2023 (June 30, 2023: Nil).

		December 31, 2023 (Un-Audited)				June 30, 2023 (Audited)			
		Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total	Equity Sub-Fund	Debt Sub-Fund	Money Market Sub-Fund	Total
13 INCOME		Rupees in '000				Rupees in '000			
Income on bank balances		463	3,129	5,648	9,239	637	3,113	5881	9,631
Income on government securities		-	5,254	4,582	9,835	-	-	-	-
		463	8,383	10,229	19,075	637	3,113	5881	9,631

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 capital gains, whether realised or unrealized, 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 the capital gains, whether realised or unrealized, for the year ending June 30, 2023, to its unit holders.

## 15 EARNINGS PER UNIT

Earnings per unit (EPU) has not been disclosed in these financial information 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 include AL Habib Asset Management Limited being the Management Company, Bank Al Habib 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 10% holding 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 financial statements are as follows:

16.1	Transactions during the year / period	For the half year ended December 31, 2023				For the half year ended December 31, 2022			
		Money				Money			
		Equity	Debt	Market	Total	Equity	Debt	Market	Total
		Sub-Fund	Sub-Fund	Sub-Fund		Sub-Fund	Sub-Fund	Sub-Fund	
		Rupees in '000				Rupees in '000			
Al Habib Asset Management Limited - Management Company									
	Remuneration of the Management Company	140	221	243	604	-	-	-	-
	Sindh sales tax on remuneration of the Management Company	18	29	32	79	-	-	-	-
Central Depository Company of Pakistan Limited - Trustee									
	Remuneration of the Trustee	37	59	63	159	32	32	31	95
	Sindh sales tax on remuneration of the Trustee	5	8	8	21	4	4	4	12
Key Executives of the Management Company									
	Redemption of units of the plan 8,865 (December 2022: 337 units)	1,305	-	-	1,305	2229	-	-	2,229
	Redemption of units of the plan 31,501 (December 2022: 367 units)	-	3,895	-	3,895	-	6041	-	6,041
	Redemption of units of the plan 41,719 (December 2022: 367 units)	-	-	5,118	5,118	-	-	8910	8,910
For the half year ended December 31, 2023									
June 30, 2023									
Money									
Money									
Equity Debt Market									
Sub-Fund Sub-Fund Sub-Fund Total Sub-Fund Sub-Fund Sub-Fund Total									
Rupees in '000									
Rupees in '000									
Al Habib Asset Management Limited - Management Company									
	Remuneration of the Management Company	166	145	366	677	-	403	617	1,019
	Sindh Sales Tax on remuneration of the Management Company	22	19	48	89	-	52	80	133
	Units held as at December 31, 2023 300,000 (June 2023: 357,416 Units)	47,223	-	-	47,223	36,884	-	-	36,884
	Units held as at December 31, 2023 300,000 (June 2023: 657,296 Units)	-	38,211	-	38,211	-	77,179	-	77,179
	Units held as at December 31, 2023 300,000 (June 2023: 1,145,516 Units)	-	-	37,650	37,650	-	-	133,950	133,950
Central Depository Company of Pakistan Limited - Trustee									
	Remuneration of the Trustee	72	118	183	373	49	109	91	249
	Sindh sales tax on remuneration of the Trustee	6	4	24	34	6	10	12	28
Key Executives of the Management Company									
	Units held as at December 31, 2023 11,137 (June 2023: 303,026 units)	1,753	-	-	1,753	31,774	-	-	31,774
	Units held as at December 31, 2023 14,043 (June 2023: 506,956 units)	-	1,789	-	1,789	-	57,336	-	57,336
	Units held as at December 31, 2023 nil (June 2023: 595,175 units)	-	-	-	-	-	-	66,929	66,929

**17 Valuation techniques**

- 17.1** For level 1 investments at fair value through profit or loss in units of mutual funds, Fund uses daily NAVs which are taken from MUFAP at reporting date.
- 17.2** Level 2 fair values have been determined on the basis of MUFAP rates and closing Net Asset Values for government securities and Mutual Fund Units respectively.
- 17.3** The Fund has not disclosed the fair values of these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

**17.4 Transfers during the year**

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

**18 TOTAL EXPENSE RATIO**

The AHAM Islamic pension fund - Equity Sub Fund has maintained total expense ratio (TER) of the Fund for the half year ended December 31,2023 1.49% (December 31, 2022: 0.61%) which includes 0.1% (December 31,2022: 0.05%) representing Government Levies, SECP Fee).

The AHAM Islamic pension fund - Debt Sub Fund has maintained total expense ratio (TER) of the Fund for the half year ended December 31,2023 0.59% (December 31, 2022: 0.44%) which includes 0.05% (December 31,2022: 0.02%) representing Government Levies, SECP Fee).

The AHAM Islamic pension fund - Money Market Sub Fund has maintained total expense ratio (TER) of the Fund for the half year ended December 31,2023 0.49% (December 31, 2022: 0.35%) which includes 0.05% (December 31,2022: 0.02%) representing Government Levies, SECP Fee).

**19 DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information were authorized for issue on **January 25, 2024** by the Board of Directors of the Management Company.

**For AL Habib Asset Management Limited  
(Management Company)**

\_\_\_\_\_  
Chief Executive Officer

\_\_\_\_\_  
Chief Financial Officer

\_\_\_\_\_  
Director

الحیب اسٹاک فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 49.37 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 60.78 ملین روپے رہی جس میں بنیادی طور پر 8.60 ملین روپے منقسمہ آمدنی، 0.98 ملین روپے کے بینک ڈپازٹس اور 51.20 ملین روپے کی ایکویٹی سرمایہ کاری میں (حقیقی اور غیر حقیقی) کیپٹل آمدنی شامل ہیں۔

الحیب اسلامک اسٹاک فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 47.94 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 150.26 ملین روپے رہی جس میں بنیادی طور پر منقسمہ آمدنی سے حاصل ہونے والی 14.78 ملین روپے کی آمدنی، بینک ڈپازٹس سے حاصل 2.95 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاریوں پر 132.53 ملین روپے کے (حقیقی اور غیر حقیقی) کیپٹل آمدنی شامل ہیں۔

الحیب ہینٹن فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی کے لیے منی مارکیٹ اور ڈیٹ سب فنڈ کے لیے بالترتیب 22.07 فیصد اور 23.70 فیصد کا خالص سالانہ منافع اور ایکویٹی سب فنڈ نے 50.88 فیصد کا حقیقی منافع حاصل کیا۔ منی مارکیٹ اور ڈیٹ سب فنڈ کی مجموعی آمدنی بالترتیب 16.02 ملین روپے اور 10.13 ملین روپے رہی، جو بینک ڈپازٹس اور سرکاری سیکورٹیز سے حاصل آمدنی پر مشتمل ہے، ایکویٹی سب فنڈ کا مجموعی منافع 19.55 ملین روپے رہا، جس میں بنیادی طور پر منقسمہ آمدنی سے 2.60 ملین روپے کی آمدنی، بینک ڈپازٹس سے 0.16 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاری پر 16.79 ملین روپے کی (حقیقی اور غیر حقیقی) آمدنی شامل ہے۔

الحیب اسلامک ہینٹن فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی کے لیے منی مارکیٹ اور ڈیٹ سب فنڈ کے لیے بالترتیب 23.01 فیصد اور 25.04 فیصد کا خالص سالانہ منافع اور ایکویٹی سب فنڈ نے 50.12 فیصد کا حقیقی منافع حاصل کیا۔ منی مارکیٹ اور ڈیٹ سب فنڈ کی مجموعی آمدنی بالترتیب 10.93 ملین روپے اور 12.57 ملین روپے رہی جو بینک ڈپازٹس، ڈیٹ انسٹرومنٹس اور سرکاری سیکورٹیز سے حاصل آمدنی پر مشتمل ہے۔ ایکویٹی سب فنڈ کی مجموعی آمدنی 20.95 ملین روپے رہی جس میں بنیادی طور پر منقسمہ آمدنی سے 1.59 ملین روپے کی آمدنی، بینک ڈپازٹس سے 0.46 ملین روپے کی آمدنی اور ایکویٹی سرمایہ کاری پر 18.89 ملین روپے کی (حقیقی اور غیر حقیقی) آمدنی شامل ہے۔

ہم اپنے یونٹ ہولڈرز کا مستقل اعتماد اور تعاون پر سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کی رہنمائی اور سینٹرل ڈپازٹری کمپنی آف پاکستان لمیٹڈ کی معاونت کا شکریہ ادا کرتے ہیں۔ ہم اپنے تمام اسٹاف ممبران کی محنت، خلوص اور لگن کے لیے بھی شکر گزار ہیں۔

عباس ڈی۔ حبیب  
چیرمین

کاشف رفیع  
چیف ایگزیکٹو

کراچی:

۲۵ جنوری ۲۰۲۴ء

الحیب اکم فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 22.71 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 378.28 ملین روپے رہی جس میں بنیادی طور پر 341.74 ملین روپے کی سرکاری سیکیورٹیز میں سرمایہ کاری، ٹی ایف سیز اور سکوکس، 31.10 ملین روپے کے بینک ڈپازٹس اور 5.44 ملین روپے کے ٹرم ڈپازٹس ریسٹس سے حاصل ہونے والی آمدنی شامل ہے۔ اس ششماہی کے دوران فنڈ نے 10.61 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ PACRA نے یکم ستمبر 2023 کو فنڈ اسٹیبلشمنٹ ریٹنگ کے تحت الحیب اکم فنڈ کو (f) AA ریٹنگ پر برقرار رکھا۔

الحیب گورنمنٹ سیکیورٹیز فنڈ کو 13 جولائی 2023 کو متعارف کرایا گیا تھا۔ 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 22.99 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 911.52 ملین روپے رہی جس میں بنیادی طور پر 863.76 ملین روپے سرکاری سیکیورٹیز میں سرمایہ کاری، 43.61 ملین روپے کے بینک ڈپازٹس اور 4.15 ملین روپے ٹرم ڈپازٹس ریسٹس سے حاصل ہونے والی آمدنی شامل ہے۔ اس ششماہی کے دوران فنڈ نے 9.07 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔

الحیب گلڈرٹرن فنڈ پلان 7، پلان 8 اور پلان 9 متعارف کرائے گئے جبکہ پلان 3، پلان 4 اور پلان 7 اس ششماہی کے دوران مپورڈ ہوئے۔ فنڈ کی مجموعی آمدنی 318.69 ملین روپے رہی جس میں بنیادی طور پر سرکاری سیکیورٹیز میں سرمایہ کاری سے 307.05 ملین روپے اور 11.64 ملین روپے بینک ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہے۔

الحیب اسلامک اکم فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 22.10 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 551.85 ملین روپے رہی جس میں بنیادی طور پر 399.45 ملین روپے سکوکس میں سرمایہ کاری، 142.47 ملین روپے کے بینک ڈپازٹس اور 9.93 ملین روپے کے ٹرم ڈپازٹس ریسٹس سے حاصل ہونے والی آمدنی شامل ہیں۔ اس ششماہی کے دوران فنڈ نے 10.32 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ PACRA نے یکم ستمبر 2023 کو فنڈ اسٹیبلشمنٹ ریٹنگ کے تحت الحیب اسلامک اکم فنڈ کو (f) AA ریٹنگ پر برقرار رکھا۔

الحیب اسلامک سیونگزن فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 22.36 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 991.30 ملین روپے رہی جس میں بنیادی طور پر 646.25 ملین روپے سکوکس میں سرمایہ کاری، 341.52 ملین روپے کے بینک ڈپازٹس اور 3.53 ملین روپے کے ٹرم ڈپازٹس ریسٹس سے حاصل ہونے والی آمدنی شامل ہے۔ اس ششماہی کے دوران فنڈ نے 11.06 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ PACRA نے یکم ستمبر 2023 کو فنڈ اسٹیبلشمنٹ ریٹنگ کے تحت الحیب اسلامک سیونگزن فنڈ کو (f) AA ریٹنگ پر برقرار رکھا۔

الحیب اسلامک منافع فنڈ پلان 2 نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 19.90 فیصد کا سالانہ خالص منافع حاصل کیا۔ پلان کی مجموعی آمدنی 42.10 ملین روپے رہی جس میں بنیادی طور پر 41.21 ملین روپے سکوکس میں سرمایہ کاری اور 0.89 ملین روپے بینک ڈپازٹس سے حاصل ہونے والی آمدنی شامل ہیں۔

الحیب ایسیٹ ایلوکیشن فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 32.36 فیصد کا خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 36.85 ملین روپے رہی جس میں بنیادی طور پر 2.38 ملین روپے بینک ڈپازٹس، 5.63 ملین روپے منقسمہ آمدنی، 0.13 ملین روپے کی سرکاری سیکیورٹیز میں سرمایہ کاری اور 28.71 ملین روپے کی سرمایہ کاری میں (حقیقی اور غیر حقیقی) کپٹل آمدنی شامل ہیں۔

# الحبيب ایسیٹ مینجمنٹ لمیٹڈ

ڈائریکٹران کی جائزہ رپورٹ

الحبيب ایسیٹ مینجمنٹ لمیٹڈ کے بورڈ آف ڈائریکٹرز کے لیے، 31 دسمبر 2023 کو ختم ہونے والی ششماہی کے اپنی مینجمنٹ کے تحت فنڈز کے مالیاتی حسابات کا جائزہ پیش کرنا باعث مسرت ہے۔

حالیہ مہینوں کے دوران معیشت نے بحالی کے چند اشارے دینے کا آغاز کیا ہے۔ جولائی 2023 میں پاکستان نے آئی ایم ایف کے ساتھ اسٹینڈ بائی اور ارتخٹ کا معاہدہ کیا جس سے آئی ایم ایف سے مالیاتی معاونت کے لئے ایک فریم ورک فراہم کیا گیا اور دیگر زرائع سے بھی باہمی معاہدے کے تحت فنڈز کی وصولی سے مدد ملی۔ اس کے ساتھ غیر ملکی زرمبادلہ کے ذخائر میں بہتری، زرعی اور صنعتی شعبوں کے فروغ اور قدر تیزی کی شرح سے روپے کی قدر میں استحکام آنے اور تجارتی خسارے میں نمایاں کمی بھی ظاہر ہوئی۔ اگرچہ مہنگائی کی شرح بدستور بلند سطح پر ہے تاہم توقع ہے کہ آنے والے مہینوں میں کم ہو جائے گی۔ اس کے مطابق مستقبل میں بہتری کے نمایاں آثار دکھائی دیتے ہیں۔

الحبيب کیش فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 21.64 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 3,297.88 ملین روپے رہی جس میں بنیادی طور پر 2,989.50 ملین روپے کی سرکاری سکیورٹیز، 274.62 ملین روپے کی بینک ڈپازٹس اور 33.76 ملین روپے کی ٹرم ڈپازٹس رسپنڈس سے حاصل ہونے والی آمدنی شامل ہے۔ اس ششماہی کے دوران فنڈ نے 9.20 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ VIS نے 15 نومبر 2023 کو فنڈ اسٹیبلشمنٹ ریٹنگ کے تحت الحبيب کیش فنڈ کو (f) AA+ ریٹنگ پر برقرار رکھا۔

الحبيب منی مارکیٹ فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 21.66 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 1,336.36 ملین روپے رہی جس میں بنیادی طور پر 1,176.33 ملین روپے کی سرکاری سکیورٹیز، 146.56 ملین روپے کے بینک ڈپازٹس اور 13.47 ملین روپے ٹرم ڈپازٹس رسپنڈس سے حاصل ہونے والی آمدنی شامل ہے۔ اس ششماہی کے دوران فنڈ نے 10.29 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ VIS نے 15 نومبر 2023 کو فنڈ اسٹیبلشمنٹ ریٹنگ کے تحت الحبيب منی مارکیٹ فنڈ کو (f) AA+ ریٹنگ پر برقرار رکھا۔

الحبيب اسلامک کیش فنڈ نے 31 دسمبر 2023 کو ختم ہونے والی ششماہی میں 20.96 فیصد کا سالانہ خالص منافع حاصل کیا۔ فنڈ کی مجموعی آمدنی 2,434.96 ملین روپے رہی جس میں بنیادی طور پر 686.80 ملین روپے کی سرکاری سکیورٹیز، 1,411.30 ملین روپے کے بینک ڈپازٹس اور 336.87 ملین روپے کی ٹرم ڈپازٹس رسپنڈس سے حاصل ہونے والی آمدنی شامل ہے۔ اس ششماہی کے دوران فنڈ نے 10.13 روپے فی یونٹ کا مجموعی عبوری منافع منقسمہ تقسیم کیا۔ PACRA نے یکم ستمبر 2023 کو فنڈ اسٹیبلشمنٹ ریٹنگ کے تحت الحبيب اسلامک کیش فنڈ کو (f) AA+ ریٹنگ پر برقرار رکھا۔



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